



2018 Multifamily Uniform Application

NOTICE: For Applicants planning to submit an Application on or before January 26, 2018, ANYTHING that would have been due on March 1, 2018 will be due on January 26, 2018. Anything due after March 1, 2018 maintains its original due date.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

221 E. 11th St., Austin, TX 78701 Main Number: 512-475-3800 Email: Info@tdhca.state.tx.us
P.O. Box 13941, Austin, TX 78711 Toll Free: 800-525-0657 Web: www.tdhca.state.tx.us

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.
Relay Texas: 800-735-2989 (TTY) and 711 (Voice).



2018 HTC Full Application

Part 1 Tab 1

Application Certification



2018 Multifamily Uniform Application Certification
 Mailing Address: P.O. Box 13941, Austin, TX 78711-3941
 Physical Address: 221 East 11th Street, Austin, TX 78701

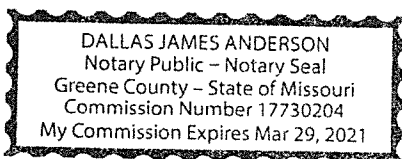
Development Name: Golden Trails

The undersigned hereby makes an Application to Texas Department of Housing and Community Affairs. The Applicant affirms that they have read and understand the Uniform Multifamily Rules (Title 10, Texas Administrative Code, Chapter 10) and Qualified Allocation Plan (Title 10, Texas Administrative Code, Chapter 11). Specifically, the undersigned understands the requirements under 10 TAC §10.101 of the Uniform Multifamily Rules, Site and Development Requirements and Restrictions, as well as Internal Revenue Code Section 42. By signing this document, Applicant is affirming that all statements and representations made in this certification and application, including all supporting materials, are true and correct under penalty of law, including Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. Applicant is also affirming understanding of §10.2(e) of the Uniform Multifamily Rules, relating to Public Information Requests, specifically that the filing of an Application with Department is deemed as consent to release any and all information contained therein.

The undersigned further certifies that he/she has the authority to execute this certification.

By: West Texas Golden Trails, LP
Applicant Entity Name
[Signature]
Signature of Authorized Representative
 J. Ryan Hamilton
Printed Name
 Manager
Title
11/2/18
Date

Sworn to and subscribed before me on the
 by J. Ryan Hamilton
 (Personalized Seal)



2 day of November, 2018
Dallas James Anderson
Notary Public Signature
Missouri
Notary Public, State of
Greene
County of
3/29/21
My Commission Expires:
11/2/18
Date



Required for Tax Exempt Bond Developments only

4% Multifamily Housing Tax Credit Program Board Meeting Selection Form

Mailing Address: P.O. Box 13941, Austin, TX 78711-3941

Physical Address: 221 East 11th Street, Austin, TX 78701

Development Name:

NA

Based on the expiration date of the bonds as reflected in the Certificate of Reservation issued by the Texas Bond Review Board, the above referenced Development must be scheduled for one of the TDHCA Board meetings noted below for consideration of the issuance of a Determination Notice. Therefore, as required in §10.201(2)(B) of the Uniform Multifamily Rules, all remaining Parts of the Application, including the ESA, the Market Study, Property Condition Assessment and Appraisal, if applicable, must be submitted at least 75 days prior to the Board meeting. It is important to note that submission of the documents 75 days in advance does not ensure that your Application will be placed on the meeting agenda as requested and changes to an Application (e.g. submission of new financing terms sheets) subsequent to submission may delay completion of Department staff's review or underwriting of the Application and presentation to the Board. Moreover, staff may choose to delay presentation to the Board in instances in which an Applicant is not reasonably expected to close within sixty (60) days of the issuance of a Determination Notice or may recommend the award be conditioned upon closing within a reasonable timeframe after Board approval. Further, the Applicant is encouraged to review §10.201(2)(B), the 2018 4% HTC and Tax Exempt Bond Process Manual and 2018 Multifamily Programs Procedures Manual for any requirements that need to be met prior to submission of the remaining Parts of the Application.

I request to be on the Board agenda selected below and pursuant to §10.201(2)(B) of the Uniform Multifamily Rules I understand that I must provide the remaining parts of the Application by the applicable corresponding deadline:

Board Meeting Date:

- January 18, 2018
- February 22, 2018
- March 22, 2018
- April 26, 2018
- May 24, 2018
- June 28, 2018
- July 12, 2018
- July 26, 2018

75 Day Deadline:

- November 3, 2017
- December 8, 2017
- January 5, 2018
- February 9, 2018
- March 9, 2018
- April 13, 2018
- April 27, 2018
- May 11, 2018

September 6, 2018

June 22, 2018

October 11, 2018

July 27, 2018

November 8, 2018

August 24, 2018

December 6, 2018

September 21, 2018

An Inducement Resolution has been approved by the Bond Issuer and a copy has been provided behind Tab 8.

2018 HTC Full Application

Part 1 Tab 2

Certification of Development
Owner

Certification, Acknowledgement, and Consent of Development Owner- §10.204(1)

The *Certification, Acknowledgement, and Consent of Development Owner* is included behind this tab.

****The form should be executed, notarized, and included in the full application document.****

The form for the certification will be posted to the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

Please indicate whether any of the following required disclosure on the *Certification, Acknowledgement, and Consent of Development Owner* (to be used for data capture for application processing):

§10.101(a)(2) - Undesirable Site Features

§10.101(a)(3) - Undesirable Neighborhood Characteristics

§10.202(1)(M) - Termination of Relationship in an Affordable Housing Transaction

§10.901(17) - Unused Credit or Penalty Fee

Note: If any disclosures are indicated regarding §10.101(a)(3), submit the *Undesirable Neighborhood Characteristics Report Packet (UNCR)* located on the Department's website

<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

Development Owner Certification, Acknowledgement and Consent

All defined terms used in this certification and not specifically defined herein have the meanings ascribed to them in Chapter 2306 of the Tex. Gov't Code, §42 of the Internal Revenue Code, and §10.3 of the Uniform Multifamily Rules.

The undersigned, in each and all of the following capacities in which it may serve or exist -- Applicant, Development Owner, Developer, Guarantor of any obligation of the Applicant, and/or Principal of the Applicant and hereafter referred to as "Applicant" or "Development Owner," whether serving in one or more such capacities, is hereby submitting its Application to the Department for consideration of Department funding.

Applicant hereby represents, warrants, acknowledges and certifies to the Department and to the State of Texas that:

The Development will adhere to the Texas Property Code relating to security devices and other applicable requirements for residential tenancies, and will adhere to local building codes or, if no local building codes are in place, then to the most recent version of the International Building Code.

This Application and all materials submitted to the Department constitute records of the Department subject to Tex. Gov't Code, Chapter 552. This includes all Third Party reports, which will be posted in their entirety on the Department's website, as they constitute a part of the Application. The Application is in compliance with all requirements related to the eligibility of an Applicant, Application and Development as further defined in 10 TAC §§10.101 and 10.202 of the Uniform Multifamily Rules. Any issues of non-compliance have been disclosed.

All representations, undertakings and commitments made by Applicant in the Application process for Development assistance expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Award Letter, Commitment or Contract by the Department. To the extent allowed under Tex. Gov't Code §2306.6720, if any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also

enforceable by the Department and the tenants of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement.

When providing a Pre-Application, Application or other materials to a state representative, local governmental body, Neighborhood Organization, or anyone else to secure support or approval that may affect the Applicant's competitive posture, an Applicant must disclose that in accordance with the Department's rules the aspects of the Development may not have been determined or selected or may be subject to change, such as changes in the amenities ultimately selected and provided.

The Development Owner is and will remain in compliance with state and federal laws, including but not limited to, fair housing laws, including Chapter 301, Property Code, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), the Fair Housing Amendments Act of 1988 (42 U.S.C. §§3601 et seq.), the Civil Rights Act of 1964 (42 U.S.C. §2000a et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. §§12101 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. §701 et seq.), Fair Housing Accessibility, the Texas Fair Housing Act; and the Development is designed consistent with the Fair Housing Act Design Manual produced by HUD, and the Texas Accessibility Standards. (§2306.257; §2306.6705(7))

The Development Owner has read and understands the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period.

All Applications proposing Rehabilitation (including Reconstruction) will be treated as substantial alteration, in accordance with 10 TAC Chapter 1, Subchapter B.

The Development Owner will establish a reserve account consistent with Tex. Gov't Code §2306.186, and as further described in §10.404 of the Uniform Multifamily Rules, relating to Replacement Reserve Account requirements.

The Development will operate in accordance with the applicable compliance monitoring requirements found in Chapter 10, Subchapter F.

The Development Owner agrees to implement a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the Historically Underutilized Business Guidelines for contracting with the State of Texas. The Development Owner will be required to submit a report of the success of the plan as part of the cost certification documentation, in order to receive IRS Forms 8609 or, if the Development does not have Housing Tax Credits, release of retainage.

The Applicant will attempt to ensure that at least 30% of the construction and management businesses with which the Applicant contracts in connection with the Development are Minority Owned Businesses as further described in Tex. Gov't Code §2306.6734.

The Development Owner will specifically market to veterans through direct marketing or contracts with veteran's organizations. The Development Owner will be required to identify how they will specifically market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved by the Department.

Accessibility Requirements

The Development Owner understands that in accordance with Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8, if the Development includes the New Construction or substantial rehabilitation of multifamily units (4 or more units per building), at least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise compliant with the 2010 ADA Standards with the exceptions listed in "Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities" (Federal Register 79 FR 29671) meets this requirement. In addition, at least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments.

The Development Owner understands that regardless of building type, all Units accessed by the ground floor or by elevator ("affected units") must meet the requirements at 10 TAC §10.101(b)(8)(B)..

The Development Owner certifies that all accessible Units under 10 TAC Chapter 1, Subchapter B, will be dispersed throughout the Development.

The Development Owner certifies that representations made in the Architect Certification are true and correct, and understands that the Department evaluation of architectural drawings may not include an assessment of accessibility. The Development Owner is responsible for any modifications necessary to meet accessibility requirements identified at the final construction inspection.

Unused Credit or Penalty Fee (*select one box as applicable*)

The Applicant returned a full credit allocation after the Carryover Allocation deadline required for that allocation and is subject to the Unused Credit or Penalty Fee pursuant to §10.901(17) of the Uniform Multifamily Rules.

The Applicant certifies that no disclosure regarding §10.901(17) of the Uniform Multifamily Rules is necessary.

Termination of Relationship in an Affordable Housing Transaction (*select one box as applicable*)

The Applicant has disclosed, in the Application, any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction that has terminated, voluntarily or involuntarily, within the past 10 years or plans to or is negotiating to terminate their relationship with any other affordable housing development. The disclosure identified the person or persons and development involved, the identity of each other development and contact information for the other Principals of each such development, a narrative description of the facts and circumstances of the termination or proposed termination, and any appropriate supporting documents. The Applicant has read and understands §10.202(1)(M) of the Uniform Multifamily Rules related to such disclosure.

The Applicant certifies that no disclosure regarding §10.202(1)(M) of the Uniform Multifamily Rules is necessary.

The Applicant certifies that, for any Development proposing New Construction or Reconstruction and located within the one-hundred (100) year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps, the Development Site will be developed in full compliance with the National Flood Protection Act and all applicable federal and state statutory and regulatory requirements so that all finished ground floor elevations are at least one foot above the floodplain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. The Applicant certifies that, floodplain maps will be used and the Development Site will comply with regulations as they exist at the time of commencement of construction. Applicant further certifies that, for any Development proposing Rehabilitation (excluding Reconstruction) that is not a HUD or TRDO-USDA assisted property, the Development Site is not located in the one-hundred year floodplain unless the existing structures already meet the requirements for New Construction or Reconstruction, as certified to by a Third Party engineer, or unless the state or

local government has undertaken and can substantiate sufficient mitigation efforts and such documentation is submitted in the Application.

Undesirable Site Features (*select one of the boxes as applicable*)

The Development **is not** located in an area with undesirable site features as further described in §10.101(a)(2) of the Uniform Multifamily Rules.

The proposed Development is Rehabilitation (excluding Reconstruction) with ongoing and existing federal assistance from HUD, USDA, or Veterans Affairs (“VA”) and an exemption was requested prior to the filing of an Application or is being requested with the Application in accordance with §10.101(a)(2) of the Uniform Multifamily Rules.

The proposed Development is Historic Preservation pursuant to §11.9(e)(6) of the QAP, is located in an area with an undesirable site feature and an exemption was requested prior to the filing of an Application or is being requested with the Application.

The proposed Development is New Construction, is located in an area with an undesirable site feature and a copy of the local ordinance that regulates the proximity of such feature to a multifamily development is included in the Application.

The proposed Development **is** located in an area with an undesirable site feature and mitigation to be considered by staff and the Board is included in the Application.

Undesirable Neighborhood Characteristics (*select one of the main boxes as applicable*)

The Development Owner certifies that the Development **is not** located in an area with any of the undesirable neighborhood characteristics described in §10.101(a)(3) of the Uniform Multifamily Rules and that no disclosure is necessary;

The Development Owner certifies that the Development **is** located in an area with the following undesirable neighborhood characteristic(s) and the Undesirable Neighborhood Characteristics Report is submitted with the Application (select all that apply):

in a census tract with a poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13);

in a census tract or within 1,000 feet of any census tract in an Urban Area and the rate of Part I violent crimes is greater than 18 per 1,000 persons (annually) as reported on neighborhoodscout.com;

_____ is located within 1,000 feet of a blighted or abandoned area as further described in §10.101(a)(3)(B)(iii) of the Uniform Multifamily Rules;

_____ is located in the attendance zones of an elementary, middle, or high school that does not have a 2017 Met Standard rating by the Texas Education Agency, unless the Development Site is subject to an Elderly Limitation.

The Development will include all of the mandatory Development amenities required in §10.101(b)(4) of the Uniform Multifamily Rules at no charge to all tenants (market rate and low-income) and written notice of such amenities will be provided to the tenants.

The Development will satisfy the minimum point threshold for common amenities as further described in §10.101(b)(5) of the Uniform Multifamily Rules. These amenities must be for the benefit of all tenants (market rate and low-income), meet accessibility standards, be sized appropriately to serve the proposed Target Population, be made available throughout normal business hours, and be maintained throughout the Affordability Period. The tenant must be provided written notice of the amenity elections made by the Development Owner.

The Development will meet the minimum size of Units as further described §10.101(b)(6)(A) of the Uniform Multifamily Rules.

The Development (excluding competitive Housing Tax Credit Applications) will include enough unit and development construction features to meet the minimum number of points as further described in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

The Development (excluding competitive Housing Tax Credit Applications) will include enough tenant services, at no charge to the tenants, be accessible to all (market rate and low-income), and maintained throughout the Affordability Period, to meet the required minimum number of points as further described in §10.101(b)(7) of the Uniform Multifamily Rules, and offered in accordance with §10.619 of the Uniform Multifamily Rules. The tenant must be provided written notice of the elections made by the Development Owner.

If the Applicant is applying for Multifamily Direct Loan funds and the Development consists of New Construction, the Applicant further certifies that the Development meets the Construction Site Standards in 24 C.F.R §983.57(e).

If the Development has an existing LURA with the Department, the Development Owner will comply with the existing restrictions.

The Development Owner will comply with any and all notices required by the Department.

None of the criteria in subparagraphs (A) – (M) of §10.202(1) of the Uniform Multifamily Rules, related to ineligible Applicants, applies to those identified on the organizational chart for the Applicant, Developer and Guarantor.

The individual whose name is subscribed hereto, in his or her individual capacity, on behalf of Applicant, and in all other related capacities described above, as applicable, expressly represents, warrants, and certifies that all information contained in this certification and in the Application, including any and all supplements, additions, clarifications, or other materials or information submitted to the Department in connection therewith as required or deemed necessary by the materials governing the multifamily funding programs are true and correct and the Applicant has undergone sufficient investigation to affirm the validity of the statements made. Further, the Applicant hereby expressly represents, warrants, acknowledges and certifies that the individual whose name is subscribed hereto has read and understands all the information contained in this form of the Application.

By signing this document, the undersigned, in their individual capacity, on behalf of Applicant, whether formed or to be formed, and in all other related capacities described above, is affirming under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification, and subject to criminal penalties as defined by Tex. Penal Code §§37.01 et seq., and subject to any and all other state or federal laws regarding the making of false statements to governmental bodies or the providing of false information in connection with the procurement of allocations or awards, that the Application and all materials relating thereto constitute government documents and that the Application and all materials relating thereto are true, correct, and complete in all material respects.

2018 HTC Full Application

Part 1 Tab 3

Applicant Eligibility
Certification

Applicant Eligibility Certification-§10.204(2)

The *Applicant Eligibility Certification(s)* is included behind this tab.

§10.202 of the Uniform Multifamily Rules identifies situations in which an Application or Applicant may be ineligible for Department funding. Applicants must provide disclosure of all potential instances of ineligibility, along with evidence of appropriate corrective action taken and accepted by the Department or mitigating factors to be considered. Documentation should be attached behind this tab.

Disclosure of all potential instances of ineligibility, along with evidence of appropriate corrective action is included behind this tab.

Applicant Eligibility Certification

All defined terms used in this certification and not specifically defined herein have the meanings ascribed to them in Chapter 2306 of the Tex. Gov't Code, §42 of the Internal Revenue Code, and §10.3 of the Uniform Multifamily Rules.

The undersigned, in each and all of the following capacities in which it may serve or exist or be contemplated to bring a new entity into existence-- Applicant, Development Owner, Developer, Guarantor of any obligation of the Applicant, and/or Principal of the Applicant and hereafter referred to as "Applicant," whether serving in one or more such capacities, is hereby submitting its Application to the Department for consideration of multifamily funding.

Applicant hereby represents, warrants, agrees, acknowledges and certifies to the Department and to the State of Texas that:

It has obtained all necessary consents and approvals, and conducted all necessary diligence to enable it to make these certifications and to perform any all agreements and to give all consents provided for or made herein.

All representations, undertakings and commitments made by Applicant in the Application process for a Development, whether with respect to Threshold Criteria, selection criteria or otherwise, expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment by the Department. To the extent allowed under §2306.6720 Tex. Gov't Code, if any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all shall be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also enforceable by the Department and/or the tenants of the Development, including but not limited to enforcement by assessment of administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement, the entry of orders by the Department's Governing Board requiring strict performance, or the obtaining of injunctive relief.

Neither Applicant nor any other member of the Development Team has been or is barred, suspended, or terminated from procurement in a state or Federal program or listed in HUD's System for Award Management (SAM).

Neither Applicant nor any other member of the Development Team has been convicted of a

state or federal felony crime involving fraud, bribery, theft, misrepresentation of material fact, misappropriation of funds, or other similar criminal offenses within fifteen (15) years preceding the Application submission.

Neither Applicant nor any other member of the Development Team is, at the time of Application, subject to an enforcement or disciplinary action under state or federal securities law or by the NASD; is subject to a federal tax lien; and/or is the subject of a proceeding in which a Governmental Entity has issued an order to impose penalties, suspend funding, or take adverse action based on an allegation of financial misconduct or uncured violation of material laws, rules, or other legal requirements governing activities considered relevant by the Governmental Entity.

Neither Applicant nor any other member of the Development Team has breached a contract with a public agency and failed to cure that breach within the timeframe provided or allowed by contract. If such breach is permitted to be cured under the contract, notice of the breach has been given and a reasonable opportunity to cure.

Neither Applicant nor any other member of the Development Team has misrepresented to a subcontractor the extent to which the Developer has benefited from contracts or financial assistance that has been awarded by a public agency, including the scope of the Developer's participation in contracts with the agency and the amount of financial assistance awarded to the Developer by the agency.

Neither Applicant nor any other member of the Development Team has been found by the Board to be ineligible based on a previous participation review performed in accordance with 10 TAC Chapter 1 Subchapter C.

Neither Applicant nor any other member of the Development Team is delinquent in any loan, fee, or escrow payments to the Department in accordance with the terms of the loan, as amended, or is otherwise in default with any provisions of such loans.

Neither Applicant nor any other member of the Development Team has failed to cure any past due fees owed to the Department within the time frame provided by notice from the Department and at least ten (10) days prior to the Board meeting at which the decision for an award is to be made.

Neither Applicant nor any other member of the Development Team is in violation of a state revolving door or other standard of conduct or conflict of interest statute, including §2306.6733 of the Tex. Gov't Code, or a provision of Chapter 572 of the Tex. Gov't Code, that would prohibit the Person from participating in the Application in the manner and capacity they are participating.

Neither Applicant nor any other member of the Development Team has previous Contracts or Commitments that have been partially or fully de-obligated during the twelve (12) months prior to the submission of the Application and through the date of final allocation due to a failure to meet contractual obligations, and the Person is not on notice that such de-obligation results in ineligibility under 10 TAC Chapter 10.

Neither Applicant nor any other member of the Development Team has provided false or misleading documentation or made other intentional or negligent material misrepresentations or omissions in or in connection with an Application (and certifications contained therein), Commitment, or Determination Notice for a Development..

Neither Applicant nor any other member of the Development team has been the owner or Affiliate of the owner of a Department assisted rental development for which the federal affordability requirements were prematurely terminated and the affordability requirements have not re-affirmed or Department funds repaid. .

Neither Applicant nor any other member of the Development Team has participated in the dissemination of misinformation about affordable housing and the persons it serves or about a competing Applicant that would likely have the effect of fomenting opposition to an Application where such opposition is not based on substantive and legitimate concerns that do not implicate potential violations of fair housing laws.

The Applicant will not violate §2306.1113 of the Tex. Gov't Code relating to Ex Parte Communication and further explained in §10.202(2)(A) of the Uniform Multifamily Rules.

For any Development utilizing Housing Tax Credit or Tax-Exempt Bonds, at all times during the two-year period preceding the date the Application Round begins (or for Tax-Exempt Bond Developments any time during the two-year period preceding the date the Application is submitted to the Department), the Applicant or a Related Party is not or has not been a member of the Board or employed by the Department as the Executive Director, Chief of Staff, General Counsel, a Deputy Executive Director, the Director of Multifamily Finance, the Chief of Compliance, the Director of Real Estate Analysis, a manager over the program for which an Application has been submitted, or any person exercising such responsibilities regardless of job title; or in violation of §2306.6733 of the Tex. Gov't Code.

For any Development utilizing Housing Tax Credits, the Applicant will not propose to replace in less than fifteen (15) years any private activity bond financing of the Development described by the Application, unless the exceptions in §2306.6703(a)(2) of the Tex. Gov't Code are met.

All the instances in which any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction, that

has terminated voluntarily or involuntarily within the past ten years or is negotiating to terminate their relationship with any other affordable housing development have been fully disclosed pursuant to §10.202(1)(M) of the Uniform Multifamily Rules. Applicant understands that failure to disclose is grounds for termination.

All housing developments with which Applicant, Development Owner, Developer, Guarantor and/or Principal thereof participating, are in compliance with: state and federal fair housing laws, including Chapter 301, Property Code, the Texas Fair Housing Act; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. Section 3601 et seq.); and the Fair Housing Amendments Act of 1988 (42 U.S.C. Section 3601 et seq.); the Civil Rights Act of 1964 (42 U.S.C. Section 2000a et seq.); the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.); and the Rehabilitation Act of 1973 (29 U.S.C. Section 701 et seq.).

The making of an allocation or award by the Department does not constitute a finding or determination that the Development is deemed qualified to receive such allocation or award. Applicant agrees that the Department or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made to the undersigned or its investors relating to the Housing Tax Credit Program; therefore, Applicant assumes the risk of all damages, losses, costs, and expenses related thereto and agrees to indemnify and hold harmless the Department and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the Department may hereinafter suffer, incur, or pay arising out of its decisions and actions concerning this Application for Housing Tax Credits or the use of information concerning the Housing Tax Credit Program.

Applicant, Development Owner, Developer, Guarantor or other Related Party is not subject to any pending criminal proceedings and if any such proceeding or any other charges which would invalidate the certifications are finally adjudicated or otherwise disposed of prior to Carryover, the Applicant will immediately notify the Department. Such notification must be presented to the Board for consideration at the next available Board meeting.

The individual whose name is subscribed hereto, in his or her individual capacity, on behalf of Applicant, and in all other related capacities described above, as applicable, expressly represents, warrants, and certifies that all information contained in this certification and in the Application, including any and all supplements, additions, clarifications, or other materials or information submitted to the Department in connection therewith as required or deemed necessary by the materials governing the multifamily funding programs are true and correct and the Applicant has undergone sufficient investigation to affirm the validity of the statements made. The Applicant agrees that the Department may, at its discretion, request additional information and/or documentation in its evaluation of this Application and is authorized but

not obligated under this document to conduct its own investigation regarding any information required requested and or provided in relation to the Application or the Development. Further, the Applicant hereby expressly represents, warrants, and certifies that the individual whose name is subscribed hereto has read and understands all the information contained in this form of the Application.

By signing this document, the undersigned, in their individual capacity, on behalf of Applicant, whether formed or to be formed, and in all other related capacities described above, is affirming under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §§37.01 et seq. (Vernon 2011) and subject to any and all other state or federal laws regarding the making of false statements to governmental bodies or the false statements or the providing of false information in connection with the procurement of allocations or awards that the Application and all materials relating thereto constitute government documents and that the Application and all materials relating thereto are true, correct, and complete in all material respects.

2018 Applicant Eligibility Certification

By: [Signature]
Signature of Authorized Representative

Michael Hamra
Printed Name

Partner
Title

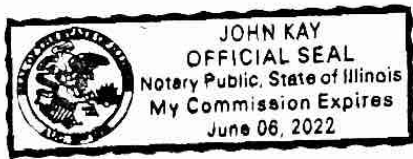
10-31-2018
Date

THE STATE OF Illinois §
COUNTY OF Cook §

Before me, a notary public, on this day personally appeared Michael Hamra, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 31st day of October, 2018

(Seal)



[Signature]
Notary Public Signature

2018 Applicant Eligibility Certification

By: Janna Cormier
Signature of Authorized Representative

Janna Cormier
Printed Name

Sole Member
Title

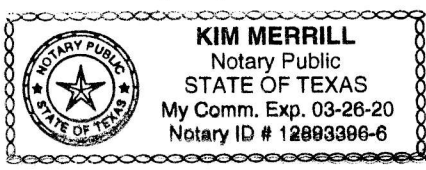
10/31/18
Date

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, a notary public, on this day personally appeared Janna Cormier, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 31 day of Oct, 2018

(Seal)



Kim Merrill
Notary Public Signature



January 28, 2019

Andrew Sinnott
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

RE: Golden Trails
TDHCA #17290

Dear Andrew:

Per 10 TAC 13.5(d)(2), please accept this letter as a request for a finding of eligibility, required for projects that have previously been awarded Department funds. Golden Trails received an award of \$520,840 in 9% Housing Tax Credits (HTC) in 2017, in addition to \$2,055,000 in Multifamily Direct Loan (MFDL) funds. The project is located in West, TX.

4C Development – Texas, LLC respectfully requests that the TDHCA Board find Golden Trails eligible for additional Departmental funding in the form of MFDL funds, pursuant to our MFDL application submitted on November 19, 2018. If approved, this would bring the total MFDL funding for Golden Trails to \$2,500,000, allowable under the Multifamily Direct Loan NOFA.

Unforeseen site conditions have led to dramatically increased construction costs, making the additional MFDL funds necessary. These conditions became evident through invasive subsurface explorations which took place after project award. Said conditions directly relate to the differential movement on site soils are subject to. The on-site soils are highly expansive soils with unusually high soil swell movement potentials and unusually high swell pressures. Not only are the soils in the active zone (soils at subgrade elevation and 15 feet below) subject to these movements but also soils below the active zone are subject to heave. Such heave is termed deep-seated heave. This deep-seated heave can occur up to depths of approximately 23 feet.

Differential movements caused by soils such as found on this site can be very detrimental to building foundations. As deep-seated heave is a concern at this site it is necessary to protect against differential movements to 23' below the subgrade surface. The only foundation design that offsets these risks is a structural foundation, constructed over a void space and supported by drilled piers. The piers which support the structural slab must be imbedded deep enough into shale to resist uplift pressures by the expansive soils. The void space is necessary to allow for the soil to shrink and swell while never contacting the bottom of the slab.

In addition to mitigation required to protect the slab, these on-site soils necessitate additional efforts to protect the under-slab utilities, utility trench transitions and subgrade adjacent to the building. The under-slab utilities must tie to the structural slab and be embedded in a sand trench which allows said utilities to safely withstand adjacent differential movements. Also, as utilities enter the building

Four Corners Development, LLC
3556 S. Culpepper Circle, Suite 4
Springfield, MO 65804
Phone: 417.882.1701 | Fax: 417.882.1730

footprint special couplings are required as site utilities will be subject to movement while under slab utilities will not. To keep this differential utility movement to an acceptable magnitude portions of respective utility trenches adjacent to the building have been proposed to be moisture injected to a depth of 15 feet, with a transition zone going to 0 feet, such that there is not an abrupt stop in treated and non-treated soil. Moisture conditioning is also necessary for adjacent building subgrade areas preventing adjacent soil swelling that would allow water to infiltrate the structure.

If approved, we will commit to designating 23 MFDL units in total. The development will bring 45 affordable units to a market which is in need of affordable housing. We ask the Board to consider the substantial benefit to the project of the risk mitigation resulting from an award of \$2,500,000 in MFDL funds.

Sincerely,



Adam Horton
Chief Operating Officer

2018 HTC Full Application

Part 1 Tab 4

Multifamily Direct Loan
Certification

Multifamily Direct Loan Certification

x

Multifamily Direct Loan Certification is included behind this tab.

****The form should be executed, notarized, and included in the full application document.****

The form for the certification will be posted to the Department's website at

<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

Multifamily Direct Loan Certification

I (We) hereby make application to the Texas Department of Housing and Community Affairs (the "Department") for an award of Multifamily Direct Loan funds, which may be composed of HOME Investment Partnerships Program ("HOME"), Tax Credit Assistance Program Repayment Funds "TCAP RF," Neighborhood Stabilization Program Round 1 Program Income ("NSP1 PI"), and/or National Housing Trust Fund ("NHTF"). The undersigned hereby acknowledges that an award by the Department does not warrant that the Development is deemed qualified to receive such award. I (We) agree that the Department or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made to the undersigned or its investors relating to the Multifamily Direct Loan; therefore, I (We) assume the risk of all damages, losses, costs, and expenses related thereto and agree to indemnify and save harmless the Department and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the Department may hereinafter suffer, incur, or pay arising out of its decision concerning this application for Multifamily Direct Loan funds or the use of information concerning the Multifamily Direct Loan.

On behalf of the Applicant and all affiliates of the Applicant (hereinafter "Applicant"), I (We) hereby certify that the Applicant is familiar with the state Rules, as published in 10 TAC Chapters 1, 2, 10, and 13, as well as Chapters 11 and 12 as applicable. I (We) hereby acknowledge that this Application is subject to disclosure under Chapter 552, Texas Government Code, the Texas Public Information Act, unless a valid exception exists.

I (We) hereby assert that the information contained in this Application as required or deemed necessary by the materials governing the Multifamily Direct Loan are true and correct and that I (We) have undergone sufficient investigation to affirm the validity of the statements made and the Department may rely on any such statements.

Further, I (We) hereby assert that I (We) have read and understand all the information contained in the application. By signing this document, I (We) affirm that all statements made in this government document are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §37.01 et seq. (Vernon 2011).

I (We) understand and agree that if false information is provided in this Application which has the effect of increasing the Applicant's competitive advantage, the Department will disqualify the Applicant and may hold the Applicant ineligible to apply for Multifamily Direct Loan funds or until any issue of restitution is resolved. If false information is discovered after the award of

Multifamily Direct Loan funds, the Department may terminate the Applicant's written agreement and recapture all Multifamily Direct Loan funds expended.

I (We) shall not, in the provision of services, or in any other manner discriminate against any person on the basis of age, race, color, religion, sex, national origin, familial status, or disability. Verification of any of the information contained in this application may be obtained from any source named herein.

I (We) have written below the name of the individual authorized to execute the Multifamily Direct Loan agreement and any and all future Multifamily Direct Loan commitments and contracts related to this application. If this individual is replaced by the organization, I (We) must inform the Department within 30 days of the person authorized to execute agreements, commitment and/or contracts on behalf of the Applicant.

I (We) certify that no person or entity that would benefit from the award of Multifamily Direct Loan funds has committed to providing a source of match.

I (We) certify that I (We) will meet, Texas Minimum Construction Standards, 2010 ADA Standards for Accessible Design, as well as the Fair Housing Accessibility Standards and Section 504 of the Rehabilitation Act of 1973 as further detailed in 10 TAC Chapter 1, Subchapter B. I (We) certify that the Development will meet all local building codes or standards that may apply as well as the Uniform Physical Conditions Standards in 24 CFR §5.705

I (We) certify that if Department funds have a first lien position in the project for which assistance is being requested, assurance of completion of the development will be provided in the form of payment and performance bonds in the full amount of the construction contract, running to the Department as obligee, or equivalent guarantee in the sole determination of the Department.

I (We) certify that if refinancing is a component of the proposed development the Applicant must confirm that Multifamily Direct Loan funds will not be used to replace loans, grants or other financing by any other Federal program, or in violation of the provisions of 10 TAC §13.3(e).

I (We) certify that if other federal or governmental assistance is used in the financing of this development I (We) will notify the Texas Department of Housing and Community Affairs.

I (We) certify that I (We) do not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States.

If, after receiving a public subsidy, I (We), am convicted of a violation under 8 U.S.C Section 1324a (f), I (We) shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided by an agreement under Texas Government Code Section 2264.053, not later than the 120th day after the date TDHCA notifies Name of Applicant of the violation.

On behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the federal HOME Final Rule, as published in 24 CFR Part 92, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the HOME Investment Partnerships Program and all Developments eligible to receive HOME funds will comply with such rules during the application process and, in the event of award of HOME funds, for the duration of the proposed Development.

If applying under the Supportive Housing/Soft Repayment set-aside, on behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the interim Housing Trust Fund rule, as published in 24 CFR Part 93, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the NHTF and all Developments eligible to receive NHTF funds will comply with such rules during the application process and, in the event of award of NHTF funds, for the duration of the proposed Development

Lead Based Paint

I (We) certify that documentation of compliance with the Texas Environmental Lead Reduction Rules in 25 TAC Chapter 295, Subchapter I or 24 CFR Part 35 (Lead Safe Housing Rule), as applicable, will be maintained in project files. I (We) understand that for Developments subject to 24 CFR Part 25, standard forms are available in the Federal Register , as indicated by the sources noted below.

- 1) Applicability 24 CFR §35.115 – A copy of a statement indicating that the property is covered by or exempt from Lead Safe Housing Rule.
 - a) If the property is exempt, the file should include the reason for the exemption and no further documentation is required.
 - b) if the property is covered by the Rule, the file should include the appropriate documentation to indicate basic compliance, as listed below:
 - i) Summary Paint Testing Report or Presumption Notice 24 CFR §35.930(a) – A copy of any report to indicate the presence of lead-based paint (LBP) for projects receiving up to \$5,000 per unit in rehabilitation assistance. If no testing was performed, then LBP is presumed to be on all disturbed surfaces;

- ii) Notice of Evaluation 24 CFR §35.125(a) – A copy of a notice demonstrating that an evaluation summary was provided to residents following a lead-based-paint inspection, risk assessment or paint testing;
- iii) Clearance Report 24 CFR §35.930(b) (3) – A report indicating a “clearance examination” was performed of the work site upon completion; and
- iv) Notice of Hazard Reduction Completion 24 CFR §35.125(b) – Upon completion, a copy of a notice to show that a LBP remediation summary was provided to residents.

Threshold Certification

On behalf of the Applicant and all affiliates of the Applicant (hereinafter “Applicant”), I (We) hereby certify that the Applicant is familiar with the provisions and requirements of the Multifamily Direct Loan Notice of Funding Availability (NOFA) approved by the Department’s Governing Board on December 15, 2016, for which I (We) am applying.

I (We) understand that housing units subsidized by Multifamily Direct Loan funds must be affordable to low, very low or extremely low-income persons. I (We) understand that mixed income rental developments may only receive funds for units that meet the Multifamily Direct Loan affordability standards. I (We) understand that all Applications intended to serve persons with disabilities must adhere to the Department’s Integrated Housing Rule at 10 TAC §1.15.


I (We) understand that, pursuant to 10 TAC §13.11(p), all contractors, consulting firms, Borrowers, Development Owners and Contract Administrators must sign and submit the appropriate documentation with each draw to attest that each request for payment of Multifamily Direct Loan funds is for the actual cost of providing a service and that the service does not violate any conflict of interest provisions in 24 CFR Part 92.

I (We) certify that I (We) am eligible to apply for funds or any other assistance from the Department. I (We) certify that all audits are current at the time of application. I (We) certify that any Audit Certification Forms have been submitted to the Department in a satisfactory format on or before the application deadline for funds or other assistance pursuant to 10 TAC §1.3(b). I (We) certify that, the Development will meet the broadband infrastructure requirements of 81 FR 92626, and that these costs are included in the Application.

All applicants applying under the 2018-1 Multifamily Direct Loan Notice of Funding Availability (NOFA) must read and initial after each of the following sections regarding federal cross cutting requirements in the boxes below.

HUD Section 3

I (We) hereby agree that the work to be performed in connection with any award of HOME or NHTF funds is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section 3"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. I (We) agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. For more information about HUD Section 3, please reference the TDHCA website dedicated to Section 3 at: <http://www.tdhca.state.tx.us/program-services/hud-section-3/index.htm>


(initial)

Environmental

I (We) understand that the environmental effects of each activity carried out with an award of HOME funds must be assessed in accordance with the provisions of National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. §4321 et seq.) and the related activities listed in HUD's implementing regulations at 24 C.F.R. parts 50, 51, 55 and 58 (NEPA regulations). Each such activity must have an environmental review completed and support documentation prepared complying with the NEPA and NEPA regulations. **No loan may close or funds be committed to an activity before the completion of the environmental review process, including the requirements of 24 CFR Part 58, and the Department has provided written clearance.**

The Department as the Responsible Entity must ensure that environmental effects of the property are assessed in accordance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in HUD's implementing regulations at 24 CFR Parts 50 and 58.

I (We) certify that all parties involved in any aspect of the development process began the project with no intention of using Federal assistance.

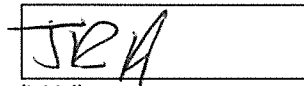
I (We) certify that as of the date of the Multifamily Direct Loan application all project work, other than as allowed in 24 CFR. Part 58, has ceased.

I (We) understand that the environmental effects of each activity carried out with an award of NHTF funds must be assessed in accordance with the provisions of CPD Notice 16-14.

I (We) certify that I (we) have read and understand the requirements in 24 CFR §58.22 or CPD Notice 16-14, and I (we) understand that **acquisition of the site, even with non-HUD funds, prior to completion of the environmental review process will jeopardize any federal funding.**

I (We) certify that we will not engage in any choice limiting actions until the site has achieved Environmental Clearance as required in CPD Notice 16-14 or 24 CFR. Part 58, as applicable. **Choice-limiting activities include but are not limited to these examples:**

- Acquisition of land, except through the use of an option agreement, regardless of funding source;
- Closing on loans including loans for interim financing;
- Signing a construction contract.


(initial)

Relocation and Anti-Displacement

The property proposed for this Application is _____ is not occupied. (check one)

If occupied, the occupant(s) are owners _____ tenants _____

Displacement of Existing Tenants

I (We) certify that that the work to be performed in connection with any award of federal funds is subject to Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, and implementing regulations at 49 CFR Part 24. Consistent with the goals and objectives of activities assisted under the Act and HUD Handbook 1378, if the Development is eligible for federal funds the Applicant must prepare and submit the following to TDHCA with the Multifamily Uniform Application:


- 1) A detailed explanation of the reasons for displacement relocation;
- 2) A detailed plan of the relocation, including evidence of comparable replacement housing;
- 3) A copy of the General Information Notice (signed by the tenant or sent Certified Mail, return recipient requested) sent to all tenants on the Rent Roll listed with the Multifamily Direct Loan Application, and
- 4) Estimated costs and funding sources available to complete the permanent relocation.

Demolition and Conversion

I (We) certify that that the work to be performed in connection with any award of federal funds is subject to 24 CFR Part 42 and Development Owner will replace all occupied and vacant

occupiable low-income housing that is demolished or converted to a use other than low-income housing as a direct result of the project. All replacement housing will be provided within three (3) years after the commencement of the demolition or conversion. Before receiving a commitment of federal funds for a project that will directly result in demolition or conversion, the project owner will make the information public in accordance with 24 CFR Part 42 and submit the information to TDHCA along with the following information in writing at application:

- 1) The location map, address, and number of dwelling units by bedroom size of lower income housing that will be demolished or converted to use other than as lower income housing as a direct result of the project;
- 2) A time schedule for the commencement and completion of the demolition and conversion;
- 3) To the extent known, the location, map, address, and number of dwelling units by bedroom size of the replacement housing that has been or will be provided;
- 4) The amount and source of funding and a time schedule for the provision of the replacement housing;
- 5) The basis for concluding that the replacement housing will remain lower income housing beyond the date of initial occupancy;
- 6) Information demonstrating that any proposed replacement of housing units with similar dwelling units (e.g. a 2-bedroom unit with two 1-bedroom units) or any proposed replacement of efficiency or SRO units with units of a different size is appropriate and consistent with the housing needs of the community; and
- 7) The name and title of the person or persons responsible for tracking the replacement of lower income housing and the name and title of the person responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any housing or the conversion of lower-income housing to another use.


(initial)

By: [Signature]
Signature of Authorized Representative

J. Ryan Hamilton
Printed Name

Presiding Manager
Title

11/2/18
Date

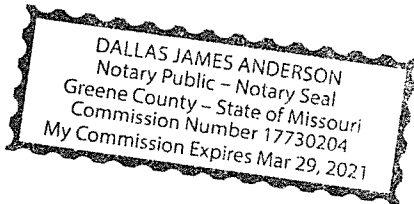
THE STATE OF TEXAS §

COUNTY OF Missouri §

Before me a notary public, on this day personally appeared J. Ryan Hamilton, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 2 day of November, 2018

(Seal)



Dallas James Anderson
Notary Public Signature

2018 HTC Full Application

Part 1 Tab 5

Applicant Information Page

Applicant Information Page

Provide the contact information for the Applicant and any staff responsible for Administrative Deficiencies and/or clarifications to the Application.

1. Applicant Contact Information

Name:	<u>Michael Fogel</u>	Phone:	<u>713-409-0211</u>	<u>NA</u>
			Office	Extension
Email:	<u>mfogel@4cornersdevelopmentllc.com</u>		<u>713-409-0211</u>	
			Mobile	
Mailing Address:	<u>P.O. Box 41326</u>			
	Street			
	<u>Austin</u>	<u>TX</u>	<u>78704</u>	
	City	State	Zip	

2. Second Contact

Name:	<u>Alyssa Carpenter</u>	Phone:	<u>512-789-1295</u>	<u>NA</u>
			Office	Extension
Email:	<u>ajcarpen@gmail.com</u>		<u>512-789-1295</u>	
			Mobile	

3. Consultant Contact (if applicable)

Name:	<u>Alyssa Carpenter</u>	Phone:	<u>512-789-1295</u>	<u>NA</u>
			Office	Extension
Email:	<u>ajcarpen@gmail.com</u>		<u>512-789-1295</u>	
			Mobile	
Mailing Address:	<u>1305 E. 6th St., Ste 12</u>			
	Street			
	<u>Austin</u>	<u>TX</u>	<u>78702</u>	
	City	State	Zip	

2018 HTC Full Application

Part 1 Tab 6

Self Score Form

Competitive Housing Tax Credit Selection Self-Score

This form will self-populate based on scoring selections made throughout the Application. Applicant should refer to this form to ensure that scoring selections are accurate prior to submitting the Application. Corrections must be made in the applicable section(s) of the Application. Highlighted rows indicate scoring items for both 9% HTC and Direct Loan applications. Additional scoring for Direct Loan applications can be found at 10 TAC §13.6.

Criteria Promoting Development of High Quality Housing		
Point Item Description	QAP Reference	Points Selected
Unit Sizes	§11.9(b)(1)(A)	0
Unit and Development Features	§11.9(b)(1)(B)	0
Sponsor Characteristics	§11.9(b)(2)	0
High Quality Housing Total		0
Criteria to Serve and Support Texans Most In Need		
Point Item Description	QAP Reference	Points Selected
Income Levels of Tenants	§11.9(c)(1)	0
Rent Levels of Tenants	§11.9(c)(2)	0
Tenant Services	§11.9(c)(3)	10
Opportunity Index	§11.9(c)(4)	7
Underserved Area	§11.9(c)(5)	2
Tenant Populations with Special Needs	§11.9(c)(6)	0
Proximity to the Urban Core	§11.9(c)(7)	0
Readiness to Proceed in Disaster Impacted Counties	§11.9(c)(8)	0
Serve and Support Texans Most in Need Total		19
Criteria Promoting Community Support and Engagement		
Point Item Description	QAP Reference	Points Selected
Local Government Support	§11.9(d)(1)	0
Commitment of Development Funding by Local Political Subdivision	§11.9(d)(2)	0
Declared Disaster Area	§11.9(d)(3)	0
Quantifiable Community Participation	§11.9(d)(4)	0
Community Support from State Representative	§11.9(d)(5)	0
Input from Community Organizations	§11.9(d)(6)	0
Concerted Revitalization Plan	§11.9(d)(7)	0
Community Support and Engagement Total		0
Criteria Promoting the Efficient Use of Limited Resources and Applicant Accountability		
Point Item Description	QAP Reference	Points Selected
Financial Feasibility	§11.9(e)(1)	0
Cost of Development per Square Foot	§11.9(e)(2)	0
Pre-application Participation	§11.9(e)(3)	0
Leveraging of Private, State, and Federal Resources	§11.9(e)(4)	0
Extended Affordability	§11.9(e)(5)	0
Historic Preservation	§11.9(e)(6)	0
Right of First Refusal	§11.9(e)(7)	0
Funding Request Amount	§11.9(e)(8)	0
Efficient Use of Limited Resources and Applicant Accountability Total		0
Point Deductions	§11.9(f)	0
Total Application Self Score		19

2018 HTC Full Application

Part 2 Tab 7

Site Information Form
Part I

Site Information Form Part I

Self Score Total: 19

1. Development Address (All Programs)

Melodie Drive, just S of Czech Heritage Pkwy.

West

Address

City

8
Region

76691
Zip

McLennan
County

Rural
Rural/Urban

2. Census Tract Information (All Programs)

48309004202

No

Median Household Income: 58865.00

Quartile: 1q

Poverty Rate: 12.9

Census Tract Number
(11 digits)

QCT?

The poverty rate for the census tract is above 40% (55% for Regions 11 or 13), and the Undesirable Neighborhood Characteristics Report and required documentation has been submitted.

Site is located within city limits.

3. Resolutions (All Programs, if applicable) - §11.3

Check the boxes of true statements below. Resolutions must be provided to demonstrate eligibility for any **unchecked** item.

Twice the State Average Per Capita. The proposed Development is **NOT** located in a municipality or a county that has more than twice the state average of units per capita supported by Tax Credits or Private activity Bonds. (QAP §11.3(c))

One Mile Three Year Rule. The proposed Development is located outside an MSA or in a county with a population of less than one million **OR** is **NOT** a New Construction or Adaptive Reuse development that will be located one mile or less from a new construction or terminated/withdrawn HTC or Bond development serving the same type of household. (QAP §11.3(d))

Limitations on Developments in Certain Census Tracts. The proposed Development is **NOT** a New Construction or Adaptive Reuse development that will be located in a census tract that has more than 20% HTC units per total households. (QAP §11.3(e))

4. Zoning [§10.204(11)] and Flood Zone Designation [§10.101(a)(1)] (All Programs)

Development Site is appropriately zoned? Yes

Zoning Designation: Commercial

Flood Zone Designation: X

Entire Development Site is outside the 100 year floodplain. yes

5. School Rating [§2306.6710(a)]; [§10.101(a)(3)(B)(iv)] (All Programs)

Residents of the proposed development will attend:

School Name	Grades X through X			Met Standard Rating?		
				2015	2016	2017
West Elementary	K	through	5	Yes	Yes	Yes
West Middle	6	through	8	Yes	Yes	Yes
West High	9	through	12	Yes	Yes	Yes
		through				
		through				

School district has no attendance zones and the closest schools are listed.

The Development Site is located within the attendance zone of an elementary school, a middle school or a high school that does not have a 2017 Met Standard rating by the Texas Education Agency, and the Undesirable Neighborhood Characteristics Report and required documentation has been submitted.






If revised form submitted, date of submission:

2018 HTC Full Application

Part 2 Tab 8

Supporting Documentation for
Site Information Form Part I

Supporting Documentation for the Site Information Form Part I

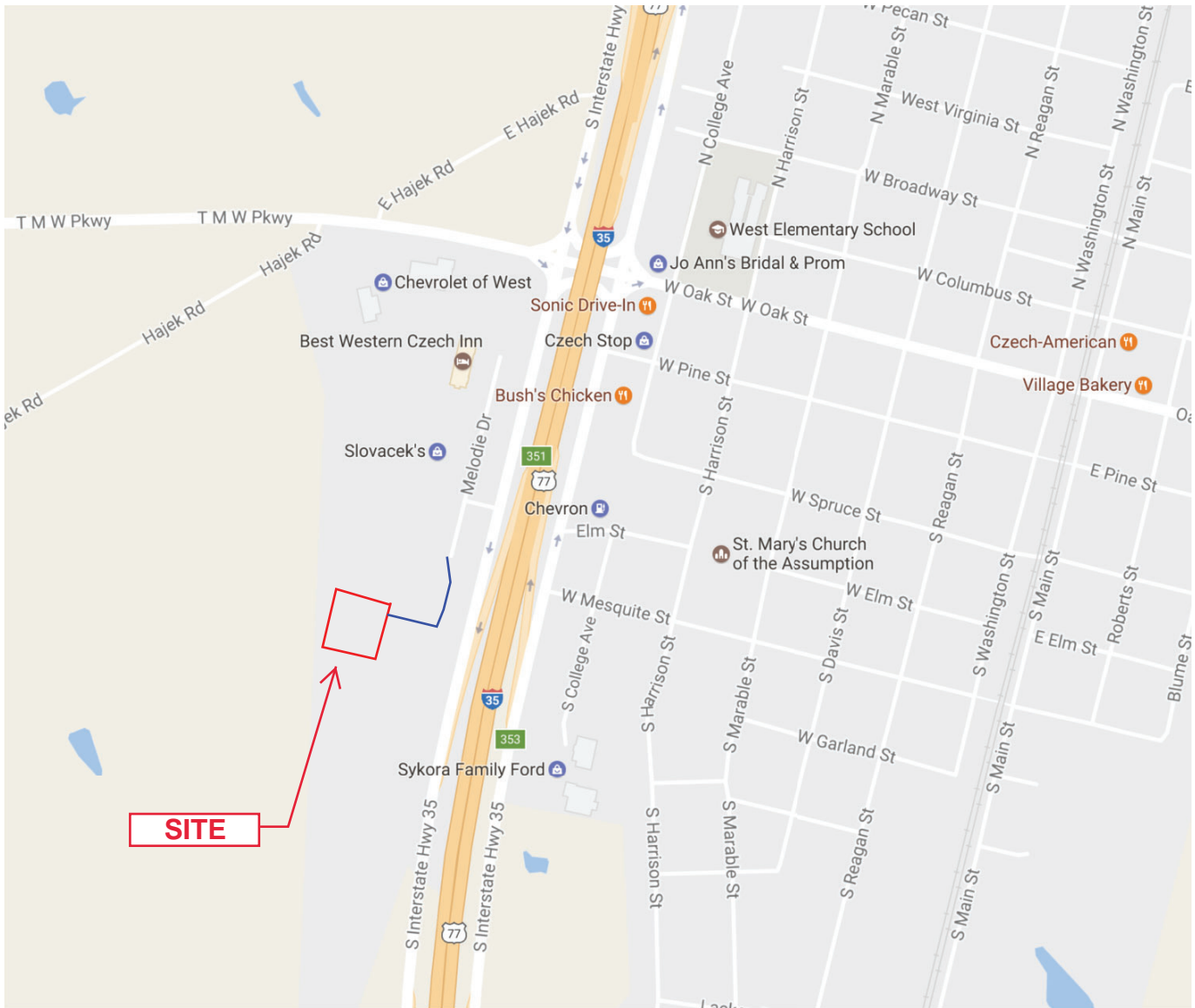
- Street Map with Site Drawn and Identified 
- Census Tract Map with Development Site Identified 
<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>
- Twice the State Average of Units Per Capita Resolution
- One Mile Three Year Resolution or evidence of other exception
- Housing Tax Credit Units per Total Household Resolution
- Evidence of Zoning and/or Evidence of Re-Zoning Process
- Evidence of Flood Zone Designation 
- Educational Quality (all Applications)
 - School Attendance Zone Map with Development labeled;
 - 2017 TEA accountability information for each school,  and 
 - UNCR if a school in the attendance zone has not achieved Met Standard for three consecutive years and has failed by at least one point in the most recent year.
- For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of §10.204(4) of the Uniform Multifamily Rules is included
- For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of §10.204(4) of the Uniform Multifamily Rules is not included and will be provided under separate cover no later than 14 days prior to the Board meeting selected in Tab 1b

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
Street Map

Golden Trails Street Map



Source: Google Maps

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
Census Tract Map



2018 and 2019 Small DDAs & QCTs

48309004202

Select a State Select a County

Map Options : [Clear](#) | [Reset](#) | [Full Screen](#)

- QCT Legend: Tract Outline
- SADDA Legend (%): FMR Boundary
- LIHTC Project
- SADDA Boundary
- 2018 Qualified Census Tracts
- 2018 Small DDA

[Hide the overview](#)

The 2018 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2018. The 2018 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2009-2013; 2010-2014; and 2011-2015. The designation methodology is explained in the federal Register notice published September 11, 2017.

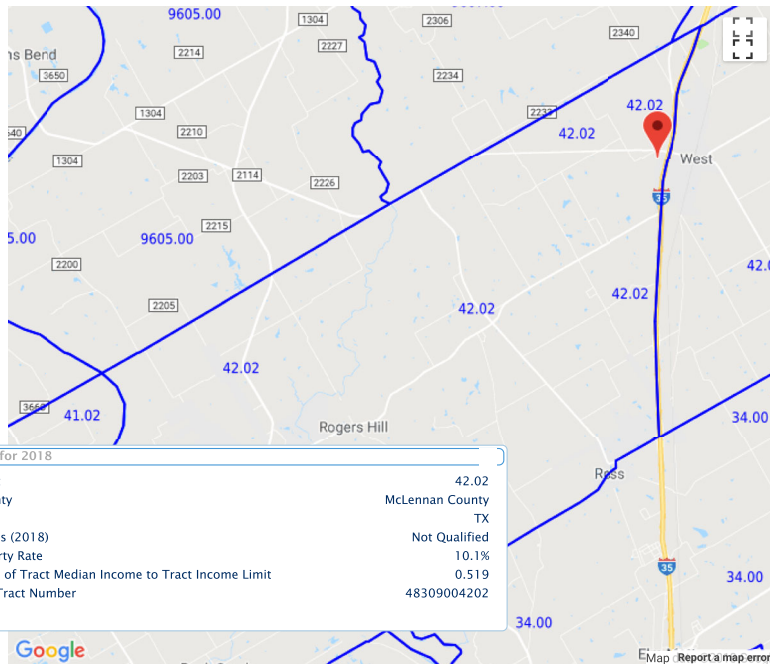
Map Options

- 12 Current Zoom Level
- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

Select Year

- 2019
- 2018



About PD&R

- Delegations of Authority and Order of Succession
- Events
- HUD at 50
- HUD Secretary's Awards
- PD&R Careers

Reference

- Bibliographic Database
- Data Sets Reference Guide
- Guidelines for Preparing a Report for Publication
- HUD Historical Timeline
- Programs of HUD

Initiatives

- Aging Research and Resources
- Aligning Affordable Rental Housing
- Interagency Physical Inspection Alignment

Resources

- Disaster Recovery PD&R Toolkit
- Housing Scorecard
- International and Philanthropic Affairs Division
- Market Analysis

Research

- Case Studies
- Data Sets
- Periodicals
- Regulatory Barriers Clearinghouse
- Reports
- The Edge

More...

- Contact Us
- eBookstore
- Glossary
- HUDUser Archives
- Webstore

Connect with HUD User

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
2x Per Capita Resolution/
1 Mile 3 Year Resolution/
30% HTC Resolution

NA

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
Evidence of Zoning



February 24, 2017

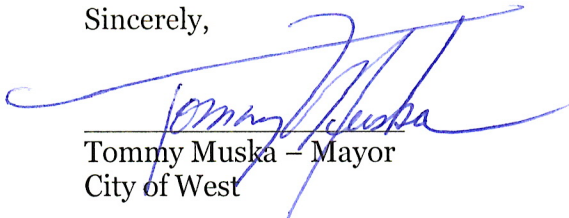
Sharon Gamble
TDHCA
221 E. 11th Street
Austin, Texas 78701

RE: TDHCA Application #17290

Dear Ms. Gamble,

This letter is to serve as verification that the City of West has reviewed the preliminary plans for Golden Trails, a multifamily senior housing development, located off of Melodie Drive in West, TX. The City of West certifies that the property for which the development is proposed is currently zoned as Commercial. Within the City of West Zoning Ordinance multifamily is an allowed use for a property zoned as commercial.

Sincerely,



Tommy Muska – Mayor
City of West

2018 HTC Full Application

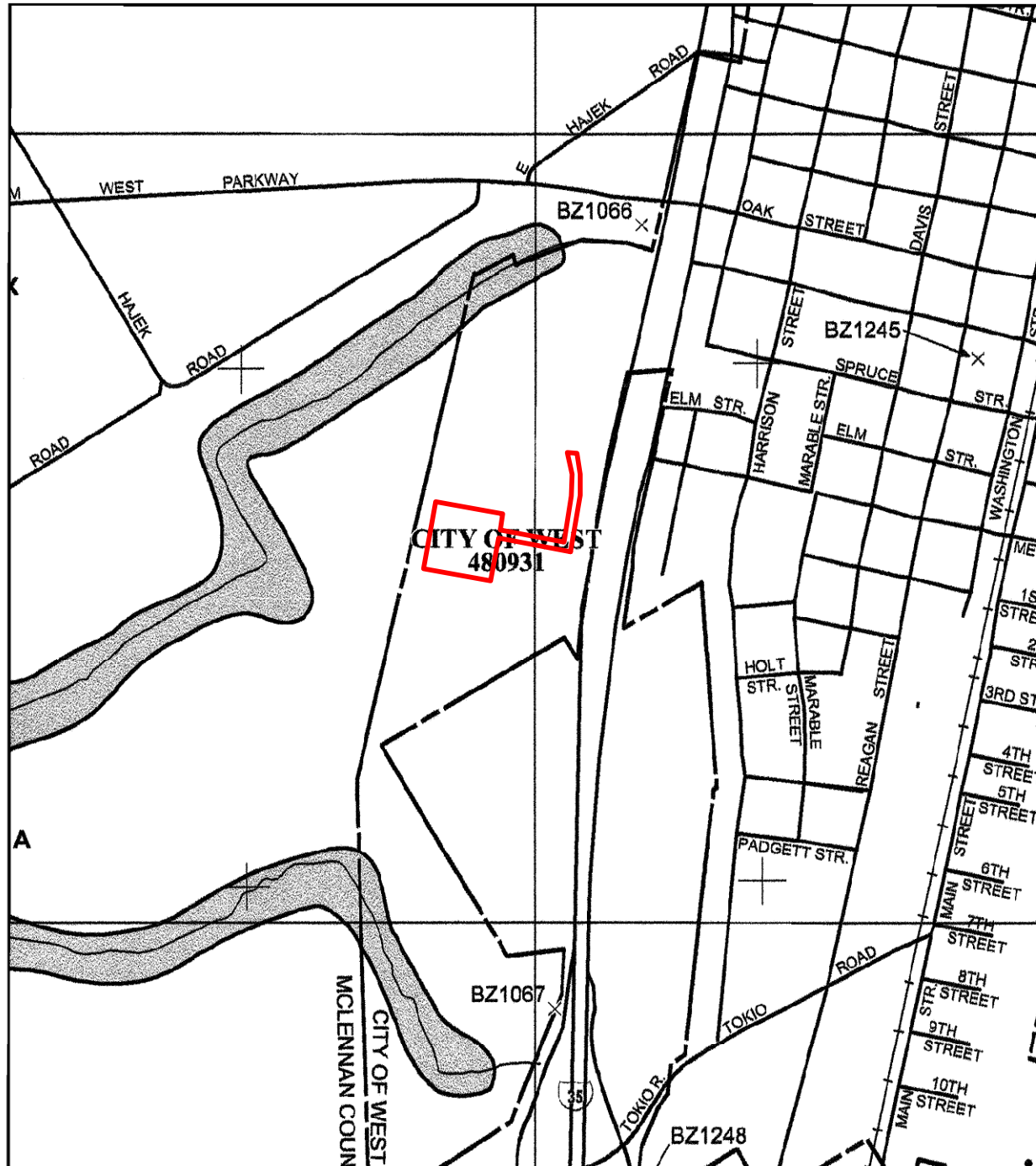
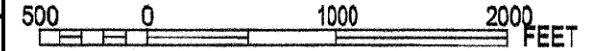
Part 2 Tab 8

Supporting Documents:
Flood Zone Designation

National Flood Insurance Program at 1-800-638-6820.



MAP SCALE 1" = 1000'



NFIP
NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0065C

**FIRM
FLOOD INSURANCE RATE MAP
MCLENNAN COUNTY,
TEXAS
AND INCORPORATED AREAS**

PANEL 65 OF 750
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
MCLENNAN COUNTY	480458	0065	C
ROSS, CITY OF	481317	0065	C
WEST, CITY OF	480931	0065	C

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.



**MAP NUMBER
48309C0065C**
**EFFECTIVE DATE
SEPTEMBER 26, 2008**

Federal Emergency Management Agency

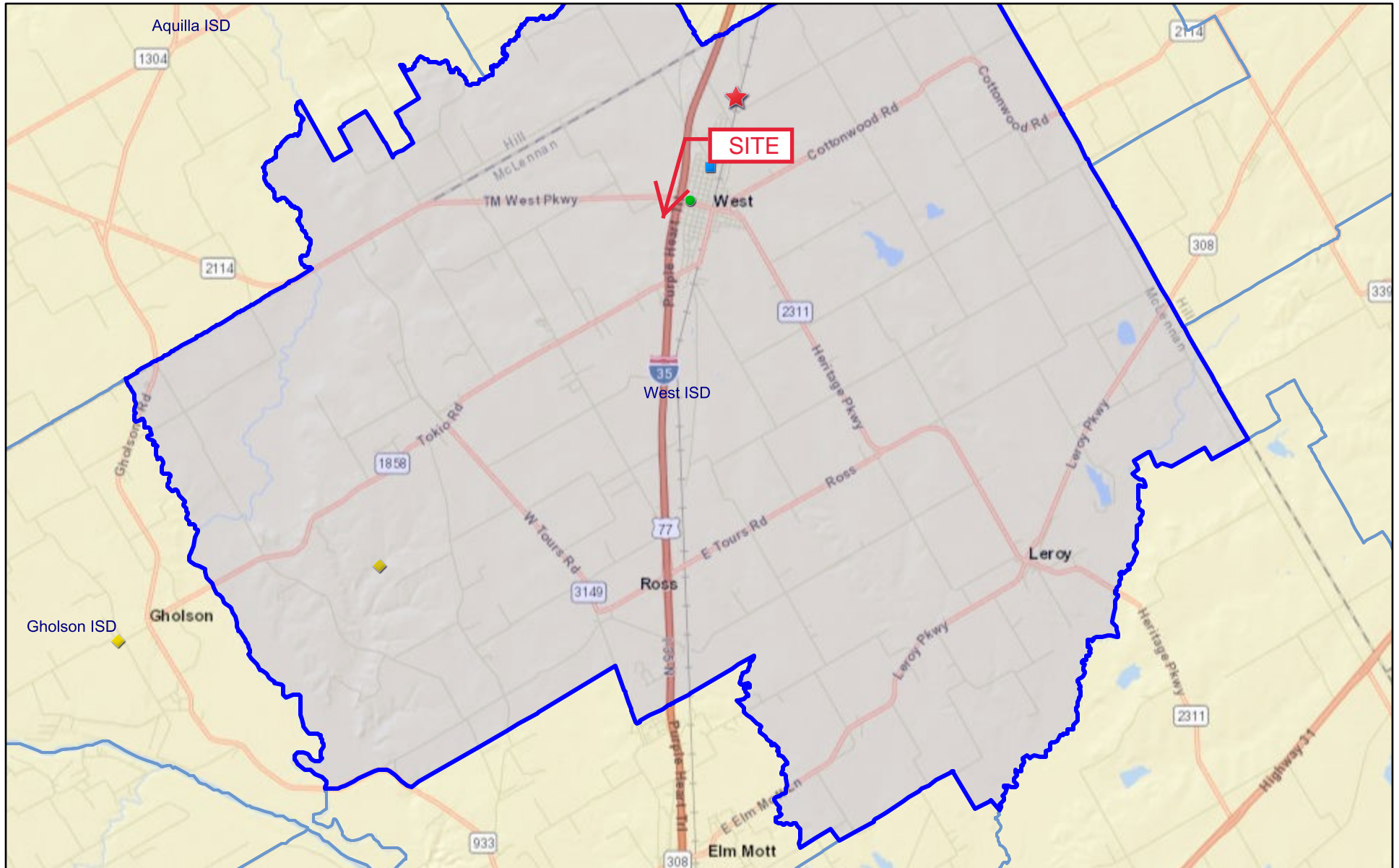
This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
Educational Quality

West ISD



October 26, 2018

Current_Schools

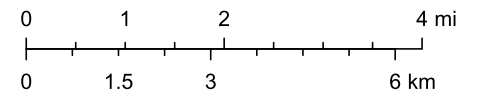
- Elementary School
- Middle School

- Junior High School
- ★ High School

- ◆ Academy/Charter School
- Other Schools

- Texas_Outline
- Current_Districts

1:144,448



Esri, HERE, Garmin, NGA, USGS, NPS

TEXAS EDUCATION AGENCY

2017 Accountability Summary

WEST EL (161916102) - WEST ISD

Accountability Rating

Met Standard

Met Standards on

- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on

- NONE

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation

Academic Achievement in ELA/Reading

NO DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

NO DISTINCTION EARNED

Academic Achievement in Social Studies

NOT ELIGIBLE

Top 25 Percent Student Progress

NO DISTINCTION EARNED

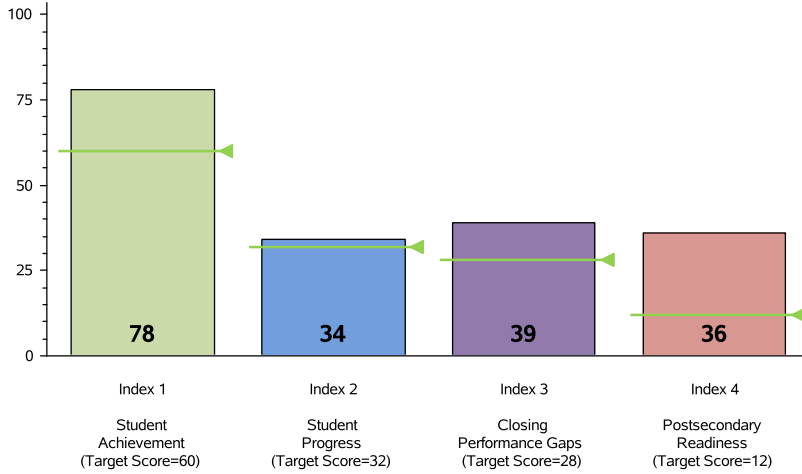
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	523 Students
Grade Span	EE - 05
Percent Economically Disadvantaged	43.8
Percent English Language Learners	7.1
Mobility Rate	11.9
Percent Served by Special Education	6.7
Percent Enrolled in an Early College High School Program	0.0

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	493	629	78
2 - Student Progress	273	800	34
3 - Closing Performance Gaps	473	1,200	39
4 - Postsecondary Readiness			
STAAR Score	35.7		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		36

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	13 out of 14 = 93%
Participation Rates	8 out of 8 = 100%
Graduation Rates	N/A
Total	21 out of 22 = 95%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>

TEXAS EDUCATION AGENCY

2017 Accountability Summary

WEST MIDDLE (161916042) - WEST ISD

Accountability Rating

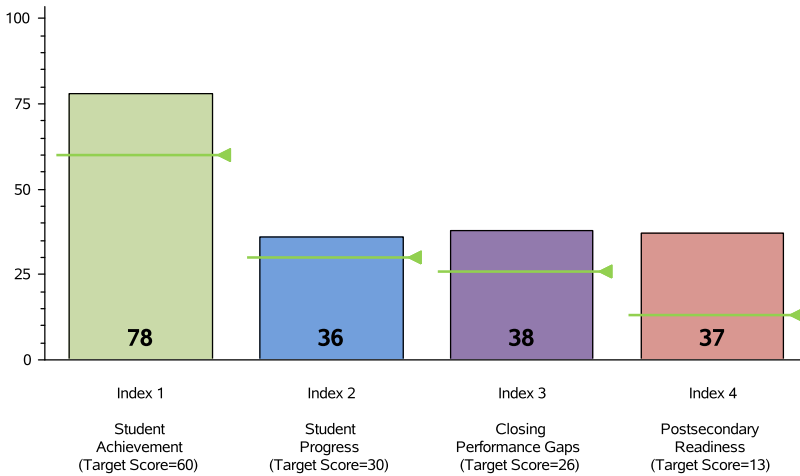
Met Standard

Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness 	<ul style="list-style-type: none"> - NONE
In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

Distinction Designation

Academic Achievement in ELA/Reading	NO DISTINCTION EARNED
Academic Achievement in Mathematics	NO DISTINCTION EARNED
Academic Achievement in Science	NO DISTINCTION EARNED
Academic Achievement in Social Studies	NO DISTINCTION EARNED
Top 25 Percent Student Progress	NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps	NO DISTINCTION EARNED
Postsecondary Readiness	NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Middle School
Campus Size	321 Students
Grade Span	06 - 08
Percent Economically Disadvantaged	40.2
Percent English Language Learners	3.4
Mobility Rate	9.3
Percent Served by Special Education	5.9
Percent Enrolled in an Early College High School Program	0.0

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	723	924	78
2 - Student Progress	284	800	36
3 - Closing Performance Gaps	531	1,400	38
4 - Postsecondary Readiness			
STAAR Score	36.7		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		37

System Safeguards

Number and Percentage of Indicators Met	
Performance Rates	16 out of 17 = 94%
Participation Rates	8 out of 8 = 100%
Graduation Rates	N/A
Total	24 out of 25 = 96%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>

TEXAS EDUCATION AGENCY

2017 Accountability Summary

WEST H S (161916001) - WEST ISD

Accountability Rating

Met Standard

Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness 	<ul style="list-style-type: none"> - NONE

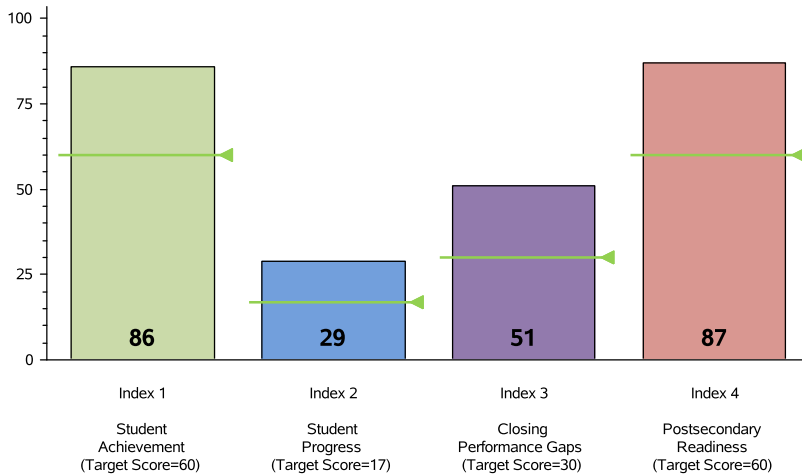
In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation



Academic Achievement in ELA/Reading	NO DISTINCTION EARNED
Academic Achievement in Mathematics	NO DISTINCTION EARNED
Academic Achievement in Science	NO DISTINCTION EARNED
Academic Achievement in Social Studies	NO DISTINCTION EARNED
Top 25 Percent Student Progress	NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps	DISTINCTION EARNED
Postsecondary Readiness	DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	High School
Campus Size	441 Students
Grade Span	09 - 12
Percent Economically Disadvantaged	36.5
Percent English Language Learners	0.9
Mobility Rate	8.1
Percent Served by Special Education	7.0
Percent Enrolled in an Early College High School Program	0.0

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	557	648	86
2 - Student Progress	173	600	29
3 - Closing Performance Gaps	410	800	51
4 - Postsecondary Readiness			
STAAR Score	18.2		
Graduation Rate Score	24.1		
Graduation Plan Score	21.7		
Postsecondary Component Score	22.6		87

System Safeguards

Number and Percentage of Indicators Met	
Performance Rates	14 out of 15 = 93%
Participation Rates	8 out of 8 = 100%
Graduation Rates	3 out of 3 = 100%
Total	25 out of 26 = 96%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>

2018 HTC Full Application

Part 2 Tab 8

Supporting Documents:
Bond Application
No Objection Resolution

NA

2018 HTC Full Application

Part 2 Tab 9

Site Information Form
Part II

Site Information Form Part II

1. §11.9(c)(4) - Opportunity Index (Competitive HTC and Direct Loan Applications Only)

Development Site is located entirely within a census tract that has a poverty rate that is less than 20% or that is less than the median poverty rate for the region, whichever is higher.

AND

The census tract has a median household income rate in the two highest quartiles within the region.

OR

The census tract has a median household income in the third quartile within the region, **and** is contiguous to a census tract in the first or second quartile without physical barriers such as highways or rivers between, **and** the Development Site is no more than 2 miles from the boundary between the census tracts. A map showing the Development Site, location of the border, scale showing distance, and other applicable evidence is included.

Contiguous Census Tract #

Contiguous Tract Quartile

Development is Urban and Development Site is within the required radius of eligible amenities and/or services, pursuant to §11.9(c)(4)(B)(i) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.

Development is Rural or USDA and Development Site is within the required distance of eligible amenities and/or services pursuant to §11.9(c)(4)(B)(ii) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.

community, civic or service organization (3 miles)
delivered meals service
outdoor recreation facility available to public (3 miles)
university or community college (15 miles)
census tract with ≥27% associate degrees adults aged ≥2
pharmacy (4 miles)

health-related facility (4 miles)
licensed center serving children (4 miles)

No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

Application is seeking points for Opportunity Index.

Total Points Claimed:



7

If necessary, provide a brief summary of how the Development Site is justifying the points selected:

2. §11.9(c)(5) - Underserved Area (Competitive HTC and Direct Loan Applications Only)

Applications may qualify for up to five (5) points for proposed Developments located in one of the following areas:

- Wholly or partially within a Colonia (*Note: Not eligible if application qualifies for Opportunity Index points*);
- Entirely within the boundaries of an Economically Distressed Area (*Note: Not eligible if application qualifies for Opportunity Index points*);
- Entirely within a census tract that does not have a Development that was awarded less than 30 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report;
- Entirely within a census tract that does not have a Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report;
- Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 150,000 or more, and will not apply in the At-Risk Set-Aside.

Contiguous Census Tract #	<input type="text"/>	Contiguous Census Tract #	<input type="text"/>
Contiguous Census Tract #	<input type="text"/>	Contiguous Census Tract #	<input type="text"/>
Contiguous Census Tract #	<input type="text"/>	Contiguous Census Tract #	<input type="text"/>

Application is seeking points for Underserved Area. **Total Points Claimed:**

3. §11.9(c)(7) - Proximity to the Urban Core (Competitive HTC Applications Only)

- Development Site is located in a Place with a population over 200,000 and is *not* in the At-Risk Set-Aside.
- AND**
- Population of Place is 200,000-499,999 and Development is located w/in 2 miles of the main municipal government administration building. **OR**
- Population of Place is 500,000 or more and Development is located w/in 4 miles of the main municipal government administration building.

Application is seeking points for Proximity to the Urban Core. **Total Points Claimed:**

4. §11.9(d)(7) - Concerted Revitalization Plan (Competitive HTC Applications Only)

Region:

- Development is in an Urban Area.
- Application includes a copy of the plan or a link to the online plan and a description of where specific information required can be found in the plan.
- Plan is current at the time of Application and officially continues for a minimum of three years thereafter.
- Plan has been adopted by the municipality or county and resolution or certification is attached.
- Letter from appropriate local official, target area map, and supporting documentation are provided.
- Development is explicitly identified by the municipality or county as contributing more than any other to the concerted revitalization efforts of the municipality, county or distinct district; resolution stating such is provided.
- Evidence of sufficient, documented and committed funding to accomplish the plan's purposes on its established timetable is provided.
- No points were claimed for Opportunity Index, but location would qualify for at least 4 points under §11.9(c)(4)(B):

<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

- A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.
- No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

OR

- Development is in a Rural Area. Rehabilitation Demolition/Reconstruction
- Development has been leased at 85% or more for the six months preceding Application by low income households (excluding unlivable units identified in CNA);

AND

Development was constructed 25 or more years prior to Application submission as either public housing or as affordable housing with support from USDA, HUD, HOME, or CDBG;

AND

Demolition and relocation of units has been determined locally to be necessary to comply with Affirmatively Furthering Fair Housing Rule or to create acceptable distance from Undesirable Neighborhood Characteristics.

Development is explicitly identified in a resolution by the municipality or county as contributing more than any other to the concerted revitalization efforts of the municipality or county; letter from Governing Body stating such is provided behind this tab.

No points were claimed for Opportunity Index, but location would qualify for at least 4 points under §11.9(c)(4)(B):

A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included behind this tab.

No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

Application is seeking points for Concerted Revitalization.

Total Points Claimed:



5. §11.9(d)(3) - Declared Disaster Area Scoring (Competitive HTC Applications ONLY)

Development is located in an area that qualifies as a Declared Disaster Area as defined in §11.9(d)(3).

Application is seeking points for Declared Disaster Area.

Total Points Claimed:

6. §11.9(c)(8) - Readiness to Proceed in Disaster Impacted Counties (Competitive HTC Applications ONLY)

Application meets all of the following requirements:

Application is for a proposed Development located in a county declared by FEMA to be eligible for individual assistance within the year preceding the Full Application Delivery Date.

Application includes evidence that the Applicant will close all financing on or before October 31, 2018.

Application includes evidence that the Applicant will fully execute the construction contract on or before October 31, 2018.

Application includes evidence that appropriate zoning will be in place at award.

Application includes a DETAILED narrative description of each piece of evidence provided and how that evidence proves that the Applicant will close all financing and fully execute the construction contract on or before October 31, 2018.

Application is seeking points for Readiness to Proceed.

Total Points Claimed:











2018 HTC Full Application





Part 2 Tab 10

Supporting Documentation for
Site Information Form Part II

Supporting Documentation for the Site Information Form Part II

- Opportunity Index (Competitive HTC and Direct Loan Only)** 
- Map with Development Site boundaries indicated, relative to census tract boundaries  
- Map with Development Site boundaries indicated, relative to census tract boundaries; and contiguous census tract with evidence of no physical barriers between the tracts 
- Map(s) of Community Assets with Development, radius, and each asset labeled 
- Distances are measured from the nearest boundary of the Development Site to the nearest boundary of the property or easement containing the facility, unless otherwise noted. All measurements include ingress/egress and any easements
- For each amenity, supporting documentation to evidence how the amenity meets each requirement for the amenity
- Print-out from DFPS website confirming daycare licensed to serve relevant age groups
http://www.dfps.state.tx.us/Child_Care/Search_Texas_Child_Care/ppFacilitySearchDayCare.asp
- Crime rate information for census tract from Neighborhood Scout or local data source dated after October 1, 2017, including the computation used to determine the crime rate
<https://www.neighborhoodscout.com>
- Print-out from THECB website confirming accreditation of university or community college
<http://www.txhighereddata.org/Interactive/Institutions.cfm>
- Evidence of regular and recurring substantive services provided by community, civic or service organization, as applicable
- Evidence amenity is operational or has started site work (for instance: website postings, news paper ads, etc.); evidence of costs or membership fees, age restrictions, as applicable
- Evidence of Underserved Area (Competitive HTC and Direct Loan Only)**
- For Colonia: 
 - Evidence from Attorney General of Colonia boundaries; *and*
<https://www.texasattorneygeneral.gov/cpd/colonias>
 - Letter from the appropriate local government official or other evidence that the colonia lacks infrastructure and the Development will enable the current dwellings to connect to such infrastructure; *and*
 - Map showing development site boundaries, relative to Colonia boundaries, and distance from Rio Grande river border. 
- For Economically Distressed Areas: <http://www.twdb.texas.gov/financial/programs/EDAP/index.asp>
 - A letter or correspondence from Texas Water Development Board indicating the boundaries of the EDA; *and*
 - Map showing development site boundaries, relative to EDA boundaries. 
- For other items:

Development must be awarded 2002 or earlier for 15-year threshold and 1987 or earlier for 30-year threshold. The Site Demographic Characteristics Report is posted on the Department's website at <http://www.tdca.state.tx.us/multifamily/apply-for-funds.htm>

 - Map with Development Site boundaries indicated, relative to census tract boundaries  
 - Map with census tract boundaries indicated, relative to boundaries of incorporated area, if applicable
 - Map with all contiguous census tracts, if applicable 
- Proximity to Urban Core (Competitive HTC Only)** 

n/a Map with the appropriate radius, City Hall location, and evidence of meetings regularly scheduled for City Council, City Commission, or similar governing body.

n/a **Concerted Revitalization Plan (Competitive HTC Only)**

Urban:

n/a Copy of the plan, or link to electronic copy. Plan must document that 11.9(d)(7)(A)(i)-(I-V) are met. 

n/a Map of target area(s) with location of Development Site clearly identified. 

n/a Resolution adopting the Concerted Revitalization Plan or resolution of delegation and other documentation.

n/a Resolution identifying Development as contributing more than any other to revitalization effort


n/a Letter from appropriate local official providing documentation of measurable improvements.

n/a Evidence of committed funding

n/a For each amenity, supporting documentation to evidence that the amenity meets each Opportunity Index requirement for the amenity

Rural:

n/a Current rent roll

n/a Evidence Development constructed 25 or more years prior to application (1992 or earlier) 

n/a Evidence Development is public housing or affordable housing supported by USDA, HUD, HOME or CDBG

n/a Evidence demolition and relocation of units has been determined locally to be necessary to comply with Affirmatively Furthering Fair Housing Rule or to create acceptable distance from Undesirable Neighborhood Characteristics.

n/a Resolution from appropriate Governing Body describing concerted revitalization effort and identifying Development as contributing more than any other to such effort.

n/a For each amenity, supporting documentation to evidence that the amenity meets each Opportunity Index requirement for the amenity

Declared Disaster Area:

n/a The county in which the Development Site is located is listed on the 2018 List of Declared Disaster Areas (no further documentation is required).

The List of Declared Disaster Areas is posted on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

n/a Applicant believes the county in which the Development Site is located was omitted from the list and should be listed. Application includes evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov't Code §418.014 at the time of early Application submission (January 26, 2018), at the Full Application Delivery Date, or at any time within the two-year period preceding the Full Application Delivery Date (as of March 1, 2016).

Readiness to Proceed

n/a The county in which the Development Site is located is listed on the 2018 List of Declared Disaster Areas eligible for points under 10 TAC §11.9(c)(8) (no further documentation is required).

n/a Evidence that the Applicant meets the requirements for Readiness to Proceed. Pursuant to 10 TAC 11.9(c)(8), the Application must include evidence that appropriate zoning will be in place at award (July 26, 2018).

Application includes evidence that appropriate zoning will be in place at award. 

Further, the Application must include evidence that the Applicant will close all financing and fully execute the construction contract on or before the last business day of October 2018. Examples of the kinds of documentation that may be used to evidence those milestones are listed below. Applicants may select any of these items, or use the "Other" selections to describe the evidence presented.

Each piece of evidence provided must be accompanied by a detailed narrative describing how that piece of evidence will allow the Applicant to meet the requirements. If evidence is not included behind this tab, use the space to describe where in the Application the evidence can be found. Evidence may include, but is not limited to:

Loan or equity commitments with evidence of completed due diligence

- Confirmation from lender that non-refundable application and/or due diligence fee has been paid to lender and/or equity provider
- Documentation from lender of the lenders' critical path schedule for underwriting and approval including when application fees will be paid and third party reports reviewed.
- Evidence from lender that the lenders' third party reports have been ordered
- Signed architect contract
- Critical path schedule with specific anticipated date for each milestone for site development and building permitting from the architect of record
- Permit-ready architectural plans
- Evidence that Site Plan has been submitted for permit and received by the appropriate permitting authority
- Description from architect of record of current stage of architectural plans
- Evidence that site development permit application has been submitted and received by the appropriate permitting authority
- Description of timing for property acquisition
- Description of timing for construction permits
- Evidence of selection of construction contractor
- Description of timing for execution of construction contracts
- For any applicable public entity, evidence that contract procurement(s) has been issued per 2 CFR 200
- For any applicable public entity, evidence that contract procurement(s) has been completed per 2 CFR 200
- Detailed construction schedule including groundbreaking, start of site work, start of vertical construction, etc.

[Empty yellow box]

Project execution plan

[Empty yellow box]

Other (describe):

[Empty yellow box]

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Other (describe):

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Other (describe):

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2018 HTC Full Application

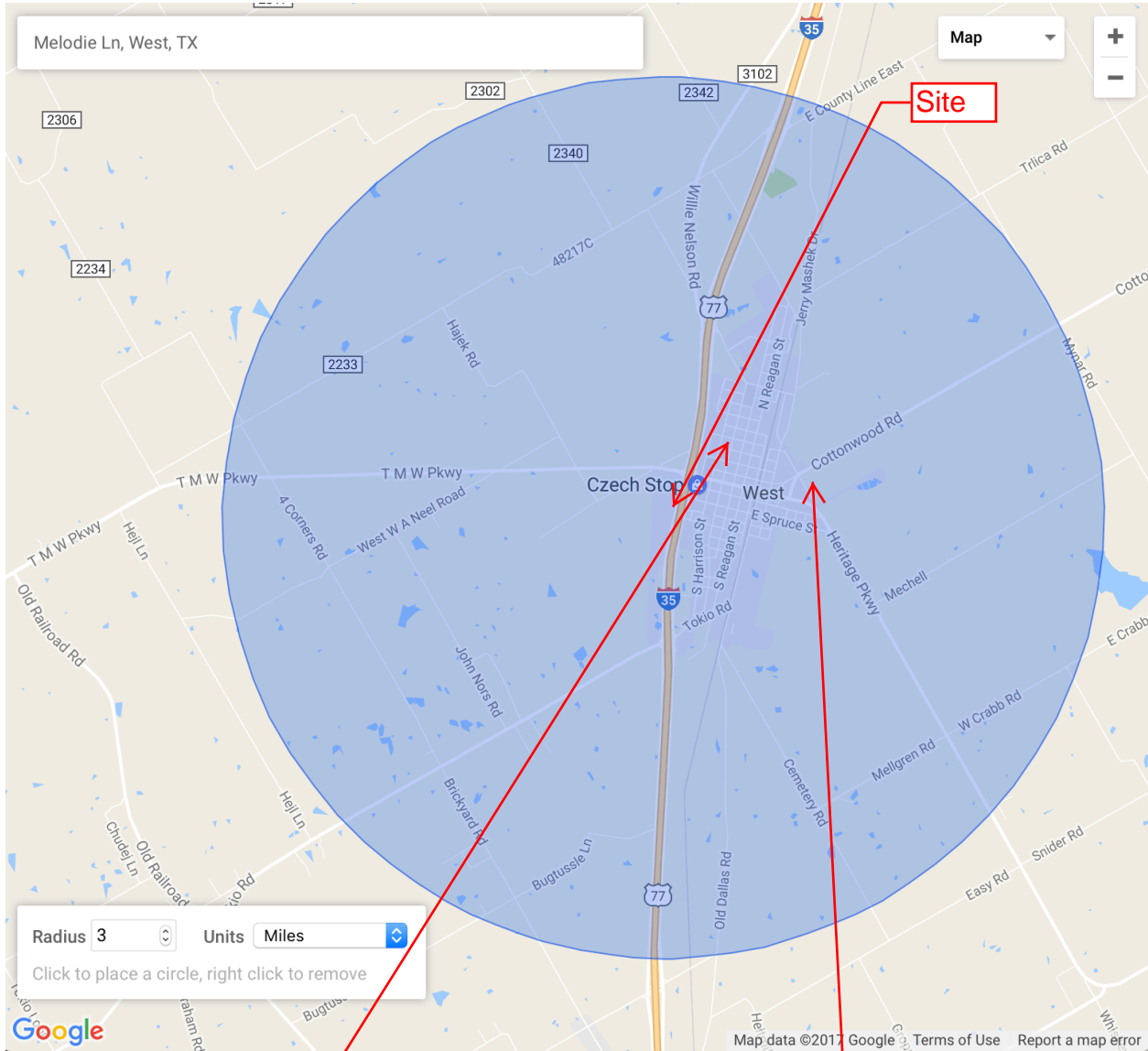
Part 2 Tab 10

Supporting Documents:
Opportunity Index

Golden Trails Opportunity Index

First Baptist Church 501 N. Marable St., West, TX 76691	.55 miles
Parker's Park (West City Park) 1401 Stillmeadow Dr., West, TX 76691	1.39 miles
Old Corner Drug Store 200 N. Main St., West, TX 76691	.62 miles
Providence Family Health Clinic- West 1401 Jane Ln., West, TX 76691	1.3 miles
West Parkway Daycare Learning 822 TMW Parkway, West, TX 76691	.67 miles
Texas State Technical College 3801 Campus Drive, Waco, TX 76705	11.3 miles
Meals on Wheels- Waco P.O. Box 85, Waco, TX 76703	services McLennan County
Associates Degree	29.47%

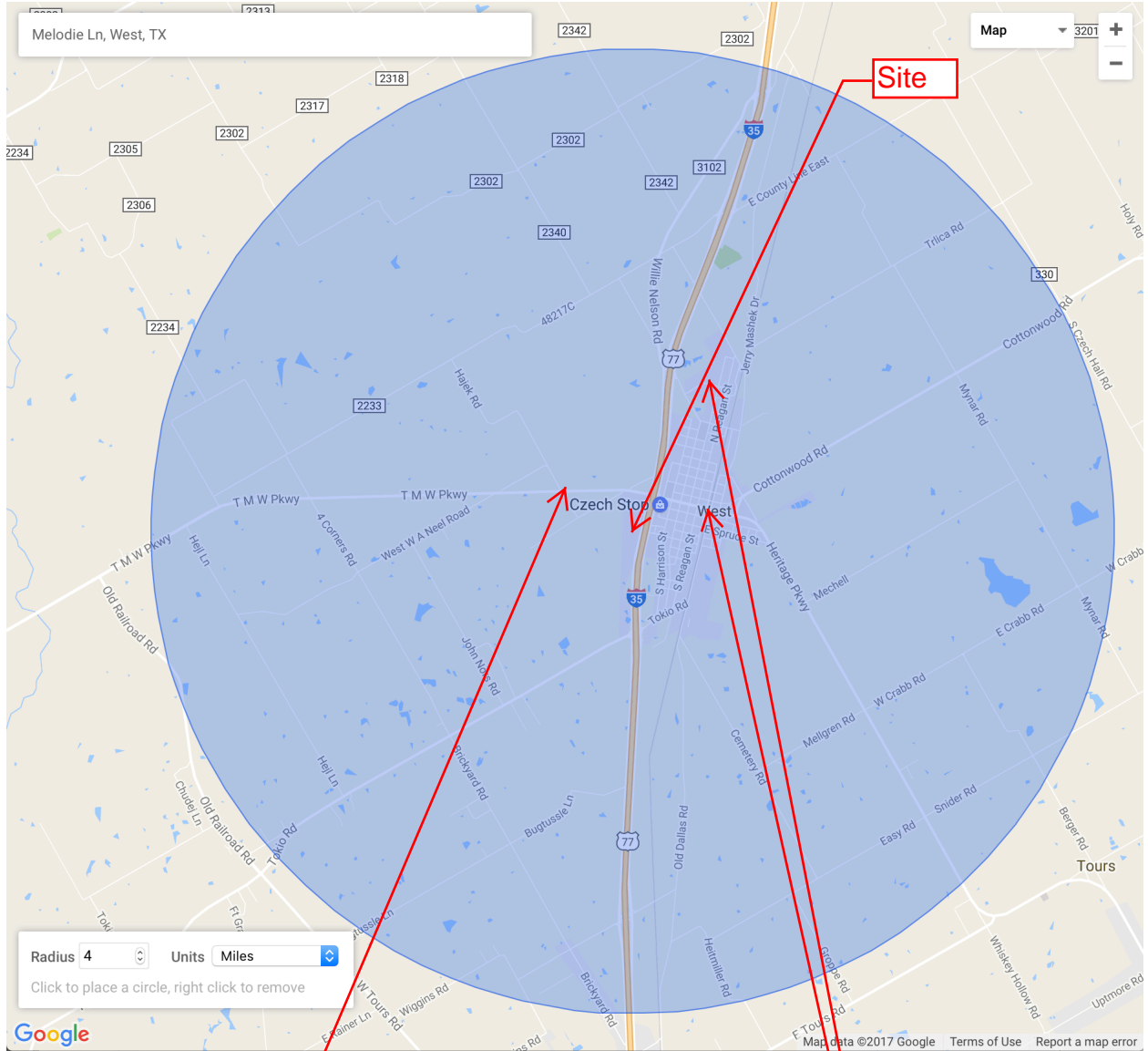
Golden Trails 3-mile Radius Map



(XIII) First Baptist
Church West

(XII) Parker's Park
(West City Park)

Golden Trails 4-mile Radius Map

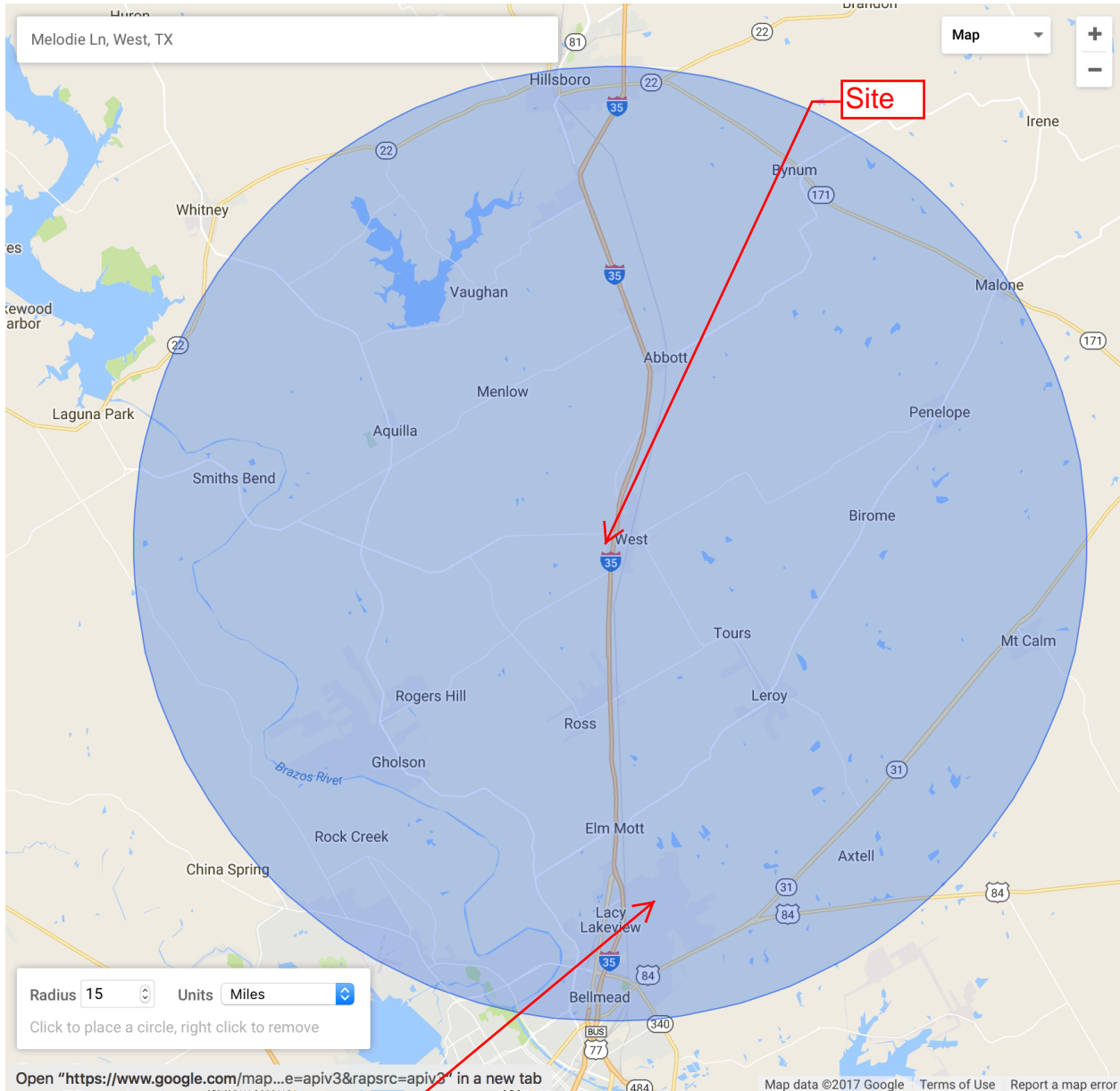


(VI) West Parkway
Day Care and
Learning Center

(V) Providence
Family Health Clinic
-West

(IV) Old Corner
Drug Pharmacy

Golden Trails 15-mile Radius Map



(IX) Texas State
Technical College

(X) Eligible for 27%+ Associates Degree

(XIII) Meals on Wheels service area



Serving the Lord and our community for 160 years.

New to FBC West?

Our Schedule

Sunday

Bible Study 9:00 am
Worship 10:15 am

Wednesday

Dinner 6:00 p.m.
KIDS (children through 5th grade) 6:50 p.m.
6 Mix (grade 6) 6:50 p.m.
Student Ministry (grades 7-12) 6:50 pm
Adult Bible Study 7:00 pm

[More information](#)

Upcoming Events

There are no upcoming events at this time.

Location



[Get directions](#)

Let's Go! **\$66** *Per Person!* **BOOK NOW!**
 Texas Tours & Charters **Only**

https://www.wacotrib.com/news/nonprofits/mavs-foundation-dedicates-basketball-court-at-parker-s-park-in/article_00085474-d040-595f-9d5c-976a87b3b8c3.html

Mavs Foundation dedicates basketball court at Parker's Park in West

By DON BOLDING dbolding@wacotrib.com Jul 23, 2016



Joe Pustejovsky, left, helps his grandson Parker Pustejovsky with cutting down the net at the tennis courts which were dedicated Saturday morning. West city secretary and volunteer firefi Parker's dad, died in the fertilizer plant explosion. Over the past 20 years, the Dallas Maverick

courts in the North Texas area with the goal of encouraging healthy living and providing a safe Staff photo— Rod Avdelotte

Several hundred people cheered Saturday morning as 7-year-old Parker Pustejovsky cut the net to open the new basketball court at West's municipal park. The city renamed the space Parker's Park in honor of Parker's idea to rebuild the West City Park after it was destroyed in the West Fertilizer Co. explosion that cost him his father, Joey, three years ago.

Officials of the Dallas Mavericks Foundation, the NBA team's nonprofit advocacy and service foundation, traveled to West to present the court, which also has tennis nets, ahead of a dedication ceremony at noon for Parker's Park. Parker's grandfather, Joe Pustejovsky, helped lift him up to cut strings on one of the nets to officially open the hoop.

The elder Pustejovsky recounted how the family was driving past the devastated park after the April 2013 blast when Parker, probably recalling how his dad told him of ideas to improve the facilities, said he wanted to see the park rebuilt.

Asked how he would achieve that, Parker said he would "sell hot dogs."

Shortly thereafter, an ad hoc group that still calls itself the Parker's Park Project raised \$83,000 by selling hot dogs outside City Hall.

In July of that year, the group organized an auction that raised \$83,000 more.

The family has recounted since then that Joey Pustejovsky, a volunteer firefighter and one of 15 first responders who died in the blast, was born in 1983.

Members of the West Volunteer Fire Department were serving hot dogs to attendees at Saturday's celebrations.

In all, the effort drew \$220,000 in donations and the sweat equity of hundreds of volunteers.

The Mavs Foundation took an interest in the park as soon as officials heard of the plan to rebuild, Mavericks Chief Operating Officer Floyd Jahner said.

"This is the 21st court we've built in the Dallas region in 20 years, and the largest," Jahner said. "We told city officials we knew they had a lot of things in the recovery effort that had to take priority, but we would wait. When they were ready, we started work."

The court has a "Sport Court" floor that can drain water through pores that also provide a soft, springy feel to players' feet.

Mayor Pro Tem Steve Vanek said West City Council will talk at next week's meeting about patrols and other ways to protect the court and the rest of the park against damage, including vandalism.

Jahner also recognized the sport facility builder Nexcourt, the West, Texas Foundation, the Sprite and Coca-Cola companies, and the Pro Players Foundation, as well as the Parker's Park Project for assistance in building the court.

Mayor Tommy Muska told the crowd at the dedication that work on the park brought the whole community together.

“Now we have the park where it was before it was destroyed. We'll add a lot more as time goes on — more sidewalks, trees and other things. But everybody in town has helped with this, and it hasn't mattered who did what,” Muska said. “We can take a breath now and then move ahead.”

One major project still pending is a memorial in the park to the first responders who lost their lives.

“The council needs to talk to the fire department and others with a stake in it to plan the memorial,” Muska said.

The reconstructed park includes reconstructed picnic tables with shelters, a new pavilion and a playground with equipment overshadowed by a giant firefighter's helmet.

MORE INFORMATION



Dallas Mavericks bringing new basketball court to Parker's Park

[Parker's Park in West to be completed by June](#)

[Parker's Park honoring West explosion victims could have restrooms by summer](#)

[Community helps build Parker's Park play equipment in West](#)

[Parker's Park Project breaks ground in wake of West devastation](#)

[Parker's Park to become reality in West](#)

[West City Council approves design for 'Parker's Park'](#)

[Parker's Park Project raises over \\$80,000 for West park](#)

[Hot dog fundraiser to benefit West City Park](#)



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Old Corner Drug

About Us

Welcome to Old Corner Drug, your locally owned community pharmacy.

- Competitive Prices
- Locally Owned & Operated
- Most Insurances Accepted
- Fast Courteous Service
- Online Refills & Ordering

We accept online refills!

Services

24-Hour Emergency Service

Delivery Service

Durable Medical Equipment

Handicapped Accessible

Multi-Dose Compliance Packaging

Compounding Service

Immunizations Provided



Pharmacy Information

200 North Main Street
West, TX 76691

Phone: (254) 826-5122

[GET DIRECTIONS](#)

Hours of Operations

Days	Hours
Monday	9:00 am - 5:30 pm
Tuesday	9:00 am - 5:30 pm
Wednesday	9:00 am - 5:30 pm
Thursday	9:00 am - 5:30 pm
Friday	9:00 am - 5:30 pm
Saturday	9:00 am - 12:00 pm
Sunday	Closed

HIPAA Notice of Privacy

About HIPAA's Notice of Privacy and how it protects you.

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Texas Pharmacy License # 6826

OLD CORNER DRUG

License Information

License Status Active
License # 6826
Expiration Date 05/31/2020
Date License Issued 03/15/1983

Address

200 N MAIN
 WEST, TX 76691-1207
County MC LENNAN
Phone (254) 826-5122

Pharmacy Details

Prior Disciplinary Orders* No

* Information relating to disciplinary orders is current as of 30 days prior to this date. Please note that disciplinary orders entered more than 10 years ago are not available online. A written request for information regarding prior disciplinary orders may be submitted to the office of the Texas State Board of Pharmacy. Any disciplinary orders entered pursuant to Chapter 564 of the Texas Pharmacy Act are confidential and not subject to public disclosure.

Class of Pharmacy Community Pharmacy
Type of Ownership Individual
Type of Pharmacy Community Independent
of Hospital beds 0

Employment Information

Pharmacist in Charge
 WINES, AVERY KIRK

Pharmacy Profile †

Accessible to disabled persons? Yes

Participates in the Texas Medicaid program? Yes

Translating services (Listed Below if Available)

Spanish

† Please note: The data regarding accessibility, translating services, and insurance participation is self-reported by the license holder and no warranty regarding the information is created. Therefore, neither the State of Texas nor the licensing agency accept any legal liability or responsibility or may be held liable or responsible for the accuracy, completeness, timeliness, or usefulness of this information. Should you have any concern as to the accuracy of the data in this system, please contact the license holder or facility for clarification.

Remedial Plans

Remedial plans (if any) are shown above and subject to removal at the end of the 5th fiscal year after the Board enters the plan.

Services Provided

- No **Nuclear**
- Yes **Out-Patient Prescriptions**
- No **Ship Prescription Out of State**
- No **Class D (Expanded Formulary)**
- No **Class D (Alternative Visit Schedule)**
- No **Compounding Sterile-Risk Level Low**
- No **Compounding Sterile-Risk Level Med**
- No **Compounding Sterile-Risk Level High**
- Yes **Compounding Non-Sterile**
- Yes **24 Hour Service**
- No **Closed Door**
- No **Compounding, Office Use**
- Yes **Home Delivery**
- No **Infusion**
- Yes **Pharmacist Administered Immunizations**
- No **Veterinary Prescriptions**

Texas Pharmacist Employment information					
Pharmacist Name	License #	Registr. Date	Expir. Date	Emp. Status	License Status
HUDSON, TROY P	43617	08/19/2005	12/31/2019	Staff	Active
SEURKAMP, HARRY EDWARD	31142	07/11/1989	01/31/2019	Relief	Active
WINES, AVERY KIRK	22393	01/20/1977	03/31/2019	PIC	Active

Texas Registered Technicians/Trainees Employment information

Technician/Trainee Name	License #	Registr. Date	Expir. Date	Emp. Status	Reg. Status
DUPREE, STEPHEN HUGH	110106	04/15/2004	10/31/2020	Staff	Active
ISAACS, NANCY SWARINGEN	153536	10/24/2007	02/29/2020	Staff	Active
MYNARCIK, CHRISTINE ANGELINE	118606	06/11/2004	08/31/2019	Staff	Active
NELSON, KELLY KRISTINE	147456	07/03/2009	08/31/2019	Staff	Active
PURSLEY, AMANDA	191180	10/01/2010	07/31/2020	Staff	Active

Page 1 of 1

20

View 1 - 5 of 5

Texas Remote Pharmacy information

Remote Pharmacy Name	Registr. #	Address	City	State	Zipcode
WEST REST HAVEN	6826-EMK-4011	503 MEADOW DR	WEST	TX	76691

Page 1 of 0

20

View 1 - 1 of 1

Texas Pharmacy Owner information

Owner Name	Owner Title	Address	City	State	Zipcode
WINES, AVERY KIRK	OWNER	,			

Page 1 of 1

20

View 1 - 1 of 1

The Texas State Board of Pharmacy certifies that it maintains the information for the license verification function of this website, performs daily updates to the website, and considers the website to be a secure, primary source for license verification.

Providence Family Health Clinic – West

[Providence](#) > [Locations](#) > [Primary Care](#) > [Providence Family Health Clinic – West](#)

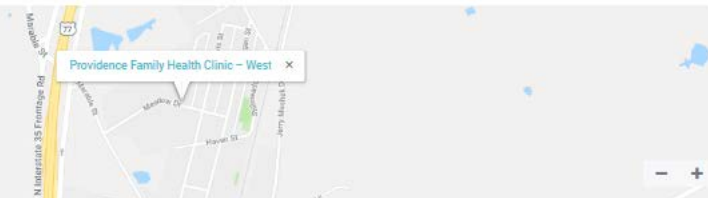
Street Address

[1401 Jane Lane](#)
[West, TX 76691](#)

Phone Number

 [254-826-3073](tel:254-826-3073)

Expand Map ▾



Providence Family Health Clinic – West specializes in Family Medicine. Conveniently located in West, Texas.

Our Hours:

8:00 a.m. – 5:00 p.m.
 Monday – Friday

Our Physicians



[Eric Chudej, MD](#)
 Family Medicine
 *Accepting New Patients

 [254-826-3073](tel:254-826-3073)

 [1401 Jane Lane West, TX 76691](#)

[Patient Portal](#)

Contact Us Make an Appointment

Request an appointment with one of our primary care providers or get more information on our healthcare services.

[Contact Us](#)

Providence Express Care Walk-In Care in Your Neighborhood

For minor illness or injury, visit one of our Express Care locations. Walk-in or reserve a treatment time online.

[Reserve Now](#)



West Parkway Learning Center
@WestPkwykids

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Info and Ads

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About

Suggest Edit

FIND US

822 T M West Pkwy
West, Texas

Get Directions

m.me/WestPkwykids

Call (254) 826-3773



HOURS

Open Now 6:00 AM - 6:00 PM

BUSINESS INFO

Business Details

Price Range \$

Opened in 1997

Mission

To encourage and provide every child with the skills necessary to thrive developmentally and socially for kindergarten and fill their day with TLC!

ADDITIONAL CONTACT INFO

debsta28@aol.com

MORE INFO

About

Philosophy: Making Learning fun and creating a safe, loving and positive environment that will foster the physical and intellectual well being of every child while encouraging their individuality.

Public Transit

WEST ISD PROVIDES TRANSPORTATION FROM OUR CENTER IN THE MORNINGS TO SCHOOL AND TO OUR AFTER-SCHOOL PROGRAM IN THE AFTERNOON.

General Manager

DEB FERGUSON & EDDA KOLAR

Child Care Service · School



TEXAS

Health and Human Services

Child Care Search Result Details

Operation Details

You may click on the question mark image (?) to view the [Frequently Asked Questions \(FAQ\)](#) page.

Operation Number:	531293
Operation Type:	Licensed Center
Program Provided:	Child Care Program
Operation/Caregiver Name:	West Parkway Day Care and Learning Center
Location Address:	824 T M WEST PKWY WEST, TX 76691
Mailing Address:	824 T M WEST PKWY WEST, TX 76691
Phone Number:	254-826-3773
County:	MCLENNAN
Website Address:	
Email Address:	
Administrator/Director Name:	Debbie Ferguson
Type of Issuance: ?	Full Permit
Issuance Date:	6/8/1998
Permit Renewal Due By Date:	6/8/2020
Conditions on Permit: ?	No
Accepts Child-Care Subsidies: ?	Yes
Hours of Operation:	06:00 AM-06:00 PM
Days of Operation:	Monday - Friday
Total Capacity:	116
Licensed to Serve Ages:	Infant, Toddler, Pre-Kindergarten, School
Total Capacity:	116
Number Of Admin Penalties:	0
Corrective Action: ?	No
Adverse Action: ?	No
Temporarily Closed:	No

Three Year Inspection Summary

- Inspectors routinely monitor compliance with Licensing standards, rules and law. At a minimum, licensed and certified operations are inspected at least once a year; Registered Child Care Homes [?](#) are inspected at least once every two years, Listed Family Homes [?](#) are inspected only if there is a report of abuse/neglect or if we receive a report that the home is caring for too many children.
- When operations have serious deficiencies or a significant number of deficiencies, repeat deficiencies, or fail to make corrections timely, they are inspected more frequently by licensing staff, to ensure the health and safety of children in care.

- **In the last three years, Licensing conducted the following:**

- [12](#) - Inspections [?](#)

- [0](#) - Assessments [?](#)

- [0](#) - Self Reported Incidents [?](#)

- [4](#) - Reports [?](#)

- Click on the inspection type to see additional details related to each inspection.*

- There are many standards that an operation must comply with; the total number varies for each type of operation. An operation or home is generally given an opportunity to correct deficiencies and has the right to request a review of a deficiency. Deficiencies pending review are not included in the two year history.

Three Year Compliance Summary

- During the last three years, 3621 standards were evaluated for compliance at this operation.
- Of the standards evaluated [23](#) deficiencies were cited. [?](#)

- Click on the number of deficiencies to see additional details.*

- Each standard is assigned a weight. The weight ensures all inspectors consider standard violations in the same way, and represents the potential impact a deficiency might have on children. Review the inspection reports to learn more about each citation. It's important to remember; weights are not assigned to an individual operation, inspection, or circumstance and are not intended to result in a ranking of operations or score.

- **The weights of the standard deficiencies cited in the past three years are as follows:**

- 14 were weighted as [High](#)

- 7 were weighted as [Medium - High](#)

- 1 was weighted as [Medium](#)

- 1 was weighted as [Medium - Low](#)

0 were weighted as [Low](#)

Click on the weight to see additional details about each deficiency.

Disclaimer: The online compliance history includes only information after January 1, 2002. In addition, the online compliance history does not include minimum standard violations or corrective or adverse actions until after the child-care operation has had due process or waived its rights. For compliance history prior to January 1, 2002 or history with pending due process, please contact your local licensing office. Child-Care Licensing disclaims liability for any errors or omissions from the compliance history information.

Website and Email addresses are based on information given to DFPS by the Operation/Caregiver. If you experience problems with these addresses please contact the Operation/Caregiver.

Texas State Technical College Mission

Legislative Mission Statement

The Texas State Technical College System mission is defined by the Texas State Legislature and published in Vernon's Texas Education Code Section 135.01:

Texas State Technical College System is a coeducational two-year institution of higher education offering courses of study in technical vocational education for which there is demand within the State of Texas. Texas State Technical College System shall contribute to the educational and economic development of the State of Texas by offering occupationally oriented programs with supporting academic course work, emphasizing highly specialized advanced and emerging technical and vocational areas for certificates or associate degrees.

The Texas State Technical College System is authorized to serve the State of Texas through excellence in instruction, public service, faculty and manpower research, and economic development. The system's economic development efforts to improve the competitiveness of Texas business and industry include exemplary centers of excellence in technical program clusters on the system's campuses and support of educational research commercialization initiatives.

Through close collaboration with business, industry, governmental agencies, and communities, including public and private secondary and post secondary educational institutions, the system shall facilitate and deliver an articulated and responsive technical education system. In developing and offering highly specialized technical programs with related supportive coursework, primary consideration shall be placed on industrial and technological manpower needs of the state. The emphasis of each Texas State Technical College System campus shall be on advanced or emerging technical programs not commonly offered by public junior colleges.

Regents' Expanded Statement of Purpose

The TSTC Board of Regents periodically reviews the mission statement as defined by the legislature and authors an Expanded Statement of Purpose. The most recent version of the statement was approved on February 12, 2015, and is worded as stated:

Texas State Technical College (TSTC) is a coeducational two-

TSTC makes higher education affordable, readily accessible and personal through multiple instructional delivery systems, counseling and guidance services, student activities and the opportunity to learn in a residential setting at several of its campuses. By offering TSTC programs and services in flexible times and places, TSTC students are able to achieve their educational and career goals at a pace that meets their needs while minimizing the elapsed time needed to reach those goals. To achieve time and

year, multi-campus institution of higher education providing innovative and responsive programs and courses of study in technical education for which there is demand in the State of Texas, with emphasis on advanced and emerging technologies. TSTC is a leader in building the economic vibrancy of Texas by providing excellence in learning experiences, on location and at a distance, and through diverse technical programs and rigorous curricula offerings. TSTC facilitates the transfer of technical expertise through the placement of former students, who have obtained hands-on learning experience, in jobs with Texas business and industry. TSTC works collaboratively both internally and with other organizations to increase the availability of relevant technical education in Texas and to be accountable to its various constituencies. Integrity in all of its dealings provides the foundation of TSTC's mission.






TSTC awards include Associate of Applied Science degrees, Certificates of Completion, badges (skill-set institutional awards) and workforce certificates. TSTC also provides opportunities for the seamless transfer of credits to other colleges and universities, including awards at its Harlingen campus for Associate of Science degrees and institutional recognitions for completion of the General Education Core curricula.

those goals. To achieve time and place flexibility, TSTC offers traditional higher education credit programs taught on a semester basis, dual credit programs that lead to marketable skills achievement or further education (in partnerships with Independent School Districts), competency-based education and training delivery, online instruction, project-based learning activities, continuing education, and specialized training for business and industry. TSTC operates its programs and services in accordance with the public trust for which it is responsible.

Diversity in the student body and in faculty and staff is a value that TSTC strives to achieve. It is TSTC's goal for the ethnicity of these groups to mirror statewide and local demographics. Likewise, serving non-traditional and special population groups has always been a TSTC keynote, with specialized services provided to assist where and when needed.

T ★ E ★ X ★ A ★ S HIGHER EDUCATION DATA

Overview (Quick Links) | External Data Resources | Online Applications | Workforce | Higher Education Topics | High School to College (P-16) | Reporting to THECB | A-Z Index

- Policymakers**
Accountability, almanac, financials... 
- Parents, Students & K-12 Educators**
Online Resume, H.S. to college stats... 
- Media**
Overview, Almanac, Press Releases... 
- Institutions and Researchers**
Reporting data, statistics... 
- Career and Workforce Educators**
Perkins, WECM, Workforce Topics... 

Public Technical Colleges

[Download the Excel Version](#)

Institution	Administrative Officer	Main Telephone
Texas State Technical College 3801 Campus Drive Waco, TX 76705	Michael Reeser Chancellor	(254) 867-4891
Texas State Technical College-Fort Bend 26706 Southwest Freeway Rosenberg, TX 77471		
Texas State Technical College-Harlingen 1902 North Loop 499 Harlingen, TX 78550-3697	Stella Garcia Interim President	(956) 364-4000
Texas State Technical College-Marshall 2400 East End Boulevard South Marshall, TX 75670	Barton Day Interim President	(903) 935-1010
Texas State Technical College-North Texas 119 North Lowrance Red Oak, TX 75154		
Texas State Technical College-Waco 3801 Campus Drive Waco, TX 76705	Rob Wolaver Interim President	(254) 799-3611
Texas State Technical College-West Texas 300 Homer K. Taylor Drive Sweetwater, TX 79556-3697	Kyle Smith Interim President	(325) 235-7300

Latest News	
10/02/2018	2016-2017 Exit Cohort Reports
08/30/2018	2016-2017 ASALFS Students Pursuing Additional Education
08/30/2018	2016-2017 Automated Student and Adult Learner Follow-Up System Results
08/16/2018	2016-2017 Student Migration Report
08/14/2018	2018 60x30TX Progress Report

e-UPDATES 

subscribe to updates



Meals on Wheels Waco (Central Texas Senior Ministry) is a 501(c)(3) private, non-profit charitable organization.

Whom Do We Serve?

Meals on Wheels Waco serves older adults in the City of Waco, McLennan, Hill, and Falls Counties in Texas. Our clients are on our homedelivered meals program, active at Senior Centers, or are transportation clients.

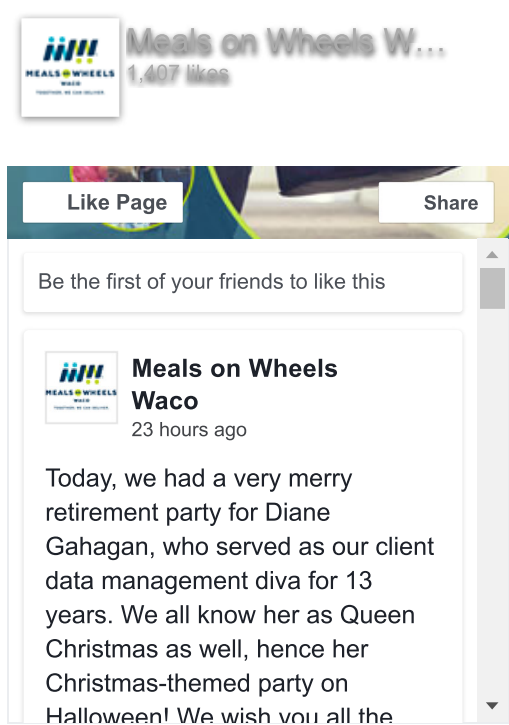
OUR ADMINISTRATIVE OFFICES ARE LOCATED AT 501 W. WACO DR., WACO, TX 76707.

Our mailing address is:

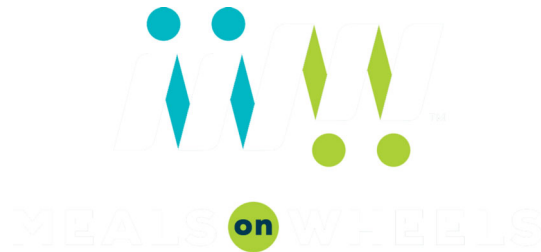
P.O. Box 85

Waco, TX 76703





A screenshot of a Facebook post from the 'Meals on Wheels Waco' page. The post header shows the organization's logo and name, with '1,407 likes' indicated. Below the header are 'Like Page' and 'Share' buttons. The main text of the post reads: 'Be the first of your friends to like this'. The post content includes the organization's logo and name, followed by '23 hours ago'. The text of the post is: 'Today, we had a very merry retirement party for Diane Gahagan, who served as our client data management diva for 13 years. We all know her as Queen Christmas as well, hence her Christmas-themed party on Halloween! We wish you all the'.



501 W Waco Drive
 Waco, Texas 76707
 Phone: 254-752-0316
 Fax: 254-752-0387

SEARCH



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Website by: OneEach Technologies

Login

Associates Degree > 27%

	Census Tract	Census Tract Abr.	Estimate	Associates	Rate of Assoc d	F
3701	48309004201	Census Tract 42.01, McLennan County, Texas	2677	759	28.35%	
3702	48309004202	Census Tract 42.02, McLennan County, Texas	2321	684	29.47%	
3703	48309004300	Census Tract 43, McLennan County, Texas	4082	614	15.04%	
3704	48309980000	Census Tract 9800, McLennan County, Texas	0	0	#DIV/0!	
3705	48311950100	Census Tract 9501, McMullen County, Texas	544	107	19.67%	
3706	48313000100	Census Tract 1, Madison County, Texas	3517	338	9.61%	

Average: 12077251802 Count: 5 Sum: 48309007207 Display Settings 2x ur ... 100%

2018 HTC Full Application

Part 2 Tab 10

Supporting Documents:
Underserved Area

**Golden Trails
Underserved Area**

This application is located in census tract **48309004202**. According to the HTC property inventory, this is the only award in the census tract.

2018 HTC Full Application

Part 2 Tab 10

Supporting Documents:
Concerted Revitalization Plan

NA

2018 HTC Full Application

Part 2 Tab 10

Supporting Documents:
Proximity to Urban Core

NA

2018 HTC Full Application

Part 2 Tab 10

Supporting
Documents: Declared
Disaster Area

NA

2018 HTC Full Application

Part 2 Tab 10

Supporting Documents:
Readiness to Proceed

NA

2018 HTC Full Application

Part 2 Tab 11

Site Information Form
Part III

Site Information Form Part III

Self Score Total: **19**

1. Site Acreage

Please identify site acreage as listed in each of the following exhibits/documents.

Site Control: approx 4 Site Plan: 4 Appraisal: NA ESA: 4

(*) Should equal acreage indicated in site control documents less acreage intended to be dedicated, sold or used for public purpose and not to be encumbered by LURA (net acreage). The net acreage will be used for calculating density for all purposes.

Please provide an explanation of any discrepancies in site acreage below:

[A description of any reductions except as a result of dedication of land for roadways, easements or other changes that may occur during development may help the Applicant avoid future amendments.]

2. Site Control - §10.204(10)

The current owner of the Development Site is (If scattered site & more than one owner refer to Tab 13):

West Texas Golden Trails, LP

J. Ryan Hamilton

Entity Name

Contact Name

P.O. Box 41326

Address

Austin

TX

78704

11/25/2017

City

State

Zip

Date of Last Sale

Is the seller affiliated with the Applicant, Principal, sponsor, or any Development Team member?

Yes

If "Yes," please explain:

Current owner is applying for funding

Did the seller acquire the property through foreclosure or deed in lieu of foreclosure?

No

Identify all of the sellers of the proposed property for the 36 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development Team:

Name:

Bolton Body Shop Ltd.

Relationship:

none

Site Control is in the form of:

Contract for sale.

Recorded Warranty Deed with corresponding executed closing/settlement statement.

Contract for lease.

Expiration of Contract or Option: _____

Anticipated Closing Date: _____

Title Commitment or Title Policy is included behind this tab (per §10.204(12)).

3. Site Control - §10.204(10)

Ingress/Egress and Easements (9% and 4% HTC Only) - §11.7

Is land for ingress and/or egress and any easements held separate from the property described in the site control documents? No

If yes, describe how any such land is held. Identify the land owner and describe any agreements the Applicant has or will enter into with the land owner.

4. **30% increase in Eligible Basis "Boost" (9% and 4% HTC Only) - §11.4(c)**

Development qualifies for the boost for:

- Qualified Census tract that has less than 20% HTC Units per household
- Development is located in a Small Area Difficult Development Area (SADDA)
- X Rural Development (**Competitive HTC only**)
- Development is entirely Supportive Housing (**Competitive HTC Only**)
- X Development meets the criteria for the Opportunity Index as identified in §11.9(c)(4) of the Qualified Allocation Plan (**Competitive HTC only**)
- Development is in an area covered by a concerted revitalization plan and elects and is eligible for points under §11.9(d)(7), is not Elderly, and is not located in a QCT. (**Competitive HTC only**)
- Development includes an additional 10% of units at 30% AMI. *Must be in addition to the number of units needed for any scoring item or any other funding source from MF Direct Loan requirements. (Competitive HTC only)*
- Development is in a QCT with 20% or greater Housing Tax Credit Units per household, and a resolution from the Governing Body of the appropriate municipality or county allowing the construction of the Development is included behind Tab 8**

** Resolution not due until Resolutions Delivery Date for Tax-Exempt Bond Developments

If a revised form is submitted, date of submission:

2018 HTC Full Application

Part 2 Tab 12

Supporting Documentation for
Site Information Form Part III

Support Documentation from Site Information Part III Should be Included Behind this Tab.

- Site Control Documentation
- Title Commitment or Policy
- Each of the Direct Loan exhibits identified below (as applicable)



Increase in Eligible Basis (30% Boost)

- Resolution from the Governing Body of the appropriate municipality or county allowing the construction of the Development, if applicable.
- Census tract map that includes the 11-digit census tract number and clearly shows that the proposed Development is located within a QCT, if applicable
- SADDA map clearly showing the Development is located within the boundaries of a SADDA, if applicable



Site & Neighborhood Standards (New Construction Direct Loan only)

Confirm the following supporting documents are provided behind this tab.

- Letters on company letterhead from local utility providers confirming the site has access to the following services: water and wastewater/sewer, electricity, garbage disposal and natural gas, if applicable.
- Statement explaining how the Development will promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- DP-1 Profile of General Demographic Characteristics (2010) Census data for the census tract and city (and county if proposed site is located in a rural area) where the proposed site will be located. DP-1 Census data can be accessed using the Advanced Search option at www.census.gov.
- A statement confirming that travel time and cost via public transportation or private automobile, from the neighborhood to places of employment providing a range of jobs for lower-income workers, is not excessive. This is not applicable for Developments proposing to serve Elderly.



When Recorded Return to:
North American Title Company
Attn: Lisa Lamb
2501 North Harwood, Suite 1210
Dallas, Texas 75201

2017039838 DEED
12/05/2017 11:52:07 AM Total Pages: 6
Fees: \$32.00
J. A. "Andy" Harwell, County Clerk -
McLennan County, Texas

14701-17-01638

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GENERAL WARRANTY DEED
(With Vendor's Lien)

STATE OF TEXAS §
 § KNOWN ALL MEN BY THESE PRESENTS:
COUNTY OF MCCLENNAN §

BOLTON BODY SHOP, LTD, a Texas limited partnership, whose address is P.O. Box 25, West, Texas 76691 (hereinafter called "**Grantor**"), in consideration of (a) the sum of TEN AND NO/100 DOLLARS (\$10.00), (b) of that certain promissory note of even date herewith made by WEST TEXAS GOLDEN TRAILS, LP, a Texas limited partnership, whose address is 3556 S. Culpepper Circle, Suite 4, Springfield, Missouri 65804-4252 (hereinafter called "**Grantee**"), and payable to the order of Sterling Bank, the payment of which is secured by a vendor's lien herein retained and is additionally secured by a deed of trust of even date herewith, to Calvin Matthews IV, as trustee, (c) and other good and valuable consideration in hand paid by Grantee, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, BARGAINED, SOLD AND CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL and CONVEY unto Grantee, the real property located in McLennan County, Texas, which is more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with all and singular, all of Grantor's right, title and interest in and to all rights, easements and appurtenances belonging or appertaining thereto, and all buildings, other improvements and fixtures attached thereon, if any (collectively called the "**Property**"), subject to, however, the matters described on Exhibit "B" attached hereto and made a part (the "**Permitted Encumbrances**").

TO HAVE AND TO HOLD the Property, subject to the Permitted Encumbrances, unto Grantee, its successors and/or assigns FOREVER, and Grantor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property, subject to the Permitted Encumbrances, unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its terms, at which time this deed will become absolute. Sterling Bank, at Grantee's request, has paid in cash to Grantor that portion of the purchase price

of the Property that is evidenced by the above-described note. The first and superior vendor's lien against, and superior title to, the Property are retained for the benefit of Sterling Bank and are transferred to Sterling Bank without recourse against Grantor.

PROVIDED, HOWEVER, Grantee, by accepting the Property hereby agrees for itself and its successors and assigns that the Property shall never be used for any of the following purposes: a convenience store, fuel sales or as a hotel or motel.

[Signature and Acknowledgement Page Follows]

EXHIBIT "A"**Legal Description of the Property**

A 4.00 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas and being out of that called 147.26 acres of land described in a deed to Bolton Body Shop, Ltd. of record as Instrument 2004050741 in the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres out of the above referenced 147.26 acres described in the said deed to the State of Texas and being the southeast corner of the reside of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) *S 12degrees 05minutes 53seconds W 125.72 feet* to a 4 inch Aluminum Disc TxDOT monument,
- 2.) *S 02degrees 49minutes 17seconds W 122.64 feet* to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) *353.33 feet* along a curve to the left having a *Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet* to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the **POINT OF BEGINNING** and **northeast corner** of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

EXHIBIT "B"
Permitted Encumbrances

1. Mineral and/or royalty interest in all of the oil, gas, and other minerals and/or other substances in and under the subject property, including royalties, bonuses, rentals, ingress/egress and all other rights as set out in the Special Warranty Deed from NationsBank of Texas, National Association, as Trustee of Testamentary Trust created in the Will of Floyd Casey, Deceased, Lois Smith f/k/a Lois Murry by and through her duly appointed and authorized attorney-in-fact, Lowell C. Douglas, Floyd C. Smith, and William Casey Winkelman to Jerrel Bolton, dated October 6, 1993, recorded on October 12, 1993 in Volume 1792, Page 281, Official Public Records, McLennan County, Texas, together with all rights, express or implied, in and to the subject property, arising out of or connected with said interest, reference to which instrument is here made for all purposes.

FILED AND RECORDED

Instrument Number: 2017039838

Filing and Recording Date: 12/05/2017 11:52:07 AM Pages: 6 Recording Fee: \$32.00

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of McLennan County, Texas.



J. A. "Andy" Harwell, County Clerk
McLennan County, Texas

greenl

**NORTH AMERICAN TITLE COMPANY
PURCHASER'S STATEMENT**

DATE: November 29, 2017
SALE FROM: Bolton Body Shop, Ltd.

GF NO: 14701-17-01638
TO: West Texas Golden Trails, LP

PROPERTY: 4.00 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas

PURCHASE PRICE: \$ 566,280.00
 Contract Price \$ 566,280.00
 _____ \$ _____
 _____ \$ _____

PLUS: CHARGES

Filing fees to County Clerk:

WD 50.00 DT 150.00 UCC _____
 easements 150.00 _____ \$ 350.00 estimate

Loan Charges/fees due: Sterling Bank _____

Origination Fee _____

Commitment Fee _____

Prepaid Interest _____

Loan transfer fee or assumption fee _____

Fees to Title Co.:

North American Title Company & Home Abstract and Title Company

Title Policy: Add'l Owner 3087.00 Mortgage Policy 105.00 cannot provide T-30

OP amount \$1,150,000 Escrow 500.00

GARC Fee 3.00 Overnight/courier 40.00

Survey Amendment (OP) 981.75

T-14 & T-23 & T-25 (LP) 225.00 T-19.1 (OP) 654.50

T-19 (LP) 654.50 E-record \$3.00 each 9.00 \$ 6,259.75

_____ \$ _____

_____ \$ _____

Survey Fee to Mitchell & Associates, Inc. _____ \$ to come to come

Attorney's Fees: Shackelford Bowen McKinley & Norton LLP _____ \$ to come to come

Attorney's Fees: _____ \$ _____

Commission to: Slovak Realty _____ \$ 16,988.40

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Rent proration from _____ to _____ \$ _____

Property Tax proration from 11/29/2017 to 1/1/2018 \$ 1.05 subject to rollbacks

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Signature Page for Borrower's Statement
GF 14701-18-02162

BORROWER:

West Texas Golden Trails, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company
Its: General Partner

By: 4C Development – Texas, LLC,
a Texas limited liability company
Its: Executive Manager

By: 
Ryan Hamilton, Sole Manager

2018 HTC Full Application

Part 2 Tab 12

Supporting Documents:
Title Commitment

If you want information about coverage or need assistance to resolve complaints, please call our toll free number: 1-800-729-1902. If you make a claim under your policy, you must furnish written notice in accordance with Section 3 of the Conditions. Visit our World Wide Web site at: <http://www.stewart.com>

**OWNER'S POLICY OF TITLE INSURANCE
ISSUED BY**

STEWART TITLE GUARANTY COMPANY

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

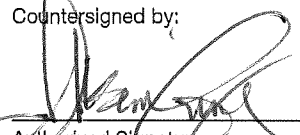
SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
 - (a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
 - (d) Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or materials having its inception on or before Date of Policy.
3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.

Covered Risks continued on next page.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Countersigned by:

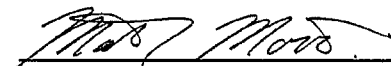


 Authorized Signature
STEWART TITLE GUARANTY CO.
805 Las Cimas Pkwy
 Company **Bldg 3, Ste 330**
Austin, TX 78746

City, State

stewart
title guaranty company





Matt Morris
President and CEO



Denise Carraux
Secretary

Policy Serial No.	O-5966-000181651
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COVERED RISKS (continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
- (a) the occupancy, use or enjoyment of the Land;
 - (b) the character, dimensions or location of any improvement erected on the Land;
 - (c) subdivision of land; or
 - (d) environmental protection
- if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective:
- (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
- The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

- The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:
1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
- (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions or location of any improvement erected on the Land;
 - (iii) subdivision of land; or
 - (iv) environmental protection;
- or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims or other matters:
- (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:
- (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
6. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

CONDITIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.

(d) "Insured": the Insured named in Schedule A.

(i) The term "Insured" also includes:

- (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives or next of kin;

CONDITIONS (continued)

(B) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;
 (C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title;

(1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) If the grantee wholly owns the named Insured,

(3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) If the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C) and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": an Insured claiming loss or damage.

(f) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": the estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

When, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall

notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefore, issue to the Insured Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend,

CONDITIONS (continued)

prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay. Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of:

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance

with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE.

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS.

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION.

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under

CONDITIONS (continued)

the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim, shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

16. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT.

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at P.O. Box 2029, Houston, TX 77252-2029.

stewart[®]
title guaranty company

ESTABLISHED 1893

INCORPORATED 1908

A NAME

RECOGNIZED NATIONALLY
AS BEING
SYNONYMOUS WITH
QUALITY

stewart[®]
title guaranty company

stewart[®]
title guaranty company

P. O. Box 2029
Houston, Texas 77252

**POLICY
OF
TITLE
INSURANCE**

STEWART TITLE GUARANTY COMPANY
OWNER'S POLICY OF TITLE INSURANCE T-1
SCHEDULE A

Name and Address of Title Insurance Company:
Stewart Title Guaranty Company
P.O. Box 2029
Houston, TX 77252-9770

File No.: 14701-17-01638 Policy No.: O-5966-000181651
Address for Reference only: Melodie Drive, West, TX 76691
Amount of Insurance: \$1,150,000.00 Premium: 6,545.00
Date of Policy: December 5, 2017 at 11:52 AM

1. Name of Insured:

West Texas Golden Trails, LP

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple (Tract 1)
Non-exclusive easements for access, drainage, utilities and temporary construction as created in Easement Agreement by and between Bolton Body Shop Ltd. and West Texas Golden Trails, LP, dated November 25, 2017, recorded December 5, 2017 in Instrument No. 2017039839, Official Public Records, McLennan County, Texas. (Tracts 2, 3 and 4)

3. Title is insured as vested in:

West Texas Golden Trails, LP

4. The Land referred to in this policy is described as follows:

TRACT 1: FEE SIMPLE

A 4.00 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas and being out of that called 147.26 acres of land described in a deed to Bolton Body Shop, Ltd. of record as Instrument 2004050741 in the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres out of the above referenced 147.26 acres described in the said deed to the State of Texas and being the southeast corner of the reside of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

SCHEDULE A

(Continued)

File No.: 14701-17-01638

Policy No.: O-5966-000181651

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) *S 12degrees 05minutes 53seconds W 125.72 feet* to a 4 inch Aluminum Disc TxDOT monument,
- 2.) *S 02degrees 49minutes 17seconds W 122.64 feet* to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) *353.33 feet* along a curve to the left having a *Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet* to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the **POINT OF BEGINNING** and **northeast corner** of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

TRACT 2: EASEMENT (PRIVATE DRIVE)

A **0.447 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas** and being out of that called 147.26 acres of land described in a deed to Bolton Body Shop, Ltd. of record as Instrument 2004050741 in the Official Public Records of McLennan County, Texas. Said 0.447 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres out of the above referenced 147.26 acres described in the said deed to the State of Texas and being the southeast corner of the reside of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) *S 12degrees 05minutes 53seconds W 125.72 feet* to a 4 inch Aluminum Disc TxDOT monument,
- 2.) *S 02degrees 49minutes 17seconds W 122.64 feet* to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) *353.33 feet* along a curve to the left having a *Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet* to a ½ inch iron rod with cap stamped M&A Placed,

SCHEDULE A
(Continued)

File No.: 14701-17-01638

Policy No.: O-5966-000181651

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed for the **POINT OF BEGINNING** and **southeast corner** of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 389.87 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence N 11degrees 11minutes 13seconds E 50.01 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 389.12 feet to a ½ inch iron rod with cap stamped M&A placed for the northeast corner of the herein described parcel of land,

Thence 50.02 feet along a curve to the left having a **Radius of 12,275.00 feet and Chord Bearing S 10degrees 19minutes 26seconds W 50.02 feet** to the Point of Beginning.

TRACT 3: EASEMENT (Extension of Melodie Drive)

A 0.837 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas and being out of that called 147.26 acres of land described in a deed to Bolton Body Shop, Ltd. of record as Instrument 2004050741 in the Official Public Records of McLennan County, Texas. Said 0.837 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8 inch iron rod with cap stamped Roden found in the east line of Melodie Drive, 60 foot right-of-way, at the southwest corner of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021528 in the said Official Public Records of McLennan County for the **northeast corner** of the herein described parcel of land,

Thence 187.74 feet along a curve to the left having a **Radius of 542.00 feet and Chord Bearing S 02degrees 16minutes 38seconds W 186.80 feet** to a 1½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 198.40 feet along the said curve to the right having a **Radius of 602.00 feet and Chord Bearing S 01degrees 47minutes 44seconds W 197.50 feet** to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve and being in the west line of Interstate Highway No. 35 as described in Instrument 2012012324 of the said Official Public Records, from said placed iron a 4 inch Aluminum Disc TxDOT right of way monument bears 131.84 feet along a curve to the right having a Radius of 12,215.00 feet and Chord Bearing N 11degrees 32minutes 46seconds E 131.84 feet,

Thence 221.48 feet along the west line of Interstate Highway No. 35 a curve to the left having a **Radius of 12,215.00 feet and Chord Bearing S 10degrees 43minutes 03seconds W 221.48 feet** to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land, from said placed iron a 4 inch Aluminum Disc TxDOT monument found at the end of the said curve to the left bears S 09degrees 51minutes 05seconds W 147.71 feet,

SCHEDULE A

(Continued)

File No.: 14701-17-01638

Policy No.: O-5966-000181651

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence 220.58 feet along a line 60 feet westerly of and parallel to the west line of Interstate Highway No. 35, a curve to the right having a **Radius of 12,275.00 feet and Chord Bearing N 10degrees 43minutes 19seconds E 220.58 feet** to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the right and being at the beginning of a curve to the left,

Thence 178.62 feet along the said curve to the left having a **Radius of 542.00 feet and Chord Bearing N 01degrees 47minutes 44seconds E 177.81 feet** to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 208.52 feet along the said curve to the right having a **Radius of 602.00 feet and Chord Bearing N 02degrees 16minutes 38seconds E 207.48 feet** to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve the southeast corner of Lot 9, Block 1 of the Czech Heritage Addition according to the plat of record as Instrument 2010021531 in the said Official Public Records and being the southwest corner of the current end of Melodie Drive for the northwest corner of the herein described parcel of land.

TRACT 4: EASEMENT (20' WIDE DRAINAGE AND UTILITY EASMENT)

Field notes for 0.230 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas and being out of that called 147.26 acres of land described in a deed to Bolton Body Shop, Ltd. of record as Instrument 2004050741 in the Official Public Records of McLennan County, Texas. Said 0.230 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8-inch iron rod with cap stamped Roden found at the southwest corner of Lot 9, Block 1 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021531 in the Official Public Records of McLennan County, Texas, and at the northwest corner of this:

Thence South 77 Degrees 58 Minutes 29 Seconds East a distance of 20.00 feet to a ½ inch iron rod with cap stamped M&A placed in the southwest line of said Lot 9 and at the northeast corner of this;

Thence South 12 Degrees 12 Minutes 37 Seconds West a distance of 499.98 feet to a ½ inch iron rod with cap stamped M&A placed at the southeast corner of this;

Thence North 77 Degrees 54 Minutes 09 Seconds West a distance of 20.00 feet to a ½ inch iron rod with cap stamped M&A placed at the southwest corner of this;

Thence North 12 Degrees 12 Minutes 37 Seconds East a distance of 499.99 feet to the Point of Beginning, containing 0.230 acres of land.

SCHEDULE A
(Continued)

File No.: 14701-17-01638

Policy No.: O-5966-000181651

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description as to the area or quantity of land is not a representation that such area or quantity is correct, but is made solely for informational and/or identification purposes and does not override the exception contained in Schedule B Item 2 herein.

Stewart Title Guaranty Company

By: 

Authorized Officer or Agent

SCHEDULE B

File No.: 14701-17-01638

Policy No.: O-5966-000181651

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A, and the following matters:

1. ~~The following restrictive covenants of record itemized below:~~ This item is hereby deleted in its entirety.
2. Shortages in area.
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities,
 - (a) to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - (b) to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - (c) to filled-in lands, or artificial islands, or
 - (d) to statutory water rights, including riparian rights, or
 - (e) to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year 2018, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception).
 - a. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

SCHEDULE B
(Continued)

File No.: 14701-17-01638

Policy No.: O-5966-000181651

- b. Mineral and/or royalty interest in all of the oil, gas, and other minerals and/or other substances in and under the subject property, including royalties, bonuses, rentals, ingress/egress and all other rights as set out in the Special Warranty Deed from NationsBank of Texas, National Association, as Trustee of Testamentary Trust created in the Will of Floyd Casey, Deceased, Lois Smith f/k/a Lois Murry by and through her duly appointed and authorized attorney-in-fact, Lowell C. Douglas, Floyd C. Smith, and William Casey Winkelman to Jerrel Bolton, dated October 6, 1993, recorded on October 12, 1993 in Volume 1792, Page 281, Official Public Records, McLennan County, Texas, together with all rights, express or implied, in and to the subject property, arising out of or connected with said interest, reference to which instrument is here made for all purposes. Title to said interest has not been investigated subsequent to the date of the aforesaid instrument. The Company makes no representation to the present ownership of this interest.
- c. Terms, conditions and provisions of that certain non-exclusive Easement Agreement by and between Bolton Body Shop Ltd. and West Texas Golden Trails, LP, dated November 25, 2017, recorded December 5, 2017 in Instrument No. 2017039839, Official Public Records, McLennan County, Texas.
- d. Any and all liens arising by reason of unpaid bills or claims for work performed or material furnished in connection with improvements placed, or to be placed, upon the subject land. However, the Company does insure the Insured against loss, if any, sustained by the Insured under this Policy if such liens have been filed with the County Clerk of McLennan County, Texas, prior to the date hereof.

Liability hereunder at the date hereof is limited to \$585,479.20. Liability shall increase as contemplated improvements are made, so that any loss payable hereunder shall be limited to said sum plus the amount actually expended by the Insured in improvements at the time the loss occurs. Any expenditures made for improvements, subsequent to the date of this policy, will be deemed made as of the date of this policy. In no event shall the liability of the Company hereunder exceed the face amount of this policy. Nothing contained in this paragraph shall be construed as limiting any exception or any printed provision of this policy.

- e. Section 14 of the Conditions of this policy is hereby deleted. (Owner Policy)
- f. Vendor's Lien retained in Deed dated November 25, 2017, recorded in Instrument No. 2017039838, of the Official Public Records of McLennan County, Texas, filed December 5, 2017 from Bolton Body Shop Ltd. to West Texas Golden Trails, LP, for the benefit of Sterling Bank. Deed of Trust dated November 2, 2017, in the amount of \$1,150,000.00, recorded in Instrument No. 2017039840 of the Official Public Records of McLennan County, Texas, filed on December 5, 2017, executed by West Texas Golden Trails, LP to E. Calvin Matthews IV, Trustee (s), for the benefit of Sterling Bank.

1	Office File No.	2	Policy Jacket No.	3	Date of Endorsement	4	Amount of Insurance	5	Type	6	Premium	9	Code	Rule
	14701-17-01638		O-5966-000181651		December 5, 2017		\$1,160,000.00		EN		\$654.50		0895	R-29D

**RESTRICTIONS, ENCROACHMENTS, MINERALS ENDORSEMENT
OWNER'S POLICY (FORM T-19.1)**

Attached to Policy No. O-5966-000181651

Issued by

STEWART TITLE GUARANTY COMPANY

1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. "Improvement" means a building, structure, road, walkway, driveway, or curb, affixed to either the Land or adjoining land and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
 - c. "Private Right" means (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - b. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
 - c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or
 - d. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy based on a transfer of Title on or before Date of Policy that causes a loss of the Insured's Title.
4. The Company insures against loss or damage sustained by reason of:
 - a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policy unless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or

- b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Paragraph 3.c, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances; or
 - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence.
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By: 

Authorized Officer or Agent

FACTS	WHAT DOES NORTH AMERICAN TITLE GROUP, LLC FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number and income • Transaction history and payment history • Purchase history and account balances 	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons North American Title Group, LLC Family of Companies ("NATG") chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information		Does NATG share?
For our everyday business purposes Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes
For our marketing purposes To offer our products and services to you		Yes
For joint marketing with other financial companies		No
For our affiliates' everyday business purposes Information about your transactions and experiences		Yes
For our affiliates' everyday business purposes Information about your creditworthiness		No
For our affiliates to market to you		Yes
For nonaffiliates to market to you		No
Can you limit this sharing?		No
For our everyday business purposes		No
For our marketing purposes		No
For joint marketing with other financial companies		We don't share
For our affiliates' everyday business purposes		No
For our affiliates' everyday business purposes		We don't share
For our affiliates to market to you		Yes
For nonaffiliates to market to you		We don't share
To limit our sharing:	<ul style="list-style-type: none"> • Visit the following webpage for full instructions and a link to the Opt Out process via our NATTRACK system: www.nat.com/Opt-Out OR • Mail the form below <p>Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>	
Order from:	Call 1 (844) 654-5408	

✂

Mail-in Form	
If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me.	Mark any/all you want to limit: <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.
	Name
	Address
	City, State, Zip
	Account #

Mail To: North American Title Group, LLC Family of Companies
 ATTN: General Counsel
 760 Northwest 107th Avenue, Suite 400
 Miami, FL 33172

Who we are	
Who is providing this notice?	North American Title Group, LLC Family of Companies (identified below), which offers title insurance and settlement services and property and casualty insurance
What we do	
How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does NATG collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates include companies with a Lennar name; financial companies such as Eagle Home Mortgage, Eagle Home Mortgage of California, Northwest Mortgage Alliance, and Rialto Capital Management; and nonfinancial companies, such as Lennar Corporation, Lennar Multifamily Companies, Lennar Commercial, Lennar Homes USA, Lennar Family of Builders, Lennar Sales Corp., Sunstreet Energy Group, Five Point Communities, WCI Communities, LLC, Watermark Realty Referral, Inc., and WCI Realty, Inc.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our behalf, and consumer reporting agencies.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • NATG doesn't jointly market.

The North American Title Group, LLC Family of Companies consists of the following entities:

- | | |
|--|--|
| North American Title Company | North American Abstract Agency |
| North American Title Company, Inc. | NASSA, LLC |
| North American Title Company of Colorado | North American Title, LLC |
| North American Title Insurance Company | North American Advantage Insurance Services, LLC |
| North American Services, LLC | North American National Title Solutions, LLC |
| North American Title Agency, Inc. | North American Title Agency, LLC |

STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business - to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes - to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes - to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes - information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices

How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • request insurance-related services • provide such information to us <p>We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.</p>
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact Us

If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

MF Received 12/18/18/cs
10:47 am

must

OWNER'S POLICY OF TITLE INSURANCE
ISSUED BY

STEWART TITLE GUARANTY COMPANY

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

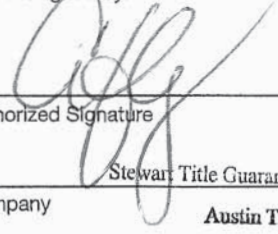
SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
 - (a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
 - (d) Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or materials having its inception on or before Date of Policy.
3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.

Covered Risks continued on next page.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Countersigned by:



 Authorized Signature

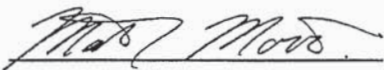
Stewart Title Guaranty Company

 Company Austin TX

 City, State

stewart
title guaranty company





 Matt Morris
 President and CEO



 Denise Carraux
 Secretary

Policy Serial No. O-5966-000192172

COVERED RISKS (continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- (a) the occupancy, use or enjoyment of the Land;
- (b) the character, dimensions or location of any improvement erected on the Land;
- (c) subdivision of land; or
- (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.

8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

9. Title being vested other than as stated in Schedule A or being defective:

- (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or
- (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.

10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- (i) the occupancy, use, or enjoyment of the Land;
- (ii) the character, dimensions or location of any improvement erected on the Land;
- (iii) subdivision of land; or
- (iv) environmental protection;

or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims or other matters:

- (a) created, suffered, assumed or agreed to by the Insured Claimant;
- (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:

- (a) a fraudulent conveyance or fraudulent transfer; or
- (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.

5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

6. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

CONDITIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.

(d) "Insured": the Insured named in Schedule A.

(i) The term "Insured" also includes:

- (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives or next of kin;

CONDITIONS (continued)

(B) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;

(C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title;

(1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) If the grantee wholly owns the named Insured,

(3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) If the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C) and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": an Insured claiming loss or damage.

(f) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": the estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

When, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall

notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefore, issue to the Insured Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend,

CONDITIONS (continued)

prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.
- (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay. Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of:
- (i) the Amount of Insurance; or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance

with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE.

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS.

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION.

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under

CONDITIONS (continued)

the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim, shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

16. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT.

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at P.O. Box 2029, Houston, TX 77252-2029.

stewart

title guaranty company

ESTABLISHED 1893

INCORPORATED 1908

A NAME

RECOGNIZED NATIONALLY

AS BEING

SYNONYMOUS WITH

QUALITY

stewart

title guaranty company

stewart

title guaranty company

P. O. Box 2029

Houston, Texas 77252

POLICY

OF

TITLE

INSURANCE

STEWART TITLE GUARANTY COMPANY
OWNER'S POLICY OF TITLE INSURANCE T-1
SCHEDULE A

Name and Address of Title Insurance Company:
Stewart Title Guaranty Company
P.O. Box 2029
Houston, TX 77252-9770

File No.: 14701-18-02162 Policy No.: O-5966-000192172
Address for Reference only: Melodie Lane, West, TX 76691
Amount of Insurance: \$9,000,000.00 Premium: 32,596.00
Date of Policy: July 23, 2018 at 04:28 PM

1. Name of Insured:
West Texas Golden Trails, LP
2. The estate or interest in the Land that is insured by this policy is:
Fee Simple as to Tract 1
Easement Estate as to Tract 2, Tract 3 and Tract 4
3. Title is insured as vested in:
West Texas Golden Trails, LP
4. The Land referred to in this policy is described as follows:

TRACT 1:

A 4.00 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called 4.00 acres of land in deed to West Texas Golden Trails, LP, of record as Instrument Number 2017039838 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,
- 2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and northeast corner of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

TRACT 2:

A 0.447 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "C" (0.447 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.447 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres described in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 389.87 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence N 11degrees 11minutes 13seconds E 50.01 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 389.12 feet to a ½ inch iron rod with cap stamped M&A placed for the northeast corner of the herein described parcel of land,

Thence 50.02 feet along a curve to the left having a Radius of 12,275.00 feet and Chord Bearing S 10degrees 19minutes 26seconds W 50.02 feet to the Point of Beginning.

TRACT 3:

A 0.837 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "B" (0.837 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.837 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8 inch iron rod with cap stamped Roden found in the east line of Melodie Drive, 60 foot right-of-way, at the southwest corner of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021528 in the said Official Public Records of McLennan County for the northeast corner of the herein described parcel of land,

Thence 187.74 feet along a curve to the left having a Radius of 542.00 feet and Chord Bearing S 02degrees 16minutes 38seconds W 186.80 feet to a 1½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 198.40 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing S 01degrees 47minutes 44seconds W 197.50 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve and being in the west line of Interstate Highway No. 35 as described in Instrument 2012012324 of the said Official Public Records, from said placed iron a 4 inch Aluminum Disc TxDOT right of way monument bears 131.84 feet along a curve to the right having a Radius of 12,215.00 feet and Chord Bearing N 11degrees 32minutes 46seconds E 131.84 feet,

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

Thence 221.48 feet along the west line of Interstate Highway No. 35 a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 10degrees 43minutes 03seconds W 221.48 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land, from said placed iron a 4 inch Aluminum Disc TxDOT monument found at the end of the said curve to the left bears S 09degrees 51minutes 05seconds W 147.71 feet,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence 220.58 feet along a line 60 feet westerly of and parallel to the west line of Interstate Highway No. 35, a curve to the right having a Radius of 12,275.00 feet and Chord Bearing N 10degrees 43minutes 19seconds E 220.58 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the right and being at the beginning of a curve to the left,

Thence 178.62 feet along the said curve to the left having a Radius of 542.00 feet and Chord Bearing N 01degrees 47minutes 44seconds E 177.81 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 208.52 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing N 02degrees 16minutes 38seconds E 207.48 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve the southeast corner of Lot 9, Block 1 of the Czech Heritage Addition according to the plat of record as Instrument 2010021531 in the said Official Public Records and being the southwest corner of the current end of Melodie Drive for the northwest corner of the herein described parcel of land.

Thence S 77 degrees 47 minutes 59 seconds E 60.00 feet along the end of Melodie Drive to the POINT OF BEGINNING.

TRACT 4:

A 0.230 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "D" (0.230 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas. Said 0.230 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8-inch iron rod with cap stamped Roden found at the southwest corner of Lot 9, Block 1 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021531 in the Official Public Records of McLennan County, Texas, for the northwest corner of this:

Thence South 77 Degrees 53 Minutes 29 Seconds East a distance of 20.00 feet to a ½ inch iron rod with cap stamped M&A placed in the southwest line of said Lot 9 for the northeast corner of this;

Thence South 12 Degrees 12 Minutes 37 Seconds West a distance of 499.98 feet to a ½ inch iron rod with cap stamped M&A placed in the northeast line of Lot 1, Block 1, West Village Addition to the City of

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas for the southeast corner of this;

Thence North 77 Degrees 54 Minutes 09 Seconds West a distance of 20.00 feet along the northeast line of said Lot 1 to a ½ inch iron rod with cap stamped M&A placed at the southwest corner of this;

Thence North 12 Degrees 12 Minutes 37 Seconds East a distance of 499.99 feet to the Point of Beginning.

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description as to the area or quantity of land is not a representation that such area or quantity is correct, but is made solely for informational and/or identification purposes and does not override the exception contained in Schedule B Item 2 herein.

Stewart Title Guaranty Company

By: _____

Authorized Officer or Agent

SCHEDULE B

File No.: 14701-18-02162

Policy No.: O-5966-000192172

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A, and the following matters:

1. The following restrictive covenants of record itemized below:

Instrument Nos. 2017039838 (affects Tract 1 only); 2018002401 (affects Tracts 1, 2 and 3 only), 2018025714 (affects Tracts 1, 2, 3 and 4) Official Public Records, McLennan County, Texas.

(Note: To the extent that these restrictions violate 42 USC 3604(c) by indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, such restrictions are hereby omitted.)
2. Shortages in area.
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities,
 - (a) to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - (b) to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - (c) to filled-in lands, or artificial islands, or
 - (d) to statutory water rights, including riparian rights, or
 - (e) to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year 2018, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception).
 - a. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

SCHEDULE B
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

- b. Mineral and/or royalty interest in all of the oil, gas, and other minerals and/or other substances in and under the subject property, including royalties, bonuses, rentals, ingress/egress and all other rights as set out in the Special Warranty Deed from NationsBank of Texas, National Association, as Trustee of Testamentary Trust created in the Will of Floyd Casey, Deceased, Lois Smith f/k/a Lois Murry by and through her duly appointed and authorized attorney-in-fact, Lowell C. Douglas, Floyd C. Smith, and William Casey Winkelman to Jerrel Bolton, dated October 6, 1993, recorded on October 12, 1993 in Volume 1792, Page 281, Official Public Records, McLennan County, Texas, together with all rights, express or implied, in and to the subject property, arising out of or connected with said interest, reference to which instrument is here made for all purposes. Title to said interest has not been investigated subsequent to the date of the aforesaid instrument. The Company makes no representation to the present ownership of this interest.
- c. Terms, conditions and provisions of that certain non-exclusive Easement Agreement by and between Bolton Body Shop Ltd. and West Texas Golden Trails, LP, dated November 25, 2017, recorded December 5, 2017 in Instrument No. 2017039839, Official Public Records, McLennan County, Texas, as affected by First Amendment to Easement Agreement recorded June 27, 2018 in instrument No. 2018021420, Official Public Records McLennan County, Texas.
- d. Any and all liens arising by reason of unpaid bills or claims for work performed or material furnished in connection with improvements placed, or to be placed, upon the subject land. However, the Company does insure the Insured against loss, if any, sustained by the Insured under this Policy if such liens have been filed with the County Clerk of McLennan County, Texas, prior to the date hereof.

Liability hereunder at the date hereof is limited to \$1,670,123.07. Liability shall increase as contemplated improvements are made, so that any loss payable hereunder shall be limited to said sum plus the amount actually expended by the Insured in improvements at the time the loss occurs. Any expenditures made for improvements, subsequent to the date of this policy, will be deemed made as of the date of this policy. In no event shall the liability of the Company hereunder exceed the face amount of this policy. Nothing contained in this paragraph shall be construed as limiting any exception or any printed provision of this policy. (Owner Policy)

- e. Section 14 of the Conditions of this policy is hereby deleted. (Owner Policy)
- f. No liability is assumed for loss, claim or damage arising by virtue of the following, as reflected on survey dated 02/12/2018, prepared by Robert E. Mitchell, RPLS No.5801, Mitchell & Associates, Inc. No. 17-09-10657: fences across easements.
- g. Terms, conditions and provisions of that certain Land Use Restriction Agreement by and between West Texas Golden Trails, LP and Texas Department of Housing and Community Affairs dated July 12, 2018, recorded July 23, 2018 in Instrument No. 2018025714, Official Public Records, McLennan County, Texas.

SCHEDULE B
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

- h. Deed of Trust dated July 20, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025715 of the Official Public Records of McLennan County, Texas, from West Texas Golden Trails, LP to Al Villarreal, Trustee(s), securing the payment of one certain promissory note of even date therewith in the principal amount of \$4,000,000.00, payable to the order of International Bank of Commerce.
Collateral Assignment of Leases, Rents and Income from West Texas Golden Trails, LP to International Bank of Commerce dated July 20, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025716 of the Official Public Records of McLennan County, Texas
- i. Deed of Trust dated July 12, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025717 of the Official Public Records of McLennan County, Texas to Timothy K. Irvine of Travis County, Texas, Trustee(s), securing the payment of one certain promissory note of even date therewith in the principal amount of \$2,055,000.00, payable to the order of Texas Department of Housing and Community Affairs.
UCC Financing Statement by and between West Texas Golden Trails, LP (Debtor) and Texas Department of Housing and Community Affairs (Secured Party) filed on July 23, 2018 recorded in Instrument No. 2018025718 of the Official Public Records of McLennan County, Texas

Office File No.	Policy Jacket No.	Date of Endorsement	Amount of Insurance	Type	Premium	Code	Rule
14701-18-02162	O-5966-000192172	July 23, 2018	\$9,000,000.00	EN	\$3,914.10	0895	R-29D

**RESTRICTIONS, ENCROACHMENTS, MINERALS ENDORSEMENT
OWNER'S POLICY (FORM T-19.1)**

Attached to Policy No. O-5966-000192172

Issued by

STEWART TITLE GUARANTY COMPANY

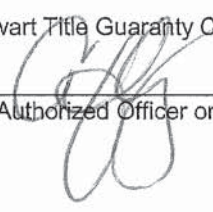
1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. "Improvement" means a building, structure, road, walkway, driveway, or curb, affixed to either the Land or adjoining land and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
 - c. "Private Right" means (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - b. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
 - c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or
 - d. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy based on a transfer of Title on or before Date of Policy that causes a loss of the Insured's Title.
4. The Company insures against loss or damage sustained by reason of:
 - a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policy unless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or

- b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Paragraph 3.c, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances; or
 - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence.
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By:  _____
Authorized Officer or Agent

Office File No.	Policy Jacket No.	Date of Endorsement	Amount of Insurance	Type	Premium	Code	Rule
14701-18-02162	O-5966-000192172	July 23, 2018	\$9,000,000.00	EN	\$50.00	0801	R-29.1

**MINERALS AND SURFACE DAMAGE ENDORSEMENT
T-19.2**

Attached to Policy No. O-5966-000192172

Issued by

STEWART TITLE GUARANTY COMPANY

The Company insures the insured against loss which the insured shall sustain by reason of damage to improvements (excluding lawns, shrubbery, or trees) located on the Land on or after Date of Policy resulting from the future exercise of any right existing at Date of Policy to use the surface of the Land for the extraction or development of coal, lignite, oil, gas or other minerals excepted or excluded on Schedule A, Item 2 or excepted in Schedule B. This endorsement does not insure against loss resulting from subsidence.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By: 
Authorized Officer or Agent

Office File No.	Policy Jacket No.	Date of Endorsement	Amount of Insurance	Type	Premium	Code	Rule
14701-18-02162	O-5966-000192172	July 23, 2018	\$9,000,000.00	EN	\$100.00	0890	R-30

ACCESS ENDORSEMENT T-23

Attached to Policy No. O-5966-000192172

Issued by


STEWART TITLE GUARANTY COMPANY

The Company insures against loss or damage sustained by the insured if, at Date of Policy: (i) the land does not abut and have both actual vehicular and pedestrian access to and from Melodie Lane via the easement or (ii) the street is not physically open.

This endorsement is made a part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By: 
Authorized Officer or Agent

Privacy Policy

Rev. 05/22/2018

North American Title Group Family of Companies

FACTS	WHAT DOES NORTH AMERICAN TITLE GROUP, LLC FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?	
	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number and income • Transaction history and payment history • Purchase history and account balances 	
	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons North American Title Group, LLC Family of Companies ("NATG") chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information	Does NATG share?	Can you limit this sharing?
For our everyday business purposes Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes To offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes Information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes Information about your creditworthiness	No	We don't share
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	No	We don't share
	<ul style="list-style-type: none"> • Visit the following webpage for full instructions and a link to the Opt Out process via our NATTRACK system: www.nat.com/Opt-Out OR • Mail the form below Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	
	Call 1 (844) 654-5408	

Mail-in Form	
If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me.	Mark any/all you want to limit: <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.
	Name
	Address
	City, State, Zip
	Account #

Mail To: North American Title Group, LLC Family of Companies
 ATTN: General Counsel
 760 Northwest 107th Avenue, Suite 400
 Miami, FL 33172

Page 2	
Who we are	
Who is providing this notice?	North American Title Group, LLC Family of Companies (identified below), which offers title insurance and settlement services and property and casualty insurance
What we do	
How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does NATG collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Our affiliates include companies with a Lennar name; financial companies such as Eagle Home Mortgage, Eagle Home Mortgage of California, CalAtlantic Mortgage, Inc., and Rialto Capital Management; and nonfinancial companies, such as Lennar Corporation, Lennar Multifamily Companies, Lennar Commercial, Lennar Homes USA, Lennar Family of Builders, CalAtlantic Homes, Lennar Sales Corp., SPH Title, Inc., Sunstreet Energy Group, Five Point Communities, WCI Communities, LLC, Watermark Realty Referral, Inc., and WCI Realty, Inc.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our behalf, and consumer reporting agencies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> • NATG doesn't jointly market.

The North American Title Group, LLC Family of Companies consists of the following entities:

North American Title Company	North American Abstract Agency
North American Title Company, Inc.	NASSA, LLC
North American Title Company of Colorado	North American Title, LLC
North American Title Insurance Company	North American Advantage Insurance Services, LLC
North American Services, LLC	North American National Title Solutions, LLC
North American Title Agency, Inc.	North American Title Agency, LLC
CalAtlantic Title, Inc.	CalAtlantic Title Atlanta, LLC
CalAtlantic Title of Maryland, Inc.	CalAtlantic Title Charleston, LLC

STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business - to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes - to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes - to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes - information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices

How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • request insurance-related services • provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact Us

If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

2018 HTC Full Application

Part 2 Tab 12

QCT/SADDA Map

NA

2018 HTC Full Application

Part 2 Tab 12

Supporting Documents:
MFDL Site and Neighborhood
Standards



**Oncor Electric Delivery Company LLC
a Delaware limited liability company**

02/27/2017

David J. Picha
Oncor Electric Delivery
3620 Franklin Ave.
Waco, TX 76710

Mr. Justin Paris, PE
Adams Engineering
1101 E. SE Loop 323 - Suite 101
Tyler, TX 75701

Re: Provide Electric to Proposed Housing - City of West - I-35 @FM 2114

Please be advised that Oncor Electric Delivery Company LLC, a Delaware limited liability company, can provide electric service to the above referenced site. Service will be provided upon request in accordance with our tariffs and service regulations on file with the Public Utility Commission of Texas.

If you have questions or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "David J. Picha". The signature is written in a cursive, flowing style.

David J. Picha
Oncor Electric Delivery



February 23, 2017

To Whom it May Concern:

This letter is to serve as verification that the City of West has reviewed the preliminary plans for Golden Trails, a senior housing development, located off of Melodie Drive in West, TX. Upon review of the aforementioned and discussions with the project team the City of West certifies that it can and is willing to provide the necessary sanitary sewer for the development.

Kind Regards,

Shelly Nors

City Administrator



WASTE CONNECTIONS INC.
Connect with the Future®

February 27, 2017

To whom it may concern:

This letter is to serve as verification that Waste Connections has reviewed the preliminary plans for Golden Trails, a senior housing development, located off of Melodie Drive in West, TX. Upon review of the aforementioned and discussions with the project team Waste Connections certifies that it can and is willing to provide the necessary waste collection services for the development.

Sincerely,

Brian A. Uptmor
Waste Connections
District Municipal Marketing Manager
1910 S. Main Street
PO Box 255
McGregor, TX 76657
254 840-4060-Office
254 315-9156-Cell
brian.uptmor@progressivewaste.com
www.wasteconnections.com





February 23, 2017

To Whom it May Concern:

This letter is to serve as verification that the City of West has reviewed the preliminary plans for Golden Trails, a senior housing development, located off of Melodie Drive in West, TX. Upon review of the aforementioned and discussions with the project team the City of West certifies that it can and is willing to provide the necessary water service for the development.

Kind Regards,

Shelly Nors

City Administrator

Golden Trails Housing Opportunities and Undue Concentration

Golden Trails will be located in West, TX, a rural city located north of Waco in central Texas that has 2,848 people according to the 2010-2014 American Community Survey. According to this dataset, West has 17.1% percent of individuals below the poverty level and the State of Texas has a 17.7% poverty rate.

The development site is located in 2010 census tract 48309004202 in McLennan County, which has a 12.2% percent poverty rate. This percentage is considerably lower than the city and state rates. This census tract also has a high median household income compared to the city and state: \$58,434 compared to \$33,953 for the city and \$52,576 for the state. Additionally, this will be the first HTC- and HOME-financed development in the census tract.

Based on low poverty, high income, and a census tract that does not have another HTC-assisted housing development, this site offers greater opportunities for housing choice among low income households while avoiding concentrations of low income individuals.



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

Geography: Census Tract 42.02, McLennan County, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	3,690	100.0
Under 5 years	210	5.7
5 to 9 years	220	6.0
10 to 14 years	280	7.6
15 to 19 years	292	7.9
20 to 24 years	185	5.0
25 to 29 years	167	4.5
30 to 34 years	201	5.4
35 to 39 years	236	6.4
40 to 44 years	221	6.0
45 to 49 years	342	9.3
50 to 54 years	343	9.3
55 to 59 years	259	7.0
60 to 64 years	227	6.2
65 to 69 years	197	5.3
70 to 74 years	126	3.4
75 to 79 years	94	2.5
80 to 84 years	48	1.3
85 years and over	42	1.1
Median age (years)	41.2	(X)
16 years and over	2,911	78.9
18 years and over	2,781	75.4
21 years and over	2,647	71.7
62 years and over	639	17.3
65 years and over	507	13.7
Male population		
Under 5 years	112	3.0
5 to 9 years	117	3.2
10 to 14 years	162	4.4
15 to 19 years	168	4.6
20 to 24 years	98	2.7
25 to 29 years	90	2.4
30 to 34 years	112	3.0
35 to 39 years	127	3.4
40 to 44 years	114	3.1
45 to 49 years	178	4.8
50 to 54 years	174	4.7
55 to 59 years	130	3.5
60 to 64 years	122	3.3

Subject	Number	Percent
65 to 69 years	104	2.8
70 to 74 years	64	1.7
75 to 79 years	50	1.4
80 to 84 years	26	0.7
85 years and over	13	0.4
Median age (years)	39.8	(X)
16 years and over	1,530	41.5
18 years and over	1,450	39.3
21 years and over	1,377	37.3
62 years and over	321	8.7
65 years and over	257	7.0
Female population	1,729	46.9
Under 5 years	98	2.7
5 to 9 years	103	2.8
10 to 14 years	118	3.2
15 to 19 years	124	3.4
20 to 24 years	87	2.4
25 to 29 years	77	2.1
30 to 34 years	89	2.4
35 to 39 years	109	3.0
40 to 44 years	107	2.9
45 to 49 years	164	4.4
50 to 54 years	169	4.6
55 to 59 years	129	3.5
60 to 64 years	105	2.8
65 to 69 years	93	2.5
70 to 74 years	62	1.7
75 to 79 years	44	1.2
80 to 84 years	22	0.6
85 years and over	29	0.8
Median age (years)	43.0	(X)
16 years and over	1,381	37.4
18 years and over	1,331	36.1
21 years and over	1,270	34.4
62 years and over	318	8.6
65 years and over	250	6.8
RACE		
Total population	3,690	100.0
One Race	3,642	98.7
White	3,426	92.8
Black or African American	112	3.0
American Indian and Alaska Native	22	0.6
Asian	6	0.2
Asian Indian	2	0.1
Chinese	0	0.0
Filipino	3	0.1
Japanese	0	0.0
Korean	0	0.0
Vietnamese	1	0.0
Other Asian [1]	0	0.0
Native Hawaiian and Other Pacific Islander	2	0.1
Native Hawaiian	0	0.0
Guamanian or Chamorro	0	0.0
Samoan	0	0.0

Subject	Number	Percent
Other Pacific Islander [2]	2	0.1
Some Other Race	74	2.0
Two or More Races	48	1.3
White; American Indian and Alaska Native [3]	20	0.5
White; Asian [3]	7	0.2
White; Black or African American [3]	7	0.2
White; Some Other Race [3]	11	0.3
Race alone or in combination with one or more other races: [4]		
White	3,472	94.1
Black or African American	120	3.3
American Indian and Alaska Native	43	1.2
Asian	14	0.4
Native Hawaiian and Other Pacific Islander	5	0.1
Some Other Race	85	2.3
HISPANIC OR LATINO		
Total population	3,690	100.0
Hispanic or Latino (of any race)	330	8.9
Mexican	276	7.5
Puerto Rican	4	0.1
Cuban	0	0.0
Other Hispanic or Latino [5]	50	1.4
Not Hispanic or Latino	3,360	91.1
HISPANIC OR LATINO AND RACE		
Total population	3,690	100.0
Hispanic or Latino	330	8.9
White alone	230	6.2
Black or African American alone	5	0.1
American Indian and Alaska Native alone	5	0.1
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	71	1.9
Two or More Races	16	0.4
Not Hispanic or Latino	3,360	91.1
White alone	3,196	86.6
Black or African American alone	107	2.9
American Indian and Alaska Native alone	17	0.5
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	2	0.1
Some Other Race alone	3	0.1
Two or More Races	32	0.9
RELATIONSHIP		
Total population	3,690	100.0
In households	3,583	97.1
Householder	1,367	37.0
Spouse [6]	876	23.7
Child	1,021	27.7
Own child under 18 years	748	20.3
Other relatives	197	5.3
Under 18 years	88	2.4
65 years and over	27	0.7
Nonrelatives	122	3.3
Under 18 years	20	0.5
65 years and over	11	0.3
Unmarried partner	65	1.8
In group quarters	107	2.9

Subject	Number	Percent
Institutionalized population	53	1.4
Male	53	1.4
Female	0	0.0
Noninstitutionalized population	54	1.5
Male	51	1.4
Female	3	0.1
HOUSEHOLDS BY TYPE		
Total households	1,367	100.0
Family households (families) [7]	1,044	76.4
With own children under 18 years	408	29.8
Husband-wife family	876	64.1
With own children under 18 years	321	23.5
Male householder, no wife present	57	4.2
With own children under 18 years	28	2.0
Female householder, no husband present	111	8.1
With own children under 18 years	59	4.3
Nonfamily households [7]	323	23.6
Householder living alone	279	20.4
Male	162	11.9
65 years and over	42	3.1
Female	117	8.6
65 years and over	58	4.2
Households with individuals under 18 years	464	33.9
Households with individuals 65 years and over	356	26.0
Average household size	2.62	(X)
Average family size [7]	3.01	(X)
HOUSING OCCUPANCY		
Total housing units	1,485	100.0
Occupied housing units	1,367	92.1
Vacant housing units	118	7.9
For rent	30	2.0
Rented, not occupied	2	0.1
For sale only	10	0.7
Sold, not occupied	4	0.3
For seasonal, recreational, or occasional use	16	1.1
All other vacants	56	3.8
Homeowner vacancy rate (percent) [8]	0.9	(X)
Rental vacancy rate (percent) [9]	10.5	(X)
HOUSING TENURE		
Occupied housing units	1,367	100.0
Owner-occupied housing units	1,112	81.3
Population in owner-occupied housing units	2,904	(X)
Average household size of owner-occupied units	2.61	(X)
Renter-occupied housing units	255	18.7
Population in renter-occupied housing units	679	(X)
Average household size of renter-occupied units	2.66	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

Geography: West city, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	2,807	100.0
Under 5 years	161	5.7
5 to 9 years	206	7.3
10 to 14 years	217	7.7
15 to 19 years	214	7.6
20 to 24 years	145	5.2
25 to 29 years	156	5.6
30 to 34 years	178	6.3
35 to 39 years	155	5.5
40 to 44 years	165	5.9
45 to 49 years	205	7.3
50 to 54 years	171	6.1
55 to 59 years	135	4.8
60 to 64 years	109	3.9
65 to 69 years	98	3.5
70 to 74 years	100	3.6
75 to 79 years	122	4.3
80 to 84 years	117	4.2
85 years and over	153	5.5
Median age (years)	38.9	(X)
16 years and over	2,170	77.3
18 years and over	2,077	74.0
21 years and over	1,988	70.8
62 years and over	642	22.9
65 years and over	590	21.0
Male population		
Under 5 years	93	3.3
5 to 9 years	105	3.7
10 to 14 years	116	4.1
15 to 19 years	122	4.3
20 to 24 years	74	2.6
25 to 29 years	77	2.7
30 to 34 years	82	2.9
35 to 39 years	71	2.5
40 to 44 years	86	3.1
45 to 49 years	101	3.6
50 to 54 years	88	3.1
55 to 59 years	63	2.2
60 to 64 years	42	1.5

Subject	Number	Percent
65 to 69 years	34	1.2
70 to 74 years	47	1.7
75 to 79 years	42	1.5
80 to 84 years	41	1.5
85 years and over	36	1.3
Median age (years)	34.5	(X)
16 years and over	975	34.7
18 years and over	921	32.8
21 years and over	875	31.2
62 years and over	217	7.7
65 years and over	200	7.1
Female population	1,487	53.0
Under 5 years	68	2.4
5 to 9 years	101	3.6
10 to 14 years	101	3.6
15 to 19 years	92	3.3
20 to 24 years	71	2.5
25 to 29 years	79	2.8
30 to 34 years	96	3.4
35 to 39 years	84	3.0
40 to 44 years	79	2.8
45 to 49 years	104	3.7
50 to 54 years	83	3.0
55 to 59 years	72	2.6
60 to 64 years	67	2.4
65 to 69 years	64	2.3
70 to 74 years	53	1.9
75 to 79 years	80	2.9
80 to 84 years	76	2.7
85 years and over	117	4.2
Median age (years)	43.0	(X)
16 years and over	1,195	42.6
18 years and over	1,156	41.2
21 years and over	1,113	39.7
62 years and over	425	15.1
65 years and over	390	13.9
RACE		
Total population	2,807	100.0
One Race	2,748	97.9
White	2,442	87.0
Black or African American	99	3.5
American Indian and Alaska Native	9	0.3
Asian	4	0.1
Asian Indian	1	0.0
Chinese	0	0.0
Filipino	1	0.0
Japanese	0	0.0
Korean	0	0.0
Vietnamese	0	0.0
Other Asian [1]	2	0.1
Native Hawaiian and Other Pacific Islander	0	0.0
Native Hawaiian	0	0.0
Guamanian or Chamorro	0	0.0
Samoan	0	0.0

Subject	Number	Percent
Other Pacific Islander [2]	0	0.0
Some Other Race	194	6.9
Two or More Races	59	2.1
White; American Indian and Alaska Native [3]	15	0.5
White; Asian [3]	2	0.1
White; Black or African American [3]	9	0.3
White; Some Other Race [3]	30	1.1
Race alone or in combination with one or more other races: [4]		
White	2,499	89.0
Black or African American	110	3.9
American Indian and Alaska Native	24	0.9
Asian	6	0.2
Native Hawaiian and Other Pacific Islander	1	0.0
Some Other Race	226	8.1
HISPANIC OR LATINO		
Total population	2,807	100.0
Hispanic or Latino (of any race)	387	13.8
Mexican	368	13.1
Puerto Rican	1	0.0
Cuban	0	0.0
Other Hispanic or Latino [5]	18	0.6
Not Hispanic or Latino	2,420	86.2
HISPANIC OR LATINO AND RACE		
Total population	2,807	100.0
Hispanic or Latino	387	13.8
White alone	157	5.6
Black or African American alone	4	0.1
American Indian and Alaska Native alone	2	0.1
Asian alone	1	0.0
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	194	6.9
Two or More Races	29	1.0
Not Hispanic or Latino	2,420	86.2
White alone	2,285	81.4
Black or African American alone	95	3.4
American Indian and Alaska Native alone	7	0.2
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	0	0.0
Two or More Races	30	1.1
RELATIONSHIP		
Total population	2,807	100.0
In households	2,670	95.1
Householder	1,090	38.8
Spouse [6]	497	17.7
Child	853	30.4
Own child under 18 years	650	23.2
Other relatives	143	5.1
Under 18 years	72	2.6
65 years and over	14	0.5
Nonrelatives	87	3.1
Under 18 years	8	0.3
65 years and over	2	0.1
Unmarried partner	53	1.9
In group quarters	137	4.9

Subject	Number	Percent
Institutionalized population	137	4.9
Male	28	1.0
Female	109	3.9
Noninstitutionalized population	0	0.0
Male	0	0.0
Female	0	0.0
HOUSEHOLDS BY TYPE		
Total households	1,090	100.0
Family households (families) [7]	710	65.1
With own children under 18 years	351	32.2
Husband-wife family	497	45.6
With own children under 18 years	226	20.7
Male householder, no wife present	49	4.5
With own children under 18 years	27	2.5
Female householder, no husband present	164	15.0
With own children under 18 years	98	9.0
Nonfamily households [7]	380	34.9
Householder living alone	346	31.7
Male	125	11.5
65 years and over	48	4.4
Female	221	20.3
65 years and over	138	12.7
Households with individuals under 18 years	388	35.6
Households with individuals 65 years and over	360	33.0
Average household size	2.45	(X)
Average family size [7]	3.10	(X)
HOUSING OCCUPANCY		
Total housing units	1,219	100.0
Occupied housing units	1,090	89.4
Vacant housing units	129	10.6
For rent	23	1.9
Rented, not occupied	3	0.2
For sale only	20	1.6
Sold, not occupied	7	0.6
For seasonal, recreational, or occasional use	11	0.9
All other vacants	65	5.3
Homeowner vacancy rate (percent) [8]	2.7	(X)
Rental vacancy rate (percent) [9]	5.6	(X)
HOUSING TENURE		
Occupied housing units	1,090	100.0
Owner-occupied housing units	705	64.7
Population in owner-occupied housing units	1,775	(X)
Average household size of owner-occupied units	2.52	(X)
Renter-occupied housing units	385	35.3
Population in renter-occupied housing units	895	(X)
Average household size of renter-occupied units	2.32	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

Geography: McLennan County, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	234,906	100.0
Under 5 years	16,642	7.1
5 to 9 years	16,483	7.0
10 to 14 years	16,275	6.9
15 to 19 years	20,604	8.8
20 to 24 years	23,223	9.9
25 to 29 years	16,186	6.9
30 to 34 years	14,193	6.0
35 to 39 years	13,469	5.7
40 to 44 years	13,346	5.7
45 to 49 years	15,128	6.4
50 to 54 years	15,077	6.4
55 to 59 years	13,690	5.8
60 to 64 years	11,331	4.8
65 to 69 years	8,452	3.6
70 to 74 years	6,736	2.9
75 to 79 years	5,521	2.4
80 to 84 years	4,363	1.9
85 years and over	4,187	1.8
Median age (years)	32.7	(X)
16 years and over	182,087	77.5
18 years and over	175,161	74.6
21 years and over	159,341	67.8
62 years and over	35,702	15.2
65 years and over	29,259	12.5
Male population		
Under 5 years	8,657	3.7
5 to 9 years	8,296	3.5
10 to 14 years	8,425	3.6
15 to 19 years	10,386	4.4
20 to 24 years	11,172	4.8
25 to 29 years	8,107	3.5
30 to 34 years	6,989	3.0
35 to 39 years	6,506	2.8
40 to 44 years	6,442	2.7
45 to 49 years	7,439	3.2
50 to 54 years	7,365	3.1
55 to 59 years	6,522	2.8
60 to 64 years	5,444	2.3

Subject	Number	Percent
65 to 69 years	3,912	1.7
70 to 74 years	3,069	1.3
75 to 79 years	2,392	1.0
80 to 84 years	1,716	0.7
85 years and over	1,330	0.6
Median age (years)	31.4	(X)
16 years and over	86,982	37.0
18 years and over	83,358	35.5
21 years and over	75,808	32.3
62 years and over	15,470	6.6
65 years and over	12,419	5.3
Female population	120,737	51.4
Under 5 years	7,985	3.4
5 to 9 years	8,187	3.5
10 to 14 years	7,850	3.3
15 to 19 years	10,218	4.3
20 to 24 years	12,051	5.1
25 to 29 years	8,079	3.4
30 to 34 years	7,204	3.1
35 to 39 years	6,963	3.0
40 to 44 years	6,904	2.9
45 to 49 years	7,689	3.3
50 to 54 years	7,712	3.3
55 to 59 years	7,168	3.1
60 to 64 years	5,887	2.5
65 to 69 years	4,540	1.9
70 to 74 years	3,667	1.6
75 to 79 years	3,129	1.3
80 to 84 years	2,647	1.1
85 years and over	2,857	1.2
Median age (years)	34.1	(X)
16 years and over	95,105	40.5
18 years and over	91,803	39.1
21 years and over	83,533	35.6
62 years and over	20,232	8.6
65 years and over	16,840	7.2
RACE		
Total population	234,906	100.0
One Race	229,101	97.5
White	164,037	69.8
Black or African American	34,767	14.8
American Indian and Alaska Native	1,473	0.6
Asian	3,220	1.4
Asian Indian	697	0.3
Chinese	610	0.3
Filipino	377	0.2
Japanese	95	0.0
Korean	413	0.2
Vietnamese	501	0.2
Other Asian [1]	527	0.2
Native Hawaiian and Other Pacific Islander	107	0.0
Native Hawaiian	35	0.0
Guamanian or Chamorro	31	0.0
Samoan	11	0.0

Subject	Number	Percent
Other Pacific Islander [2]	30	0.0
Some Other Race	25,497	10.9
Two or More Races	5,805	2.5
White; American Indian and Alaska Native [3]	812	0.3
White; Asian [3]	655	0.3
White; Black or African American [3]	1,373	0.6
White; Some Other Race [3]	1,797	0.8
Race alone or in combination with one or more other races: [4]		
White	168,987	71.9
Black or African American	36,894	15.7
American Indian and Alaska Native	2,708	1.2
Asian	4,169	1.8
Native Hawaiian and Other Pacific Islander	280	0.1
Some Other Race	27,975	11.9
HISPANIC OR LATINO		
Total population	234,906	100.0
Hispanic or Latino (of any race)	55,471	23.6
Mexican	49,376	21.0
Puerto Rican	969	0.4
Cuban	177	0.1
Other Hispanic or Latino [5]	4,949	2.1
Not Hispanic or Latino	179,435	76.4
HISPANIC OR LATINO AND RACE		
Total population	234,906	100.0
Hispanic or Latino	55,471	23.6
White alone	25,742	11.0
Black or African American alone	875	0.4
American Indian and Alaska Native alone	769	0.3
Asian alone	92	0.0
Native Hawaiian and Other Pacific Islander alone	23	0.0
Some Other Race alone	25,262	10.8
Two or More Races	2,708	1.2
Not Hispanic or Latino	179,435	76.4
White alone	138,295	58.9
Black or African American alone	33,892	14.4
American Indian and Alaska Native alone	704	0.3
Asian alone	3,128	1.3
Native Hawaiian and Other Pacific Islander alone	84	0.0
Some Other Race alone	235	0.1
Two or More Races	3,097	1.3
RELATIONSHIP		
Total population	234,906	100.0
In households	225,821	96.1
Householder	86,892	37.0
Spouse [6]	40,562	17.3
Child	67,145	28.6
Own child under 18 years	50,334	21.4
Other relatives	16,514	7.0
Under 18 years	7,695	3.3
65 years and over	1,634	0.7
Nonrelatives	14,708	6.3
Under 18 years	905	0.4
65 years and over	409	0.2
Unmarried partner	4,963	2.1
In group quarters	9,085	3.9

Subject	Number	Percent
Institutionalized population	3,960	1.7
Male	2,365	1.0
Female	1,595	0.7
Noninstitutionalized population	5,125	2.2
Male	2,369	1.0
Female	2,756	1.2
HOUSEHOLDS BY TYPE		
Total households	86,892	100.0
Family households (families) [7]	57,663	66.4
With own children under 18 years	26,117	30.1
Husband-wife family	40,562	46.7
With own children under 18 years	16,730	19.3
Male householder, no wife present	4,313	5.0
With own children under 18 years	2,102	2.4
Female householder, no husband present	12,788	14.7
With own children under 18 years	7,285	8.4
Nonfamily households [7]	29,229	33.6
Householder living alone	22,763	26.2
Male	10,059	11.6
65 years and over	2,219	2.6
Female	12,704	14.6
65 years and over	5,646	6.5
Households with individuals under 18 years	30,062	34.6
Households with individuals 65 years and over	20,744	23.9
Average household size	2.60	(X)
Average family size [7]	3.15	(X)
HOUSING OCCUPANCY		
Total housing units	95,124	100.0
Occupied housing units	86,892	91.3
Vacant housing units	8,232	8.7
For rent	3,519	3.7
Rented, not occupied	78	0.1
For sale only	1,092	1.1
Sold, not occupied	390	0.4
For seasonal, recreational, or occasional use	458	0.5
All other vacants	2,695	2.8
Homeowner vacancy rate (percent) [8]	2.0	(X)
Rental vacancy rate (percent) [9]	9.2	(X)
HOUSING TENURE		
Occupied housing units	86,892	100.0
Owner-occupied housing units	52,244	60.1
Population in owner-occupied housing units	141,237	(X)
Average household size of owner-occupied units	2.70	(X)
Renter-occupied housing units	34,648	39.9
Population in renter-occupied housing units	84,584	(X)
Average household size of renter-occupied units	2.44	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.

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Part 2 Tab 13

Multiple Site Information

NA

Multiple Site Information Form

This exhibit is required if a development site is assembled by aggregating noncontiguous tracts conveyed by one contract, or tracts conveyed by more than one contract whether contiguous or not. For each contract, list the address, legal description and acreage of each tract. The sum of the acreages must equal or exceed the acreage of the corresponding site plan(s) before dedications and other foreseeable reductions. Provide a reconciliation of any discrepancy (dedications, takings, reserves for other uses, etc.). **Behind this form, provide a plat of the acquisitions that correspond to each distinct development site. The plat should state the dimensions of each tract and identify the address, legal description and acreage. If the development site boundaries do not match the boundaries of the platted acquisitions, provide an overlay plat of the development site.**

1	<u>NA</u>			
	Contract Number	Census Tract	Acreage	Date of Sale
	<u>Street Address</u>		<u>City</u>	
	Contact Name for Seller <i>Only list if owner has owned <36 mos.</i>	Name of Seller Entity <i>Only list if owner has owned <36 mos.</i>		
	Contact Name for Previous Seller	Name of Previous Seller Entity		
	Seller Address	City	State	Zip
	Did the seller acquire the property through foreclosure or deed in lieu of foreclosure?			<input type="checkbox"/>
	Is the seller affiliated with the Applicant, Principal, sponsor, or Development Team?			<input type="checkbox"/>
	If yes above, describe relationship: <input type="text"/>			
	<input type="checkbox"/> Contract includes more than one tract/lot. Address, legal description, and acreage are below.			
	a. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	
	b. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	
	c. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	

2				
	Contract Number	Census Tract	Acreage	Date of Sale
	<u>Street Address</u>		<u>City</u>	
	Contact Name for Seller <i>Only list if owner has owned <36 mos.</i>	Name of Seller Entity <i>Only list if owner has owned <36 mos.</i>		
	Contact Name for Previous Seller	Name of Previous Seller Entity		
	Seller Address	City	State	Zip
	Did the seller acquire the property through foreclosure or deed in lieu of foreclosure?			<input type="checkbox"/>
	Is the seller affiliated with the Applicant, Principal, sponsor, or Development Team?			<input type="checkbox"/>
	If yes above, describe relationship: <input type="text"/>			
	<input type="checkbox"/> Contract includes more than one tract/lot. Address, legal description, and acreage are below.			
	a. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	
	b. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	
	c. <u>Address</u>	<u>Abbreviated Legal</u>	<u>Acres</u>	

If a revised form is submitted, date of submission:

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Part 2 Tab 14

Elected Officials

Elected Officials (Continued)

Kelly Snell	McLennan/1	254-757-5061
County Commissioner	District/Precinct	Email or Phone
Lester Gibson	McLennan/2	254-757-5061
County Commissioner	District/Precinct	Email or Phone
Will Jones	McLennan/3	254-757-5061
County Commissioner	District/Precinct	Email or Phone
Ben Perry	McLennan/4	254-757-5061
County Commissioner	District/Precinct	Email or Phone
Karla Dulock	City of West	254-826-5351
City Council Member	District/Precinct	Email or Phone
Brian Muska	City of West	254-826-5351
City Council Member	District/Precinct	Email or Phone
Steve Vanek	City of West	254-826-5351
City Council Member	District/Precinct	Email or Phone
Cheryl Marak	City of West	254-826-5351
City Council Member	District/Precinct	Email or Phone
David Pratka	City of West	254-826-5351
City Council Member	District/Precinct	Email or Phone
	District/Precinct	Email or Phone
	District/Precinct	Email or Phone
	District/Precinct	Email or Phone
	District/Precinct	Email or Phone

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Part 2 Tab 15

Neighborhood Organizations

Neighborhood Organizations

Identify all Neighborhood Organizations on record with the county or Texas Secretary of State as of the beginning of the Application Acceptance Period whose boundaries include the Development Site.

- Organizations were identified in the Pre-Application, and there have been no changes.
 (If above is checked, these forms may be left **BLANK**)

1. NA

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

2.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

3.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

4.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

5.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

Neighborhood Organizations (Continued)

6.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

7.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

8.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

9.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

10.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

11.

Name of Organization		Contact Name
Address		City
Zip	Phone	Fax or Email

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Part 2 Tab 16

Certification of Notifications

CERTIFICATION OF NOTIFICATIONS (ALL PROGRAMS)

Pursuant to §10.203 of the Uniform Multifamily Rules, evidence of notifications includes this sworn affidavit, and the Elected Officials and Neighborhood Organizations Forms. All Applicants, or persons with signing authority, must complete Part 1 or Part 2 below:

Part 1. Notifications made at Pre-Application (Competitive HTC only) :

I (We) certify that The pre-application included evidence of these notifications pursuant to §10.203 of the Uniform Multifamily Rules, the pre-application met all threshold requirements, and no additional notifications were required with this full application.

Re-notifications made at Application (Competitive HTC only):

The pre-application for this full Application met all threshold requirements, but all required entities were re-notified as required by §10.203 of the Uniform Multifamily Rules. As applicable, all changes in the Application have been made on the *Elected Officials and/or Neighborhood Organizations Form(s)*.

Notifications made at Application:

No pre-application was submitted, and all required entities were notified as required by §10.203 of the Uniform Multifamily Rules.

Part 2. Notifications - Form and Content:

I (we) certify that the notifications are not older than 3 months from the first day of the Application Acceptance Period for Competitive HTC Applications and not older than three (3) months prior to the date Parts 5 and 6 of the Application are submitted for Tax Exempt Bond Developments, and not older than three (3) months prior to the date the Application is submitted for all other Applications.

I (we) certify that the notifications do not contain any false or misleading statements. Without limiting the generality of the foregoing, the notification does not create the impression that the proposed Development will serve a Target Population exclusively or as a preference without such targeting or preference being documented in the Application and is or will be in full compliance with all applicable state and federal laws, including state and federal fair housing laws.

I (we) certify that the notifications or any other communications do not contain any statement that violates Department rules, statute, code, or federal requirements.

I (We) certify that, in addition to all of the required neighborhood organizations, the following entities were notified in accordance with §10.203 of the Multifamily Uniform Rules. The notifications were in the format provided in the *Application Notification Template* . All of the following entities were notified and are correctly listed on the *Elected Officials Form* and *Neighborhood Organizations Form* :

- Superintendent of the school district containing the Development;
- Presiding officer of the board of trustees of the school district containing the Development;
- Mayor of any municipality containing the Development;
- All elected members of the Governing Body of any municipality containing the Development;
- Presiding officer of the Governing Body of the county containing the Development;
- All elected members of the Governing Body of the county containing the Development;
- State senator of the district containing the Development; and
- State representative of the district containing the Development.

While not required to be submitted in this Application, I have kept evidence of all notifications made and this evidence may be requested by the Department at any time during the Application review.

Part 3. No Neighborhood Organizations exist (competitive HTC only) :

I (We) certify that no Neighborhood Organizations exist for which this Application would be eligible to receive points under §11.9(d)(4) of the QAP or for which notification is required.

Part 4. Certification

By:



Signature of Applicant/Development Owner

11/2/18

Date

J. Ryan Hamilton

Printed Name

Notarize on next page

CERTIFICATION OF NOTIFICATIONS (continued)

Missouri
Notary Public, State of

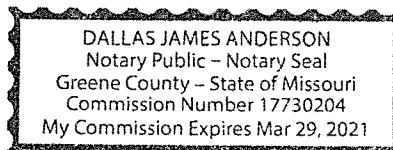
03/29/2021
My Commission expires

Greene
County of

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that name is signed to the foregoing statement, and who is known to be one in the same, has acknowledged before me on this date, that being informed of the contents of this statement, executed the same voluntarily on the date same foregoing statement bears.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 2 day of November, 2018

Dallas James Anderson
Notary Public Signature



2018 HTC Full Application

Part 3 Tab 17

Development Narrative

Development Narrative

1. The proposed Development is: (Check all that apply)

New Construction

and/or:

(adaptive reuse select New Construction here and adaptive reuse in next box)

Previous TDHCA #

If Acquisition/Rehab or Rehab, original construction year:

If Reconstruction,

Units Demolished

Units Reconstructed

If Adaptive Reuse, Additional Phase, or Scattered Site, include detailed information in the Narrative (4.) below.

2. The Target Population will be:

Elderly Limitation

Applicants seeking to be scored as Supportive Housing **must** select Supportive Housing as the population.

§10.3(46) If Elderly Preference is selected, complete the statement below and submit supporting documentation behind this tab.

Elderly Preference is based on funding from:

3. Staff Determinations regarding definitions of development activity obtained?

If a determination under §10.3(b) of the Uniform Multifamily Rules was made prior to Application submission, provide a copy of such determination behind this tab.

4. Narrative

Briefly describe the proposed Development, including any relevant information not already identified above.

Golden Trails apartments is a 45-unit, elderly-limited development located in West, Texas. The development will consist of one and two bedroom units which will be situated in a single building that will house all of the residential units as well as leasing and community amenities.

If a revised form is submitted, date of submission:

Andrew Sinnott

From: Andrew Sinnott [mailto:andrew.sinnott@tdhca.state.tx.us]
Sent: Wednesday, November 21, 2018 11:16 AM
To: Kit Sarai
Subject: RE: Golden Trails #17290

Correct.

Kit Sarai

1305 E 6th St. Suite 12
Austin, TX 78702
p. (512).638.0682

From: Andrew Sinnott [mailto:andrew.sinnott@tdhca.state.tx.us]
Sent: Wednesday, November 21, 2018 8:10 AM
To: Kit Sarai
Subject: RE: Golden Trails #17290

Received. So this additional request is for \$445,000, correct? And the other request being made is to reduce the interest rate on the existing \$2,055,000 (as well as the additional \$445,000) from 2.0% to 1.75%.

Thanks,

Andrew Sinnott
Multifamily Loan Programs Administrator
512.475.0538

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b), there are important limitations and caveats (Also see 10 TAC §10.2(b)).

From: Kit Sarai [mailto:kit@sarahandersonconsulting.com]
Sent: Tuesday, November 20, 2018 1:48 PM
To: Andrew Sinnott
Subject: Golden Trails #17290

Hi Andrew,

Please be advised that I have uploaded our Eligibility Determination request to the FTP folder. Let me know if you have any questions.

Regards,

Kit Sarai

1305 E 6th St. Suite 12
Austin, TX 78702
p. (512).638.0682

2018 HTC Full Application

Part 3 Tab 18

Development Activities Part I

Development Activities

1. Common Amenities (ALL Multifamily Applications §10.101(b)(5))

of Units must qualify for Points

- Development will provide sufficient common amenities to qualify for the number of points indicated above, pursuant to §10.101(b)(5) of the Uniform Multifamily Rules. Applications for scattered site developments should refer to §10.101(b)(5)(B) of the Uniform Multifamily Rules.

2. Unit Requirements (ALL Multifamily Applications §10.101(b)(6)(A) and (B))

A. Unit Sizes

- Development is New Construction or Reconstruction and will meet the minimum Unit Size requirements:

Bedroom Size	0	1	2	3	4
Square Footage	500	600	800	1,000	1,200

OR:

- Development is proposing Rehabilitation (excluding Reconstruction) or Supportive Housing, and does not adhere to the size requirements above.

B. Unit Amenities (For Competitive HTC Applications, see Tab 19 for Unit and Development Features)

- Application is a Tax Exempt Bond Development and will meet a minimum of seven (7) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

- Application is HOME only or other Department Direct Loan and will meet a minimum of four (4) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

**** Rehabilitation Developments will start with a base score of three (3) points and Supportive Housing Developments will start with a base score of five (5) points.****

3. Tenant Supportive Services (For Competitive HTC Applications and Direct Loan Applications seeking to qualify for points under §13.6, see Tab 19 for Tenant Services elections)

- Application is a **Tax Exempt Bond Development** and will meet a minimum of eight (8) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

- Application is **only requesting Direct Loan funds** and will meet a minimum four (4) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

4. Development Accessibility Requirements (ALL Multifamily Applications)

- Development will meet all specifications and accessibility requirements reflected in the Certification of Development Owner form pursuant to §10.101(b)(8) of the Uniform Multifamily Rules.

All Units accessed by the ground floor or by elevator ("affected units") comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).

and

- Development will meet all specifications and accessibility requirements reflected in 10 TAC Chapter 1, Subchapter B, §1.207.

Development has a minimum of 5% of all units in the development set aside for the mobility impaired and an additional 2% set aside for the hearing and/or visually impaired.

Regardless of building type, all Units accessed by the ground floor or by elevator ("affected units") must comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).

Development Activities

1. Common Amenities (ALL Multifamily Applications §10.101(b)(5))

of Units must qualify for Points

Development will provide sufficient common amenities to qualify for the number of points indicated above, pursuant to §10.101(b)(5) of the Uniform Multifamily Rules. Applications for scattered site developments should refer to §10.101(b)(5)(B) of the Uniform Multifamily Rules.

2. Unit Requirements (ALL Multifamily Applications §10.101(b)(6)(A) and (B))

A. Unit Sizes

Development is New Construction or Reconstruction and will meet the minimum Unit Size requirements:

Bedroom Size	0	1	2	3	4
Square Footage	500	600	800	1,000	1,200

OR;

Development is proposing Rehabilitation (excluding Reconstruction) or Supportive Housing, and does not adhere to the size requirements above.

B. Unit Amenities (For Competitive HTC Applications, see Tab 19 for Unit and Development Features)

Application is a Tax Exempt Bond Development and will meet a minimum of seven (7) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

Application is HOME only or other Department Direct Loan and will meet a minimum of four (4) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

**** Rehabilitation Developments will start with a base score of three (3) points and Supportive Housing Developments will start with a base score of five (5) points.****

3. Tenant Supportive Services (For Competitive HTC Applications and Direct Loan Applications seeking to qualify for points under §13.6, see Tab 19 for Tenant Services elections)

Application is a **Tax Exempt Bond Development** and will meet a minimum of eight (8) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

Application is **only requesting Direct Loan funds** and will meet a minimum four (4) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

4. Development Accessibility Requirements (ALL Multifamily Applications)

Development will meet all specifications and accessibility requirements reflected in the Certification of Development Owner form pursuant to §10.101(b)(8) of the Uniform Multifamily Rules.

Yes

All Units accessed by the ground floor or by elevator (“affected units”) comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).

and

Development will meet all specifications and accessibility requirements reflected in 10 TAC Chapter 1, Subchapter B, §1.207.

Yes

Development has a minimum of 5% of all units in the development set aside for the mobility impaired and an additional 2% set aside for the hearing and/or visually impaired.

Regardless of building type, all Units accessed by the ground floor or by elevator (“affected units”) must comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).

2018 HTC Full Application

Part 3 Tab 19

Development Activities Part II

Development Activities (Continued)

self score 19

1. Size and Quality of Units (Competitive HTC Applications only) [§11.9(b)]

Development is Rehabilitation and either Supportive Housing or USDA financed OR meets the minimum size requirements identified below: Points claimed: 0

Bedroom Size	0	1	2	3	4
Square Footage	550	650	850	1,050	1,250

Specific amenities and quality features will be provided in every Unit at no extra charge to the tenant; Development will maintain the points selected and associated with those amenities as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.* Points claimed: 0

** Direct Loan applicants proposing new construction or rehabilitation should be prepared to comply with requirements of the newly published Federal rule at 81 FR 92626, which requires installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental housing that is funded or supported by HUC*

2. Rent Levels of Tenants and Tiebreaker (Direct Loan Applications only) [§13.6(e) and (f)]

At least 20 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 0

At least 10 percent of all low-income Units at 30% or less of AMGI or, for a Development located in a Rural Area, 7.5 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 12

At least 5 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 0

In the event of a tie with another application or applications, this percentage of 30% AMGI MFDL units within the Development would be converted to be available to households at 15% AMGI.

** Applicants electing to restrict units at 30% AMGI for Competitive HTC purposes may not count those units for point scoring under §13.6(e). However, 50% AMGI and 60% AMGI units that are layered with 30% AMGI units for Direct Loan purposes may count for point scoring under §13.6(e). Points claimed here will not appear on the Self Score tab.*

3. Income Levels of Tenants (Competitive HTC Applications only) [§11.9(c)(1)]

13 Total Number of Units at 50% or less of AMGI

Number of 30% Units used to score points under §11.9(c)(2)* CHECK YOUR MATH!

Number of 30% Units used under §11.4(c)(3)(D) regarding an Increase in Eligible Basis (30% boost)

13 Number of Units at 50% or less of AMGI available to use for points under §11.9(c)(1)

28.89% Percentage used for calculation of eligible points under §11.9(c)(1)

Mark **only one** box below:

Development is located in a Non-Rural Area of the Dallas, Fort Worth, Houston, San Antonio or Austin MSA; or Points Claimed: 0

Developments proposed in all other areas. Points Claimed: 0

** Applicants electing the 30% boost for additional 30% units are advised to ensure the units used to support the boost are not included in the units needed to achieve the Application's scoring elections.* Points Claimed: 0

4. Rent Levels of Tenants (Competitive HTC Applications only) [§11.9(c)(2)]

Mark **only one** box below:

At least 20% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; development is Supportive Housing proposed by a Qualified Nonprofit Organization. Points Claimed: 0

Development is urban and at least 10% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; or Points Claimed: 0

Development is located in a Rural Area and 7.5% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; or Points Claimed: 0

At least 5% of all low-income Units at 30% or less of AMGI Points Claimed: 0

Points Claimed: 0

5. Tenant Services (Competitive HTC Applications and Direct Loan Applications) [§11.9(c)(3) and §13.6(6)]

Development will provide a combination of supportive services as identified in §10.101(b)(7) and those services will be recorded in the Development's LURA.

Supportive Housing Development proposed by a Qualified Nonprofit Points Claimed: 0

All other Developments. Points Claimed: 9

The Applicant certifies that the Development will contact local service providers, and will make Development community space available to them on a regularly-scheduled basis to provide outreach services and education to the tenants.

1
10

Points Claimed:

6. Tenant Populations with Special Housing Needs (Competitive HTC, MFDL, and Section 811 Applications) [§11.9(c)(7); §13.6(6)]

Applicants scoring points under the Section 811 PRA program should pay close attention to the URA requirements included in Tab 21, Davis Bacon requirements under TAB 44 and the environmental clearance requirements included in Tab 47.

If pursuing these points, Applicants must try to score first with subparagraph (A) and then subparagraph (B). Only if an Applicant or Affiliate cannot meet the requirements of subparagraphs (A) or (B) may an Application qualify for points under subparagraph (C). Select **only one** scoring scenario below:

A Applicant or Affiliate Owns or Controls an **Existing Development** that is included on the List of Eligible Existing Developments for Participation in the Section 811 PRA Program (See 10 TAC §8.3 and 10 TAC 8.4)

Existing Development Name: _____ TDHCA #: _____

Attached behind this tab is the executed Certification for Section 811 PRA Program Participation.

OR

Points Claimed: 0

B If not scoring under A above, Applicant or Affiliate is committing at least 10 Units in the proposed Development for participation in the Section 811 PRA Program

Applicant or Affiliate has attached behind this tab an explanation and documentation regarding the Applicant's or Affiliate's lack of Ownership interest or Control of any Existing Development that is included on the List of Qualified Existing Developments for Multifamily Programs;

AND

Attached behind this tab is the executed Certification for Section 811 PRA Program Participation.

OR

Points Claimed: 0

C If cannot score under A or B above, Applicant elects to set-aside at least 5 percent of the total Units for Persons with Special Needs. **MFDL Applications that are not layered with 2018 9% HTC cannot elect to score points under this item.** The Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Needs or held vacant, unless the units receive HOME funds from any source.

Applicant or Affiliate has attached behind this tab an explanation and documentation regarding the Applicant's or Affiliate's lack of Ownership interest or Control of any Existing Development that is included on the List of Qualified Existing Developments for Multifamily Programs; and the Development applying for funding has a disqualifying factor described below:

Mark **any** of the following factors that disqualify the development applying for funding from participating in the Section 811 PRA Program and provide documentation supporting the selection

The Development is not proposing to use and previously did not use federal funding (such as HOME or CDBG funds), and the Development was originally constructed before 1978;

Development only has units available that have existing or proposed project-based rental or long-term operating assistance that will be in effect when the property is operating or within six months of receiving Section 811 PRA Program assistance;

Development only has units available that are restricted for persons with disabilities. A Development having a **preference** for Persons with Disabilities or a use restriction for Special Needs Populations is **not a disqualifying factor** for purposes of this scoring item.

Development only has units with an existing or proposed 62 or more age restriction.

Development is not located in Austin-Round Rock MSA, Brownsville-Harlingen MSA, Corpus Christi MSA, Dallas-Fort Worth-Arlington MSA, El Paso MSA, Houston-The Woodlands-Sugar Land MSA, McAllen-Edinburg-Mission MSA, or San Antonio-New Braunfels MSA.

The Development is a new construction project and located in the mapped 500-year floodplain or in the 100-year floodplain according to FEMA's most current Flood Insurance Rate Maps

The Development is located in a coastal high hazard area (V Zone) or regulatory floodway.

Other disqualifying factor [\(please explain\)](#) _____

Points Claimed: 2

Application is seeking points for Tenant Populations.

Points Claimed: _____


7. **Pre-Application Participation (Competitive HTC Applications only) [§11.9(e)(3)]**

Development is requesting Pre-Application Points. 0

8. **Extended Affordability (Competitive HTC Applications only) [§11.9(e)(5)]**

Development will maintain a 35 year Affordability Period 0

9. **Historic Preservation (Competitive HTC Applications only) [§11.9(e)(6)]**

- Application requests points for Historic Preservation.
- Application contains a letter from the Texas Historical Commission (THC) determining preliminary eligibility for federal or state historic (rehabilitation) tax credits.
- Application includes documentation from the Texas Historical Commission that the property is currently a Certified Historic Structure or determining preliminary eligibility for status as a Certified Historic Structure.
- Development will be able to document receipt of historic tax credits by the time Forms 8609 are issued.
- At least 75% of the residential units will be within the Certified Historic Structure.
- Attached behind this tab are the THC letter and other documentation described above.**
- Application is eligible for five (5) points.  0

10. **Right of First Refusal (Competitive HTC Applications only) [§11.9(e)(7)]**

Development Owner agrees to provide a Right of First Refusal to purchase the Development upon or following the end of the Compliance Period. 0

11. **Funding Request Amount (Competitive HTC Applications only) [§11.9(e)(8)]**

Application reflects funding request for no more than 100% of the amount available in the subregion or set-aside as of 12/5/2017. 0

2018 HTC Full Application

Part 3 Tab 20

Existing Development
Information

NA

EXISTING DEVELOPMENT INFORMATION

1. At-Risk Set-Aside (*Competitive HTC Applications Only*) [§11.5(3)]

- 0 Qualification: Must meet the requirements of an At-Risk Development in §11.5(3) of the Qualified Allocation Plan. Documentation must be submitted behind this tab showing that the Development meets the requirements of Texas Government Code §2306.6702(a)(5) and §11.5(3) of the 2017 Qualified Allocation Plan.

PART A: DOCUMENTATION MUST SHOW THAT THE SUBSIDY OR BENEFIT IS FROM ONE OF THE FOLLOWING APPROVED PROGRAMS (mark all that apply):

- NA Sections 221(d)(3) and (5), National Housing Act (12 U.S.C. Section 1715l)
- Section 236, National Housing Act (12 U.S.C. Section 1715z-1)
- Section 202, Housing Act of 1959 (12 U.S.C. Section 1701q)
- Section 101, Housing and Urban Development Act of 1965 (12 U.S.C. Section 1701s)
- The Section 8 Additional Assistance Program for housing developments with HUD-Insured and HUD-Held Mortgages administered by the U.S. Department of Housing and Urban Development as specified in 24 CFR Part 886, Subpart A.
- The Section 8 Housing Assistance Program for the Disposition of HUD-Owned Projects administered by the U.S. Department of Housing and Urban Development as specified by 24 CFR Part 886, Subpart C.
- Sections 514, 515, and 516, Housing Act of 1949 (42 U.S.C. Sections 1484, 1485 and 1486)
- Section 42, of the Internal Revenue Code of 1986 (26 U.S.C. Section 42)

IN ADDITION, THE SUBSIDY OR BENEFIT IS SUBJECT TO THE FOLLOWING CONDITIONS (mark all that apply):

- The stipulation to maintain affordability in the contract granting the subsidy is nearing expiration (i.e. expiration will occur within two (2) calendar years of July 31, 2018). See §11.5(3)(E) and (F) of the 2018 QAP concerning At-Risk developments qualifying under Section 42 of the Internal Revenue Code.
- The subsidy marked above is a HUD-insured or HUD-held mortgage nearing the end of its mortgage term (the term will end within two (2) calendar years of July 31, 2018), **AND** the mortgage is eligible for prepayment or has been prepaid.

PART B: DOCUMENTATION MUST SHOW THAT THE APPLICATION PROPOSES TO REHABILITATE OR RECONSTRUCT HOUSING UNITS THAT:

- Are owned by a public housing authority or a public facility corporation created by a public housing authority under Chapter 303, Local Government Code and receive assistance under Section 9, United States Housing Act of 1937 (42 U.S.C. Section 1437g); **OR**
- Received assistance under Section 9, United States Housing Act of 1937 (42 U.S.C. Section 1437g) **AND**
- Are proposed to be disposed of or demolished by a public housing authority or a public facility corporation created by a public housing authority under Chapter 303, Local Government Code; **OR**
- Were disposed of or demolished within the 2 years preceding the application by a public housing authority or a public facility corporation created by a public housing authority under Chapter 303, Local Government Code; **OR**
- Receive assistance or will receive assistance through the Rental Assistance Demonstration (RAD) program of HUD as specified by the Consolidated and Further Continuing Appropriations Act of 2012 (Pub. L. No. 112-55) and its subsequent amendments, if the application for assistance through RAD is included in the applicable public housing authority's plan that was most recently approved by HUD as specified by 24 C.F.R. Section 903.23.

PART C: THE APPLICATION PROPOSES RELOCATION OF EXISTING UNITS IN AN OTHERWISE QUALIFYING AT-RISK DEVELOPMENT AND DOCUMENTATION MUST SHOW THAT:

- The affordability restrictions and any At-Risk eligible subsidies are approved to be transferred with the Units proposed for Rehabilitation or Reconstruction prior to the tax credit Carryover deadline; **AND**
- The Application proposes the same number of restricted units;
- AND EITHER**

At-Risk Set-Aside (continued)

The new Development Site qualifies for points under §11.9(c)(4) related to Opportunity Index; **OR**

The local Governing Body of the applicable municipality or county (if completely outside of a municipality) in which that Development is located must submit a resolution confirming that the proposed Development is supported by the municipality or county in order to carry out a previously adopted plan that meets the requirements of §11.9(d)(7) related to Concerted Revitalization Plans.

PART D: REGULATORY BARRIERS NECESSITATE ELIMINATION OF ALL OR A PORTION OF THE FINANCIAL BENEFIT FOR THE DEVELOPMENT, AND:

Evidence of the legal requirements that will unambiguously cause the loss of affordability is included.

Development qualifies under §2306.6702(a)(5)(B); **AND**

No less than 25 percent of the proposed Units are public housing units supported by public housing operating subsidy, **AND**

Less than 100 percent of the public housing benefits are being transferred to the proposed Development and the Application includes an explanation of the disposition of the remaining public housing benefits along with a copy of the HUD-approved plan for demolition and disposition.

PART E: THE PROPOSED DEVELOPMENT IS ELIGIBLE TO REQUEST A QUALIFIED CONTRACT UNDER §42, AND THE APPLICATION INCLUDES:

A copy of the recorded LURA and the first years' IRS Forms 8609 for all buildings showing Part II of the form completed; **AND**

If applicable, documentation from the original application regarding the right of first refusal.

Applications proposing the demolition and Reconstruction of Units will be considered New Construction.

2. Existing Development Assistance On Housing Rehabilitation Activities¹

Part A.

The existing Property is expected to have or continue the following benefit:

Provide a brief description of the restrictions or subsidies the existing Property will have or continue in the space below:

A copy of the contract or agreement securing the funds identified above is provided behind this form.

The source of funds is:

The annual amount of funds is:

The number of units receiving assistance:

The term of the contract or agreement is (date):

The expiration of the contract or agreement is (date):

Part B. Acquisition Of Existing Buildings (applicable only to HTC applications with Acquisition credits requested)

Date of the most recent sale or transfer of the building(s):

In the last ten years, did the previous owner perform rehabilitation work greater than 25% of the building's adjusted basis?

Was the building occupied at any time during the last ten years?

Was the building occupied or suitable for occupancy at the time of purchase?

Will the acquisition meet the requirements of §42(d)(2)(B)(ii) relating to the 10-year placed in service rule?

If "Yes", provide a copy of a title commitment that the Development meets the requirements of §42(d)(2)(B)(ii) as to the 10 year period.

If "No", does the property qualify for a waiver under §42(d)(6)?

If "Yes", provide the waiver and/or other documentation.

How many buildings will be acquired for the Development?



Existing Development Assistance (continued)

Are all the buildings currently under control by the Development Owner?

If "No", how many buildings are under control by the Development Owner?

When will the remaining buildings be under control?

¹Per §2306.008, TDHCA shall support the preservation of affordable housing for individuals with special needs and individuals and families of low income at any location considered necessary by TDHCA.

Identification or address(es) of Building(s) under Owner's Control	Type of Control (Ownership, Option, Purchase Contract)	Expiration Date	# of Units	Acquisition Cost of Building

Provide the information listed below concerning the acquisition of building(s) for the Development:

- Building(s) acquired or to be acquired from: Related Party Unrelated Party
- Building(s) acquired or to be acquired with Buyer's Basis: Determined with reference to Seller's Basis Not Determined with reference to Seller's Basis

List below by building address, the date the building was placed in service (PIS), the date the building was or is planned for acquisition, and the number of years between the date the building was placed in service and acquisition. Attach separate sheet(s) with additional information if necessary.

Building Address(es)	PIS date of building by most recent owner	Proposed Acquisition date by the Applicant	Years between PIS & Acquisition

3. Lead Based Paint (Direct Loan Applications Only)

Development constructed before January 1, 1978 No

Check each of the following that applies [24 CFR 35.115]:

- Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.
- The property will not be used for human residential habitation. This does not apply to common areas such as hallways and stairways of residential and mixed-use properties.
- Housing "exclusively" for the elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.
- An inspection performed according to HUD standards found the property contained no lead-based paint.
- According to documented methodologies, lead-based paint has been identified and removed; and the property has achieved clearance.
- The rehabilitation will not disturb any painted surface.
- The property has no bedrooms.
- The property is currently vacant and will remain vacant until demolition.

2018 HTC Full Application

Part 3 Tab 21

Occupied Developments

NA

Occupied Developments

Pursuant to §10.204(8)(G) of the Uniform Multifamily Rules, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, the following items must be provided.

NA Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period; or

The two (2) most recent consecutive annual operating statement summaries; or



The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or

All monthly or annual operating summaries available.

AND

A rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, Unit mix, and tenant names or vacancy; and

A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and

If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency. (§2306.6705(6)); and

A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

Optional, but only available to developments with no Section 811 PRA or Direct Loan funds. The current property owner is unwilling to provide one or more of the required documents above, and a signed statement from the Applicant attesting to that fact is submitted behind this tab.

Uniform Relocation Act (URA) Applicability for Section 811 PRA and Direct Loan Applications

Participation in the Section 811 PRA program is by way of the occupied Rehabilitation (including reconstruction or Adaptive Reuse) Development proposed in the Application.

Participation in the Section 811 PRA program is by way of the New Construction Development proposed in the Application, and includes the demolition of an occupied structure (e.g. single family house or mobile home).

Application includes a request for Direct Loan funding (except for Supportive Housing and Soft Repayment TCAP-RF only).

(if none of the three boxes above is checked, you may skip the remainder of this section)

Each of the following items, as applicable, is provided behind this tab:

Identification of any business, nonprofit organization, or farm on the site (that is not owned or controlled by the Seller);

Dated General Information Notice(s) given to current occupants (other than owner occupied structures) including verification of tenant receipt;

Dated Voluntary Acquisition Notification to Owner; and



HUD Relocation Brochure issued to tenants that will be displaced (if known).

Relocation Certification for Section 811 PRA and Direct Loan Applications

The New Construction, Rehabilitation (including Adaptive Reuse), or demolition and Reconstruction of the proposed Development must be carried out in accordance with policies and procedures governing implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, for the Section 811 PRA program under (49 CFR Part 24); and for Direct Loans under the Section 104(d) of the Housing and Community Development Act of 1974 ("Section 104(d)), and the optional relocation policies adopted pursuant to 24 CFR 92.253(d).

A displaced person, business, farm, or nonprofit is covered under URA, regardless of income, if they are displaced by acquisition, rehabilitation, or demolition.

Signature of Applicant

Printed Name

Date

Relocation Certification for Direct Loan Applications

For Direct Loan Applications (except for Supportive Housing and Soft Repayment Funds, which do not have to complete the rest of this section): A displaced person is covered under Section 104(d) if they are a low-income person displaced by demolition (including acquisition involving demolition) OR conversion (if market rent of the dwelling did not exceed the fair market rent before conversion).

Check all that apply:

The activity involves demolition of existing occupied structures.

The activity involves conversion of occupied rental property occupied by any tenant.

Applicants for Direct Loan funds that plan to rehabilitate, demolish and/or reconstruct occupied housing units must comply with the Section 104(d). By signing below, the Applicant certifies that they will comply with the Residential Anti-Displacement and Relocation Assistance Plan (RARAP) approved by the Department on June 1, 2012.

The RARAP, as approved follows the Housing and Community Development Act of 1974, and HUD regulations at 24 CFR §42.325. The Department, through its subgrantees, will offer relocation assistance for lower-income tenants who, in connection with an activity assisted under a Direct Loan move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR §42.350.

The purpose and goals of the RARAP is to:

- (1) Provide (through its subgrantees) Relocation Assistance
- (2) Minimize Displacement
- (3) Ensure a One-for-One Replacement of Lower-Income Dwelling Units

I (we) certify that I (we) have read and understand the Department's approved Residential Anti-Displacement and Relocation Assistance Plan (RARAP), and I (we) will comply will all parts of the plan as they apply to this Application.

Signature of Applicant

Printed Name

Date

2018 HTC Full Application

Part 3 Tab 22

Architectural Drawings

Architectural Drawings Must be Submitted Behind this Tab [§10.204(b)(9)]

(If development is scattered site, consult staff.)

- Site Plan which:
 - states the size of the site on its face
 - includes a unit and building type table matrix that is consistent with the Rent Schedule and Building and Unit Configuration forms in labeling the buildings, stating sizes, etc.
 - identifies all residential and common buildings and labels them consistently with the Building/Unit Type Configuration form
 - clearly delineates the flood plain boundary lines or states there is no floodplain
 - identifies all easements, regardless of how they are held
 - indicates placement of detention/retention pond(s) or states there are no detention ponds
 - indicates the location and number of parking spaces, garages and carports
 - indicates the location and number of accessible parking spaces (review application webinar)
 - includes information regarding local parking requirements
 - indicates compliant accessible routes
 - includes a unit and building type table matrix that indicates the distribution of accessible Units
 - describes if applicable how flood mitigation or other required mitigation will be accomplished.
- Residential Building floor plans should include the following, building by building:
 - separate tabulation of the square footage of each of these areas: breezeways, corridors, utility closets, porches and patios, and any other square footage not included in NRA
 - location of accessible units
- Common Building floor plans should include the following, building by building:
 - tabulation of the square footage of conditioned (heated and cooled) spaces that are accessible to tenants, e.g., offices for tenant/management contact, clubrooms, kitchens, exercise rooms, laundries, etc. (state each area separately).
 - tabulation of the square footage of conditioned areas that are restricted to employees, only, e.g., administrative offices, maintenance areas, etc. (state each area separately).
 - tabulation of the square footage of unconditioned areas that are accessible to tenants, e.g., porches, patios, mailbox areas, etc. (state each area separately)
 - tabulation of the square footage of unconditioned areas that are restricted to employees, only, e.g., maintenance areas, equipment rooms, storage, etc. (state each area separately)
 - For Supportive Housing only**, specification of space to be used for 50 sq ft/unit common space
- Unit floor plans for each type of Unit
 - 5% of each Unit type are accessible to tenants with a mobility impairment, and 2% are accessible to tenants with a vision or hearing impairment
 - All Units accessed by the ground floor or by elevator comply with the visitability requirements of 10.101(b)(8)(B)(iii)
- Elevations for each side of each building type and must include:
 - a percentage estimate of the exterior composition of each elevation
 - roof pitch
- Photos of building elevations (Rehab and Adaptive Reuse not altering the unit configuration)

GOLDEN TRAILS

SENIOR HOUSING DEVELOPMENT

WEST, TX

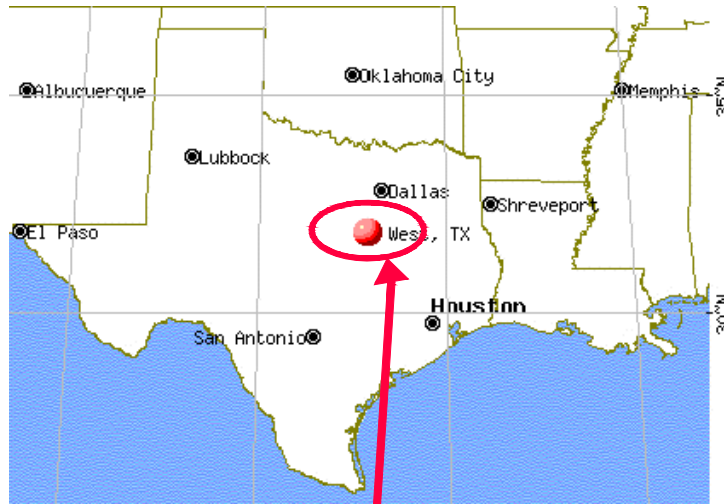
SHEET INDEX:

CVR.1	COVER SHEET
SP.1	ARCHITECTURAL SITE PLAN & PROJECT INFO.
A.101	OVERALL FIRST FLOOR PLAN
A.102	OVERALL SECOND & THIRD FLOOR PLAN
A.103	ONE BED UNIT PLAN
A.104	TWO BED UNIT PLAN
A.201	ELEVATIONS
A.202	ELEVATIONS

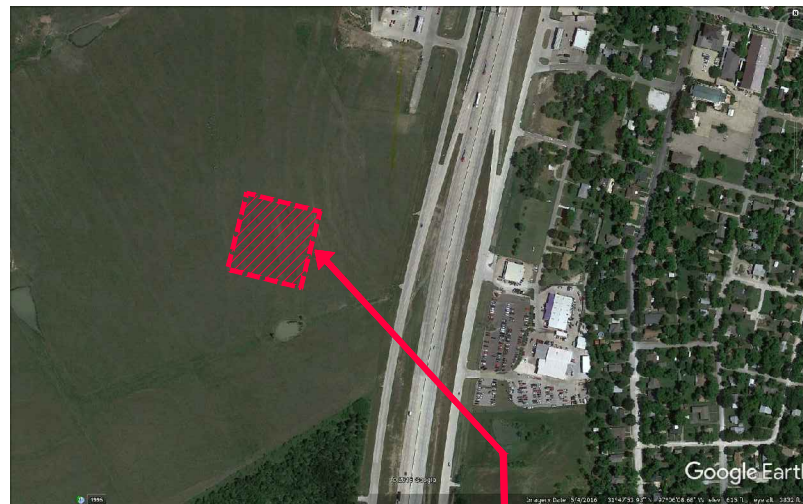
Project No:	CLL
Drawn by:	RAB
Approved:	
Date:	2-28-17

CVR.1

GOLDEN TRAILS
SENIOR HOUSING DEVELOPMENT
WEST, TX
FOUR CORNERS DEVELOPMENT, LLC



WEST, TX



PROJECT
SITE

STATE MAP

Scale: NOT TO SCALE



AREA PLAN

Scale: NOT TO SCALE



BARON DESIGN & ASSOCIATES,
LLC

Llamma Plaza 1855 S. Ingram Mill, Suite 201
Springfield, MO 65804
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PROJECT DATA

LAND
4.0 +/- ACRES

GROSS UNIT DATA
1 BEDROOM / 1 BATH (760 S.F. LIVING) APARTMENT 33
2 BEDROOM / 1 BATH (933 S.F. LIVING) APARTMENT 12
TOTAL UNITS 45*

*ACCESSIBLE UNITS (5%) - 3 REQUIRED/PROVIDED:
2 QTY. 1 BEDROOM / 1 BATH UNIT
1 QTY. 2 BEDROOM / 1 BATH UNIT
HEARING/VISUAL IMPAIRED (2%) - 1 REQUIRED/PROVIDED
1 QTY. 1 BEDROOM / 1 BATH UNIT

BUILDING DATA (DWELLING UNITS)		
NUMBER	DESCRIPTION	S.F.
33 UNITS	1 BR/ 1 BA UNITS LIVING 760 S.F. _____ 25,080 LIVING S.F. + 92 S.F. PORCHES _____ 3,036 PORCH S.F.	
12 UNITS	2 BR/ 1 BA UNITS LIVING 933 S.F. _____ 11,196 LIVING S.F. + 107 S.F. PORCHES _____ 1,284 PORCH S.F.	

BUILDING DATA (1ST, 2ND, 3RD FLOORS)	
DESCRIPTION	S.F.
COMMUNITY AREAS / CIRCULATION / MECH. _____	11,425 S.F.

GROSS BUILDING DATA - FLOOR S.F. SUMMARY		
FLOOR	UNITS	S.F.
1ST FLOOR	9 1BR/1BATH @ 760 S.F. 4 2BR/1BATH @ 933 S.F.	10,572 S.F.
2ND FLOOR	12 1BR/1BATH @ 760 S.F. 4 2BR/1BATH @ 933 S.F.	12,852 S.F.
3RD FLOOR	12 1BR/1BATH @ 760 S.F. 4 2BR/1BATH @ 933 S.F.	12,852 S.F.
TOTAL (NOT INCLUDING PORCHES/BALCONIES)		36,276 S.F.
TOTAL (WITH PORCHES/BALCONIES)		40,596 S.F.

PARKING	
1.5 SPACES PER DWELLING UNIT (45 UNITS) _____	68*
*INCLUDING H/C SPACES 4	
TOTAL REQUIRED	68 SPACES
TOTAL PROVIDED	69 SPACES

ALL PARKING MEETS ALL ZONING REQUIREMENTS

BUILDING MATRIX			
FLOOR	1BR/1 BATH UNIT	2BR/1 BATH UNIT	TOTAL
**1	9	4	13*
2	12	4	16
3	12	4	16
*H.C. (5%)	2	1 BR/1 BATH	2 UNITS
	1	2 BR/1 BATH	1 UNIT
*H/V (2%)	1	1 BR/1 BATH	1 UNIT

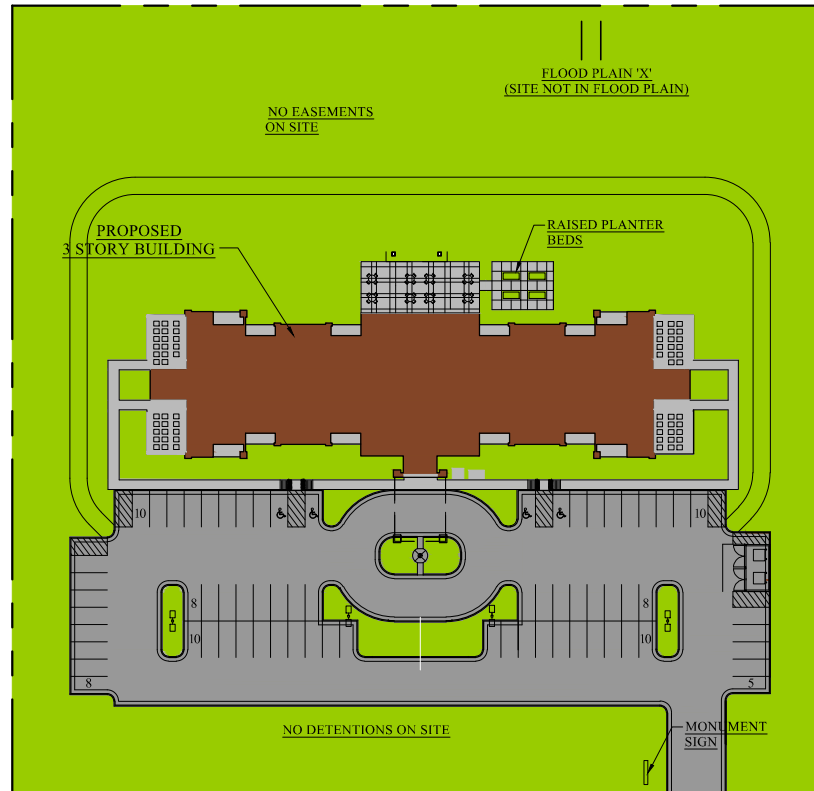
**COMMUNITY SPACES LOCATED ON THE FIRST FLOOR

ALL UNITS ACCESSED BY THE GROUND FLOOR OR BY ELEVATOR COMPLY WITH THE VISITABILITY REQUIREMENTS OF 10.101(B)(8)(B)(III)

(B) REGARDLESS OF BUILDING TYPE, ALL UNITS ACCESSED BY THE GROUND FLOOR OR BY ELEVATOR ("AFFECTED UNITS") MUST COMPLY WITH THE VISITABILITY REQUIREMENTS IN CLAUSES (I) - (III) OF THIS SUBPARAGRAPH.

(III) EACH AFFECTED UNIT MUST INCLUDE THE FEATURES IN SUBCLAUSES (A) - (E) OF THIS CLAUSE.

- (I) AT LEAST ONE ZERO-STEP, ACCESSIBLE ENTRANCE;
- (II) AT LEAST ONE BATHROOM OR HALF-BATH WITH TOILET AND SINK ON THE ENTRY LEVEL. THE LAYOUT OF THIS BATHROOM OR HALF-BATH MUST COMPLY WITH ONE OF THE SPECIFICATIONS SET FORTH IN THE FAIR HOUSING ACT DESIGN MANUAL;
- (III) THE BATHROOM OR HALF-BATH MUST HAVE THE APPROPRIATE BLOCKING RELATIVE TO THE TOILET FOR THE LATER INSTALLATION OF A GRAB BAR, IF EVER REQUESTED BY THE TENANT OF THAT UNIT;
- (IV) THERE MUST BE AN ACCESSIBLE ROUTE FROM THE ENTRANCE TO THE BATHROOM OR HALF-BATH, AND THE ENTRANCE AND BATHROOM MUST PROVIDE USABLE WIDTH; AND
- (V) LIGHT SWITCHES, ELECTRICAL OUTLETS, AND THERMOSTATS ON THE ENTRY LEVEL MUST BE AT ACCESSIBLE HEIGHTS.



SCHEMATIC SITE PLAN

Scale: 1" = 100'-0"



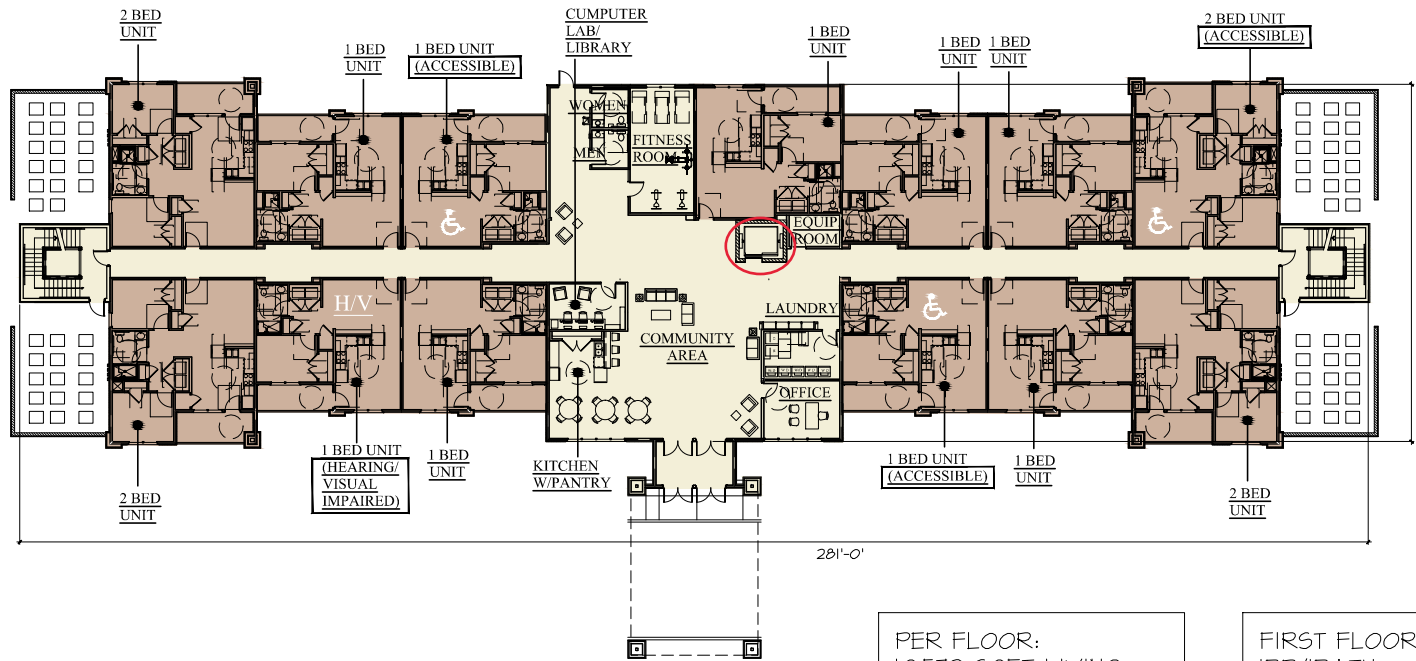
Project No:
Drawn by: AJM
Approved: RAB
Date: 11-12-18

SP.1

GOLDEN TRAILS
SENIOR HOUSING DEVELOPMENT
WEST, TX
FOUR CORNERS DEVELOPMENT, LLC

BARON DESIGN & ASSOCIATES, LLC
11amra Plaza 1855 S. Ingram Mill, Suite 201
Springfield, MO 65804
Ph: 417-877-9800, Fax 417-877-9802





PER FLOOR:
 10,572 SQFT LIVING
 3,865 SQFT COMMUNITY
 1,780 SQFT CORRIDOR
 16,217 SQFT TOTAL

SLAB ON GRADE
 12'-0" WALLS

FIRST FLOOR UNIT COUNT	
1BR/IBATH	9
2BR/IBATH	4
TOTAL	13

 COMMON AREAS / CIRCULATION
 DWELLING UNITS

OVERALL FIRST FLOOR PLAN

Scale: 1" = 40'



NORTH

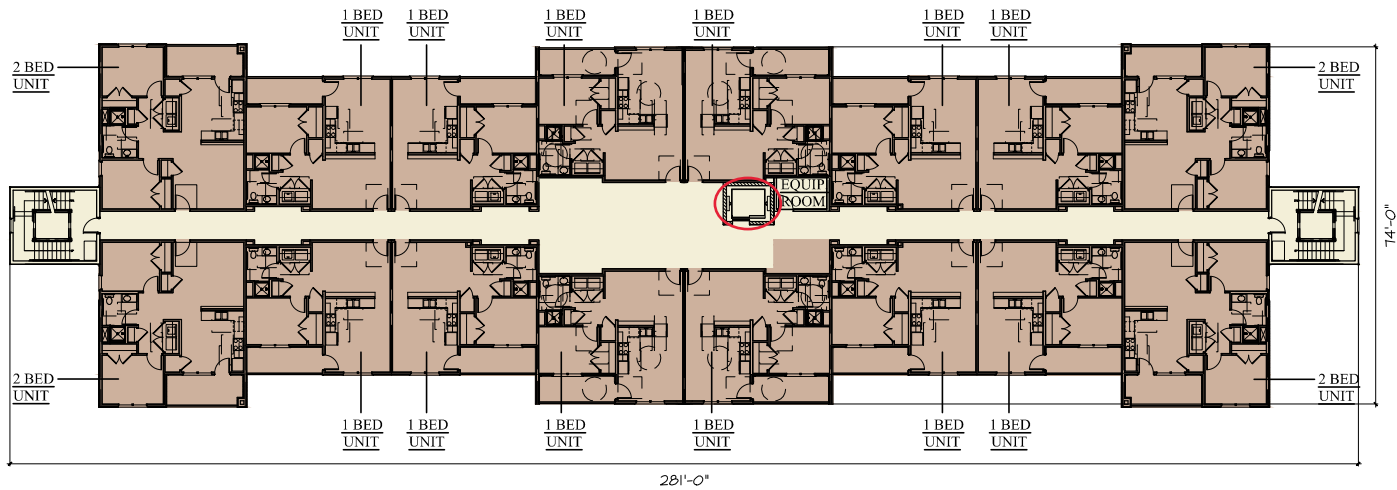
Project No: CLL
 Drawn by: RAB
 Approved: RAB
 Date: 4-26-17

A.101

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 WEST, TX
 FOUR CORNERS DEVELOPMENT, LLC

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 11amra Plaza 1855 S. Ingram Mill, Suite 201
 Springfield, MO 65804
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PER FLOOR:
 12,852 SQFT LIVING
 2,890 SQFT CORRIDOR
 15,742 SQFT TOTAL

SLAB ON GRADE
 9'-0" WALLS

SECOND FLOOR UNIT COUNT	
1BR/IBATH	12
2BR/IBATH	4
TOTAL	16

	COMMON AREAS / CIRCULATION
	DWELLING UNITS

THIRD FLOOR UNIT COUNT	
1BR/IBATH	12
2BR/IBATH	4
TOTAL	16

	COMMON AREAS / CIRCULATION
	DWELLING UNITS

OVERALL SECOND AND THIRD FLOOR PLANS

Scale: 1" = 40'

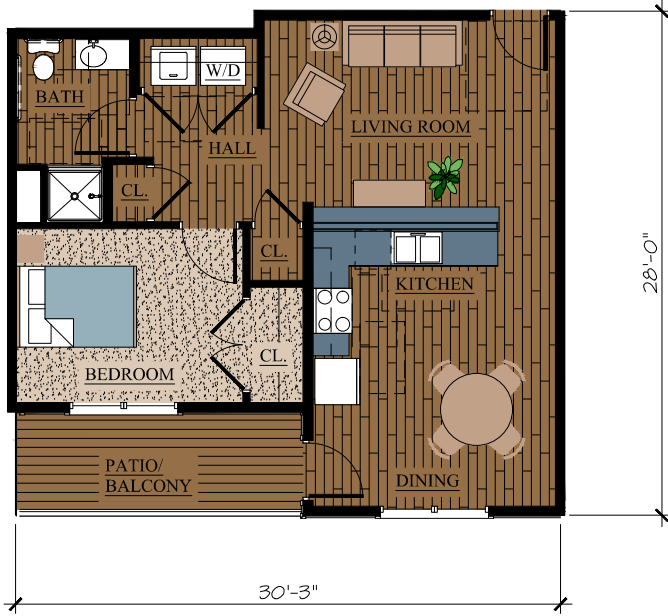


Project No: A.102
 Drawn by: CLL
 Approved: RAB
 Date: 2-28-17

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 WEST, TX
 FOUR CORNERS DEVELOPMENT, LLC

BARON DESIGN & ASSOCIATES, LLC
 11amra Plaza 1855 S. Ingram Mill, Suite 201
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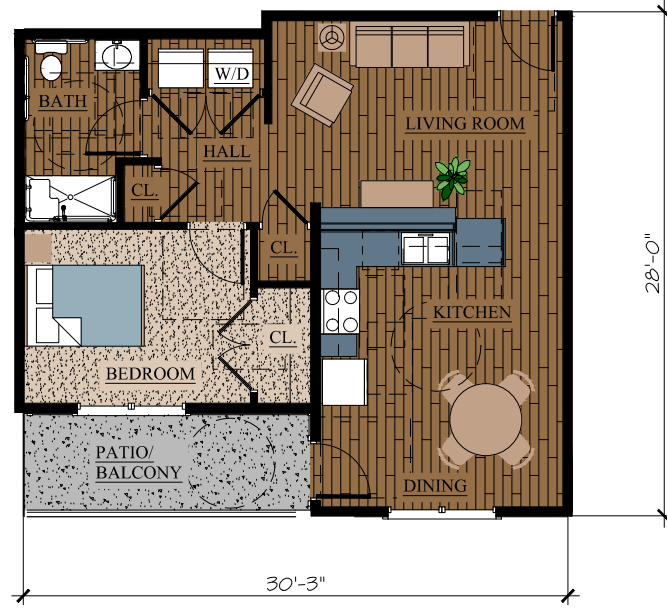


TYPICAL 1-BED UNIT PLAN

Scale: 3/32" = 1'-0"

PER UNIT:
 760 SQFT LIVING
 92 SQFT BALCONY
 857 SQFT TOTAL

SLAB ON GRADE
 9'-0" WALLS



ACCESSIBLE 1-BED UNIT PLAN

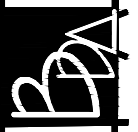
Scale: 3/32" = 1'-0"

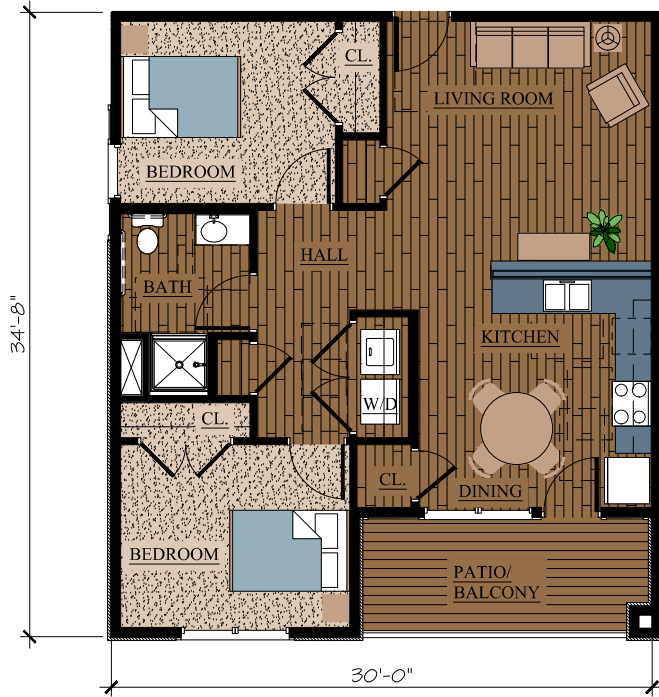
Project No: A. 103
 Drawn by: CLL
 Approved: RAB
 Date: 2-28-17

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 WEST, TX
 FOUR CORNERS DEVELOPMENT, LLC

BARON DESIGN & ASSOCIATES,
 LLC

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 Springfield, MO 65804
 Ph: 417-877-9800, Fax: 417-877-9802



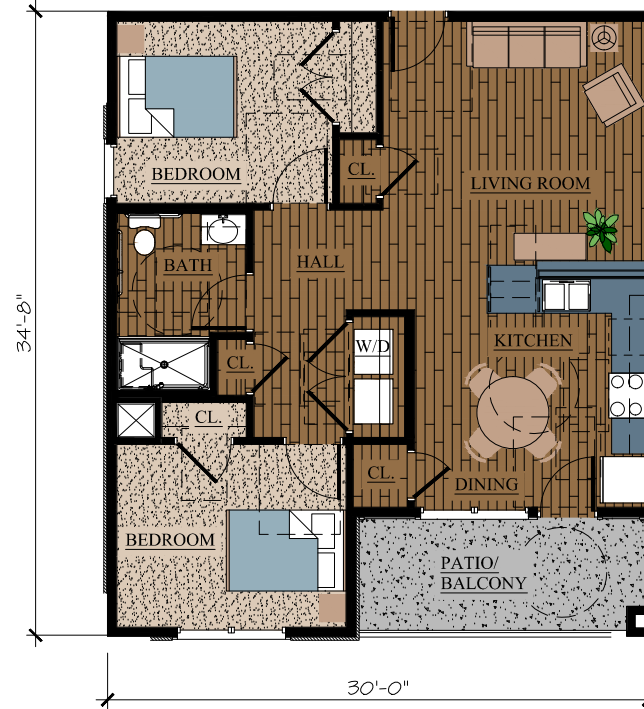


TYPICAL 2-BED UNIT PLAN

Scale: 3/32" = 1'-0"

PER UNIT:
 933 SQFT LIVING
 107 SQFT BALCONY
 1040 SQFT TOTAL

SLAB ON GRADE
 9'-0" WALLS



ACCESSIBLE 2-BED UNIT PLAN

Scale: 3/32" = 1'-0"

BARON DESIGN & ASSOCIATES,
 LLC

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 Springfield, MO 65804
 Ph: 417-877-9800; Fax: 417-877-9802

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 WEST, TX
 FOUR CORNERS DEVELOPMENT, LLC

Project No:
 Drawn by: CLL, JM
 Approved: RAB
 Date: 2-28-17
 A. 104





FRONT ELEVATION

Scale: 1" = 40'

BRICK 52%
VINYL SIDING 48%



RIGHT SIDE ELEVATION

Scale: 1" = 40'

BRICK 60%
VINYL SIDING 40%

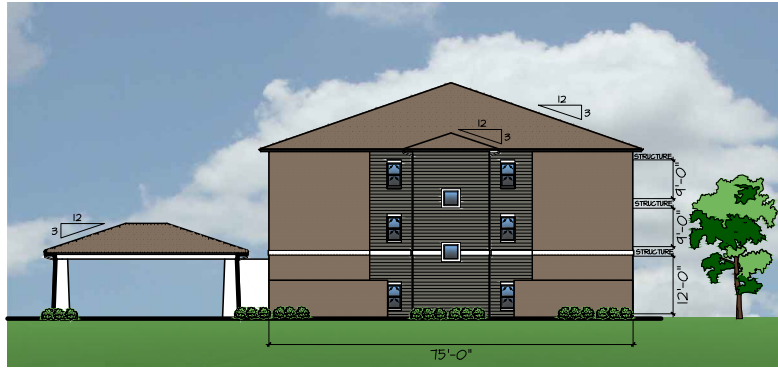
Project No: A. 201
 Drawn by: CLL
 Approved: RAB
 Date: 2-28-17

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 WEST, TX
 FOUR CORNERS DEVELOPMENT, LLC

BARON DESIGN & ASSOCIATES,
 LLC

Hamm Plaza 1855 S. Ingram Mill, Suite 201
 Springfield, MO 65804
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BRICK 52%
VINYL SIDING 48%

LEFT SIDE ELEVATION

Scale: 1" = 40'



BRICK 60%
VINYL SIDING 40%

REAR ELEVATION

Scale: 1" = 40'

Project No: A. 202
 Drawn by: CLL
 Approved: RAB
 Date: 2-28-17

GOLDEN TRAILS
 SENIOR HOUSING DEVELOPMENT
 NETS, TX
 FOUR CORNERS DEVELOPMENT, LLC

BARON DESIGN & ASSOCIATES,
 LLC
 Hamra Plaza 1855 S. Ingram Mill, Suite 201
 Springfield, MO 65804
 Ph: 417-877-9800; Fax: 417-877-9802



2018 HTC Full Application

Part 3 Tab 23

Specifications and
Building/Unit Type
Configuration
and

Tab 23a, 23b, 23c Forms

Accessible Mobility Units Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be:

(1) Distributed throughout the Unit types **AND** the Development; and

(2) Made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with Disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

Multifamily Housing Developments covered by 10 TAC 10.101(b)(8)(A) must have a minimum of 5% of all units in the development set aside for the mobility impaired **and an additional 2%** must be set aside for the hearing and/or visually impaired.

Mobility	Total Units	Required %	Calculated Units	Units Required	Units Proposed
Unit Description	45	5%	2.25	3	3
A/B - 1-BED 1-BATH	33	5%	1.65	1.65	2
C/D - 2-BED 1-BATH	12	5%	0.6	1	1
		5%	0	0	
		5%	0	0	
		5%	0	0	
	45		2.25	2.65	3

*NOTE: If total is more than what is required, Applicant will select which Unit(s) not to include Under "Units Proposed"

EXAMPLE:

Unit Description	Total Units	Required %	Calculated Units	Units Required	Units Proposed
	68	5%	3.4	4	4
1/1 (874sqft & 806 sqft)	28	5%	1.4	1.4	1
2/2 (950 sqft & 1008 sqft)	36	5%	1.8	1.8	2
3/2 (1120 sqft & 1190 sqft)	4	5%	0.2	1	1
D		5%	0	0	
E		5%	0	0	
	68		3.4	4.2	4

*NOTE: Required is 4, but calculation yields 4.2. Applicant selected which to round down Under "Units Proposed"

By signing below, I (WE) certify that the information above meets the requirements in Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10 TAC Chapter 1, Subchapter B. At least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments.

By: 
Signature

Janet White, FAIA
Printed Name

11/12/18
Date

Baron Design & Associates, LLC
Firm Name (If applicable)

Accessible Hearing/Visual Units Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be:

- (1) Distributed throughout the Unit types AND the Development; and
- (2) Made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with Disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

Multifamily Housing Developments covered by 10 TAC 10.101(b)(8)(A) must have a minimum of 5% of all units in the development set aside for the mobility impaired **and an additional 2%** must be set aside for the hearing and/or visually impaired.

Hearing/Visual	Total Units	Required %	Calculated Units	Units Required (Rounded)	Units Proposed
Unit Description	45	2%	0.9	1	1
A/B - 1-BED 1-BATH	33	2%	0.66	1	1
C/D - 2-BED 1-BATH	12	2%	0.24	1	1
		2%	0	0	0
		2%	0	0	0
		2%	0	0	0
	45		0.9	2	1

*NOTE: If total is more than what is required, Applicant will select which to include under "Units Proposed"

EXAMPLE

Hearing/Visual	Total Units	Required %	Calculated Units	Units Required (Rounded)	Units Proposed
Unit Description	68	2%	1.36	2	2
1/1	28	2%	0.56	1	1
2/2	36	2%	0.72	1	1
3/3	4	2%	0.08	1	1
D		2%	0	0	0
E		2%	0	0	0
	68		1.36	3	2

*NOTE: Required is 2, but calculation yields 3. Applicant selected which Unit(s) to include under "Units Proposed"

By signing below, I (WE) certify that the information above meets the requirements in Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10 TAC Chapter 1, Subchapter B. At least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing and/or visual impairment.

By: 
 Signature _____

Janet White, FAIA _____
 Printed Name

11/12/18
 Date _____

Baron Design & Associates, LLC _____
 Firm Name (If applicable)

Accessible Parking Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

Parking requirements based on:

[-https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards](https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards)

[-https://www.huduser.gov/publications/pdf/fairhousing/](https://www.huduser.gov/publications/pdf/fairhousing/)

There must be one accessible space per accessible Unit located on the closest route to the Unit (ADA).

When parking is provided for leasing office and amenities, use ADA Table 208.2 to calculate.

When calculating additional spaces needed, use whichever yields the larger number of spaces.

If you have different kinds of parking, e.g. lot, carport, and garages, each has to meet the standards individually.

If there is a separate amenity (e.g. a pavilion in the back corner of property) that provides non-accessible spaces, at least one space would need to be an accessible.

Use this chart to indicate number of parking spaces provided.

enter the total number of parking spaces

enter the parking type and the number of spaces in each, starting with the surface lot (*see the example)

make sure the totals match!

EXAMPLE*

Total # of Spaces:	69	Percentage of Total
Surface lot	69	1
		0
		0
		0
		0
	69	100

Total # of Spaces:	450	Percentage of Total
Surface lot	300	0.666666667
Carports	100	0.222222222
Garages	50	0.111111111
Facility 4		
Facility 5		0
	450	100

Use this chart to figure out accessible parking requirements.

chart above must be completed first

In C32, enter the total number of accessible spaces required

(see Application Webinar, Part 3, from 0:00 - 14:20, or webinar slides starting at slide 136)

In D33, enter the number of units required per accessible Unit in the surface lot

In column F, distribute required van spaces among the different parking facilities

# Accessible Spaces:	4	Distribution	Van Spaces
Surface lot	4	4	2
	0	0	
	0	0	
	0	0	
	0	0	
Total	4	4	2

EXAMPLE*

# Accessible Spaces:	16	Distribution	Van Spaces
Surface lot	10.666667	10	1
Carports	3.555556	4	1
Garages	1.777778	2	1
Facility 4	0	0	0
Facility 5	0	0	0
Total	16	16	3

By signing below, I (WE) certify that the information above meets the requirements in the 2010 ADA Standards for Accessible Design Title III regulations at 28 CFR part 36, subpart D, and the 2004 ADA Accessibility Guidelines at 36 CFR part 1191, appendices B and D. There will be at least one accessible spot per accessible unit located on the closest route to the accessible unit. For every 6 or fraction of 6 accessible spaces required, at least one will be van accessible. Accessible spaces will be dispersed amongst the parking types provided.

By:  _____
Signature

Janet White, FAIA
Printed Name

_11/12/18
Date

_Baron Design & Associates, LLC
Firm Name (If applicable)

2018 HTC Full Application

Part 4 Tab 24

Rent Schedule

Rent Schedule (Continued)

		% of LI	% of Total	
HOUSING TAX CREDITS	TC30%	9%	9%	4
	TC40%			0
	TC50%	20%	20%	9
	TC60%	71%	71%	32
	HTC LI Total			45
	EO			0
	MR			0
	MR Total			0
	Total Units			45
MORTGAGE REVENUE BOND	MRB30%			0
	MRB40%			0
	MRB50%			0
	MRB60%			0
	MRB LI Total			0
	MRBMR			0
	MRBMR Total			0
	MRB Total			0

		% of LI	% of Total	
NATIONAL HOUSING TRUST FUND	HTF30%			0
	HTF40%			0
	HTF50%			0
	HTF60%			0
	HTF80%			0
	HTF LI Total			0
	MR			0
	MR Total			0
	HTF Total			0
	DIRECT LOAN	30%	17%	17%
LH/50%		39%	39%	9
HH/60%		43%	43%	10
HH/80%				0
Direct Loan LI Total				23
EO				0
MR				0
MR Total				0
Direct Loan Total			23	
OTHER			Total OT Units	0

BEDROOMS	0			0
	1			33
	2			12
	3			0
	4			0
	5			0

ACQUISITION + HARD		DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.9(e)(2). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.
Cost Per Sq Ft	\$ 133.90	
HARD		
Cost Per Sq Ft	\$ 133.90	
BUILDING		
Cost Per Sq Ft	\$ 96.53	

Rent Schedule (Continued)

		% of LI	% of Total	
HOUSING TAX CREDITS	TC30%	9%	9%	4
	TC40%			0
	TC50%	20%	20%	9
	TC60%	71%	71%	32
	HTC LI Total			45
	EO			0
	MR			0
	MR Total			0
	Total Units			45
	MORTGAGE REVENUE BOND	MRB30%		
MRB40%				0
MRB50%				0
MRB60%				0
MRB LI Total				0
MRBMR				0
MRBMR Total				0
MRB Total				0

		% of LI	% of Total	
NATIONAL HOUSING TRUST FUND	HTF30%			0
	HTF40%			0
	HTF50%			0
	HTF60%			0
	HTF80%			0
	HTF LI Total			0
	MR			0
	MR Total			0
	HTF Total			0
	DIRECT LOAN	30%	17%	17%
LH/50%		39%	39%	9
HH/60%		43%	43%	10
HH/80%				0
Direct Loan LI Total				23
EO				0
MR				0
MR Total				0
Direct Loan Total			23	
OTHER			Total OT Units	0

BEDROOMS	0			0
	1			33
	2			12
	3			0
	4			0
	5			0

ACQUISITION + HARD		DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.9(e)(2). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.
Cost Per Sq Ft	\$ 133.90	
HARD		
Cost Per Sq Ft	\$ 133.90	
BUILDING		
Cost Per Sq Ft	\$ 96.53	

2018 HTC Full Application

Part 4 Tab 25

Utility Allowances

Utility Allowances [§10.614]

Applicant must attach to this form as documentation to support the "Utility Allowance" estimate used in completing the Rent Schedule provided in the Application. Where the Applicant uses any method that requires Department review, such review must have been requested prior to submission of the Application. Please see 10 TAC §10.614. This exhibit must clearly indicate which utility costs are included in the estimate.

If tenants will be required to pay any other mandatory fees (e.g. renter's insurance) please provide an estimate, description and documentation of those as well.

Utility	Who Pays	Energy Source	0BR	1BR	2BR	3BR	4BR	Source of Utility Allowance & Effective Date
Heating	Tenant	Electric		\$ 13	\$ 15			HUD Utility Model
Cooking	Tenant	Electric		\$ 4	\$ 6			2/10/2017
Other Electric	Tenant			\$ 14	\$ 20			
Air Conditioning	Tenant	Electric		\$ 10	\$ 14			
Water Heater	Tenant	Electric		\$ 9	\$ 11			
Water								
Sewer								
Trash								
Flat Fee								
Other								
Total Paid by Tenant			\$ -	\$ 50	\$ 66	\$ -	\$ -	



Other (Describe)

If a revised form is submitted, date of submission:

--



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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February 18, 2017

Writer's direct phone # (512) 475-2330
Email: stephanie.naquin@tdhca.state.tx.us

Kit Sarai
Sarah Anderson Consulting
Austin, TX
kit@sarahandersonconsulting.com

RE: 2017 HTC and MFDL Application – proposed site located in
West, Texas

HTC File: 17290

Dear Mr. Sarai :

The Texas Department of Housing and Community Affairs (the Department) has calculated the utility allowance a proposed 2017 Housing Tax Credit (“HTC”) and Multifamily Direct Loan (“MFDL”) application, located in West, Texas using the HUD Utility Schedule Model in accordance with 10TAC §10.614(k)(4). This allowance is calculated based on the following representations:

1. That the residents are financially responsible for electricity and that the utility is not paid to or through the owner of the building based on an allocation formula or RUBS;
2. That the only building type is Apartments (5+ units); and,
3. The unit types are one bedroom and two bedroom.

As a reminder, HTC buildings with MFDL units are considered to be HUD Regulated buildings under Treasury Regulation §1.42-10 and, as such, the applicable utility allowance for all rent restricted Units in the building is the applicable this utility allowance calculated for the MFDL program. No other utility method described in this section can be used by HUD-regulated buildings.

Please note that, in accordance with Treasury Regulation §1.42-10, the utility allowance for those units occupied by Section 8 voucher holders remains the applicable Public Housing Authority utility allowance established from where the resident receives the assistance.

Please see attached schedule dated February 10, 2017. This allowance can be used for underwriting purposes. If you are successful in obtaining an allocation, the Owner may elect to use the Written Local Estimate, HUD Utility Schedule Model, Energy Consumption Model, or the Agency Estimate for leasing; however, a request identifying the chosen method to establish the utility allowance must be submitted to the Department for review and approval, at minimum, 90 days prior to the commencement of leasing activities. Please see §10.614(d) for guidance.

If you have any further questions, please contact Stephanie Naquin toll free in Texas at (800) 643-8204, directly at (512) 475-2330, or email: stephanie.naquin@tdhca.state.tx.us.

Sincerely

Stephanie Naquin
Director, Multifamily Compliance



**Allowances for
Tenant-Furnished Utilities
and Other Services**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Locality		Green Discount	Unit Type				Date (mm/dd/yyyy)
Golden Trails (17290)		None	Larger Apartment Bldgs. (5+ units)				2/10/2017
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas		\$ -	\$ -			
	Bottled Gas		\$ -	\$ -			
	Electric Resistance		\$ 13.25	\$ 15.25			
	Electric Heat Pump		\$ -	\$ -			
	Fuel Oil		\$ -	\$ -			
Cooking	Natural Gas		\$ -	\$ -			
	Bottled Gas		\$ -	\$ -			
	Electric		\$ 3.80	\$ 5.50			
	Other		\$ -	\$ -			
Other Electric		\$ 14.34	\$ 19.95				
Air Conditioning		\$ 10.35	\$ 14.35				
Water Heating	Natural Gas		\$ -	\$ -			
	Bottled Gas		\$ -	\$ -			
	Electric		\$ 8.73	\$ 11.15			
	Fuel Oil		\$ -	\$ -			
Water		\$ -	\$ -				
Sewer		\$ -	\$ -				
Trash Collection		\$ -	\$ -				
Range/Microwave		\$ -	\$ -				
TOTAL			\$ 50.47	\$ 66.19			
TOTAL ALLOWANCE (rounded up)			\$ 51.00	\$ 67.00			

Spreadsheet (ver13) based on form HUD-52667 (12/97).

Previous editions are obsolete

ref. Handbook 7420.8


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Leo Vasquez, *Member*

December 20, 2018

Writer's direct phone # (512) 475-3821
Email: Cara.Pollei@tdhca.state.tx.us

Ryan Hamilton
West Texas Golden Trails, LP
Springfield, MO
rhamilton@4cornersdevelopmentllc.com

RE: Golden Trails

CMTS ID: 5269

Dear Ryan Hamilton:

The Texas Department of Housing and Community Affairs (the Department) has calculated the utility allowance for Golden Trails using the HUD Utility Schedule Model in accordance with 10TAC §10.614(d)(3) and HOME Final Rule §92.252(d) as a result of the Department Multifamily Direct Loan ("MFDL") program. This allowance is calculated based on the representation that the building(s) are not RHS assisted or have RHS assisted tenants, and that the development is not required to calculate the utility allowance under HUD Multifamily Notice H-2015-4.

Please review the attached utility allowance schedule dated December 20, 2018 for errors related to the physical characteristics of the buildings, the utilities paid by the residents, or the type of utilities present at the development. You must notify the Department within five days if there are errors related to these items; otherwise, the attached schedule is the only allowance approved for use and must be implemented for rent due in all programs by January 19, 2019, 30 days after the date of this notification. It is the sole responsibility of the owner to implement the allowance to ensure that rents are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will review rents during the next onsite monitoring review, and failure to implement timely will result in noncompliance.

The utility allowance must be reviewed at least once a calendar year. 10TAC§10.614(g) outlines requirements for annual review. If the owner wishes to switch the methodology used to calculate the utility allowance, prior approval from the Department is required.

If you have questions about this review, please contact Cara Pollei via email at cara.pollei@tdhca.state.tx.us.

Sincerely,

Cara Pollei
Compliance Monitor



Allowances for Tenant-Furnished Utilities and Other Services		U.S. Department of Housing and Urban Development Office of Public and Indian Housing					
Location	Free Disposal	Type				Date mm/dd/yyyy	
Golden Trails	None	Larger Apartment Bldgs. (5+ units)				12/20/2018	
Utility Service		Monthly Dollar Allowance					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Water Service	Boiler						
	Electric Recharge	\$12.26	\$18.82	\$16.40	\$19.00	\$21.64	\$24.25
	Electric Recharge						
	Oil						
Cooling	Boiler						
	Electric	\$4.20	\$4.94	\$7.15	\$9.05	\$11.56	\$14.77
	Other						
Other Electric		\$15.85	\$18.64	\$25.94	\$32.20	\$40.50	\$47.82
Air Conditioning		\$11.44	\$14.45	\$18.65	\$22.85	\$29.05	\$34.24
Water Service	Boiler						
	Electric	\$9.65	\$11.05	\$14.49	\$17.60	\$20.76	\$24.90
	Oil						
Other							
Other							
Trash Collection							
Range/Microwave							
Refrigerator							
Other - Electric							
		\$5.09	\$62.21	\$82.65	\$100.10	\$120.54	\$140.99
Total Allowance (Rounded Up)		\$54.00	\$63.00	\$83.00	\$104.00	\$124.00	\$144.00

Utility Allowances [§10.614]

Applicant must attach to this form as documentation to support the "Utility Allowance" estimate used in completing the Rent Schedule provided in the Application. Where the Applicant uses any method that requires Department review, such review must have been requested prior to submission of the Application. Please see 10 TAC §10.614. This exhibit must clearly indicate which utility costs are included in the estimate.

If tenants will be required to pay any other mandatory fees (e.g. renter's insurance) please provide an estimate, description and documentation of those as well.

Utility	Who Pays	Energy Source	0BR	1BR	2BR	3BR	4BR	Source of Utility Allowance & Effective Date
Heating	Tenant	Electric		\$ 14	\$ 16			HUD Utility Model
Cooking	Tenant	Electric		\$ 5	\$ 7			12/20/2018
Other Electric	Tenant			\$ 19	\$ 26			
Air Conditioning	Tenant	Electric		\$ 13	\$ 19			
Water Heater	Tenant	Electric		\$ 11	\$ 14			
Water								
Sewer								
Trash								
Flat Fee								
Other								
Total Paid by Tenant			\$ -	\$ 62	\$ 83	\$ -	\$ -	



Other (Describe)

If a revised form is submitted, date of submission:

2018 HTC Full Application

Part 4 Tab 26

Annual Operating Expenses

ANNUAL OPERATING EXPENSES

General & Administrative Expenses				
Accounting	\$	6,800		
Advertising	\$	1,550		
Legal fees	\$	900		
Leased equipment	\$			
Postage & office supplies	\$	1,400		
Telephone	\$	1,400		
Other	\$	dues and subscriptions	900	
Other	\$	describe		
Total General & Administrative Expenses:				\$ 12,950
Management Fee:	Percent of Effective Gross Income:	5.00%		\$ 14,550
Payroll, Payroll Tax & Employee Benefits				
Management	\$	23,400		
Maintenance	\$	16,500		
Other	\$	describe		
Other	\$	describe		
Total Payroll, Payroll Tax & Employee Benefits:				\$ 39,900
Repairs & Maintenance				
Elevator	\$	2,000		
Exterminating	\$	2,800		
Grounds	\$	8,000		
Make-ready	\$	5,700		
Repairs	\$	9,600		
Pool	\$			
Other	\$	describe		
Other	\$	describe		
Total Repairs & Maintenance:				\$ 28,100
Utilities (Enter Only Property Paid Expense)				
Electric	\$	portfolio	8,200	
Natural gas	\$			
Trash	\$	portfolio	8,500	
Water/Sewer	\$	portfolio	10,200	
Other	\$	describe		
Other	\$	describe		
Total Utilities:				\$ 26,900
Annual Property Insurance:	Rate per net rentable square foot:	\$ 0.37		\$ 13,469
Property Taxes:				
Published Capitalization Rate:	9.00%	Source:	McLennan	
Annual Property Taxes	\$	17,929		
Payments in Lieu of Taxes	\$			
Total Property Taxes:				\$ 17,929
Reserve for Replacements:	Annual reserves per unit:	\$ 250		\$ 11,250
Other Expenses				
Cable TV	\$			
Supportive Services (Staffing/Contracted Services)	\$			
TDHCA Compliance fees	\$	2,582		
TDHCA Bond Administration Fees (TDHCA as Bond Issuer <u>Only</u>)	\$			
Security	\$			
Other	\$	describe		
Other	\$	describe		
Total Other Expenses:				\$ 2,582
TOTAL ANNUAL EXPENSES		Expense per unit:	\$ 3725	\$ 167,630
		Expense to Income Ratio:	57.61%	
NET OPERATING INCOME (before debt service)				\$ 123,368
Annual Debt Service				
	\$	TDHCA HOME	107,173	
	\$			
	\$			
	\$			
TOTAL ANNUAL DEBT SERVICE		Debt Coverage Ratio:	1.15	\$ 107,173
NET CASH FLOW				\$ 16,195

If a revised form is submitted, date of submission: _____

ANNUAL OPERATING EXPENSES						
General & Administrative Expenses						
Accounting		\$	6,800			
Advertising		\$	1,550			
Legal fees		\$	900			
Leased equipment		\$				
Postage & office supplies		\$	1,400			
Telephone		\$	1,400			
Other	<i>dues and subscriptions</i>	\$	900			
Other	<i>describe</i>	\$				
Total General & Administrative Expenses:				\$	12,950	
Management Fee:	Percent of Effective Gross Income:	5.00%		\$	14,822	
Payroll, Payroll Tax & Employee Benefits						
Management		\$	23,400			
Maintenance		\$	16,500			
Other	<i>describe</i>	\$				
Other	<i>describe</i>	\$				
Total Payroll, Payroll Tax & Employee Benefits:				\$	39,900	
Repairs & Maintenance						
Elevator		\$	2,000			
Exterminating		\$	2,800			
Grounds		\$	8,000			
Make-ready		\$	5,700			
Repairs		\$	9,600			
Pool		\$				
Other	<i>describe</i>	\$				
Other	<i>describe</i>	\$				
Total Repairs & Maintenance:				\$	28,100	
Utilities (Enter Only Property Paid Expense)						
Electric	<i>portfolio</i>	\$	8,200			
Natural gas		\$				
Trash	<i>portfolio</i>	\$	8,500			
Water/Sewer	<i>portfolio</i>	\$	10,200			
Other	<i>describe</i>	\$				
Other	<i>describe</i>	\$				
Total Utilities:				\$	26,900	
Annual Property Insurance:	Rate per net rentable square foot:	\$	0.37	\$	13,469	
Property Taxes:						
Published Capitalization Rate:	9.00%	Source:	McLennan			
Annual Property Taxes		\$	17,929			
Payments in Lieu of Taxes		\$				
Total Property Taxes:				\$	17,929	
Reserve for Replacements:	Annual reserves per unit:	\$	250	\$	11,250	
Other Expenses						
Cable TV		\$				
Supportive Services (Staffing/Contracted Services)		\$				
TDHCA Compliance fees		\$	2,582			
TDHCA Bond Administration Fees (TDHCA as Bond Issuer <u>Only</u>)		\$				
Security		\$				
Other	<i>describe</i>	\$				
Other	<i>describe</i>	\$				
Total Other Expenses:				\$	2,582	
TOTAL ANNUAL EXPENSES		Expense per unit:	\$	3731	\$	167,902
		Expense to Income Ratio:		56.64%		
NET OPERATING INCOME (before debt service)				\$	128,535	
Annual Debt Service						
	<i>TDHCA HOME</i>	\$	107,173			
		\$				
		\$				
		\$				
TOTAL ANNUAL DEBT SERVICE				\$	107,173	
		Debt Coverage Ratio:		1.20		
NET CASH FLOW				\$	21,362	

If a revised form is submitted, date of submission:

2018 HTC Full Application

Part 4 Tab 27

Proforma

15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$308,112	\$314,274	\$320,560	\$326,971	\$333,510	\$368,222	\$406,547
Secondary Income	\$ 6,480	\$ 6,610	\$ 6,742	\$ 6,877	\$ 7,014	\$ 7,744	\$ 8,550
POTENTIAL GROSS ANNUAL INCOME	\$314,592	\$320,884	\$327,302	\$333,848	\$340,524	\$375,967	\$415,097
Provision for Vacancy & Collection Loss	(\$23,594)	(\$24,066)	(\$24,548)	(\$25,039)	(\$25,539)	(\$28,197)	(\$31,132)
Rental Concessions	\$0						
EFFECTIVE GROSS ANNUAL INCOME	\$290,998	\$296,818	\$302,754	\$308,809	\$314,985	\$347,769	\$383,965
EXPENSES							
General & Administrative Expenses	\$12,950	\$13,339	\$13,739	\$14,151	\$14,575	\$16,897	\$19,588
Management Fee	\$ 14,550	\$ 14,841	\$ 15,138	\$ 15,441	\$ 15,749	\$ 17,389	\$ 19,198
Payroll, Payroll Tax & Employee Benefits	\$ 39,900	\$ 41,097	\$ 42,330	\$ 43,600	\$ 44,908	\$ 52,060	\$ 60,352
Repairs & Maintenance	\$ 28,100	\$ 28,943	\$ 29,811	\$ 30,706	\$ 31,627	\$ 36,664	\$ 42,504
Electric & Gas Utilities	\$ 8,200	\$ 8,446	\$ 8,699	\$ 8,960	\$ 9,229	\$ 10,699	\$ 12,403
Water, Sewer & Trash Utilities	\$ 18,700	\$ 19,261	\$ 19,839	\$ 20,434	\$ 21,047	\$ 24,399	\$ 28,285
Annual Property Insurance Premiums	\$ 13,469	\$ 13,873	\$ 14,289	\$ 14,718	\$ 15,159	\$ 17,574	\$ 20,373
Property Tax	\$ 17,929	\$ 18,467	\$ 19,021	\$ 19,592	\$ 20,179	\$ 23,393	\$ 27,119
Reserve for Replacements	\$ 11,250	\$ 11,588	\$ 11,935	\$ 12,293	\$ 12,662	\$ 14,679	\$ 17,017
Other Expenses	\$ 2,582	\$ 2,659	\$ 2,739	\$ 2,821	\$ 2,906	\$ 3,369	\$ 3,906
TOTAL ANNUAL EXPENSES	\$167,630	\$172,513	\$177,540	\$182,715	\$188,042	\$217,123	\$250,746
NET OPERATING INCOME	\$123,368	\$124,304	\$125,214	\$126,094	\$126,943	\$130,646	\$133,220
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173
Second Deed of Trust Annual Loan Payment							
Third Deed of Trust Annual Loan Payment							
Other Annual Required Payment							
Other Annual Required Payment							
ANNUAL NET CASH FLOW	\$16,195	\$17,131	\$18,040	\$18,921	\$19,770	\$23,473	\$26,046
CUMULATIVE NET CASH FLOW	\$16,195	\$33,326	\$51,366	\$70,287	\$90,057	\$198,163	\$321,961
Debt Coverage Ratio	1.15	1.16	1.17	1.18	1.18	1.22	1.24
Other (Describe)							
Other (Describe)							

By signing below I (we) are certifying that the above 15 Year pro forma, is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. (Signature only required if using this pro forma for points under §11.9(e)(1) relating to Financial Feasibility)


 Signature, Authorized Representative, Construction or
 Permanent Lender

Lee Reed
 Printed Name
 12/17/2018
 Date

Phone: 956-547-1029
 Email: lreed@ibc.com

Signature, Authorized Representative, Syndicator

Printed Name

Date

If a revised form is submitted, date of submission: _____

15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$313,992	\$320,272	\$326,677	\$333,211	\$339,875	\$375,250	\$414,306
Secondary Income	\$ 6,480	\$ 6,610	\$ 6,742	\$ 6,877	\$ 7,014	\$ 7,744	\$ 8,550
POTENTIAL GROSS ANNUAL INCOME	\$320,472	\$326,881	\$333,419	\$340,087	\$346,889	\$382,994	\$422,856
Provision for Vacancy & Collection Loss	(\$24,035)	(\$24,516)	(\$25,006)	(\$25,507)	(\$26,017)	(\$28,725)	(\$31,714)
Rental Concessions	\$0						
EFFECTIVE GROSS ANNUAL INCOME	\$296,437	\$302,365	\$308,413	\$314,581	\$320,873	\$354,269	\$391,142
EXPENSES							
General & Administrative Expenses	\$12,950	\$13,339	\$13,739	\$14,151	\$14,575	\$16,897	\$19,588
Management Fee	\$ 14,822	\$ 15,118	\$ 15,421	\$ 15,729	\$ 16,044	\$ 17,714	\$ 19,557
Payroll, Payroll Tax & Employee Benefits	\$ 39,900	\$ 41,097	\$ 42,330	\$ 43,600	\$ 44,908	\$ 52,060	\$ 60,352
Repairs & Maintenance	\$ 28,100	\$ 28,943	\$ 29,811	\$ 30,706	\$ 31,627	\$ 36,664	\$ 42,504
Electric & Gas Utilities	\$ 8,200	\$ 8,446	\$ 8,699	\$ 8,960	\$ 9,229	\$ 10,699	\$ 12,403
Water, Sewer & Trash Utilities	\$ 18,700	\$ 19,261	\$ 19,839	\$ 20,434	\$ 21,047	\$ 24,399	\$ 28,285
Annual Property Insurance Premiums	\$ 13,469	\$ 13,873	\$ 14,289	\$ 14,718	\$ 15,159	\$ 17,574	\$ 20,373
Property Tax	\$ 17,929	\$ 18,467	\$ 19,021	\$ 19,592	\$ 20,179	\$ 23,393	\$ 27,119
Reserve for Replacements	\$ 11,250	\$ 11,588	\$ 11,935	\$ 12,293	\$ 12,662	\$ 14,679	\$ 17,017
Other Expenses	\$ 2,582	\$ 2,659	\$ 2,739	\$ 2,821	\$ 2,906	\$ 3,369	\$ 3,906
TOTAL ANNUAL EXPENSES	\$167,902	\$172,791	\$177,823	\$183,004	\$188,337	\$217,448	\$251,105
NET OPERATING INCOME	\$128,535	\$129,574	\$130,589	\$131,577	\$132,536	\$136,821	\$140,037
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173
Second Deed of Trust Annual Loan Payment							
Third Deed of Trust Annual Loan Payment							
Other Annual Required Payment							
Other Annual Required Payment							
ANNUAL NET CASH FLOW	\$21,362	\$22,401	\$23,416	\$24,404	\$25,363	\$29,648	\$32,864
CUMULATIVE NET CASH FLOW	\$21,362	\$43,763	\$67,179	\$91,583	\$116,946	\$254,472	\$410,752
Debt Coverage Ratio	1.20	1.21	1.22	1.23	1.24	1.28	1.31
Other (Describe)							
Other (Describe)							

By signing below I (we) are certifying that the above 15 Year pro forma, is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. (Signature only required if using this pro forma for points under §11.9(e)(1) relating to Financial Feasibility)

Signature, Authorized Representative, Construction or Permanent Lender	Printed Name	Phone:
	Date	Email:
Signature, Authorized Representative, Syndicator	Printed Name	Date

2018 HTC Full Application

Part 4 Tab 28

Offsite Cost Breakdown

Golden Trails #18506

Multifamily Direct Loan Application Deficiency Response 12/18/2018

Title Commitment/Policy (10.204(12))

The updated Title Policy is attached.

TAB 26: Annual Operating Expenses

The Annual Operating Expenses tab was a single page and was included in the application, also enclosed here.

Please see the enclosed proforma signed by International Bank of Commerce who is the lender and syndicator on the project.

Tab 28. Offsite Costs Breakdown§10.204(8)(E)(ii)

The offsite costs listed in Column D on the form signed by the engineer does match the offsite costs listed in the Development Cost Schedule. The architectural/engineering costs listed in column F of the engineer signed form were included as a soft cost in the Development Cost Schedule. Therefore, the total activity costs listed in column G does not match up to total offsite costs listed in the Development Cost Schedule. No offsite costs are included in eligible basis.

TAB 29:Site Work Cost Breakdown§10.204(8)(E)(ii)

Please see the enclosed site work form signed by the engineer. Site work costs do not exceed \$15,000 per unit.

Tab 31. Financing Narrative and Summary of Sources and Uses of Funds

Please see the enclosed Sources and Uses signed by International Bank of Commerce who is the lender and syndicator on the project.

Tab 33. Matching Funds (Direct Loan Only)

Please see the enclosed evidence of Matching Funds.

Tab 35. Supporting Documentation

Please see the enclosed Construction Loan Agreement which was signed by both parties. It is currently anticipated that construction will be complete in October 2019.

2018 HTC Full Application

Part 4 Tab 29

Site Work Cost Breakdown

Site Work Cost Breakdown

This form must be submitted with the Development Cost Schedule as justification of Site Work costs.

Column A: The Site Work activity reflected here must match the Site Work activity reflected in the Development Cost Schedule.

Columns B and C: In determining actual construction cost, two different methods may be used:

The construction costs may be broken into labor (Column B) and materials (Column C) for the activity; **OR**

The use of unit price (Column B) and the number of units (Column C) data for the activity.

Column D: To arrive at total construction costs in Column D:

If based on labor and materials, add Column B and Column C together to arrive at total construction costs.

If based on unit price measures, Column B is multiplied by Column C to arrive at total construction costs.

Column E: Any proposed activity involving the acquisition of real property, easements, rights-of-way, etc., must have the projected costs of this acquisition for the activity.

Column F: Engineering/architectural costs must be broken out by the Site Work activity.

Column G: Figures for Column G, Total Activity Cost, are obtained by adding together Columns D, E, and F to get the total costs.

****This form must be completed by a Third-Party engineer licensed to practice in the State of Texas. His or her signature and registration seal must be on the form.****

For Site Work costs that exceed \$15,000 per Unit and are included in Eligible Basis, a CPA letter allocating which portions of those site costs should be included in Eligible Basis and which ones may be ineligible must be submitted behind this tab.

A.	B.	C.	D.	E.	F.	G.
Activity	Labor or Unit Price	Materials or # of Units	Total Construction Costs	Acquisition Costs	Engineering / Architectural Costs	Total Activity Costs
Rough Grading			\$110,000			\$110,000
On-site Paving			\$137,228			\$137,228
On-site Utilities			\$239,034			\$239,034
Termite Treatment; Moisture Inject			\$ 26,362			\$ 26,362
Total			\$512,624			\$ 512,624 -

Signature of Registered Engineer
December 18, 2018

Justin Paris
Printed Name

Seal

Date _____ If a revised form is submitted, date of submission: _____

2018 HTC Full Application

Part 4 Tab 30

Development Cost Schedule

Development Cost Schedule

Self Score Total: 0

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the total development cost column and the Tax Payer Identification column. Only HTC applications must complete the Eligible Basis columns and the Requested Credit calculation below:

TOTAL DEVELOPMENT SUMMARY			Scratch Paper/Notes
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	
ACQUISITION			
Site acquisition cost	566,280		
Existing building acquisition cost			
Closing costs & acq. legal fees			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Acquisition Cost	\$566,280	\$0	\$0
OFF-SITES²			
Off-site concrete			
Storm drains & devices			
Water & fire hydrants			
Off-site utilities	19,238		
Sewer lateral(s)			
Off-site paving			
Off-site electrical			
Melodie Drive Extension	109,250		
Other (specify) - see footnote 1			
Subtotal Off-Sites Cost	\$128,488	\$0	\$0
SITE WORK³			
Demolition			
Asbestos Abatement (Demolition Only)			
Detention			
Rough grading	110,000		110,000
Fine grading			
On-site concrete			
On-site electrical			
On-site paving	137,228		137,228
On-site utilities	239,034		239,034
Decorative masonry			
Bumper stops, striping & signs			
Termite Treatment; Moisture Injection	26,362		26,362
Subtotal Site Work Cost	\$512,624	\$0	\$512,624
SITE AMENITIES			
Landscaping	58,000		58,000
Pool and decking			
Athletic court(s), playground(s)			
Fencing			
Other (specify) - see footnote 1			
Subtotal Site Amenities Cost	\$58,000	\$0	\$58,000

BUILDING COSTS*:

Concrete	694,280		694,280
Masonry	201,685		201,685
Metals	103,979		103,979
Woods and Plastics	636,854		636,854
Thermal and Moisture Protection	175,844		175,844
Roof Covering	110,768		110,768
Doors and Windows	116,813		116,813
Finishes	426,541		426,541
Specialties	32,686		32,686
Equipment	85,000		85,000
Furnishings	10,903		10,903
Special Construction			0
Conveying Systems (Elevators)	120,000		120,000
Mechanical (HVAC; Plumbing)	537,341		537,341
Electrical	249,149		249,149

Individually itemize costs below:

Detached Community Facilities/Building			
Carports and/or Garages			
Lead-Based Paint Abatement			
Asbestos Abatement (Rehabilitation Only)			
Structured Parking			
Commercial Space Costs			
Other (specify) - see footnote 1			
Subtotal Building Costs Before 11.9(e)(2)	\$3,501,843	\$0	\$3,501,843

Voluntary Eligible Building Costs (After 11.9(e)(2))*
 Enter amount to be used to achieve desired score. \$0.00 psf

TOTAL BUILDING COSTS & SITE WORK (including site amenities) \$4,072,467 \$0 \$4,072,467

Contingency	6.16%	\$258,933		249,938
-------------	-------	-----------	--	---------

TOTAL HARD COSTS \$4,459,888 \$0 \$4,322,405

OTHER CONSTRUCTION COSTS	%THC			%EHC	
General requirements (<6%)	5.14%	229,229		229,229	5.30%
Field supervision (within GR limit)					
Contractor overhead (<2%)	1.71%	76,410		76,410	1.77%
G & A Field (within overhead limit)					
Contractor profit (<6%)	5.14%	229,229		229,229	5.30%
TOTAL CONTRACTOR FEES		\$534,868	\$0	\$534,868	

TOTAL CONSTRUCTION CONTRACT Before 11.9(e)(2) \$4,994,756 \$0 \$4,857,273

Voluntary Eligible "Hard Costs" (After 11.9(e)(2))*
 Enter amount to be used to achieve desired score. \$0.00 psf

*To score points under §11.9(e)(2) related to Cost of Development per Square Foot, the Voluntary Eligible Building Costs OR the Voluntary Eligible Hard Costs indicated above must fall within the required thresholds. If voluntary costs are not entered, staff will consider the Subtotal Building Cost or the Total Construction Contract costs, as applicable. Enter score for Building OR Hard Costs at end of form.

2018 HTC Full Application

Part 4 Tab 31

Financing Narrative and
Summary of Sources and Uses

INSTRUCTIONS: Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/explain replacement reserves. Finally, describe/explain operating items. The narrative must include rents, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

Construction financing will be provided by International Bank of Commerce in the form of a Construction Loan in the amount of \$4,000,000. The Construction Loan will be priced at 5.00%. The term of the Construction Loan will be 24 months and will be interest only. Construction and Permanent financing will be provided by TDHCA in the form of a HOME loan in the amount of \$2,500,000. The HOME loan requested is at an interest rate of 1.75% and will amortize over 30 years with a 30 year term. International Bank of Commerce will be providing the equity based on an estimated Tax Credit allocation of \$520,840 per annum. Gardner Capital is proposing pricing of \$0.90 per LIHTC to purchase a 99.99% interest in the LLC that will own and operate the Property which amounts to total capital contributions of \$4,687,091. International Bank of Commerce will provide 10% of the total equity during construction, or \$468,709. It is currently estimated that \$263,984 of

Describe the replacement reserves:

Replacement Reserves of \$250 per unit per year and Operating Reserves of \$83,192 are included.

Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments:

The project will not have any operating subsidies, rental assistance or project based vouchers.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

Signature, Authorized Representative, Construction or Permanent Lender

Printed Name

Date

Telephone: _____

Email address: _____

If a revised form is submitted, date of submission: _____

Financing Narrative and Summary of Sources and Uses

Describe all sources of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Term Sheets and Development Cost Schedule).

Financing Participants	Funding Description	Construction Period		Lien Position	Permanent Period					Lien Position
		Loan/Equity Amount	Interest Rate (%)		Loan/Equity Amount	Interest Rate (%)	Amortization	Term (Yrs)	Syndication Rate	
Debt										
TDHCA	MF Direct Loan Const. to Perm. (Repayable)	\$2,500,000	1.75%	2nd	\$ 2,500,000	1.75%	30	30		1st
TDHCA	MF Direct Loan Const. Only (Repayable)	\$0	0.00%							
TDHCA	Multifamily Direct Loan (Soft Repayable)	\$0	0.00%		\$ -	0.00%		0		
TDHCA	Mortgage Revenue Bond	\$0	0.00%		\$ -	0.00%		0		
International Bank of Commerce		\$4,000,000	5.00%	1st						
Third Party Equity										
International Bank of Commerce	HTC	\$ 520,840	\$ 468,709		\$ 4,648,032				0.9	
Grant										
City of West	Local Government Grant				\$ 10					
Deferred Developer Fee										
Four Corners Development					\$ 303,043					
Other										
	Direct Loan Match	\$ 102,750			\$ 127,500					
	Total Sources of Funds	\$ 7,071,459			\$ 7,578,585					
	Total Uses of Funds				\$ 7,578,585					

INSTRUCTIONS: Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/explain replacement reserves. Finally, describe/explain operating items. The narrative must include rents, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

Construction financing will be provided by International Bank of Commerce in the form of a Construction Loan in the amount of \$4,000,000. The Construction Loan will be priced at 5.00%. The term of the Construction Loan will be 24 months and will be interest only. Construction and Permanent financing will be provided by TDHCA in the form of a HOME loan in the amount of \$2,500,000. The HOME loan requested is at an interest rate of 1.75% and will amortize over 30 years with a 30 year term. International Bank of Commerce will be providing the equity based on an estimated Tax Credit allocation of \$520,840 per anum. Gardner Capital is proposing pricing of \$0.90 per LIHTC to purchase a 99.99% interest in the LLC that will own and operate the Property which amounts to total capital contributions of \$4,687,091. International Bank of Commerce will provide 10% of the total equity during construction, or \$468,709. It is currently estimated that \$263,984 of

Describe the replacement reserves:

Replacement Reserves of \$250 per unit per year and Operating Reserves of \$83,192 are included.

Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments:

The project will not have any operating subsidies, rental assistance or project based vouchers.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

	Lee Reed	12/17/2018
_____ Signature, Authorized Representative, Construction or Permanent Lender	_____ Printed Name	_____ Date

Telephone: 956-547-1029
 Email address: lreed@ibc.com

If a revised form is submitted, date of submission:

From: [Andrew Sinnott](#)
To: [Cris Simpkins](#)
Subject: FW: Golden Trails #17290
Date: Friday, December 07, 2018 12:41:13 PM

Andrew Sinnott
Multifamily Loan Programs Administrator
512.475.0538

From: Kit Sarai [mailto:kit@sarahandersonconsulting.com]
Sent: Wednesday, November 21, 2018 11:16 AM
To: Andrew Sinnott
Subject: RE: Golden Trails #17290

Correct.

Kit Sarai

1305 E 6th St. Suite 12
Austin, TX 78702
p. (512).638.0682

From: Andrew Sinnott [mailto:andrew.sinnott@tdhca.state.tx.us]
Sent: Wednesday, November 21, 2018 8:10 AM
To: Kit Sarai
Subject: RE: Golden Trails #17290

Received. So this additional request is for \$445,000, correct? And the other request being made is to reduce the interest rate on the existing \$2,055,000 (as well as the additional \$445,000) from 2.0% to 1.75%.

Thanks,

Andrew Sinnott
Multifamily Loan Programs Administrator
512.475.0538

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b), there are important limitations and caveats (Also see 10 TAC §10.2(b)).

From: Kit Sarai [mailto:kit@sarahandersonconsulting.com]
Sent: Tuesday, November 20, 2018 1:48 PM
To: Andrew Sinnott
Subject: Golden Trails #17290

Hi Andrew,

Please be advised that I have uploaded our Eligibility Determination request to the FTP folder. Let me know if you have any questions.

Regards,

Kit Sarai

1305 E 6th St. Suite 12
Austin, TX 78702
p. (512).638.0682

2018 HTC Full Application

Part 4 Tab 32

Multifamily Direct Loan
Financial Capacity

NA

Financial Capacity, Owner Equity, and Appraisal Requirements (Multifamily Direct Loan Applications Only, if applicable) [§13.8(c)(5) and (6)]

Financial Capacity (10 TAC §13.8(c)(5))

If the Department's Direct Loan amounts to more than 50% of the Total Housing Development Cost, except for Developments also financed through the USDA §515 program, the Application **MUST** include:

- A letter from a Third Party CPA verifying the capacity of the Applicant, Developer, or Development Owner to provide at least 10% of the Total Housing Development Cost as a short term loan for Development; **OR**
- Evidence of a line of credit or equivalent tool equal to at least 10% of the Total Housing Development Cost from a financial institution that is available for use during the proposed development activities.

Owner Equity and Appraisal Requirements (10 TAC §13.8(c)(6))

If the Direct Loan is the only source of Department funding for the Development (no HTC being requested), the Development Owner **MUST** provide:

- equity in an amount not less than 20% of Total Housing Development Costs; and
- if proposing new construction, an "as completed" appraisal pursuant to 10 TAC §10.304 which results in total repayable loan to value of not greater than 80%; or
- if proposing rehabilitation, the "as is" appraisal required by 10 TAC §10.205(4) may meet this requirement without needing an "as completed" appraisal provided the loan to value is not greater than 80%

As a result of providing owner equity in an amount greater than 5% of Total Housing Development Costs, the following must be provided in accordance with 10 TAC §10.204(7)(C):

- A letter - not older than 6 months from the date the of Application submission - from a Third Party CPA verifying the capacity of the Development Owner to provide the proposed financing with funds that are not otherwise committed or pledged; and
- A letter - not older than 6 months from the date the of Application submission - from the Development Owner's bank or banks confirming that such funds are and will remain available at commitment and until the required investment is completed.



2018 HTC Full Application

Part 4 Tab 33

Multifamily Direct Loan
Match Funds

Match Funds (Multifamily Direct Loan Applications Only) [§10.204(7)(E)]

Match in the amount of at least 5% of the Multifamily Direct Loan funds requested must be documented with a letter from the anticipated provider of Match indicating the provider's willingness and ability to make a financial commitment should the Development receive an award of Multifamily Direct Loan funds. The information provided must be consistent with all other documentation in the Application.

Indicate the amount and source of Match funds in the appropriate spaces in the table below.

Generally, a Related Party contribution to the Development is not considered eligible Match. Please see 10 TAC §13.2(8) as well as the Match Guidance below.

Type of Match Pledged	Pledged Amount	Source of Funds
Non-Federal Grants		
Waived, foregone or deferred fees and charges (ex: debris removal and container fees, tap fees, building permits, other mandatory fees charged by the local municipality) **CANNOT INCLUDE DEVELOPER FEES**		
Below Market Interest Rate Loan		
Property Tax Abatement		
Donated Non-Professional Labor		
Non-Federally Funded Infrastructure		
Rental Value of Donated Use of Site Preparation or Construction Equipment		
Donated Construction Materials	\$ 127,500	
Donated Site Preparation		
Donated Demolition Services		
Donated Real Property		
Total Value of Match Pledged	\$ 127,500	
Total Amount of MF Direct Loan funds Requested	\$ 2,500,000	
Percentage of MF Direct Loan Funds to be Matched (Total Value of Match /MF Direct Loan Funds Requested)	5.10%	

JULIAN CONCRETE CONSTRUCTION

**P.O. Box 72
GREENFIELD, MISSOURI 65661**

**Jeffery R. Julian
417-637-2130**

Fax 417-637-2664

Cell 417-839-7840

December 3, 2018

TDHCA
Sharon Gamble
221 East 11th Street
Austin, TX 78701

RE: Golden Trails 17290

Dear Ms. Gamble:

In accordance with the HOME program rules regarding the value of donated services counted as match for a TDHCA HOME award, Julian Concrete Construction agrees to donate services and building materials valued at \$31,000.00 to the Golden Trails project in West, Texas. These materials may include lumber, equipment, concrete, metal and other building materials typically provided by our company. If awarded HOME funds, we will develop a formal agreement that outlines in detail the scope of work to be performed by our company and the value of these materials.

If you have any questions or require clarification, please let me know.

Sincerely,



Jeffrey R. Julian, President



December 14, 2018

TDHCA
Sharon Gamble
221 East 11th Street
Austin, TX 78701

RE: Golden Trials 17290

Dear Ms. Gamble:

In accordance with the HOME program rules regarding the value of donated services counted as match for a TDHCA HOME award, Springfield Roofing Systems agrees to donate services and building materials valued at \$96,500.00 to the Golden Trails project in West, Texas. These materials may include lumber, fasteners, roofing materials, and other building materials typically provided by our company. If awarded HOME funds, we will develop a formal agreement that outlines in detail the scope of work to be performed by our company and the value of these materials.

If you have any questions or require clarification, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "BK", is written over a horizontal line.

Brad Kiser
General Manager

2018 HTC Full Application

Part 4 Tab 34
Finance Scoring

NA

Finance Scoring (for Competitive HTC Applications ONLY)

Self Score Total: 19

1. Commitment of Development Funding by Local Political Subdivision (§11.9(d)(2))

Name of the Local Political Subdivision providing the funding:

NA

A letter from an official of the political subdivision stating that the political subdivision will provide a loan, grant, reduced fees or contribution of other value type, and the terms under which it will be provided is in the application.

The dollar value of the contribution must be in the letter and must equal \$500 or more if Urban and \$250 or more if Rural or USDA.

The commitment of development funding is reflected in the Application as a financial benefit to the Development, i.e. reported as a source of funds on the Sources and Uses Form and/or reflected in a lower cost in the Development Cost Schedule, such as notation of a reduction in building permits and related costs.

Total Points Claimed: 0

2. Financial Feasibility (§11.9(e)(1))

Eligible Pro-Forma and letter stating the Development is financially feasible. 0

0

Eligible Pro-Forma and letter stating Development **and** Principals are acceptable.

Total Points Claimed: 0

3. Leveraging of Private, State, and Federal Resources (§2306.6725(a)(3); §11.9(e)(4))

Percent of Units restricted to serve households at or below 30% of AMGI 8.89%

HTC funding request as a percent of Total Housing Development Cost 6.87%

Eligibility for points:

Development Leverages CDBG Disaster Recovery, HOPE VI, RAD or Choice Neighborhood Funding 0

Housing Tax Credit Request 3

Housing Tax Credit Request 2

Housing Tax Credit Request 1

** Be sure no more than 50% of Developer fees are deferred.*

Total Points Claimed:

2018 HTC Full Application

Part 4 Tab 35

Finance Supporting Documents

Supporting Documents Should be Included Behind this Tab

ALL SUPPORTING DOCUMENTS MUST BE CONSISTENT WITH THE SOURCES AND USES

- Executed Pro Forma from Permanent or Construction Lender
- Letter from lender regarding approval of Principals (consistent with Template)
- Evidence of **all** Permanent and Construction Financing (term sheets, loan agreements)
- Evidence of any Gap Financing, terms included
- Evidence of any Owner Contributions, with financial support if required
- Evidence of Equity Financing (HTC applications only)
- Letter from Texas Historical Commission (THC) indicating preliminary eligibility for historic (rehabilitation) tax credits and documentation of Certified Historic Structure status as detailed in QAP §11.9(e)(6) was submitted behind TAB 19.
- Letter from Local Political Subdivision evidencing a loan, grant, reduced fees or contribution of other value to benefit the Development. [QAP §11.9(d)(2)]
- Evidence of Rental Assistance/Subsidy



2018 HTC Full Application

Part 4 Tab 35

Supporting Documents:
Construction and Permanent
Financing Letters
and
Gap Financing and/or Owner
Contributions

CONSTRUCTION LOAN AGREEMENT

THIS CONSTRUCTION LOAN AGREEMENT (this "Loan Agreement"), dated July 20, 2018, is made by and between INTERNATIONAL BANK OF COMMERCE, a Texas state banking corporation ("Lender"), whose mailing address is 1600 Ruben Torres Blvd., Brownsville, Texas 78526, and WEST TEXAS GOLDEN TRAILS, LP, a Texas limited partnership (the "Borrower"), and JOSEPH RYAN HAMILTON, JOHN DOUGLAS HAMILTON, MICHAEL KENNETH HAMRA, RITA YAGHI BARON, and FOUR CORNERS DEVELOPMENT, LLC, a Missouri limited liability company (collectively, the "Guarantors"), Borrower and Guarantors having a collective mailing address of 3556 S. Culpepper Circle, Suite 4, Springfield, Missouri 65804, with respect to a construction loan (the "Loan") in the principal sum of FOUR MILLION AND NO/100 DOLLARS (\$4,000,000.00).

NOW, THEREFORE, in consideration of the extension of financial and credit accommodations by Lender to the Borrower evidenced by the Loan, and the agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Guarantors, and Lender agree as follows:

ARTICLE 1 - DEFINITIONS

For purposes of this Loan Agreement, the following terms shall have the respective meanings assigned to them.

1.1 ADA.

The term ADA shall mean the Americans with Disabilities Act of 1990, as amended.

1.2 Advance.

The term "Advance" shall mean a disbursement by Lender of any of the proceeds of the Loan.

1.3 Application for Advance.

The term "Application for Advance" shall mean a written application (on a form approved by Lender) by Borrower (and such other parties as Lender may require) to Lender specifying by name, current address, and amount all parties to whom Borrower is obligated for labor, materials, or services supplied for the construction of the Improvements and all other expenses incidental to the Loan, the Property, and the construction of the Improvements, whether or not specified in the Approved Budget, requesting an Advance for the payment of such items, containing, if requested by Lender, an Affidavit of Borrower, accompanied by such schedules, affidavits, releases, waivers, statements, invoices, bills, and other documents as Lender may reasonably request.

1.4 Appraisal.

The term "Appraisal" shall mean an appraisal of the Property and Improvements, prepared in a form and content satisfactory to Lender and in compliance with all applicable laws and regulations which shows a fair market value for the Property and Improvements as built in an amount approved by Lender in its sole and absolute discretion. Lender shall require the Appraisal prior to closing and may require an updated, recertified or new Appraisal from time to time but no more often than once per year.

1.5 Approved Budget.

The term "Approved Budget" shall mean a budget or cost itemization prepared by Borrower specifying the cost by item of (a) all labor, materials, and services necessary for the construction of the Improvements in accordance with the Plans and all Governmental Requirements, and (b) all other expenses anticipated by Borrower incident to the Loan, the Property, and the construction of Improvements. The Approved Budget is attached hereto as Exhibit "C" and incorporated herein by reference.

1.6 Architect.

The term "Architect" shall mean the Architect named on Exhibit "D," attached hereto and incorporated herein by reference.

1.7 Architectural Contract.

The term "Architectural Contract" shall mean a written agreement between Borrower and Architect for architectural services pertaining to construction of the Improvements.

1.8 Borrower.

The term "Borrower" shall mean West Texas Golden Trails, LP, a Texas limited partnership.

1.9 Borrower GP.

The term "Borrower GP" shall mean the general partner of the Borrower, West Texas Golden Trails GP, LLC, a Texas limited liability company.

1.10 Borrower GP Security Agreement.

The term "Borrower GP Security Agreement" shall mean that certain Assignment and Security Agreement for Membership Interest as Collateral for Indebtedness executed by 4C Development – Texas, LLC, a Texas limited liability company, and Janna Cormier Development Consulting, LLC, a Texas limited liability company, pledging all of their interests in the Borrower GP to further secure the Loan.

1.11 Code.

The term "Code" shall mean the Uniform Commercial Code as in force in the state in which the Property is located and, if different, the state of the Borrower's residence.

1.12 Collateral Assignment of Leases, Rents and Income.

The term "Collateral Assignment of Leases, Rents and Income" shall mean that certain Collateral Assignment of Leases, Rents and Income executed by Borrower for the benefit of Lender, securing the Note, and assigning all real property leases covering the Property to Lender.

1.13 Completion Date.

The term "Completion Date" shall mean the date for the completion of the construction of the Improvements to the Property, which is October, 31, 2019.

1.14 Construction Contract.

The term "Construction Contract" shall mean that certain AIA Document A102 - 2017 Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated June 18, 2018 executed by Borrower for the construction of the Improvements between Borrower, as Owner, and Hamilton Builders, LLC, as Contractor.

1.15 Construction Phase.

The term "Construction Phase" shall mean the period of time from the date hereof to the Completion Date unless extended otherwise in writing by Lender in its sole discretion.

1.16 Contractor.

The term "Contractor" shall mean the Contractor named on Exhibit "D," attached hereto and incorporated herein for all purposes. There shall be no change to the Contractor without the prior written consent of Lender, and any attempted change in the Contractor without Lender's prior written consent is deemed void.

1.17 Debtor Relief Laws.

The term "Debtor Relief Laws" shall mean any applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.

1.18 Deed of Trust.

The term "Deed of Trust" shall mean that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement executed by Borrower securing the payment of the

Note and the payment and performance of all obligations specified in the Deed of Trust and this Loan Agreement, and evidencing a valid and enforceable first and senior lien covering the Property.

1.19 Developer.

The term "Developer" shall mean 4C Development – Texas, LLC, a Texas limited liability company.

1.20 Developer Fee.

The term "Developer Fee" shall refer to the fee in the amount of \$878,441.00 to be earned by the Developer pursuant to the terms of the Development Agreement subject to the terms of this Loan Agreement.

1.21 Developer Fee Assignment.

The term "Developer Fee Assignment" shall mean that certain Collateral Assignment of Agreement of the Development Agreement, executed by Developer in favor of Lender to secure the Loan.

1.22 Developer Fee Security Agreement.

The term "Developer Fee Security Agreement" shall mean that certain Security Agreement in favor of Lender to secure the Loan, executed by Developer granting to Lender a security interest in the Developer Fee from Developer.

1.23 Development Agreement.

The term "Development Agreement" shall mean that certain Development Agreement dated July 20, 2018, by and between the Developer and Borrower which provides for payment to the Developer of the Development Fee in consideration of costs incurred and services rendered by the Developer to Borrower in the construction of the Improvements on the Property.

1.24 Event of Default.

The term "Event of Default" shall mean the occurrence of any one of the following after the expiration of the Grace and Curative Period:

(a) Any indebtedness evidenced, governed or secured by any of the Loan Instruments is not paid when due, whether by acceleration or otherwise.

(b) Any covenant in this Loan Agreement or any of the other Loan Instruments is not fully and timely performed, or the occurrence of any default thereunder.

(c) Any statement, representation or warranty in the Loan Instruments, any Financial Statements or any other writing delivered to Lender in connection with the Loan is false, misleading or erroneous in any material respect.

(d) Prior to Substantial Completion, the cessation of the construction of the Improvements for more than thirty (30) days without the written consent of Lender.

(e) Failure of the construction of the Improvements or any materials for which an Advance has been requested to materially comply with the Plans, any Governmental Requirements or the requirements of any lessee, if applicable.

(f) Failure of Borrower to satisfy any condition specified herein as a condition precedent to the obligation of Lender to make an Advance after an Application for Advance has been submitted by Borrower to Lender.

(g) A reasonable determination by Lender that construction of the Improvements will not be completed by the Completion Date or that Borrower will fail to satisfy the conditions to the Final Advance (defined in Section 2.6) on or before the Completion Date.

(h) Borrower, the Guarantors and/or any general or limited partner of Borrower, including without limitation, the Borrower GP and Investor:

(1) does not pay its debts as they become due or admits in writing its inability to pay its debts or makes a general assignment for the benefit of creditors; or

(2) commences any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any Debtor Relief Laws; or

(3) in any involuntary case, proceeding or other action commenced against it which seeks to have an order for relief entered against it, as debtor, or seeks reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, (i) fails to obtain a dismissal of such case, proceeding or other action within sixty (60) days of its commencement, or (ii) converts the case from one chapter of the Federal Bankruptcy Code to another chapter, or (iii) is the subject of an order for relief; or

(4) conceals, removes, or permits to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of them, or makes or suffers a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or makes any transfer of its property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or suffers or permits while insolvent, any creditor to

obtain a lien upon any of its property through legal proceedings which is not vacated within sixty (60) days from the date thereof; or

(5) has a trustee, receiver, custodian or other similar official appointed for or take possession of all or any part of the Property or any other of its property or has any court take jurisdiction of any other of its property which remains undismitted for a period of sixty (60) days [except where a shorter period is specified in the immediately following subparagraph (6)]; or

(6) fails to have discharged within a period of thirty (30) days any attachment, sequestration, or similar writ levied upon any property of such person; or

(7) fails to pay immediately any final money judgment against such person.

(i) Title to all or any part of the Property (other than obsolete or worn personal property replaced by adequate substitutes of equal or greater value than the replaced items when new) shall become vested in any party other than the Borrower, whether by operation of law or otherwise, without the consent of Lender. Lender may, in its sole and absolute discretion, waive this Event of Default, but it shall have no obligation to do so, and any waiver may be conditioned upon such one or more of the following as Lender may require: the grantee's integrity, reputation, character, credit worthiness and management ability being satisfactory to Lender in its sole judgment, the grantee executing, prior to such sale or transfer, a written assumption agreement containing such terms as Lender may require, a principal pay-down on the Note, an increase in the rate of interest payable under the Note, a transfer fee, and any other modification of the Loan Instruments which Lender may require.

(j) SAVE AND EXCEPT as to the Restrictive Covenants, without the prior written consent of Lender, Borrower, grants any easement or dedication, files any plat, condominium declaration, or restriction, or otherwise encumbers the Property,

(k) Borrower abandons any portion of the Property, except for demolition of structures, which were in existence as of the date of this Loan Agreement, and were anticipated by the Plans.

(l) The holder of any lien, security interest or assignment on the Property institutes foreclosure or other proceedings or takes other action for the enforcement of its remedies thereunder.

(m) The liquidation, termination or dissolution of Borrower.

(n) The sale, lease, transfer or other disposition of all or any substantial part [i.e., ten percent (10%) or more in any fiscal year] of the assets of Borrower (now or hereafter acquired) except that Borrower may sell non-material assets no longer used or

useful in their business and Borrower may sell or lease other assets in the ordinary course of business as presently conducted, provided that such sale or lease shall not be for less than the fair market value of such assets or be on terms which are not commercially reasonable, and provided further that such sale or lease shall not constitute or give rise to a default under any agreement to which Borrower is a party or by which Borrower is bound.

(o) The pledging, mortgaging, granting of a lien on or security interest in, or other hypothecation or encumbrance of all or any substantial part [i.e., ten percent (10%) or more (based on fair market value) in any fiscal year] of Borrower's assets (now or hereafter acquired) except in the ordinary course of business or to secure indebtedness to Lender.

(p) The assignment of any interest in Borrower or the Borrower GP to any party without Lender's prior written consent except as expressly permitted herein.

(q) Failure to use the proceeds of the Loan or any capital contribution of the Investor in accordance with the Partnership Agreement for any use other than costs of labor, materials and services supplied for the construction of the Improvements and the other items shown in the Approved Budget and for the pay down of the Loan unless otherwise approved by Lender in its sole discretion.

(r) Failure of Investor to make any capital contribution in accordance with the terms of the Partnership Agreement due to Borrower's failure to comply with the Partnership Agreement.

(s) Default or breach by any of the parties to the Partnership Agreement subject to any applicable notice and cure periods in the Partnership Agreement.

(t) Any violation or breach or default of the Restrictive Covenants.

(u) Any default or nonperformance of the Construction Contract subject to all applicable notice and cure periods.

(v) Investor requires Borrower GP to repurchase the limited partnership interest of Investor in the Borrower pursuant to the terms of Section 4.8 of the Partnership Agreement.

(w) The TDHCA or other applicable Governmental Authority has not issued an IRS Form 8609 for the Project on or before December 31, 2019.

(x) The Second Capital Contributions (defined below) is not used to pay pay off the Note in full.

(y) Default of the Permanent Loan and/or any and all documents or agreements in connection with and/or securing the Permanent Loan (collectively, the "Permanent Loan Documents").

Any cure of an Event of Default hereunder made or tendered by one or more of the Guarantors or one or more of Borrower's limited partners shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made or tendered by Borrower. After an Event of Default occurs, at Lender's option, Borrower shall deliver all books, records, statements, schedules, and reports regarding the Property and its operations in its possession to Lender.

Lender shall use commercially reasonable efforts to provide copies of all notices of default sent to Borrower hereunder to Investor at 2660 Eastchase Lane, Suite 100, Montgomery, Alabama 36117-7024, with copy to 42 Equity Partners, LLC, c/o Matt Aiken, Maynard Cooper, 1901 Sixth Avenue North, Suite 2400, Birmingham, AL 35203-4642.

1.25 Financial Statements.

The term "Financial Statements" shall mean financial statements of the Borrower, the Borrower GP, and the Guarantors, which shall consist of such balance sheets, cash flow and income statements and listing of contingent liabilities, and other financial information of Borrower, Borrower GP, and Guarantors as shall be reasonably required by Lender, from time to time, which statements shall be certified as true and correct by the party submitting such statements and personal financial statements of the Borrower, the Borrower GP, and the Guarantors as of the date delivered.

1.26 Financing Statements.

The term "Financing Statements" shall mean the Form UCC-1 financing statements perfecting the security interests securing the Loan, to be filed with the appropriate offices for the perfection of a security interest in any of the Property.

1.27 Foundation Survey.

The term "Foundation Survey," if required by Lender, shall mean a survey of the Property locating the foundation, prepared within ten (10) days of the laying of the foundation for the Improvements, showing no encroachment of the Improvements on any boundary line, easement, building setback line or other restricted area.

1.28 Governmental Authority.

The term "Governmental Authority" shall mean the United States, the State, the Parish, the City or any other political subdivision in which the Property is located, and any other political subdivision, agency, or instrumentality exercising jurisdiction over Borrower, or the Property.

1.29 Governmental Requirements.

The term "Governmental Requirements" shall mean all laws, ordinances, rules and regulations of any Governmental Authority applicable to Borrower, or the Property.

1.30 Grace and Curative Period.

The term "Grace and Curative Period" shall mean (A) as to any default involving (i) the payment of money to Lender, or (ii) the payment of insurance and/or ad valorem taxes and other assessments on the Property as and when due pursuant to the Loan Instruments [(A)(i) and (A)(ii) being collectively referred to herein as a "Monetary Default"], a period of sixty (60) days following written notice of a Monetary Default to Borrower and the Guarantors to cure such Monetary Default, and the failure of Borrower (or the Guarantors) to cure such Monetary Default within such sixty (60) day period; and (B) as to any other default, a period of ninety (90) days following written notice from Lender to Borrower and the Guarantors to cure such default, and the failure of Borrower (or the Guarantors) to cure such default within such ninety (90) day period.

1.31 Guarantors.

The term "Guarantors" shall mean the persons so named on Exhibit "D," attached hereto. However, in the event that one or more of the Guarantors breaches one or more of its covenants under the Loan Instruments, including without limitation, the Guaranty Agreement, Borrower shall have a period of ten (10) days following written notice from Lender of a breach by Guarantor of the Loan Instruments to offer a replacement Guarantor for Lender's consideration before Lender may declare an Event of Default of the Loan. It is understood and agreed that the replacement of the breaching Guarantor with another Guarantor selected by Borrower shall be in Lender's sole and absolute discretion. Furthermore, the replacement Guarantor to be considered by Lender must have a higher net worth and better financial credit standing than the breaching Guarantor.

1.32 Guaranty Agreement.

The term "Guaranty Agreement" shall mean a Guaranty Agreement executed by the Guarantors in favor of the Lender upon the terms as set forth therein.

1.33 Hazardous Materials.

The term "Hazardous Materials" shall mean (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. section 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; (c) asbestos; (d) polychlorinated biphenyls; (e) underground storage tanks, whether empty, filled or partially filled with any substance; (f) any substance the presence of which on the Property is prohibited by any Governmental Requirements; and (g) any other substance which by any Governmental Requirements requires special handling or notification of any federal, state or local governmental entity in its collection, storage, treatment or disposal.

1.34 Hazardous Materials Contamination.

The term "Hazardous Materials Contamination" shall mean the contamination (whether presently existing or hereafter occurring) of the Improvements, facilities, soil, groundwater, air or other elements on or of the Property by Hazardous Materials, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on or of any other property as a result of Hazardous Materials at any time (whether before or after the date of this Loan Agreement) emanating from the Property.

1.35 IBC Account.

The term "IBC Account" shall mean a new International Bank of Commerce checking account in the name of the Borrower, into which Loan funds for the construction of the Improvements shall be deposited. Advancements of the Loan by Lender to Borrower are to be used as provided herein. No deposits in the IBC Account may be withdrawn by Borrower without the prior written approval of Lender.

1.36 IBC Account Assignment.

The term "IBC Account Assignment" shall mean any and all Assignments of Deposit Account (Security Agreement) executed by Borrower granting to Lender a security interest in the IBC Account and such other accounts as required by Lender and consistent with this Agreement.

1.37 Improvements.

The term "Improvements" shall mean the Improvements identified on Exhibit "D," attached hereto and incorporated herein for all purposes.

1.38 Inspecting Architects/Engineers.

The term "Inspecting Architects/Engineers" shall mean such employees, representatives and agents of Lender or third parties, including without limitation, AECC, Inc. who may, from time to time conduct inspections of the Property or offer other services related thereto as required by Lender in its sole discretion, and Borrower shall be responsible for all cost and charges in connection therewith.

1.39 Insurance Policies.

The term "Insurance Policies" shall mean:

- (a) Builders' risk insurance in an amount equal to 100% of the completed cost of the Improvements, providing all risk coverage on the improvements and materials stored on the Property and elsewhere, and including the perils of collapse, damage resulting from error in design or faulty workmanship or materials, water damage, and shall provide, at a minimum, a ten (10) year warranty for defects in the construction of the Improvements

showing Lender as an additional insured, and, if requested by Lender, flood, earthquake, business interruption, permission to occupy, interest costs and other risks;

(b) All risk property insurance after the completion of the construction of the Improvements, as determined by Lender, in the amount of at least 100% of the replacement cost of such Improvements or in such additional amounts as Lender may require, providing all risk coverage on the Improvements, and, if requested by Lender, to include the perils of flood, earthquake, business interruption and other risks;

(c) Commercial general liability insurance for owners and contractors, including blanket contractual liability, products and completed operations, personal injury (including employees), independent contractors, explosion, collapse and underground hazards for not less than \$500,000 arising out of any one occurrence or in any increased amount required by Lender;

(d) Comprehensive automobile liability insurance for contractors for not less than \$500,000 for bodily injury and \$100,000 for property damage arising out of any one occurrence or in any increased amount required by Lender;

(e) Workers' compensation insurance for contractors for statutory limits;

(f) Such other insurance as Lender may reasonably require; and

(g) At the option of Lender in its sole discretion, windstorm and flood insurance upon terms approved by Lender in its sole discretion.

All Insurance Policies or Certificates thereof, shall be issued on forms and by companies reasonably satisfactory to Lender and shall be delivered to Lender. All Insurance Policies shall have loss made payable to Lender as mortgagee, together with the standard mortgagee clause, and all Insurance Policies shall have a provision giving Lender a thirty (30) days' prior notice of cancellation or material change of the coverage.

Borrower shall also obtain such other insurance customary for similar type properties as Lender may reasonably require upon thirty (30) days prior written notice.

1.40 Investor.

The term "Investor" shall mean 42EP IBC Fund II, LP, whose mailing address is 2660 Eastchase Lane, Suite 100, Montgomery, Alabama 36117-7024, which is a limited partner of the Borrower.

1.41 Investor Equity.

The term "Investor Equity" shall mean the sum of money invested by Investor – 42 in the Project in a form and amount satisfactory to Lender, totaling not less than \$4,648,032.00, for the payment of the costs of labor, materials, and services required for the construction of the

Improvements, other costs and expenses specified in the Approved Budget, and other costs and expenses required to be paid in connection with the construction of the Improvements in accordance with the Plans and any Governmental Requirements. The Investor Equity shall be delivered through a series of capital contributions as described more particularly in Article 3 below and in Section 4.2 of the Partnership Agreement.

1.42 Lender.

The term "Lender" shall mean the International Bank of Commerce.

1.43 Loan.

The term "Loan" shall mean the Loan by Lender to Borrower, in the amount set forth in the first paragraph of this Loan Agreement, not to exceed, in the aggregate, payment of the costs of labor, materials, and services supplied for the construction on the Improvements and all other expenses incidental to the construction of the Improvements on the Property.

1.44 Loan Finance Charge.

The term "Loan Finance Charge" shall mean the sum of \$40,000.00 to be paid to Lender by Borrower on the Closing Date.

1.45 Loan Instruments.

The term "Loan Instruments" shall collectively mean this Loan Agreement, the Deed of Trust, the Note, the Manager's Consent, the Security Agreement, the Collateral Assignment of Leases, Rents, and Income, the Guaranty Agreements, the Financing Statements, the Developer Fee Assignment, the Developer Fee Security Agreement, the IBC Account Assignment, the Borrower GP Security Agreement, and any and all other instruments and documents evidencing, securing, or pertaining to the Loan as shall, from time to time, be executed and delivered by Borrower, Guarantors, or any other party to Lender pursuant to this Loan Agreement, including, without limitation, each Application for Advance, the Approved Budget, the Contractor's Consent and Agreement, and the Architect's Consent and Certificate.

1.46 Management Agreement.

The term "Management Agreement" shall mean an agreement between Manager and Borrower for the management of the Property and the Improvements.

1.47 Manager.

The term "Manager" shall mean the entity named on Exhibit "D," attached hereto. There shall be no change to the Manager without the prior written consent of Lender and any attempted change in the Manager without Lender's prior written consent is deemed void, which shall not be unreasonably withheld, conditioned, or delayed.

1.48 Manager's Consent.

The term "Manager's Consent" shall mean that certain Manager's Consent and Subordination executed by the Manager to the Lender consenting to an assignment of the Management Agreement to Lender and a subordination of the Management Agreement to the Loan.

1.49 Note.

The term "Note" shall mean that certain the Real Estate Lien Note in the original principal sum of \$4,000,000.00, executed by Borrower and payable to the order of Lender of even date herewith evidencing the Loan.

1.50 Obligor.

The term "Obligor" shall collectively mean Borrower and Guarantors.

1.51 Partnership Agreement.

The term "Partnership Agreement" shall mean that certain Amended and Restated Limited Partnership Agreement of Borrower dated July 20, 2018, by and among the Borrower GP, as general partner, and Investor, et al., as the limited partner, to be approved by Lender in its sole and absolute discretion.

1.52 Permanent Lender.

The term "Permanent Lender" shall mean the entity identified on Exhibit "D," attached hereto.

1.53 Permanent Loan.

The term "Permanent Loan" shall mean that certain second lien mortgage loan in the original principal amount of \$2,055,000.00 dated effective July 20, 2018 from the Permanent Lender to Borrower as more particularly described and discussed in the Permanent Loan Documents, said Permanent Loan having been obtained under the HOME Investment Partnerships Program awarded by the U. S. Department of Housing and Urban Development, for a term of thirty (30) years, an amortization period of thirty (30) years, with an interest rate not to exceed two percent (2%) per annum, as more particularly described in that certain letter dated August 17, 2017 signed by the TDHCA and accepted by Borrower. Any Permanent Loan Documents securing the Permanent Loan, including without limitation, a deed of trust lien, shall be junior and inferior to the Loan Instruments, including without limitation, the Deed of Trust.

1.54 Plans.

The term "Plans" shall mean the final working drawings and specifications for the construction of the Improvements.

1.55 Project.

The term "Project" shall mean that certain 45 unit senior housing complex located at the Property called "Golden Trails Apartments," to be refurbished/built according to the Plans using the proceeds of the Loan to finance same, a portion of which units shall be rented to persons of low income, as provided in Internal Revenue Code of 1986, Section 42(g).

1.56 Property.

The term "Property" shall mean the real or immovable property described in Exhibit "A," attached hereto and incorporated herein by reference, together with the Improvements and all other property constituting the "Property," as described in the Deed of Trust, and the collateral described in the Security Agreement.

1.57 Restrictive Covenants.

The term "Restrictive Covenants" shall mean that certain Low Income Housing Tax Credit Program Declaration of Land Use Restrictive Covenants executed by Borrower and the TDHCA to be recorded in the Real Property Records of McLennan County, Texas, covering the Property, and placing certain restrictions thereon regarding the use of the Property which shall run with the land, and which must first be approved by Lender in its sole discretion.

1.58 Security Agreement.

The term "Security Agreement" shall mean all security agreements executed by Borrower granting to Lender a security interest in any and all of the personal or movable property that cannot be secured by the Deed of Trust, and any other security agreement executed by a pledgor or Guarantor covering the collateral described therein to secure the Loan.

1.59 Substantial Completion.

The term "Substantial Completion" shall mean a certification from Borrower's architect of substantial completion in accordance with the Plans, certifying that the work performed by the Contractor under the Construction Contract is fully complete, including all punch-list items except those punch-list items specified by the Inspecting Architects/Engineers as incomplete and as to which up to 150% of the funds reasonably necessary to pay the costs of completion, as determined by the Inspecting Architects/Engineers, have been escrowed with Lender.

1.60 Survey.

The term "Survey" shall mean a current ALTA certified survey of the Property, in a form satisfactory to Lender.

1.61 Tax Credits.

The term "Tax Credits" shall mean those certain tax credits allocated to Borrower pursuant to Section 42 of the Internal Revenue Code by the TDHCA in the aggregate amount of \$5,208,400.00.

1.62 TDHCA.

The term "TDHCA" shall mean the Texas Department of Housing and Community Affairs.

1.63 Title Company.

The term "Title Company" shall mean the Title Company named on Exhibit "D," attached hereto.

1.64 Title Insurance.

The term "Title Insurance" shall mean a Lender Policy of Title Insurance, in the amount of the Loan, insuring or committing to insure that the Deed of Trust constitutes a valid lien covering the Property in the first lien position for the fee estate and subject only to those exceptions and encumbrances which Lender may approve and as set forth therein, issued by the Title Company.

ARTICLE 2 - ADVANCES OF THE LOAN

2.1 Commitment of Lender.

Subject to the conditions hereof, and provided that an Event of Default has not occurred, and been uncured, Lender will make Advances to Borrower in accordance with this Loan Agreement. Unless otherwise determined by Lender in its sole discretion, all approved Advances shall be deposited by Borrower in the IBC Account.

2.2 Interest on the Loan.

Interest on the Loan, at the rate or rates specified in the Note, shall be computed on the unpaid principal balance that exists from time to time and shall be computed with respect to each Advance only from the date of such Advance.

2.3 Advances.

Advances shall be made by Lender to Borrower for solely the payment of costs of labor, materials and services supplied for the construction of the Improvements and the other items

shown in the Approved Budget not more frequently than specified on Exhibit "D" attached hereto, upon compliance by Borrower with this Loan Agreement, after actual commencement of construction of the Improvements, for work actually done during the preceding period. Lender may require an inspection of and acceptable report on the Improvements by the Inspecting Architects/Engineers prior to making any Advance. Advances to Borrower shall be solely for payment of costs of construction of the Improvements and the other items shown in the Approved Budget and shall be limited to the amounts shown in the Approved Budget and not exceed the aggregate of (a) the costs of labor, materials and services incorporated into the Improvements in a manner acceptable to Lender, plus (b) if approved by Lender, the purchase price of all uninstalled materials to be utilized in the construction of the Improvements stored on the Property or elsewhere with the written consent of, and in a manner acceptable to, Lender, less (c) retainage, if any, as set forth on Exhibit "D" attached hereto, and less (d) all prior Advances to Borrower for payment of costs of labor, materials and services for the construction of the Improvements. Each Application for Advance shall be submitted by Borrower to Lender a reasonable time [but not less than five (5) days] prior to the date on which an Advance is desired by Borrower.

Lender shall have the right, but not the obligation, to disburse and directly apply any proceeds of an advance of the Note to the satisfaction of any of the obligations of Borrower and the amount of any future advance to which Borrower would thereafter be entitled under the Note shall be correspondingly reduced. Any advance by Lender for such purpose shall constitute a part of the Loan and shall be secured by the Loan Instruments.

2.4 Conditions to the First Advance.

As a condition precedent to the first Advance (the "First Advance") hereunder: Borrower must satisfy the conditions required hereby and execute and deliver to, procure for and deposit with, and pay to Lender and, if appropriate, record in the proper records, with all filing and recording fees paid, the documents, certificates and other items that are noted by (x) described in Exhibit "B," attached hereto and incorporated herein by reference, together with such other documents, instruments and certificates as Lender may reasonably require.

2.5 Conditions to Subsequent Advances.

As a condition precedent to each Advance, other than the First Advance, in addition to all other requirements herein, Borrower must satisfy the following requirements and, if required by Lender, deliver to Lender evidence of such satisfaction:

- (a) All conditions precedent to the First Advance shall have been satisfied;
- (b) There shall then exist no uncured Event of Default;
- (c) A Foundation Survey shall have been furnished to Lender within ten (10) days after laying of the foundation of the Improvements, showing no encroachment of the Improvements on any boundary line, easement, building setback line, or other restricted area;

(d) The representations and warranties made in this Loan Agreement shall be true and correct on and as of the date of each Advance, with the same effect as if made on that date;

(e) Borrower will procure and deliver to Lender, either (i) releases or waivers of mechanic's liens and receipted bills showing payment of all parties who have furnished materials or services or performed labor of any kind in connection with the construction of any of the Improvements, or (ii) as to any unresolved lien claims, evidence satisfactory to Lender that such lien claims have been bonded with 150% of the amount of the lien claim in a manner approved in advance by Lender in its sole discretion;

(f) The Title Insurance shall be endorsed and extended, if available under local rules, to cover each Advance, with no additional title exceptions objectionable to Lender;

(g) Approval of the Inspecting Architect/Engineers that construction of the Improvements is proceeding as required and in accordance with the Approved Budget; and

(h) Any and all other terms as Lender may reasonably require.

2.6 Final Advance.

The final Advance (the "Final Advance") shall be made on or thirty (30) days following the satisfaction of the following conditions to the Final Advance. The Final Advance, including all retainage, will not be made until the Lender has received the following: (1) a completion certificate from the Inspecting Architects/Engineers, if any, (2) evidence that all Governmental Requirements have been reasonably satisfied, including, but not limited to, delivery to Lender of Certificates of Occupancy permitting the Improvements to be legally occupied, (3) evidence that no mechanic's or materialman's liens or other encumbrances have been filed and remain in effect against the Property, unless same have been bonded around in a manner approved in advance by Lender in its reasonable discretion, (4) final lien releases or waivers by Architect, Contractor, and all subcontractors, materialmen, and other parties who have supplied labor, materials or services for the construction of the Improvements, or who otherwise might be entitled to claim a contractual, statutory, or constitutional lien against the Property or as to any unresolved lien claims, evidence satisfactory to Lender that such lien claims have been bonded with 150% of the amount of the lien claim in a manner approved in advance by Lender in its sole discretion, (5) the Appraisal shall be recertified or updated in form reasonably satisfactory to Lender, (6) if available under local rules, the Title Insurance shall be endorsed and extended to acknowledge completion of construction of the Improvements without any encroachment and in compliance with all applicable matters of public record and Governmental Requirements, with no additional exception objectionable to Lender, and (7) Borrower will procure such approvals of the Improvements and other required approvals of the Permanent Lender if any are required by Permanent Lender.

2.7 Reallocation of Approved Budget.

Lender reserves the right to make Advances that are allocated to any of the designated items in the Approved Budget for such other purposes or in such different proportions as Lender

may, in its sole discretion, deem necessary or advisable. Borrower may not change the Approved Budget without the prior written consent of Lender, which shall not be unreasonably withheld, conditioned, or delayed; however, Borrower may reallocate items of cost within the Approved Budget without Lender's consent.

2.8 No Waiver.

No Advance shall constitute a waiver of any condition precedent to the obligation of Lender to make any further Advance or preclude Lender from thereafter declaring the failure of Borrower to satisfy such condition precedent to be an Event of Default.

2.9 Conditions Precedent for the Benefit of Lender.

All conditions precedent to the obligation of Lender to make any Advance are imposed hereby solely for the benefit of Lender, and no other party may require satisfaction of any such condition precedent or be entitled to assume that Lender will refuse to make any Advance in the absence of strict compliance with such conditions precedent. All requirements of this Loan Agreement may be waived by Lender, in whole or in part, at any time.

2.10 Subordinations, Approvals, and Inspections.

Lender shall not be obligated to make, nor shall Borrower be entitled to, any Advance until such time as Lender shall have received, to the extent requested by Lender, subordination agreements from Architect, and Contractor, for the design or construction of the Improvements, subordinating to the provisions of the Deed of Trust, as applicable, any lien, claim or charge they may have against Borrower or the Property, and inspection reports from the Inspecting Architects/Engineers. Furthermore, until after all proceeds of the First Capital Contribution (defined below) have been made, Lender shall not be obligated to make, nor shall Borrower be entitled to, any Advance.

2.11 Additional Borrower's Equity.

If, at any time prior to funding or during the term of the Loan, Lender determines, in its sole judgment, that the portion of the Loan then undisbursed, is insufficient to fully complete the construction of the Improvements and to pay all costs of construction thereto, including all interest and all other charges to be incurred on the Loan, including without limitation, the fees of the Architect and Contractor, then Borrower shall, upon the demand of Lender, and within ten (10) days thereafter, deposit, in cash, such funds as Lender determines will be necessary for such purposes in excess of the undisbursed portion of the Loan, (as specifically allocated for such purposes) as an additional equity contribution of Borrower. No interest will accrue on such funds but the same will be maintained by Lender in the IBC Account and held for the performance of Borrower's obligations hereunder.

2.12 Extra Work.

No extra work nor change in the approved Plans or supplements thereto which involves an expenditure in an amount exceeding Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) shall be permitted or authorized by Borrower without first obtaining the prior written approval of Lender, which shall not be unreasonably withheld, subject to such terms as Lender may reasonably require. Before Lender shall be required to consider any such change in Plans, firm bids, and other information or documentation, the proposed alteration, additional extra work or change and the approval of Contractor shall be furnished by Borrower to Lender, and it shall be within the reasonable discretion of Lender to determine if such extra work, change, addition or alteration shall be approved. If Lender approves any proposed extra work, change or alteration or addition, and if Lender deems the same necessary, Borrower shall immediately deposit with Lender in the IBC Account the full cost of such extra work, change, alteration and addition as estimated by Lender, and the sum of money shall be held and disbursed by Lender upon the same terms and conditions as provided herein with respect to other payments from the Advances discussed in this Article 2. No material shall be purchased or work or labor performed in connection with the extra work, change, alteration or addition until the full cost thereof has been paid to Lender and deposited in the IBC Account by Borrower as required hereunder.

ARTICLE 3 – INVESTOR EQUITY, ADDITIONAL FUNDS, AND EXTRA WORK

3.1 The Investor Equity.

As provided in Exhibit "B," before any Advance is made of the Loan, Borrower must provide Lender with written evidence that is acceptable to Lender that Investor has delivered to Borrower the sum of \$464,803.00 (the "First Capital Contribution"). Thereafter, Borrower covenants and agrees that it shall ensure that Investor shall provide advances to Borrower, through a series of capital contributions pursuant to the terms of Section 4.2(b) of the Partnership Agreement, including without limitation, that certain second capital contribution in the amount of \$3,898,229.00 (the "Second Capital Contribution"), which is due when the Funding Conditions for the Second Capital Contribution are completed pursuant to Section 4.2(b) of the Partnership Agreement. The total amount of Investor's Equity contribution for this Project shall be \$4,648,032.00. Borrower covenants and agrees that upon completion of all requirements of the TDHCA, Borrower shall be allocated by the TDHCA the Tax Credits in an amount totaling \$5,208,400.00 per the Partnership Agreement, of which, it is projected in 2019, \$108,991.00 of the Tax Credits will be distributed to Borrower, for 2020 through 2028, it is projected that \$520,840.00 of the Tax Credits will be distributed to Borrower each year, and it is projected in 2029, \$411,849.00 of the Tax Credits will be distributed to Borrower. Borrower covenants and agrees that Lender has the sole security interest in the Tax Credits allocated to Borrower by the TDHCA.

3.2 Additional Investor Covenants.

In the event that Investor defaults in the payment of a capital contribution, Borrower covenants and agrees to obtain a subsequent investment partner to take the place of Investor as a limited partner of Borrower pursuant to the terms of the Partnership Agreement. As to any

subsequent investor partner that Borrower finds to take the place of Investor, Borrower covenants and agrees that it shall not permit such subsequent investor partner to replace Investor for less than an amount approved by Lender in advance and in writing. Furthermore, Lender, or the Lender Affiliate (defined in Section 5.18 below) has the option to become the subsequent investor replacing Investor as a limited partner of Borrower as discussed more particularly in Section 4 of the Partnership Agreement. In the event that Lender, or Lender Affiliate, becomes the subsequent investor replacing Investor as limited partner of Borrower, Lender acknowledges and agrees that (i) it will continue to make all remaining capital contributions in a timely manner pursuant to Section 4 of the Partnership Agreement, and (ii) the default, if any, under Section 1.27 (r) of this Loan Agreement for Investor's failure to make a capital contribution shall be waived.

Borrower covenants and agrees that the proceeds of the First Capital Contribution will be spent and used first before any proceeds of the Loan.

If Investor does not contribute the Investor Equity to the Borrower for the Improvements, Lender (or the Lender Affiliate) may assume sole ownership and possession of the Tax Credits pursuant to Section 4 of the Partnership Agreement. If Lender (or the Lender Affiliate) elects to become the subsequent limited partner of Borrower replacing Investor because of Investor's default under the Partnership Agreement and/or because Investor does not contribute the Investor Equity to the Borrower for the Improvements, all expenses of Lender in becoming the subsequent limited partner in Borrower, including without limitation, Lender's legal expenses resulting from any litigation, if any, shall be reimbursed by Developer to Lender from the Developer Fee.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower hereby represents and warrants as follows:

4.1 Financial Statements.

The Financial Statements are true, correct and complete as of the dates specified therein and fully and accurately present the financial condition of Borrower, Borrower GP, Developer, and Guarantors and, if required, as of the dates specified. No material adverse change has occurred in the financial condition of Borrower, Borrower GP, Developer, or the Guarantors since the dates of the Financial Statements.

4.2 Suits, Actions, Etc.

There are no material actions, suits or proceedings pending or to the knowledge of Borrower threatened in any court or before or by any Governmental Authority against or affecting Borrower, Guarantors or the Property, or involving the validity, enforceability, or priority of any of the Loan Instruments, at law or in equity. The consummation of the transactions contemplated hereby, and the performance of any of the terms and conditions hereof and of the other Loan Instruments, will not result in a breach of, or constitute a default in, any deed of trust, lease, promissory note, loan agreement, credit agreement, partnership agreement, or other agreement to which Borrower or Guarantors is a party or by which Borrower and Guarantors may be bound or

affected. Borrower and Guarantors are not in default of any order of any court or any requirement of any Governmental Authority.

4.3 Valid and Binding Obligations.

All of the Loan Instruments, and all other documents referred to herein to which Borrower is a party, upon execution and delivery, will constitute valid and binding obligations of Borrower, enforceable in accordance with their terms, except as limited by Debtor Relief Laws.

4.4 Title to the Property.

The Borrower holds full legal and equitable title to the Property, subject only to title exceptions set forth in the Title Insurance.

4.5 Commencement of Construction.

Prior to the recordation of the Deed of Trust, no work of any kind (including the destruction or removal of any existing improvements, site work, clearing, grubbing, draining, or fencing of the Property) shall have commenced or shall have been performed on the Property, no equipment or material shall have been delivered to or upon the Property for any purpose whatsoever, and no contract (or memorandum or affidavit thereof) for the supplying of labor, materials or services for the construction of the Improvements shall have been recorded in the mechanic's lien or other appropriate records in the county where the Property is located.

4.6 Disclosure.

There is no fact that Borrower has not disclosed to Lender in writing that could materially or adversely affect the business or financial condition of Borrower, Guarantors or the Property.

4.7 Compliance with Environmental Requirements; No Hazardous Materials.

(a) To the knowledge of Borrower, no Hazardous Materials are located on the Property or have been released into the environment, or deposited, discharged, placed or disposed of at, on, under or near the Property. No portion of the Property is being used or, to the knowledge of Borrower, has been used at any previous time for the disposal, storage, treatment, processing or other handling of Hazardous Materials nor is the Property affected by any Hazardous Materials Contamination.

(b) To the best of Borrower's knowledge, no Hazardous Materials are located in the vicinity of the Property, no property adjoining the Property is being used, or has ever been used at any previous time, for the disposal, storage, treatment, processing or other handling of Hazardous Materials, nor is any other property adjoining the Property affected by Hazardous Materials Contamination.

(c) To the best of Borrower's knowledge, no polychlorinated biphenyls are located on or in the Property, in the form of electrical transformers, fluorescent light fixtures with ballasts, cooling oils, or any other device or form.

(d) To the best of Borrower's knowledge, no investigation, administrative order, consent order and agreement, litigation or settlement with respect to Hazardous Materials or Hazardous Materials Contamination is proposed, threatened, anticipated or in existence with respect to the Property. The Property and its existing and prior uses comply and at all times have complied with any applicable Governmental Requirements relating to environmental matters or Hazardous Materials. There is no known condition on the Property that is in violation of any applicable Governmental Requirements relating to Hazardous Materials, and Borrower has received no communication from or on behalf of any Governmental Authority that any such condition exists. The Property is not currently on and, to Borrower's knowledge after diligent investigation and inquiry, has never been on any federal or state "Superfund" or "Superlien" list.

(e) All representations and warranties contained in this Section shall survive the consummation of the transactions contemplated in this Loan Agreement.

4.8 System Compliance.

The storm and sanitary sewer system, water system, all mechanical systems of the Property and other parts of the Improvements do (or when constructed will) comply with all applicable environmental, pollution control and ecological laws, ordinances, rules and regulations, and all Governmental Authorities having jurisdiction of the Property have issued all necessary permits, licenses or other authorizations for the construction, occupancy, operation, and use of the Improvements (specifically including the named systems).

4.9 Submittals.

The Loan Instruments and all Financial Statements, Plans, budgets, schedules, opinions, certificates, confirmations, Contractor's statements, applications, affidavits, agreements, Construction Contract, Architectural Contract and other materials submitted to the Lender in connection with or in furtherance of the Loan Instruments by or on behalf of the Borrower fully and fairly state the matters with which they purport to deal, and neither misstate any material fact, nor, separately or in the aggregate, fail to state any material fact necessary to make the statements made not misleading.

4.10 Utility Availability.

Subject only to payment of fees to be paid from the Approved Budget, all utility and municipal services required for the construction, occupancy and operation of the Improvements, including, but not limited to, water supply, storm and sanitary sewer systems, gas, electric and telephone facilities, are available for use and tap-in at the boundaries of the Property and will be available in sufficient amounts for the normal and intended use of the Improvements, and written

permission has been or will be obtained from the applicable utility companies or municipalities to connect the Improvements into each of said services.

4.11 Inducement to Lender.

The representations and warranties contained in the Loan Instruments are made by Borrower as an inducement to Lender to make the Loan, and Borrower understands that Lender is relying on such representations and warranties and that such representations and warranties shall survive any (a) bankruptcy proceedings involving Borrower, any general or limited partner of Borrower, or the Property, or (b) foreclosure of the Deed of Trust. Acceptance of each Advance constitutes reaffirmation, as of the date of such acceptance, of the representations and warranties of Borrower in the Loan Instruments, on which Lender shall rely in making such Advance.

4.12 IBC Account.

Borrower shall maintain the IBC Account with Lender, into which all Advances shall be deposited by Borrower, and against which checks shall be drawn for the payment of (a) costs of labor, materials and services supplied for the construction of the Improvements specified in the Approved Budget, and (b) other costs and expenses incident to the Loan, the Property and the construction of the Improvements specified in the Approved Budget. No withdrawals may be made from the IBC Account without the prior written consent of Lender.

ARTICLE 5 - COVENANTS AND AGREEMENTS OF BORROWER

Borrower hereby covenants and agrees as follows:

5.1 Compliance with Governmental Requirements.

Borrower shall timely comply with all Governmental Requirements and deliver to Lender evidence thereof. Borrower assumes full responsibility for the compliance of the Plans and the Property with all Governmental Requirements and with sound building and engineering practices, and, notwithstanding any approvals by Lender, Lender shall have no obligation or responsibility whatsoever for the Plans or any other matter incident to the Property or the construction of the Improvements. Immediately upon Borrower's receipt of any notice from a Governmental Authority of noncompliance with any Governmental Requirements, Borrower shall provide Lender with written notice thereof.

5.2 Compliance with Management Agreement.

Borrower shall timely comply with all requirements of the Management Agreement and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Management Agreement. Lender shall have no obligation or responsibility whatsoever for the Management Agreement, or any other matter incident to the Management Agreement. Immediately upon Borrower's receipt of any notice from the Manager of noncompliance with any requirements of the Management Agreement, Borrower shall provide Lender with written notice thereof.

5.3 Compliance with Permanent Loan.

Borrower shall timely comply with all requirements of the Permanent Lender and the Permanent Loan Documents, and deliver to Lender evidence thereof. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Permanent Lender and the Permanent Loan Documents. Lender shall have no obligation or responsibility whatsoever for the Permanent Lender and/or the Permanent Loan Documents, or any other matter incident to the Permanent Lender and the Permanent Loan Documents. Immediately upon Borrower's receipt of any notice from the Permanent Lender of noncompliance with any requirements of the Permanent Lender or the Permanent Loan Documents, such as a default of the Permanent Loan and/or the Permanent Loan Documents, Borrower shall provide Lender with written notice thereof within three (3) days of the receipt of such notice by Borrower.

5.4 Construction Contract.

Borrower shall become party to no contract, including the Construction Contract, for the performance of any work on the Property or for the supplying of any labor, materials or services for the construction of the Improvements, except upon such terms and with such parties as shall be reasonably approved in writing by Lender. The Construction Contract shall provide that all liens of the Contractor are subordinate to the Deed of Trust and that the Contractor waives any right to remove removable improvements and shall require all subcontracts and purchase orders to contain a provision subordinating the subcontractors' and materialmen's liens to the Deed of Trust and waiving any right to remove removable improvements. The Construction Contract shall also provide that no change orders in excess of \$25,000.00 shall be effective without the prior written approval of Lender. No approval by Lender of any Construction Contract or change order shall make Lender responsible for the adequacy, form or content of such Construction Contract change order. The form of the Construction Contract and any amendments thereto are subject to the approval of Lender in its sole discretion.

5.5 Construction of the Improvements.

Borrower will commence construction of the Improvements within thirty (30) days from the date of issuance of the building permit, and the construction of the Improvements shall be prosecuted with diligence and continuity, in a good and workmanlike manner, and in accordance with sound building and engineering practices, all applicable Governmental Requirements and the Plans. Prior to Substantial Completion, Borrower shall not permit cessation of work for a period in excess of thirty (30) days without the prior written consent of Lender, and shall complete construction of the Improvements on or before the Completion Date, free and clear of all liens (except those as to which Borrower has furnished a bond or other security acceptable to Lender and otherwise complied with the requirements of this Loan Agreement).

5.6 Correction of Defects.

Borrower shall correct or cause to be corrected (a) any material defect in the Improvements, (b) any material departure in the construction of the Improvements from the Plans and/or

Governmental Requirements, or (c) any encroachment by any part of the Improvements, or any structure located on the Property, on any easement, property line, or restricted area, or any encroachment by any such structure on any building line.

5.7 Storage of Materials.

Borrower shall cause all materials supplied for, or intended to be utilized in, the construction of the Improvements, but not affixed to or incorporated into the Improvements or the Property, to be stored on the Property or at such other location as may be reasonably approved by Lender in writing, with adequate safeguards, as required by Lender, to prevent loss, theft, damage, or commingling with other materials or projects.

5.8 Inspection of the Property.

Borrower shall permit Lender, any Governmental Authority, and their agents and representatives, including without limitation, the Inspecting Architects/Engineers, to enter upon the Property and any location where materials intended to be utilized in the construction of the Improvements are stored, for the purpose of inspection of the Property and such materials at all reasonable times.

5.9 Notices by Governmental Authority, Casualty, Condemnation.

Borrower shall timely comply with and promptly furnish to Lender true and complete copies of any official notice or claim by any Governmental Authority pertaining to the Property. Borrower shall promptly notify Lender of any fire or other casualty or any notice of taking or eminent domain action or proceeding affecting the Property, or the threat of any such action or proceeding of which Borrower becomes aware.

5.10 Application of Advances.

Borrower shall disburse all Advances for the payment of costs and expenses specified in the Approved Budget or as otherwise approved in advance in writing by Lender, and for no other purpose.

5.11 Direct Disbursement and Application by Lender.

Lender shall have the right, but not the obligation, to disburse and directly apply the proceeds of any Advance under the Loan and other funds of Borrower required by Lender, to the satisfaction of any of Borrower's obligations hereunder or under any of the other Loan Instruments. Any Advance by Lender for such purpose shall be part of the Loan and shall be secured by the Loan Instruments. Lender may advance and incur such expenses as Lender deems necessary for the completion of construction of the Improvements and to preserve the Property and any other security for the Loan, and such expenses, even though in excess of the amount of the Loan, shall be secured by the Loan Instruments and payable to Lender. Lender may disburse any portion of any Advance at any time, and from time to time, to persons other than Borrower for the purposes

specified in this Loan Agreement, and the amount of Advances to which Borrower shall thereafter be entitled shall be correspondingly reduced.

5.12 Costs and Expenses.

Borrower shall pay when due all costs and expenses required by this Loan Agreement, including, without limitation, (a) all taxes and assessments applicable to the Property, (b) all fees for filing or recording the Loan Instruments, (c) all fees and commissions lawfully due to brokers, salesmen, and agents in connection with the Loan or the Property, (d) all reasonable fees and expenses of counsel to Lender, (e) all title insurance and title examination charges, including premiums for the Title Insurance, (f) all survey costs and expenses, including the cost of the Survey, the Foundation Survey, (g) all premiums for the Insurance Policies, and (h) all other reasonable costs and expenses payable to third parties incurred by Lender in connection with the consummation of the transactions contemplated by this Loan Agreement.

5.13 Additional Documents.

Borrower and Guarantors shall execute and deliver to Lender, from time to time as requested by Lender, such other documents as shall reasonably be necessary to provide the rights and remedies to Lender granted or provided for by the Loan Instruments on or before ten (10) days after such request is made to Borrower and/or Guarantors.

5.14 Inspection of Books and Records.

Borrower shall permit Lender, at all reasonable times, to examine and copy the books and records of Borrower and Guarantors pertaining to the Loan and the Property, and all contracts, statements, invoices, bills, and claims for labor, materials, and services supplied for the construction of the Improvements.

5.15 No Liability of Lender.

Lender shall have no liability, obligation or responsibility whatsoever with respect to the construction of the Improvements, except to advance the Loan pursuant to this Loan Agreement. Lender shall not be obligated to inspect the Property or the construction of the Improvements, nor be liable or responsible for any defect in the Property or the Improvements by reason of inspecting same, nor be liable for the performance or default of Borrower, Architect, the Inspecting Architects/Engineers, Contractor, or any other party, or for any failure to construct, complete, protect, or insure the Improvements, or for the payment of costs of labor, materials or services supplied for the construction of the Improvements, or for the performance of any obligation of Borrower whatsoever. Nothing, including, without limitation, any Advance or acceptance of any document or instrument, shall be construed as a representation or warranty, express or implied, to any party by Lender.

5.16 No Conditional Sale Contracts, Etc.

No materials, equipment or fixtures shall be supplied, purchased or installed for the construction or operation of the Improvements pursuant to security agreements, conditional sale contracts, lease agreements, or other arrangements or understandings whereby a security interest or title is retained by any party or the right is reserved or accrues to any party to remove or repossess any materials, equipment or fixtures intended to be utilized in the construction or operation of the Improvements.

5.17 Defense of Actions.

Lender may (but shall not be obligated to) commence, appear in, or defend any action or proceeding purporting to affect the Loan, the Property or the respective rights and obligations of Lender and Borrower pursuant to this Loan Agreement. Lender may (but shall not be obligated to) pay all necessary expenses, including reasonable attorneys' fees and expenses incurred in connection with such proceedings or actions, which Borrower agrees to repay to Lender.

5.18 Prohibition on Assignment of Borrower's Interest.

Borrower shall not encumber or assign any interest of Borrower hereunder without the prior written consent of Lender. Borrower shall not assign any interest of Borrower hereunder, including without limitation, any interest of the Borrower GP, except as approved in advance in writing by Lender in its sole discretion or as provided below.

In the event that the Borrower GP defaults under the terms of the Partnership Agreement under Section 9.6 thereof, after applicable notice and cure periods provided in the Partnership Agreement (a "Removal Event"), the Borrower GP may be removed and substituted with a new general partner according to the following terms:

(i) a wholly owned affiliate of Investor, without Lender consent, or a non-profit corporation proposed by Investor and approved by Lender in its sole and absolute discretion (collectively, the "Replacement GP") shall have the first option to remove, replace and substitute the Borrower GP so long as the Replacement GP cures the default of the Partnership Agreement by the Borrower GP with written notice thereof to Lender and the owner of the shares/interests of the Replacement GP pledges all of the shares/interests of the Replacement GP to Lender using a form approved by Lender to secure the Loan; or

(ii) Lender or a wholly owned affiliate of Lender (the "Lender Affiliate") shall have a second option to remove and substitute the Borrower GP upon such terms and conditions as Lender may require with no time limit for same.

It is understood and agreed that Investor shall have first Borrower GP substitution rights, to be exercised within ten (10) days after a Removal Event whereby the Borrower GP will be substituted with the Replacement GP. If Investor fails to substitute the Borrower GP with the Replacement GP within ten (10) days after a Removal Event, then, after an

additional ten (10) days prior written notice from Lender and opportunity by the Investor to substitute the Borrower GP with the Replacement GP, Lender then has the option to replace the Borrower GP with either Lender or the Lender Affiliate pursuant to the terms herein.

It is understood and agreed that if the Lender or Lender Affiliate becomes the new owner of the general partner of Borrower pursuant to the exercise of its option above, Borrower and Guarantors covenant and agree the Lender or the Lender Affiliate may not be removed as the general partner of Borrower under the terms of the Partnership Agreement except upon such terms as approved in advance by Lender.

5.19 Payment of Claims.

Borrower shall promptly pay or cause to be paid when due all costs and expenses incurred in connection with the Property and the construction of the Improvements, and Borrower shall keep the Property free and clear of any lien, charge, or claim other than the encumbrances of the Deed of Trust and other liens approved in writing by Lender. Notwithstanding anything to the contrary contained in this Loan Agreement, Borrower (a) may contest the validity or amount of any claim of any contractor, consultant, architect, or other person providing labor, materials or services with respect to the Property, (b) may contest any tax or special assessments levied by any Governmental Authority, and (c) may contest the enforcement of or compliance with any Governmental Requirements, and such contest on the part of Borrower shall not be a default hereunder and shall not release Lender from its obligations to make Advances hereunder; provided, however, that during the pendency of any such contest, Borrower shall furnish to Lender and Title Company an indemnity bond with corporate surety reasonably satisfactory to Lender and Title Company or other security acceptable to them in an amount equal to the amount being contested plus a reasonable additional sum to cover possible costs, interest, and penalties, and provided, further, that Borrower shall pay any amount adjudged by a court of competent jurisdiction to be due, with all costs, interest and penalties thereon, before such judgment becomes a lien on the Property.

5.20 Restrictions and Annexation.

Other than the recording of the Restrictive Covenants in the Real Property Records of McLennan County, Texas, Borrower shall not impose any restrictive covenants, easements, or servitudes other than those to provide utilities to the Property and Improvements, or other encumbrances upon the Property, execute or file any subdivision plat affecting the Property, or consent to the annexation of the Property to any city without the prior written consent of Lender.

5.21 Advertising by Lender.

Borrower agrees that, during the term of this Loan, Lender may erect and maintain on the Property one or more advertising signs indicating that the construction financing for the Property has been provided by Lender.

5.22 Compliance with Restrictive Covenants.

Borrower shall timely comply with all requirements of the Restrictive Covenants and deliver to Lender evidence thereof. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Restrictive Covenants. Lender shall have no obligation or responsibility whatsoever for the Restrictive Covenants, or any other matter incident to the Restrictive Covenants. Immediately upon Borrower's receipt of any material notice regarding the Restrictive Covenants, such as a default of the Restrictive Covenants, Borrower shall provide Lender with written notice thereof within five (5) days of the date of the receipt of such notice by Borrower. Furthermore, Borrower covenants and agrees that the Restrictive Covenants shall be filed in the real property records of McLennan County, Texas on or before December 31, 2019.

5.23 Compliance with Leases Covering the Property.

Borrower shall timely comply with all requirements of all leases covering rentable space located on the Property (collectively, the "Leases"). Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Leases. Lender shall have no obligation or responsibility whatsoever for the Leases, or any other matter incident to the Leases. Lender shall have the right to review and approve the standard form of such Leases, such approval not to be unreasonably withheld, conditioned, or delayed. Borrower shall pay all costs of Lender, including without limitation, Lender's legal fees, in reviewing the standard form of the Leases.

5.24 Compliance with Development Agreement.

Borrower shall timely comply with all requirements of the Development Agreement and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Development Agreement. Lender shall have no obligation or responsibility whatsoever for the Development Agreement, or any other matter incident to the Development Agreement. Immediately upon Borrower's receipt of any notice from the Developer of noncompliance with any requirements of the Development Agreement, Borrower shall provide Lender with written notice thereof.

5.25 Withdrawal of Capital Prohibited.

Obligor understands and agrees that all contributed or internally generated capital must remain in the Project until the Loan is converted to permanent financing or it is paid in full. Obligor shall not withdraw any existing capital contribution from the Project, or any capital subsequently generated from the Project, prior to the occurrence of any of the following events:

- (i) The Loan is converted to permanent financing satisfactory to Lender in Lender's sole and absolute discretion;
- (ii) The Project is sold and the Loan is paid in full; or
- (iii) The Loan is otherwise paid in full.

5.26 Compliance with Construction Contract.

Obligor covenants and agrees that Borrower shall timely comply with all requirements of Borrower under the Construction Contract and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Construction Contract to be performed by Borrower. Lender shall have no obligation or responsibility whatsoever for the Construction Contract, or any other matter incident to the Construction Contract. Immediately upon Obligor's receipt of any notice of either noncompliance and/or nonperformance with any requirements of the Construction Contract by Borrower or Contractor, Obligor shall provide Lender with written notice thereof.

ARTICLE 6 - ASSIGNMENTS OF RIGHTS

6.1 Assignment of Construction Contract.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's rights and interest, but not its obligations, in, under and to the Construction Contract upon the following terms and conditions:

(a) Borrower represents and warrants that the copy of the Construction Contract furnished to Lender are a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(b) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Construction Contract, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Construction Contract. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(c) Lender shall have the right at any time (but shall have no obligation) to take, in its name or in the name of Borrower, such action as Lender may at any time determine to be necessary or advisable to cure any default under the Construction Contract or to protect the rights of Borrower or Lender thereunder. Lender shall incur no liability if any action so taken by it or in its behalf shall prove to be inadequate or invalid, and Borrower agrees to hold Lender free and harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees) incurred in connection with any such action.

(d) Borrower hereby irrevocably constitutes and appoints Lender as Borrower's attorney-in-fact, in Borrower's name or in Lender's name, to enforce all rights of Borrower under the Construction Contract.

(e) Prior to an Event of Default, Borrower shall have the right to exercise its rights as Owner under the Construction Contract, provided that Borrower shall not cancel

or amend the Construction Contract, or do or suffer to be done any act which would impair the security constituted by this assignment without the prior written consent of Lender.

(f) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

6.2 Assignment of Architectural Contract and Plans.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's right, title and interest in and to the Architectural Contract and Plans and hereby represents and warrants to and agrees with Lender as follows:

(a) The schedule of the Plans delivered to Lender is a complete and accurate description of the Plans.

(b) The Plans are complete and adequate for the construction of the Improvements and there have been no modifications thereof except as described in such schedule. The Plans shall not be modified without the prior written consent of Lender in one amendment or in the aggregate.

(c) Lender may use the Plans for any purpose relating to the Improvements, including, but not limited to, inspections of construction and the completion of the Improvements.

(d) Borrower represents and warrants that the copy of any Architectural Contract it has furnished to Lender is a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(e) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Architectural Contract, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Architectural Contract. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(f) Lender's acceptance of this assignment shall not constitute approval of the Plans by Lender. Lender has no liability or obligation whatsoever in connection with the Plans and no responsibility for the adequacy thereof or for the construction of the Improvements contemplated by the Plans. Lender has no duty to inspect the Improvements, and, if Lender should inspect the Improvements, Lender shall have no liability or obligation to Borrower arising out of such inspection. No such inspection nor any failure by Lender to make objections after any such inspection shall constitute a

representation by Lender that the Improvements are in accordance with the Plans or constitute a waiver of Lender's right thereafter to insist that the Improvements be constructed in accordance with the Plans.

(g) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

6.3 Assignment of Management Agreement.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's rights and interest, but not its obligations, in, under and to the Management Agreement, upon the following terms and conditions:

(a) Borrower represents and warrants that the copy of the Management Agreement it has furnished or shall furnish to Lender is or will be a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(b) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Management Agreement, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Management Agreement. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(c) Lender shall have the right at any time (but shall have no obligation) to take, in its name or in the name of Borrower, such action as Lender may at any time determine to be necessary or advisable to cure any default under the Management Agreement or to protect the rights of Borrower or Lender thereunder. Lender shall incur no liability if any action so taken by it or in its behalf shall prove to be inadequate or invalid, and Borrower agrees to hold Lender free and harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees) incurred in connection with any such action.

(d) Borrower hereby irrevocably constitutes and appoints Lender as Borrower's attorney-in-fact, in Borrower's name or in Lender's name, to enforce all rights of Borrower under the Management Agreement.

(e) Prior to an Event of Default, Borrower shall have the right to exercise its rights as Owner under the Management Agreement, provided that Borrower shall not cancel or materially (including term and compensation) amend the Management

Agreement or do or suffer to be done any act which would impair the security constituted by this assignment without the prior written consent of Lender.

(f) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

ARTICLE 7 - CONTINUING COVENANTS AND OPERATIONS

7.1 Completion Conditions.

Borrower agrees to achieve Substantial Completion of the construction of the Improvements and to satisfy the conditions to the Final Advance on or before the Completion Date.

7.2 Payment of Taxes and Other Indebtedness.

Borrower will pay and discharge (i) all taxes imposed upon it or upon its income or profits, or upon any assets or properties belonging to it, before delinquent, (ii) all lawful claims, including claims for labor, materials and supplies), which, if unpaid, might become a lien upon any of its assets or properties, and (iii) all of its other indebtedness, except as prohibited hereunder; provided, however, that Borrower shall not be required to pay any such tax, if and so long as the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings and appropriate accruals and reserves therefor have been duly and properly established.

7.3 Maintenance of Existence and Rights; Conduct of Business.

Borrower will preserve and maintain its existence and all of its rights and privileges necessary or desirable in the normal conduct of its business, and conduct its business in an orderly and efficient manner consistent with good business practices and in accordance with all valid regulations and orders of any Governmental Authority. Borrower will operate the Property and Improvements in a prudent and business like manner for the leasing of 48 residential units, one hundred percent (100%) of said units to be leased to persons making at or below fifty percent (50%) of adjusted median income, persons making at or below thirty percent (30%) of adjusted median income, and persons making at or below sixty percent (60%) of adjusted median income, all in accordance with the terms of the Loan, the requirements of Lender, the Partnership Agreement, and the requirements of all Governmental Authorities, including without limitation, the TDHCA and the Restrictive Covenants.

7.4 Compliance with Loan Instruments.

Borrower will promptly comply with any and all covenants and provisions of this Loan Agreement, the Note and all of the Loan Instruments to which Borrower is a party.

7.5 Compliance with Material Agreements.

Borrower will comply in all material respects with all material agreements, indentures, mortgages, deeds of trust or documents binding on it or affecting its assets, properties or business.

7.6 Operations and Properties.

Borrower will act prudently and in accordance with customary industry standards in managing or operating its assets, properties, business and investments; Borrower will keep in good working order and condition, ordinary wear and tear excepted, all of its assets and properties which are necessary to the conduct of its business.

7.7 Books and Records; Access.

Upon at least 24 hours prior written notice except in cases of emergency in which case, no notice will be required, Borrower will give any representative of Lender access during all business hours to, and permit such representative to examine, copy or make excerpts from, any and all books, records and documents in the possession of Borrower and relating to its affairs, and to inspect any of the assets or properties of Borrower. Borrower will maintain complete and accurate books and records of its transactions in accordance with good accounting practices.

7.8 Compliance with Law.

Borrower and Guarantors will comply with all applicable laws and all orders of any Governmental Authority applicable to them or any of their assets or properties, business operations or transactions.

7.9 No Occupancy Contrary to Builder's Risk Policy.

The Improvements shall not be occupied until Borrower has obtained and furnished to Lender a "permission to occupy" endorsement to the builder's risk insurance policy, which endorsement is satisfactory to Lender, or Borrower has obtained replacement coverage in the form of an all-risk insurance policy upon the completed Improvements, which policy will not be impaired by the occupancy of the Improvements and is satisfactory to Lender. Immediately upon such coverage becoming available, Borrower shall provide to Lender evidence of casualty and extended coverage insurance in accordance with the Deed of Trust, and as otherwise required by Lender.

7.10 Insurance.

During the term of the Loan, Borrower will maintain the Insurance Policies and any and all other insurance against such casualties, risks and contingencies, and in such types and amounts as are required by the Loan Instruments, including without limitation, this Loan Agreement, and Borrower will purchase such additional insurance as is consistent with customary practices and standards of companies engaged in similar businesses and as may be reasonably required by Lender, showing Lender as an additional insured.

7.11 Current Financial Statements.

Borrower and Guarantors shall (i) on or before the one hundred and twentieth (120th) day following the end of each calendar year, deliver or cause to be delivered to Lender then current Financial Statements of Borrower, the Borrower GP, the Developer, and the Guarantors, (ii) within one hundred twenty (120) days following the end of each calendar year, deliver to the Lender copies of Borrower's tax returns and the tax returns of the Borrower GP and the Guarantors, and (iii) from time to time, as Lender may reasonably request, deliver to Lender additional Financial Statements of Borrower, the Borrower GP, the Developer, and the Guarantors.

7.12 Tax Receipts.

Borrower shall furnish Lender with receipts or tax statements marked "Paid" to evidence the payment of all taxes levied on the Property on or before fifteen (15) days prior to the date such taxes become delinquent.

7.13 Loan Participations.

Borrower and the Guarantors acknowledge and agree that Lender may, from time to time, sell or offer to sell interests in the Loan and the Loan Instruments to one or more participants. Borrower and the Guarantors authorize Lender to disseminate any information it has pertaining to the Loan, including, without limitation, complete and current credit information on Borrower and the Guarantors, or any of its principals, to any such participant or prospective participant.

7.14 Notice of Litigation, Claims and Financial Change.

Borrower shall promptly inform Lender of (a) any litigation against Borrower or affecting the Property, which, if determined adversely, might have a material adverse effect upon the financial condition of Borrower, or upon the Property, or might cause an Event of Default, (b) any claim or controversy which might become the subject of such litigation, and (c) any material adverse change in the financial condition of Borrower. For the purposes hereof, a material adverse change shall be deemed to have occurred when (1) there has been, or there is likely to occur a decline of fifteen percent (15%) or more in the tangible net worth of Borrower as shown on the Financial Statements of Borrower delivered to Lender in connection with the Loan or (2) actual sources and uses of funds for any twelve-month period adversely vary by fifteen percent (15%) or more with the pro forma sources and uses of funds statement submitted for such period.

7.15 Hold Harmless.

Borrower shall defend, at its own cost and expense, and hold Lender harmless from, any proceeding or claim in any way relating to the Property or the Loan Instruments. All costs and expenses incurred by Lender in protecting its interests hereunder, including all court costs and reasonable attorneys' fees and expenses, shall be borne by Borrower. The provisions of this Section shall survive the payment in full of the Loan and all other indebtedness secured by the

Deed of Trust and the release of the Deed of Trust as to events occurring and causes of action arising before such payment and release.

7.16 Hazardous Materials; Indemnification.

(a) Borrower agrees to (i) give notice to Lender immediately upon Borrower's acquiring knowledge of the presence of any Hazardous Materials on the Property or of any Hazardous Materials Contamination with a full description thereof; (ii) promptly, at Borrower's sole cost and expense, comply with any Governmental Requirements requiring the removal, treatment or disposal of such Hazardous Materials or Hazardous Materials Contamination and provide Lender with satisfactory evidence of such compliance; and (iii) provide the Lender, within thirty (30) days after demand by Lender, with a bond, letter of credit or similar financial assurance evidencing to Lender's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any assessments which may be established on the Property as a result thereof.

(b) Borrower shall not cause or suffer any liens to be recorded against the Property as a consequence of, or in any way related to, the presence, remediation or disposal of Hazardous Material in or about the Property, including any state, federal or local so-called "Superfund" lien relating to such matters.

(c) Borrower shall at all times retain any and all liabilities arising from the presence, handling, treatment, storage, transportation, removal or disposal of Hazardous Materials on the Property. Regardless of whether any Event of Default shall have occurred and be continuing or any remedies in respect of the Property are exercised by Lender, Borrower shall defend, indemnify and hold harmless Lender from and against any and all liabilities (including strict liability), suits, actions, claims, demands, penalties, damages (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions), losses, costs or expenses (including, without limitation, attorneys' fees and expenses, and remedial costs) (the foregoing are hereinafter collectively referred to as "Liabilities") which may now or in the future (whether before or after the culmination of the transactions contemplated by this Loan Agreement) incurred or suffered by Lender by reason of, resulting from, in connection with, or arising in any manner whatsoever out of the breach of any warranty or covenant or the inaccuracy of any representation of Borrower contained or referred to in this Section or elsewhere in this Loan Agreement or which may be asserted as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission, or release from the Property of any Hazardous Materials or any Hazardous Materials Contamination or arise out of or result from the environmental condition of the Property or the applicability of any Governmental Requirements relating to Hazardous Materials, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of Lender.

Such Liabilities shall include, without limitation: (i) injury or death to any person; (ii) damage to or loss of the use of any property; (iii) the cost of any demolition and rebuilding of the Improvements, repair or remediation and the preparation of any activity required by

any Governmental Authority; (iv) any lawsuit brought or threatened, good faith settlement reached, or governmental order relating to the presence, disposal, release or threatened release of any Hazardous Material on, from or under the Property; and (v) the imposition of any lien on the Property arising from the activity of Borrower or Borrower's predecessors in interest on the Property or from the existence of Hazardous Materials or Hazardous Materials Contamination upon the Property.

The covenants and agreements contained in this Section shall survive the consummation of the transactions contemplated by this Loan Agreement.

7.17 Assignment of Interests in Borrower.

Except as otherwise permitted under the terms of Section 5.18 of this Loan Agreement, neither Borrower, the Borrower GP, nor any existing limited partner of Borrower, shall assign any limited partnership interest in the Borrower except to Investor, which will not occur unless and until Investor has made the First Capital Contribution to Borrower. Except as to any interest collaterally assigned to Lender, until the Loan is paid in full, no interest in the Borrower GP, may be assigned, pledged or shares transferred thereof except as approved by Lender in writing and in advance.

7.18 Partnership Agreement and Company Agreement of Borrower GP.

Borrower covenants and agrees to comply with all terms and conditions of the Partnership Agreement. The Partnership Agreement is subject to the approval of Lender in Lender's sole discretion, and the Partnership Agreement may not be amended without the prior written approval of Lender. Borrower further covenants and agrees to comply with all terms and conditions of the Company Agreement of Borrower GP. The Company Agreement is subject to the approval of Lender in Lender's sole discretion, and the Company Agreement may not be amended without the prior written approval of Lender.

7.19 Indemnity.

BORROWER COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS, LENDER FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE, INCLUDING BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON THE LENDER, DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO BORROWER'S ACTIVITIES UNDER THIS CONSTRUCTION LOAN AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF BORROWER, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT, BORROWER, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES WHILE IN THE EXERCISE OR PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS CONSTRUCTION LOAN AGREEMENT.

IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF LENDER UNDER THIS CONSTRUCTION LOAN AGREEMENT. THE PROVISIONS OF THIS INDEMNIFICATION AGREEMENT ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. BORROWER SHALL PROMPTLY ADVISE LENDER IN WRITING OF ANY CLAIM OR DEMAND AGAINST THE LENDER OR BORROWER KNOWN TO BORROWER RELATED TO OR ARISING OUT OF BORROWER'S ACTIVITIES UNDER THIS CONSTRUCTION LOAN AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT BORROWER'S COST. LENDER SHALL HAVE THE RIGHT, AT ITS OPTION AND AT ITS OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING BORROWER OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

IT IS THE EXPRESS INTENT OF THE PARTIES TO THIS CONSTRUCTION LOAN AGREEMENT, THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION, IS AN INDEMNITY EXTENDED BY BORROWER TO INDEMNIFY, PROTECT AND HOLD HARMLESS THE LENDER FROM THE CONSEQUENCES OF THE LENDER'S OWN NEGLIGENCE. BORROWER FURTHER AGREES TO DEFEND, AT ITS OWN EXPENSE, AND ON BEHALF OF THE LENDER AND IN THE NAME OF THE LENDER, ANY CLAIM OR LITIGATION BROUGHT AGAINST THE LENDER IN CONNECTION WITH ANY SUCH INJURY, DEATH OR DAMAGE FOR WHICH THIS INDEMNITY SHALL APPLY, AS SET FORTH ABOVE.

7.20 Investor Equity.

Borrower shall provide Lender with any notice in connection with the Investor Equity. Borrower covenants and agrees that the amount of the Investor Equity will be at least \$4,648,032.00.

7.21 Tax Credits.

Borrower hereby agrees to comply with all of the following covenants:

(a) To observe and perform all obligations imposed on Borrower in connection with the Tax Credits, including the obligation to have the Property "placed in service" (within the meaning given in Section 42 of the Internal Revenue Code) in a timely manner; and to operate the residential units of the Property, and to use Borrower's best efforts to cause all appropriate parties to operate the same, in accordance with all Governmental Requirements governing the Tax Credits, including without limitation, Section 42 of the Internal Revenue Code;

(b) To preserve at all times the allocation and availability of the Tax Credits;

(c) Not to release, forego, alter, amend, or modify its rights to the Tax Credits without Lender's prior written consent, which Lender may give or withhold in Lender's sole and absolute discretion;

(d) Not to execute any lease of all or any portion of the Property which does not comply fully with all Governmental Requirements governing the Tax Credits, without Lender's prior written consent, which Lender may give or withhold in Lender's sole and absolute discretion;

(e) To cause to be kept all records, and cause to be made all elections and certifications, pertaining to the number and size of residential units, occupancy thereof by tenants, income level of tenants, set-asides for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits in connection with the low-income occupancy of the Property;

(f) To comply with the appropriate minimum low-income set-aside requirements under the Internal Revenue Code or Governmental Requirements applicable to the creation, maintenance and continued availability of the Tax Credits;

(g) To certify compliance with the set-aside requirements and report the dollar amount of qualified basis and maximum applicable percentage, date of placement in service and any other information required for the Tax Credits at such time periods as required by the Governmental Requirements for such Tax Credits;

(h) To set aside the appropriate number of units for households with incomes meeting the required standards of the median income of the county in which the Property is located to qualify for the Tax Credits (as determined pursuant to Section 42 of the Internal Revenue Code and/or Governmental Requirements), adjusted for family size, and to operate and maintain all such units as "low-income units" qualifying for the Tax Credits under Section 42(i)(3) of the Internal Revenue Code and/or Governmental Requirements;

(i) To exercise good faith in all activities relating to the operation and maintenance of the Property in accordance with the Governmental Requirements; and

(j) To promptly deliver to Lender true and correct copies of all notices or other documents or communications received or given by Borrower with regard to or relating in any way to Borrower's partnership interests and/or the Tax Credits. Immediately upon receipt thereof, Borrower shall deliver to Lender a copy of (i) the basis audit (as required by Section 42 of the Internal Revenue Code) for the Property (including a certificate of Borrower's accountant or attorneys if requested by Lender); (ii) the first annual income certification for all tenants of the Property showing that the tenants are qualified for purposes of Borrower obtaining the Tax Credits, and (iii) the fully-completed Form 8609 (required by the Internal Revenue Code) issued for the Property. Borrower shall deliver promptly to Lender such other certificates, income certificates, reports and information as Lender may reasonably request.

Borrower understands and acknowledges that Lender is making the Loan based, in part, upon the value of the Tax Credits, and the Tax Credits, directly or indirectly, constitute part of Lender's security for the Loan. Borrower agrees to indemnify, defend, and hold Lender harmless for, from, and against any and all actions, suits, claims, demands, liabilities, losses, damages, obligations, and costs or expenses, including litigation costs and reasonable attorneys' fees, arising from or in any way connected with Borrower's failure to comply with one or more of these covenants regarding the Tax Credits.

7.22 Revisions to the Corporate Documents.

Borrower and Guarantors covenant and agree that there will be no revisions, changes or amendments to the corporate documents of Borrower or Guarantors without the prior written consent of Lender.

7.23 Developer's Compliance with Loan Instruments.

Borrower covenants and agrees that Developer will promptly comply with any and all covenants and provisions of the Loan Instruments executed by Developer.

7.24 Guarantors' Compliance with Loan Documents.

Guarantors will promptly comply with any and all covenants and provisions of this Agreement and all of the Loan Instruments executed by Guarantors.

7.25 Guarantors' Operations and Properties.

Guarantors will act prudently and in accordance with customary industry standards in managing or operating their assets, properties, business and investments, and Guarantors will keep in good working order and condition, ordinary wear and tear excepted, all of its assets and properties which are necessary to the conduct of its business.

7.26 Guarantors' Books and Records; Access.

Guarantors will give any representative of Lender access during all business hours to, and permit such representative to examine, copy or make excerpts from, any and all books, records and documents in the possession of Guarantors and relating to its affairs, and to inspect any of the assets or properties of Guarantors. Guarantors will maintain complete and accurate books and records of their transactions in accordance with good accounting practices.

7.27 Guarantors' Notices of Litigation and Claims.

All Guarantors shall promptly inform Lender of (a) any litigation against them, which, if determined adversely, might have a material adverse effect upon the financial condition of such Guarantors as determined by Lender, (b) any claim or controversy which might become the subject of such litigation, and (c) any material adverse change in the financial condition of all Guarantors. For the purposes hereof, a material adverse change shall be deemed to have occurred when (1) there has been a decline of twenty-five percent (25%) or more in the tangible net worth of such Guarantors as shown on the Financial Statements of such Guarantors delivered to Lender, or (2) actual sources and uses of funds of such Guarantors for any twelve-month period adversely vary by twenty-five percent (25%) or more with the pro forma sources and uses of funds statement submitted for such time period.

7.28 Prohibition on assigning or pledging membership interests/shares in Guarantors.

It is understood and agreed that there shall be no assignment or pledge of any and all membership interests or shares in Guarantors without the prior written consent of Lender which may be withheld in Lender's sole discretion.

7.29 Guarantor Insurance.

Guarantors will maintain insurance against such casualties, risks and contingencies, and in such types and amounts as are required by this Agreement or applicable law, and Lender reserves the right to require Guarantors to obtain such other insurance as is consistent with customary practices and standards of companies engaged in similar businesses as determined by Lender in its sole discretion.

7.30 Zoning.

Borrower represents and warrants that the Property is zoned "Commercial" by the City of West, Texas, and Borrower represents and warrants that the Commercial zoning designation permits the construction of the Improvements thereon, and the operation of a multi-family housing project thereon after construction is completed. No change in zoning of the Property is permitted hereunder without the prior written consent of Lender.

7.31 Further Assurances.

Obligor shall execute and deliver all such financing statements, security agreements, and such other instruments and documents as Lender may request in order to perfect Lender's security interests in and upon the collateral securing the Loan. Obligor shall at all times do, make, execute, deliver, record, register or file all such instruments, acts, pledges, assignments and transfers (or cause the same to be done) and shall deliver to Lender such instruments constituting or evidencing the collateral securing the Loan as Lender may request, to better assure Lender with respect to the security interests granted to it under the Loan Instruments.

7.32 ADA.

If all or any portion of the Property ever is not in compliance with the ADA after the completion of the construction of the Improvements, and Borrower receives written notice thereof by the applicable governmental authorities, Borrower shall correct such ADA violations within the cure period established in the written notice.

7.33 USA PATRIOT ACT NOTIFICATION.

The following notification is provided to Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for Borrower: When Borrower opens an account, if Borrower is an individual Lender will ask for Borrower's name, taxpayer identification number, residential address, date of birth, and other information that will allow Lender to identify Borrower, and if Borrower is not an individual, Lender will ask for Borrower's name, taxpayer identification number, business address, and other information that will allow Lender to identify Borrower. Lender may also ask, if Borrower is an individual, to see Borrower's driver's license or other identifying documents, and if Borrower is not an individual to see Borrower's legal organizational documents or other identifying documents.

7.34 Permanent Loan.

Borrower covenants and agrees to follow each of the terms and agreements of the Permanent Loan and Permanent Loan Documents.

ARTICLE 8 - RIGHTS AND REMEDIES OF LENDER

8.1 Rights of Lender.

Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right, in addition to any other right or remedy of Lender, but not the obligation, in its own name or in the name of Borrower, to enter into possession of the Property; to perform all work necessary to complete the construction of the Improvements substantially in accordance with the Plans and the Governmental Requirements; and to employ watchmen and other safeguards to protect the Property. Borrower hereby appoints Lender as the attorney-in-fact of Borrower, with full power of substitution, and in the name of Borrower, if Lender elects to do so, upon the occurrence and during the continuance of an Event of Default, to (a) use such sums as are necessary, including any proceeds of the Loan, make such changes or corrections in the Plans, and employ such architects, engineers and contractors as may be required for the purpose of completing the construction of the Improvements substantially in accordance with the Plans or Governmental Requirements, (b) execute all applications and certificates in the name of Borrower which may be required for completion of construction of the Improvements, (c) endorse the name of Borrower on any checks or drafts representing proceeds of the Insurance Policies, or other checks or instruments payable to Borrower with respect to the Property, (d) do every act with respect to the construction of the Improvements which Borrower may do, and (e) prosecute or defend any action or proceeding incident to the Property. The power of attorney granted hereby is a power coupled with an interest and irrevocable. Lender shall have no obligation to undertake any of the foregoing actions, and, if Lender should to so, it shall have no liability to Borrower for the sufficiency or adequacy of any such actions taken by Lender.

8.2 Acceleration.

Upon the occurrence and during the continuance of an Event of Default, Lender may, at its option, declare the Loan immediately due and payable without notice of any kind (unless notice is required by applicable law). In the event of any conflict between the Loan Instruments and this Loan Agreement, this Loan Agreement shall control.

8.3 Cessation of Advances.

Upon the occurrence and during the continuance of an Event of Default, the obligation of Lender to disburse the Loan and all other obligations of Lender hereunder shall, at Lender's option, immediately terminate.

8.4 Funds of Lender.

Any funds of Lender used for any purpose referred to in this Article 8 shall constitute Advances secured by the Loan Instruments and shall bear interest at the rate specified in the Note to be applicable after default thereunder.

8.5 No Waiver or Exhaustion.

No waiver by Lender of any of its rights or remedies hereunder, in the other Loan Instruments, or otherwise, shall be considered a waiver of any other or subsequent right or remedy of Lender; no delay or omission in the exercise or enforcement by Lender of any rights or remedies shall ever be construed as a waiver of any right or remedy of Lender; and no exercise or enforcement of any such rights or remedies shall ever be held to exhaust any right or remedy of Lender.

8.6 Rights of Set Off.

Upon the occurrence of any Event of Default, Lender is hereby authorized at any time and from time to time, without notice to Obligor (any such notice being expressly waived by Borrower), to set off and apply all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Lender to or for the credit or the account of Obligor against any and all of the obligations of Obligor now or hereafter existing pursuant to the Loan Instruments, provided that the Lender agrees promptly to notify Obligor after any such setoff and application and, provided further, that the failure to give such notice shall not affect the validity of such setoff and application or create any liability on the part of the Lender. The rights of the Lender under this Section are in addition to other rights and remedies (including, without limitation, other rights of setoff) which the Lender may have.

8.7 Preferences.

If, after receipt of any payment of, or proceeds of any collateral applied to the payment of, all or any part of the indebtedness hereunder, Lender is for any reason compelled to surrender such payment, or proceeds to any person or entity because such payment or proceeds is determined to

be void or voidable as a preference, impermissible set-off, or a diversion of trust funds, or for any other reason, then: the indebtedness hereunder or part thereof intended to be satisfied shall be revived and continue as if such payment or proceeds had not been received by Lender; this Loan Agreement shall continue in full force as if such payment or proceeds had not been received; and Obligor shall be liable to, and shall indemnify and hold Lender harmless for, the amount of such payment or proceeds surrendered. The provisions of this Section shall be and remain effective notwithstanding any contrary action which may have been taken by Lender in reliance upon such payment or proceeds, and any such contrary action so taken shall be without prejudice to Lender's rights under this Loan Agreement and shall be deemed to have been conditioned upon such payment or proceeds having become final and irrevocable. The provisions of this Section shall survive the termination of this Loan Agreement.

ARTICLE 9 - GENERAL TERMS AND CONDITIONS

9.1 Notices.

All notices, demands, requests, approvals and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given when presented personally or deposited in a regularly maintained mail receptacle of the United States Postal Service, postage prepaid, registered or certified, return receipt requested, addressed to Borrower, the Guarantors or Lender, as the case may be, at the respective addresses set forth on the first page of this Loan Agreement, or such other address as Borrower, the Guarantors or Lender may from time to time designate by written notice to the other as herein required.

9.2 Entire Agreement and Modifications.

The Loan Instruments constitute the entire understanding and agreement among the undersigned with respect to the transactions arising in connection with the Loan and supersede all prior written or oral understandings and agreements between the undersigned in connection therewith. No provision of this Loan Agreement or the other Loan Instruments may be modified, waived, or terminated except by instrument in writing executed by the party against whom a modification, waiver or termination is sought to be enforced.

9.3 Severability.

In case any of the provisions of this Loan Agreement shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability, shall not affect any other provision hereof, and this Loan Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

9.4 Election of Remedies.

Lender shall have all of the rights and remedies granted in the Loan Instruments and available at law or in equity, and these same rights and remedies shall be cumulative and may be pursued separately, successively or concurrently against Borrower, the Guarantors or any property covered under the Loan Instruments, at the sole discretion of Lender. The exercise or failure to

exercise any of the same shall not constitute a waiver or release thereof or of any other right or remedy, and the same shall be nonexclusive.

9.5 Form and Substance.

All documents, certificates, Insurance Policies, and other items required under this Loan Agreement to be executed and/or delivered to Lender, shall be in form and substance reasonably satisfactory to Lender.

9.6 Limitation on Interest.

All agreements between Borrower and Lender, whether now existing or hereafter arising, and whether written or oral, are hereby limited so that in no contingency, whether by reason of acceleration of the maturity of any indebtedness governed hereby or otherwise, shall the interest contracted for, charged or received by Lender exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lender in excess of the maximum lawful amount, the interest payable to Lender shall be reduced to the maximum amount permitted under applicable law; and, if from any circumstance the Lender shall ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest shall be applied to the reduction of the principal of the Loan and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Loan, such excess shall be refunded to Borrower. All interest paid or agreed to be paid to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal of the Loan (including the period of any renewal or extension thereof), so that interest thereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between the Borrower and Lender.

9.7 No Third Party Beneficiary.

This Loan Agreement is for the sole benefit of Lender, Borrower and the Guarantors, and is not for the benefit of any third party.

9.8 Borrower in Control.

In no event shall Lender's rights and interests under the Loan Instruments be construed to give Lender the right to, or be deemed to indicate that Lender is in control of the business, management or properties of Borrower, or has power over the daily management functions and operating decisions made by Borrower.

9.9 Number and Gender.

Whenever used herein, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders. The duties, covenants, obligations and warranties of Borrower and the Guarantors in this Loan Agreement shall be joint and several obligations of Borrower and the Guarantors.

9.10 Captions.

The captions, headings and arrangements used in this Loan Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

9.11 Applicable Law.

THIS LOAN AGREEMENT AND THE LOAN INSTRUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES APPLICABLE TO TRANSACTIONS WITHIN SUCH STATE EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN SUCH LOAN INSTRUMENTS.

9.12 ARBITRATION.

**BINDING ARBITRATION AGREEMENT
PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.**

OBLIGOR AND LENDER AGREE TO ARBITRATION AS FOLLOWS (hereinafter referred to as the "Arbitration Provisions"):

I. Special Provisions and Definitions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- a. **Informal Resolution of Customer Concerns.** Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting your account officer, branch manager or by calling the Customer Service Department in your region. The region and numbers are:

1.	Laredo	956-722-7611
2.	Austin	512-397-4506
3.	Brownsville	956-547-1000
4.	Commerce Bank	956-724-1616
5.	Corpus Christi	361-888-4000
6.	Eagle Pass	830-773-2313
7.	Houston	713-526-1211
8.	McAllen	956-686-0263
9.	Oklahoma	405-841-2100
10.	Port Lavaca	361-552-9771
11.	San Antonio	210-518-2500
12.	Zapata	956-765-8361

In the unlikely event that your account officer, branch manager or the customer service department is unable to resolve a complaint to your satisfaction or if the Lender has not been able to resolve a dispute it has with you after attempting to do so informally, you and the Lender agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.

- b. **Sending Notice of Dispute.** If either you or the Lender intend to seek arbitration, then you or the Lender must first send to the other by certified mail, return receipt requested, a written Notice of Dispute. The Notice of Dispute to the Lender should be addressed to: Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 or if by email, ibcchairman@ibc.com. The Notice of Dispute must (a) describe the nature and basis of the claim or dispute; and (b) explain specifically what relief is sought. You may download a copy of the Notice of Dispute at www.ibc.com or you may obtain a copy from your account officer or branch manager.
- c. **If the Dispute is not Informally Resolved.** If you and the Lender do not reach an agreement to resolve the claim or dispute within thirty (30) days after the Notice of Dispute is received, you or the Lender may commence a binding arbitration proceeding. During the binding arbitration proceeding, any settlement offers made by you or the Lender shall not be disclosed to the Arbitrator.
- d. **"DISPUTE(S)."** As used herein, the word "**DISPUTE(S)**" includes any and all controversies or claims between the **PARTIES** of whatever type or manner, including without limitation, any and all claims arising out of or relating to this Loan Agreement, compliance with applicable laws and/or regulations, any and all services or products provided by the Lender, any and all past, present and/or future loans, lines of credit, letters of credit, credit facilities or other form of indebtedness and/or agreements involving the **PARTIES**, any and all transactions between or involving the **PARTIES**, and/or any and all aspects of any past or present relationship of the **PARTIES**, whether banking or otherwise, specifically including but not limited to any claim founded in contract, tort, fraud, fraudulent inducement, misrepresentation or otherwise, whether based on statute, regulation, common law or equity.
- e. **"CONSUMER DISPUTE"** and **"BUSINESS DISPUTE."** As used herein, "**CONSUMER DISPUTE**" means a **DISPUTE** relating to an account (including a deposit account), agreement, extension of credit, loan, service or product provided by the Lender that is primarily for personal, family or household purposes. "**BUSINESS DISPUTE**" means any **DISPUTE** that is not a **CONSUMER DISPUTE**.
- f. **"PARTIES" or "PARTY."** As used in these Arbitration Provisions, the term "**PARTIES**" or "**PARTY**" means Obligor, Lender, and each and all persons and entities signing this Loan Agreement or any other agreements between or among

any of the **PARTIES** as part of this transaction. "**PARTIES**" or "**PARTY**" shall be broadly construed and include individuals, beneficiaries, partners, limited partners, limited liability members, shareholders, subsidiaries, parent companies, affiliates, officers, directors, employees, heirs, agents and/or representatives of any party to such documents, any other person or entity claiming by or through one of the foregoing and/or any person or beneficiary who receives products or services from the Lender and shall include any other owner and holder of this Loan Agreement. Throughout these Arbitration Provisions, the term "**you**" and "**your**" refer to Obligor, and the term "**Arbitrator**" refers to the individual arbitrator or panel of arbitrators, as the case may be, before which the **DISPUTE** is arbitrated.

- g. **BINDING ARBITRATION.** The **PARTIES** agree that any **DISPUTE** between the **PARTIES** shall be resolved by mandatory binding arbitration pursuant to these Arbitration Provisions at the election of either **PARTY**. **BY AGREEING TO RESOLVE A DISPUTE IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL OR TO LITIGATE IN COURT** (except for matters that may be taken to small claims court for a **CONSUMER DISPUTE** as provided below).
- h. **CLASS ACTION WAIVER.** The **PARTIES** agree that (i) no arbitration proceeding hereunder whether a **CONSUMER DISPUTE** or a **BUSINESS DISPUTE** shall be certified as a class action or proceed as a class action, or on a basis involving claims brought in a purported representative capacity on behalf of the general public, other customers or potential customers or persons similarly situated, and (ii) no arbitration proceeding hereunder shall be consolidated with, or joined in any way with, any other arbitration proceeding. **THE PARTIES AGREE TO ARBITRATE A CONSUMER DISPUTE OR BUSINESS DISPUTE ON AN INDIVIDUAL BASIS AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS ACTION.**
- i. **FEDERAL ARBITRATION ACT AND TEXAS LAW.** The **PARTIES** acknowledge that this Loan Agreement evidences a transaction involving interstate commerce. The Federal Arbitration Act shall govern (i) the interpretation and enforcement of these Arbitration Provisions, and (ii) all arbitration proceedings that take place pursuant to these Arbitration Provisions. **THE PARTIES AGREE THAT, EXCEPT AS OTHERWISE EXPRESSLY AGREED TO BY THE PARTIES IN WRITING, OR UNLESS EXPRESSLY PROHIBITED BY LAW, TEXAS SUBSTANTIVE LAW (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) WILL APPLY IN ANY BINDING ARBITRATION PROCEEDING OR SMALL CLAIMS COURT ACTION REGARDLESS OF WHO INITIATES THE PROCEEDING, WHERE YOU RESIDE OR WHERE THE DISPUTE AROSE.**

II. Provisions applicable only to a CONSUMER DISPUTE:

- (a) Any and all **CONSUMER DISPUTES** shall be resolved by arbitration administered by the American Arbitration Association ("AAA") under the Commercial Arbitration Rules and the Supplemental Procedures for Resolution of Consumer Disputes and Consumer Due Process Protocol (which are incorporated herein for all purposes). It is intended by the **PARTIES** that these Arbitration Provisions meet and include all fairness standards and principles of the American Arbitration Association's Consumer Due Process Protocol and due process in predispute arbitration. If a **CONSUMER DISPUTE** is for a claim of actual damages above \$250,000 it shall be administered by the AAA before three neutral arbitrators at the request of any **PARTY**.
- (b) Instead of proceeding in arbitration, any **PARTY** hereto may pursue its claim in your local small claims court, if the **CONSUMER DISPUTE** meets the small claims court's jurisdictional limits. If the small claims court option is chosen, the **PARTY pursuing the claim** must contact the small claims court directly. **The PARTIES agree that the class action waiver provision also applies to any CONSUMER DISPUTE brought in small claims court.**
- (c) For any claim for actual damages that does not exceed \$2,500, the Lender will pay all arbitration fees and costs provided you submitted a Notice of Dispute with regard to the **CONSUMER DISPUTE** prior to initiation of arbitration. For any claim for actual damages that does not exceed \$5,000, the Lender also agrees to pay your reasonable attorney's fees and reasonable expenses your attorney charges you in connection with the arbitration (even if the Arbitrator does not award those to you) plus an additional \$2,500 if you obtain a favorable arbitration award for your actual damages which is greater than any written settlement offer for your actual damages made by the Lender to you prior to the selection of the Arbitrator.
- (d) Under the AAA's Supplemental Procedures for Consumer Disputes, if your claim for actual damages does not exceed \$10,000, you shall only be responsible for paying up to a maximum of \$125 in arbitration fees and costs. If your claim for actual damages exceeds \$10,000 but does not exceed \$75,000, you shall only be responsible for paying up to a maximum of \$375 in arbitration fees and costs. For any claim for actual damages that does not exceed \$75,000, the Lender will pay all other arbitrator's fees and costs imposed by the administrator of the arbitration. With regard to a **CONSUMER DISPUTE** for a claim of actual damages that exceeds \$75,000, or if the claim is a non-monetary claim, the Lender agrees to pay all arbitration fees and costs you would otherwise be responsible for that exceed \$1,000. The fees and costs stated above are subject to any amendments to the fee and cost schedules of the AAA. The fee and cost schedule in effect at the time you submit your claim shall apply. The AAA rules also permit you to request a waiver or deferral of the administrative fees and costs of arbitration if paying them would cause you financial hardship.

- (e) Although under some laws, the Lender may have a right to an award of attorney's fees and expenses if it prevails in arbitration, the Lender agrees that it will not seek such an award in a binding arbitration proceeding with regard to a **CONSUMER DISPUTE** for a claim of actual damages that does not exceed \$75,000.
- (f) To request information on how to submit an arbitration claim, or to request a copy of the AAA rules or fee schedule, you may contact the AAA at 1-800-778-7879 (toll free) or at www.adr.org.

III. Provisions applicable only to a BUSINESS DISPUTE:

- (a) Any and all **BUSINESS DISPUTES** between the **PARTIES** shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the AAA in effect at the time of filing, as modified by, and subject to, these Arbitration Provisions. A **BUSINESS DISPUTE** for a claim of actual damages that exceeds \$250,000 shall be administered by AAA before at least three (3) neutral arbitrators at the request of any **PARTY**. In the event the aggregate of all affirmative claims asserted exceeds \$500,000, exclusive of interest and attorney's fees, or upon the written request of any **PARTY**, the arbitration shall be conducted under the AAA Procedures for Large, Complex Commercial Disputes. If the payment of arbitration fees and costs will cause you extreme financial hardship you may request that AAA defer or reduce the administrative fees or request the Lender to cover some of the arbitration fees and costs that would be your responsibility.
- (b) The **PARTIES** shall have the right to (i) invoke self-help remedies (such as setoff, notification of account debtors, seizure and/or foreclosure of collateral, and non-judicial sale of personal property and real property collateral) before, during or after any arbitration, and/or (ii) request ancillary or provisional judicial remedies (such as garnishment, attachment, specific performance, receiver, injunction or restraining order, and sequestration) before or after the commencement of any arbitration proceeding (individually, and not on behalf of a class). The **PARTIES** need not await the outcome of the arbitration proceeding before using self-help remedies. Use of self-help or ancillary and/or provisional judicial remedies shall not operate as a waiver of either **PARTY**'s right to compel arbitration. Any ancillary or provisional judicial remedy which would be available from a court at law shall be available from the Arbitrator. The **PARTIES** agree that the AAA Optional Rules for Emergency Measures of Protection shall apply in an arbitration proceeding where emergency interim relief is requested.
- (c) Except to the extent the recovery of any type or types of damages or penalties may not be waived under applicable law, the Arbitrator shall not have the authority to award either **PARTY** (i) punitive, exemplary, special or indirect damages, (ii) statutory multiple damages, or (iii) penalties, statutory or otherwise.

- (d) The Arbitrator may award attorney's fees and costs including the fees, costs and expenses of arbitration and of the Arbitrator as the Arbitrator deems appropriate to the prevailing **PARTY**. The Arbitrator shall retain jurisdiction over questions of attorney's fees for fourteen (14) days after entry of the decision.

IV. General provisions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) The Arbitrator is bound by the terms of these Arbitration Provisions. The Arbitrator shall have exclusive authority to resolve any **DISPUTES** relating to the scope or enforceability of these Arbitration Provisions, including (i) all arbitrability questions, and (ii) any claim that all or a part of these Arbitration Provisions are void or voidable (including any claims that they are unconscionable in whole or in part).
- (b) **These Arbitration Provisions shall survive any termination, amendment, or expiration of this Loan Agreement, unless all of the PARTIES otherwise expressly agree in writing.**
- (c) If a **PARTY** initiates legal proceedings, the failure of the initiating **PARTY** to request arbitration pursuant to these Arbitration Provisions within 180 days after the filing of the lawsuit shall be deemed a waiver of the initiating **PARTY'S** right to compel arbitration with respect to the claims asserted in the litigation. The failure of the defending **PARTY** in such litigation to request arbitration pursuant to these Arbitration Provisions within 180 days after the defending **PARTY'S** receipt of service of judicial process, shall be deemed a waiver of the right of the defending **PARTY** to compel arbitration with respect to the claims asserted in the litigation. If a counterclaim, cross-claim or third party action is filed and properly served on a **PARTY** in connection with such litigation, the failure of such **PARTY** to request arbitration pursuant to these Arbitration Provisions within ninety (90) days after such **PARTY'S** receipt of service of the counterclaim, cross-claim or third party claim shall be deemed a waiver of such **PARTY'S** right to compel arbitration with respect to the claims asserted therein. The issue of waiver pursuant to these Arbitration Provisions is an arbitrable dispute. Active participation in any pending litigation described above by a **PARTY** shall not in any event be deemed a waiver of such **PARTY'S** right to compel arbitration. All discovery obtained in the pending litigation may be used in any subsequent arbitration proceeding.
- (d) Any **PARTY** seeking to arbitrate shall serve a written notice of intent to any and all opposing **PARTIES** after a **DISPUTE** has arisen. The **PARTIES** agree a timely written notice of intent to arbitrate by either **PARTY** pursuant to these Arbitration Provisions shall stay and/or abate any and all action in a trial court, save and except a hearing on a motion to compel arbitration and/or the entry of an order compelling arbitration and staying and/or abating the litigation pending the filing of the final award of the Arbitrator.

- (e) Any Arbitrator selected shall be knowledgeable in the subject matter of the **DISPUTE** and be licensed to practice law.
- (f) For a one (1) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrator from the AAA neutral list, such that at least one arbitrator remains after the **PARTIES** exercise all of their respective strikes. For a three (3) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrators from the AAA neutral list, such that at least three arbitrators remain after the **PARTIES** exercise all of their respective strikes. After exercising all of their allotted respective strikes, the **PARTIES** shall rank those potential arbitrators remaining numerically in order of preference (with "1" designating the most preferred). The AAA shall review the **PARTIES** rankings and assign a score to each potential arbitrator by adding together the ranking given to such potential arbitrator by each **PARTY**. The arbitrator(s) with the lowest score total(s) will be selected. In the event of a tie or ties for lowest score total and if the selection of both or all of such potential arbitrators is not possible due to the required panel size, the AAA shall select the arbitrator(s) it believes to be best qualified.
- (g) The **PARTIES** and the Arbitrator shall treat all aspects of the arbitration proceedings, including, without limitation, any documents exchanged, testimony and other evidence, briefs and the award, as strictly confidential; provided, however, that a written award or order from the Arbitrator may be filed with any court having jurisdiction to confirm and/or enforce such award or order.
- (h) Any statute of limitation which would otherwise be applicable shall apply to any claim asserted in any arbitration proceeding under these Arbitration Provisions, and the commencement of any arbitration proceeding tolls such statute of limitations.
- (i) If the AAA is unable for any reason to provide arbitration services, then the **PARTIES** agree to select another arbitration service provider that has the ability to arbitrate the **DISPUTE** pursuant to and consistent with these Arbitration Provisions. If the **PARTIES** are unable to agree on another arbitration service provider, any **PARTY** may petition a court of competent jurisdiction to appoint an Arbitrator to administer the arbitration proceeding pursuant to and consistent with these Arbitration Provisions.
- (j) The award of the Arbitrator shall be final and Judgment upon any such award may be entered in any court of competent jurisdiction. The arbitration award shall be in the form of a written reasoned decision and shall be based on and consistent with applicable law.
- (k) Unless the **PARTIES** mutually agree to hold the binding arbitration proceeding elsewhere, venue of any arbitration proceeding under these Arbitration Provisions shall be in the county and state where Lender is located, which is Lender's address set out in the first paragraph on page 1 hereof.

- (l) If any of these Arbitration Provisions are held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

JURY WAIVER: IF A DISPUTE BETWEEN OBLIGOR AND LENDER PROCEEDS IN COURT RATHER THAN THROUGH MANDATORY BINDING ARBITRATION, THEN OBLIGOR AND LENDER BOTH WAIVE THE RIGHT TO A JURY TRIAL, AND SUCH DISPUTE WILL BE TRIED BEFORE A JUDGE ONLY.

9.13 Cross Default.

Any default of any of the Loan Instruments shall constitute a default of all other Loan Instruments.

9.14 Multiple Counterparts.

This instrument may be executed in several original counterparts, all of which are identical. Each of the executed counterparts hereof shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument, and facsimile, PDF/Document Imaging or other electronic signatures shall be just as binding as originals.

9.15 Time.

Time is of the essence as to all provisions of this Loan Agreement.

9.16 Developer Fee Deferment.

The Approved Budget includes the Developer Fee for the construction of the Improvements. Obligor covenants and agrees that the Developer Fee shall be deferred and not paid to Developer until the Loan is paid in full SAVE AND EXCEPT for the amount of (i) \$182,267.00 to be paid at the Closing to Developer, and (ii) the amount of \$60,756.00 to be paid upon the completion of the construction of fifty percent (50%) of the Improvements as determined by Lender.

9.17 Grace and Curative Period.

It is understood and agreed that the Grace and Curative Period, as defined herein, shall apply to any default or Event of Default under the Loan Instruments with the same force and effect as if the Grace and Curative Period was set forth in each of the other Loan Instruments besides this Loan Agreement.

9.18 No Oral Agreements.

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

EXECUTED AND DELIVERED as of the date first recited.

[Signatures are on the following pages.]

**SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

BORROWER:

West Texas Golden Trails, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company,
its General Partner

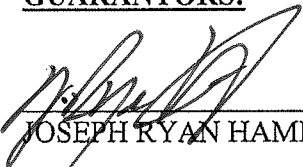
By: 4C Development – Texas, LLC,
a Texas limited liability company,
its Executive Manager

By: 

J. Ryan Hamilton, Manager

SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER

GUARANTORS:



JOSEPH RYAN HAMILTON



JOHN DOUGLAS HAMILTON

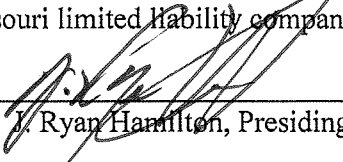


MICHAEL KENNETH HAMRA



RITA YAGHI BARON

FOUR CORNERS DEVELOPMENT, LLC,
a Missouri limited liability company

By: 

J. Ryan Hamilton, Presiding Manager

**SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

LENDER:

INTERNATIONAL BANK OF COMMERCE

By: _____
Lee Reed, Executive Vice President

**SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

LENDER:

INTERNATIONAL BANK OF COMMERCE

By: 

Lee Reed, Executive Vice President

2018 HTC Full Application

Part 4 Tab 35

Supporting Documents:
Equity Letter

WEST TEXAS GOLDEN TRAILS, LP
A TEXAS LIMITED PARTNERSHIP

AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

July 20, 2018

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE LIMITED PARTNERSHIP INTERESTS CANNOT BE RESOLD OR TRANSFERRED BY ANY PURCHASER THEREOF WITHOUT REGISTRATION OR IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR WHICH IS OTHERWISE IN COMPLIANCE THEREWITH. IN ADDITION, THE SALE OR TRANSFER OF LIMITED PARTNERSHIP INTERESTS IS SUBJECT TO CERTAIN RESTRICTIONS SET FORTH IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE RESTRICTIONS SET FORTH IN ARTICLE 10 HEREOF.

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WEST TEXAS GOLDEN TRAILS, LP
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

This Amended and Restated Limited Partnership Agreement is dated and effective as of July 20, 2018 (the “Effective Date”) and is between West Texas Golden Trails GP, LLC, a Texas limited liability company, as General Partner, 42EP IBC Fund II, LP, a Delaware limited partnership, as Investor Limited Partner, and 42EP SLP, LLC, a Delaware limited liability company, as Special Limited Partner, and 4C Development – Texas, LLC, a Texas limited liability company, as the Original (Withdrawing) Limited Partner.

The Partnership was formed as a limited partnership under the Act pursuant to the Certificate of Limited Partnership and the Original Agreement. The purposes of this Agreement are (1) to provide for the organization and continuation of the Partnership, (2) to provide for the admission of the Investor Limited Partner and the Special Limited Partner to the Partnership, (3) to provide for the withdrawal of the Original Limited Partner from the Partnership, and (4) to set forth more fully the rights, obligations and duties of the Partners. Accordingly, in consideration of the mutual agreements set forth herein, it is agreed and certified, and the Original Agreement is hereby amended and restated in its entirety, as follows:

ARTICLE 1

Organization

Section 1.1 Name; Continuation of Partnership. The name of the Partnership is West Texas Golden Trails, LP, a Texas limited partnership. The Partners agree to continue the Partnership under and pursuant to the provisions of the Act.

Section 1.2 Admission of Investor Limited Partner and Special Limited Partner; Withdrawal of Original Limited Partner. By executing this Agreement, the parties hereby agree, effective as of the Effective Date, that (1) the Investor Limited Partner is admitted as the sole Investor Limited Partner of the Partnership, (2) the Special Limited Partner is admitted as the sole Special Limited Partner of the Partnership, and (3) the Original Limited Partner withdraws from the Partnership. The Original Limited Partner represents and warrants that it has no interest in the Partnership or any Partnership Property and is not entitled to any fees, distributions or other economic or non-economic benefits from the Partnership.

Section 1.3 Purposes. The purposes of the Partnership are to acquire, rehabilitate, own, develop, operate, maintain, manage, lease, sell, mortgage or otherwise dispose of the Project. The Partnership shall operate the Project in accordance with Section 42 of the Code and applicable Lender and Authority requirements. The Partnership shall not engage in any other business activity.

Section 1.4 Principal Executive Offices; Agent for Service of Process.

(a) The principal executive office of the Partnership is 3556 S. Culpepper, Suite 4, Springfield, MO 65804. The Partnership may change the location of its principal executive office to such other place or places as may hereafter be determined by the General Partner. The General Partner shall promptly notify all other Partners of any change in the principal executive office. The Partnership may maintain such other offices at such other places as the General Partner may from time to time deem advisable.

(b) The name and address of the agent for service of process is Registered Agent Solutions, Inc., located at 1701 Directors Blvd., Suite 300, Austin, TX 78744. The Partnership may change the agent for service of process to such other agent as may hereafter be determined by the General Partner with the consent of the Investor Limited Partner, which shall not be unreasonably withheld or delayed. The General Partner shall promptly notify all other Partners of any change in the agent for service of process.

Section 1.5 Term. The Partnership shall continue in perpetual existence, or such later date as the Partners agree, unless it is earlier dissolved and terminated by law or in accordance with the provisions of this Agreement.

Section 1.6 Recording of Certificate. The General Partner shall take all actions required by law to perfect and maintain the Partnership as a limited partnership under the laws of the Project State, including, as applicable (1) recording an amendment to the Certificate of Limited Partnership if required by the Act, and (2) registering the Partnership under any assumed or fictitious name statute or similar law in effect in the Project State. Notwithstanding the foregoing, this Agreement shall not be filed with the Filing Office or published or recorded in any public forum without the consent of the Investor Limited Partner.

ARTICLE 2

Defined Terms

The following defined terms used in this Agreement shall have the meanings specified below:

“20-50 Set-Aside Test” means the Minimum Set-Aside Test that requires at least 20% of the residential units in the Project to be occupied by individuals with aggregate incomes of 50% or less of area median income, as adjusted for family size.

“40-60 Set-Aside Test” means the Minimum Set-Aside Test that requires at least 40% of the residential units in the Project to be occupied by individuals with aggregate incomes of 60% or less of area median income, as adjusted for family size.

“42 Equity” means 42 Equity Partners, LLC, a Delaware limited liability company.

“8609 Issuance” means the valid issuance by the Credit Agency of Form(s) 8609 evidencing a final allocation of Tax Credit to the Partnership for each residential building in the Project in an aggregate annual amount of not less than \$520,840.

“Access Laws” has the meaning set forth in Section 7.5(c)(ii) of this Agreement.

“Accountant” means Tidwell Group, a certified public accountant.

“Act” means the Texas Revised Uniform Limited Partnership Act.

“Actual Credit” means the Tax Credit which the Partnership allocates to the Investor Limited Partner (as determined by the Accountant) with respect to any taxable year.

“Additional Credit” has the meaning set forth in Section 4.2(c)(v).

“Adjuster IRR” has the meaning set forth in Section 4.2(c)(vi).

“Affiliate” means when used with reference to a specified Person: (1) any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the specified Person; (2) any Person that is an officer of, partner in, director of, manager of, or trustee or legal representative of, or serves in a similar capacity with respect to the specified Person or of which the specified Person is an officer, partner, director, manager or trustee, or with respect to which the specified Person serves in a similar capacity; and (3) any Person that, directly or indirectly, is the beneficial owner of, or controls, 10% or more of any class of equity securities of, or otherwise has a substantial beneficial interest (10% or more) in, the specified Person, or of which the specified Person is directly or indirectly the owner of 10% or more of any class of equity securities, or in which the specified Person has a substantial beneficial interest (10% or more). For the avoidance of doubt, the Limited Partner, as well as members of limited liability companies and limited partners of limited partnerships who otherwise would not be considered an Affiliate of the General Partner, for which the General Partner or its Affiliates serve as a manager or general partner, shall not themselves be considered “Affiliates.”

“Agreement” means this Amended and Restated Limited Partnership Agreement of the Partnership, including all schedules and exhibits.

“AIA Forms” means American Institute of Architects form contract documents.

“Applicable Federal Rate” means the “applicable federal rate” (long-term) as defined in Section 1274(d) of the Code.

“Applicable Percentage” means the applicable percentage for the Existing Building and the New Building determined in accordance with Section 42(b)(1) of the Code, as set forth in the Key Assumptions.

“Applicable Tax Reform Changes” has the meaning set forth in Section 4.2(c)(vi).

“Arbitration” has the meaning set forth in Section 4.10(b).

“Arbitration Amount” has the meaning set forth in Section 4.10(b).

“Arbitration Decision” has the meaning set forth in Section 4.10(c).

“Architect” means Baron Design & Associates, LLC in its capacity as the architect for the Project, who has prepared the Plans and Specifications and, unless a substitute Architect is selected by the General Partner with the consent of the Investor Limited Partner, will supervise the construction/rehabilitation of the Project through Completion.

“Asset Management Fee” means the fee payable to the Special Limited Partner for services in connection with the monitoring of the Project, as set forth in Section 7.7(b).

“Asset Option” has the meaning set forth in Section 7.13(a).

“Assignee” means a Person to whom all or any part of a Limited Partner’s Partnership Interest has been transferred in a manner permitted by this Agreement, but who has not been admitted to the Partnership as a Substituted Limited Partner with respect to the transferred Partnership Interest.

“Authority” means the Credit Agency, and any other government or regulatory agency providing financial assistance or regulatory oversight to the Project or the Partnership, including without limitation any federal, state or municipal department, commission, board, bureau, agency, court, tribunal or instrumentality.

“Bank Secrecy Act” means the Bank Secrecy Act of 1970, Pub. L. No. 91-508, 84 Stat. 1114 to 1124 (codified as amended in scattered sections of 12 U.S.C.A. and 31 U.S.C.A.).

“Basis Adjuster” has the meaning set forth in Section 4.2(c)(ii)(B).

“Business Day” or “business day” has the meaning set forth in Section 15.17.

“Buyout Price” has the meaning set forth in Section 7.13(d).

“Capital Account” means the capital account of a Partner as described in Section 5.1.

“Capital Contribution” means, with respect to any Partner, the total amount of cash or any cash equivalents contributed and/or agreed to be contributed to the Partnership, including all adjustments thereto, as provided in this Agreement. Except for obligations incurred in connection with Section 7.2(a), Section 7.2(b) and Section 7.2(c), any additional advances actually made by the General Partner shall be treated as a Capital Contribution for purposes of this Agreement. Any reference in this Agreement to the Capital Contribution of a substituted Partner shall include all Capital Contributions previously made by any predecessor or former Partner in respect of the Partnership Interest acquired by the substituted Partner, subject to all adjustments thereto pursuant this Agreement.

“Carryover Allocation” means a valid issuance of an allocation of \$520,840 of annual Tax Credit by the Credit Agency to the Partnership in accordance with the requirements of Section 42(h)(1)(E) of the Code.

“Carryover Allocation Agreement” means the agreement dated December 12, 2017 between the Credit Agency and West Texas Golden Trails, LP, a Texas limited partnership, with respect to the Carryover Allocation.

“Carryover Test” means the determination, made in accordance with Section 42(h)(1)(E) of the Code, that the Partnership’s actual basis in the Project (as of the date that is 1 year from the date the Tax Credit allocation is awarded) is more than 10% of the Partnership’s reasonably expected basis in the Project (as of the end of the second calendar year following the calendar year in which the Tax Credit allocation for the Project was awarded).

“Cash Receipts” means all cash received by the Partnership, excluding Capital Contributions, loan proceeds, prepayment of rent, security deposits, insurance proceeds (other than proceeds from business interruption insurance), condemnation awards, Net Cash from Sales or Refinancings, and any other funds not generated from current Project operations.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986), 42 U.S.C. Section 9601, et seq.

“Certificate of Limited Partnership” means the Partnership’s certificate of formation prepared in accordance with the Act, dated August 4, 2017, and filed with the Filing Office on August 4, 2017.

“Certificates of Occupancy” means all necessary certificates of occupancy (or local equivalent) and or other local governmental approvals that allow for 100% of the residential units in the Project to be immediately occupied. Where described as temporary (as opposed to final or permanent), Certificates of Occupancy may contain conditions or qualifications that are of a punch-list nature, so long as (1) there is a source of funds available to satisfy such conditions or qualifications, and (2) such conditions or qualifications do not prohibit immediate occupancy.

“Certified Credit” means 99.99% of the aggregate Tax Credit that the Accountant certifies in writing to the Partnership that the Partnership will be able to claim during the Credit Period for all buildings in the Project, assuming full future compliance with the rent restrictions and income limitations, and other compliance requirements of the applicable codes and statutes (to the extent the Project is in compliance with such requirements at the time of the determination of Certified Credit). The calculation of the Certified Credit shall be based, among other things, on the Forms 8609 for all the buildings comprising the Project, on the Cost Certification, on the number of residential units in the Project being occupied by Qualified Tenants and on a determination of the applicable fraction and qualified basis of each of the Existing Building and the New Building as provided in Section 42 of the Code, as such factors may be affected by (1) noncompliance with applicable tax laws known at the time of the determination of Certified Credit and (2) other facts that may come to the attention of the Accountant.

“Closing” or “Closing Date” means the date on which the last of the following conditions is satisfied: (1) the Partnership shall have received all necessary governmental and other permits and approvals for the construction/rehabilitation and operation of the Project in accordance with the Plans and Specifications, (2) the Investor Limited Partner shall have been admitted as a Partner of the Partnership, and (3) the Construction Loan shall have closed and the initial Construction Loan disbursement made.

“Closing Checklist” means the checklist containing the investment closing requirements of the Investor Limited Partner.

“Code” means the Internal Revenue Code of 1986.

“Compiled Balance Sheet” has the meaning set forth in Section 4.3(d).

“Completion” means the date on which the last of the following conditions is satisfied: (1) the construction/rehabilitation of the Project has been completed in a good and workmanlike manner (except for “punch list” items approved by the Investor Limited Partner), lien-free (except as set forth in clause (5) below) and defect free, substantially in accordance with the Plans and Specifications and other Project Documents, as confirmed by the Investor Limited Partner’s construction consultant; (2) the Architect has issued a Certificate of Substantial Completion in substantially the form of Exhibit 8; (3) Certificates of Occupancy and all other governmental approvals required for the use and occupancy of the entire Project have been issued; (4) all necessary environmental remediation and radon mitigation, if any, has been completed; and (5) final lien waivers have been obtained (or if payments are contested, funds or payment assurance reasonably acceptable to the Investor Limited Partner is available (such as bonds, title insurance or escrowed funds)).

“Compliance Period” means, with respect to any building in the Project, the “compliance period” as defined in Section 42(i)(1) of the Code, and, with respect to the Project, the period beginning on the earliest date that a Compliance Period begins for any building in the Project and ending on the latest date that a Compliance Period ends for any building in the Project.

“Construction Contract” means the guaranteed maximum price construction contract, in the amount of \$4,512,085, pursuant to which the Project is to be constructed, which includes a hard cost construction contingency of \$258,933, and to which the Investor Limited Partner is an express third-party beneficiary.

“Construction Financing” means (1) the Construction Loan, and (2) prior to Permanent Loan Conversion, any Permanent Financing but only if and to the extent, under the terms of the applicable Loan Documents, the proceeds of such Permanent Financing may be disbursed to pay costs of construction/rehabilitation prior to Permanent Loan Conversion.

“Construction Financing Documents” means any and all of the documents evidencing, securing, or related to the Construction Financing, including but not limited to the commitment letter, loan agreement, promissory note and mortgage.

“Construction Loan” means that certain loan from IBC Bank with a maximum principal amount of \$4,000,000, an interest rate floating 1% above the Prime Rate with a floor of 5.25%, a term of 24 months and interest-only payments during construction with the balance due at maturity.

“Construction Lender” means IBC Bank, and any Permanent Lender providing Permanent Financing that is also Construction Financing.

“Contractor” means Hamilton Builders, LLC, a Missouri limited liability company, which has been engaged by the Partnership to act as general contractor for the construction of the Project and, unless a substitute Contractor is selected by the General Partner with the consent of the Investor Limited Partner, will perform the construction/rehabilitation of the Project through Completion.

“Cost Certification” means the written certification of the Accountant, in a form satisfactory to the Credit Agency and the Special Limited Partner (with such approval not to be unreasonably withheld within 10 business days of receipt by the Special Limited Partner), as to the itemized amounts of the Development Costs of the Project and the Eligible Basis and Applicable Percentage pertaining to each Project building.

“Cost Savings” means the amount, if any, by which Development Sources exceed Development Costs, as determined following final Cost Certification.

“Credit Adjuster Obligation” has the meaning set forth in Section 4.2(c)(iii)(A).

“Credit Agency” means the Texas Department of Housing and Community Affairs.

“Credit Period” means, with respect to any building in the Project, the “credit period” as defined in Section 42(f)(1) of the Code, and, with respect to the Project, the period beginning on the earliest date that a Credit Period begins for any building in the Project and ending on the latest date that a Credit Period ends for any building in the Project. When the context requires, the Credit Period shall be deemed to include the year following the Credit Period if Tax Credit is available in that year pursuant to Section 42(f)(2) of the Code, but shall not include later years in the Compliance Period during which Tax Credit may be received under the special rule of Section 42(f)(3) of the Code.

“Credit Reduction Amount” has the meaning set forth in Section 7.2(c)(i).

“Credit Shortfall Amount” has the meaning set forth in Section 4.2(c)(ii)(B).

“Current” means that at any given point in time, (1) all reserves required to be maintained by the Partnership are fully funded to the extent required as of such time, and (2) all payments for Operating Expenses, necessary maintenance, preventive maintenance and capital improvements due and payable as of such time (assuming all expenses are paid within 30 days of invoice) have been made or the Partnership has sufficient unrestricted cash reserves to make all such payments.

“DDF Outside Date” has the meaning set forth in Section 4.6(b).

“Debt Service Coverage Ratio” means, for the applicable period, the result of the Net Operating Income for such period divided by the Hard Debt Service for such period determined on an accrual basis (provided, however, if principal payments have not commenced under the Permanent Financing, the Debt Service Coverage Ratio shall be calculated using the monthly payment of principal and interest that will become due when principal payments commence under the Permanent Financing, but without duplication of Hard Debt Service with respect to the Construction Loan). The calculation of the Debt Service Coverage Ratio shall be evidenced by a certification of the General Partner with an accompanying unaudited balance sheet and operating statement of the Partnership and shall be subject to the approval of the Special Limited Partner, which approval shall not be unreasonably withheld, conditioned or delayed. The Special Limited Partner shall be provided with all documents and records which it may reasonably require in order to calculate the Debt Service Coverage Ratio and shall have the right to examine and copy all books and records of the Partnership, General Partner (related to the Partnership and/or the Project) and the Property Management Agent (relating to the Partnership and/or the Project) in connection therewith.

“Decision Maker” means any general partner of a partnership, any managing member or manager of a limited liability company, any officer or director of a corporation, and any other individual who is authorized, empowered, or has apparent authority to make decisions on behalf of any entity.

“Deferred Development Fee” means the portion of the Development Fee that is to be paid out of Net Cash from Operations from the Project or Net Cash from Sales or Refinancings and not from the Capital Contribution of the Investor Limited Partner or the Project financing, as set forth in Section 7.7(a)(i).

“Developer” means 4C Development – Texas, LLC, a Texas limited liability company, or its wholly owned Affiliate, in its capacity as the developer of the Project.

“Development Agreement” means the Development Agreement, in substantially the form of Exhibit 1, entered into or to be entered into by the Partnership and the Developer pursuant to which the Developer shall have primary responsibility for the development of the Project.

“Development Completion Guaranty” has the meaning set forth in Section 7.2(a).

“Development Costs” means all costs incurred or to be incurred (1) to acquire the Land and to remediate any pre-existing environmental conditions relating to the Land (regardless of when such costs are incurred); (2) to construct/rehabilitate the Project through Completion in conformity with the Project Documents, including the cost of all construction/rehabilitation overruns and change orders; (3) to pay all Operating Expenses accrued prior to Permanent Loan Conversion; and (4) to pay all Hard Debt Service and other financing costs of the Partnership accrued prior to Permanent Loan Conversion, including all deposits necessary to keep the Project In-Balance, and all costs necessary to cause Permanent Loan Conversion, including the funding of all reserves required by the Permanent Lender and/or this Agreement.

“Development Fee” means the fee in the amount of \$878,441, or the maximum amount allowable by the Credit Agency’s rules at Cost Certification, the Development Agreement or this Agreement, as described in Section 7.7(a), which is payable at the times and upon the conditions set forth in the Development Agreement and this Agreement.

“Development Fee Note” means the promissory note to be executed by the Partnership, payable to the order of the Developer, in an original principal sum equal to the amount of the Deferred Development Fee bearing interest at the Applicable Federal Rate.

“Development Sources” means the aggregate of (1) the proceeds of the Construction Loan and the Permanent Loan and any grants received by the Partnership (other than loans or grants which are for the purpose of providing rental assistance or similar operating subsidies for the Project); (2) the Capital Contributions actually paid or agreed to be paid to the Partnership (as adjusted by any Basis Adjuster and Timing Adjuster); (3) Cash Receipts prior to Permanent Loan Conversion; and (4) any Deferred Development Fee.

“Disposition Expenses” means the lesser of (1) the reasonable and actual third-party and internal costs incurred by the Limited Partners in connection with the evaluation and documentation of any sale, transfer or other disposition of the Project, any Partnership Property or any Partnership Interest, in whole or in part, and (2) the Disposition Fee.

“Disposition Fee” has the meaning set forth in Section 7.7(d).

“Downward Adjuster” has the meaning set forth in Section 4.2(c)(ii).

“Draw Documents” has the meaning set forth in Section 4.3(b)(i).

“Effective Date” has the meaning set forth in the preamble of this Agreement.

“Effective Gross Income” means the amount of income produced by the Partnership, plus miscellaneous income, less vacancy costs and collection losses.

“Eligible Basis” has the meaning set forth in Section 42(d) of the Code.

“Environmental Certification” means the certification by the General Partner, accompanied by evidence reasonably satisfactory to the Investor Limited Partner, that (1) any actions recommended to be taken which were contained in any environmental assessment reports prepared in conjunction with the development of the Project have each been appropriately completed in a manner that fully complies with such recommendations and Environmental Laws, (2) radon gas is not present in any of the residential units at a level above the recommended permitted safe level as determined by the Environmental Protection Agency or any other applicable Authority, and (3) construction/rehabilitation of the Project did not result in the filling or disturbance of any wetlands.

“Environmental Law” means any statute, regulation, ordinance, or other provision of federal, state, or local law pertaining to the protection of the environment or otherwise pertaining to public health or employee health and safety, including without limitation protection from

hazardous waste, lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substance, underground storage tanks, PCBs, and radon, including: (1) CERCLA; (2) the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; (3) the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; (4) the Hazardous Materials Transportation Act, as amended, 39 U.S.C. Section 1801 et seq.; (5) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq.; (6) the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; (7) the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; (8) the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. Section 4821 et seq.; (9) the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651 et seq.; (10) any other similar state or local law; or (11) any regulation promulgated pursuant to any such laws.

“Event of Default” has the meaning set forth in Section 9.6(a).

“Excess Development Costs” means, as of any particular date, the amount of aggregate Development Costs as of such date that exceeds the amount of aggregate Development Sources received by the Partnership as of such date. In addition (1) Credit Adjuster Obligations and (2) any shortfall in the amount of the Permanent Loan (as compared to the Key Assumptions), shall constitute Excess Development Costs.

“Extended Use Agreement” means the extended low-income housing commitment entered into between the Partnership and the Credit Agency pursuant to Section 42(h)(6) of the Code.

“Filing Office” means the Office of the Secretary of State of Texas.

“First Year Tenant Files” means such information or documents that evidence the tenant’s qualification to occupy the Low-Income Unit, including, but not limited to, tenant applications, executed tenant lease agreements, tenant income and asset certifications and verifications, student status verification, and rent rolls obtained by the Property Management Agent with respect to those tenants who occupy the Low-Income Units during the period beginning with the date that the Project is Placed in Service and ending with the date that the Project achieves Qualified Occupancy.

“Foreign Drywall” has the meaning set forth in Section 3.1(k)(viii).

“Form 8609” means the IRS Form 8609 (Low-Income Housing Tax Credit Allocation Certification) issued by the Credit Agency for each residential building in the Project which finally allocates Tax Credit to such residential building.

“Funding Certificate” means the certification of the General Partner, in the form of Exhibit 6.

“GAAP” means generally accepted accounting principles in the United States.

“General Partner” means West Texas Golden Trails GP, LLC, a Texas limited liability company, or any other Person who becomes a successor general partner pursuant to Section 9.1,

Section 9.2 or Section 9.3. If there is more than one General Partner, they are referred to herein singularly and collectively as the General Partner, as the context may require or suggest.

“GP Special Additional Capital Contribution” has the meaning set forth in Section 4.6(b).

“Guarantor” means, collectively, the General Partner, the Developer, J. Ryan Hamilton, individually, J. Douglas Hamilton, individually, Rita A. Baron, individually, and Michael K. Hamra, individually.

“Guaranty Agreement” means the Guaranty Agreement between the Partnership and the Guarantor(s) dated as of the date hereof, in substantially the form of Exhibit 2.

“Hard Debt Service” means debt service on any loan of the Partnership, including without limitation the Permanent Financing, that is due prior to final maturity of the loan and that must be paid by the Partnership to avoid default on such loan without regard to whether there is Net Cash from Operations sufficient to pay such debt service.

“Hazardous Substance” means any substance defined in any Environmental Law as a hazardous substance, including, but not limited to, any hazardous material, hazardous waste, toxic substance or toxic waste, lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substances, petroleum, benzene, toluene, ethylbenzene or xylene (BTEX), methyl tertiary butyl ether (MTBE) underground storage tanks, polychlorinated biphenyls (PCBs), radon, or any other pollutant that may have a material adverse effect on the Project.

“HOME Act” has the meaning set forth in Section 7.5(n).

“Home Loan” means a first priority mortgage loan provided by the Permanent Lender with block grant funds provided through the HOME Investment Partnerships (HOME) Program administered by HUD, with an original principal amount not to exceed \$2,055,000, a term of 30 years, an amortization period of 30 years and an annual fixed interest rate not to exceed 2%.

“HUD” means the United States Department of Housing and Urban Development.

“IBC Bank” means International Bank of Commerce, a Texas state banking corporation.

“ILP Special Additional Capital Contribution” has the meaning set forth in Section 4.6(a).

“Immediate Family” means, with respect to any natural Person, his or her spouse, children, including adopted children, step-children, parents, parents-in-law, nephews, nieces, brothers, sisters, brothers-in-law and sisters-in-law, each whether by birth, marriage or adoption, as well as any inter vivos trusts created for the benefit of such Person or any of the foregoing.

“Incentive Management Fee” means the fee described in Section 7.7(c).

“In-Balance” means, as of any particular date, when the cumulative forecasted Development Sources as of such date are, in the Investor Limited Partner’s reasonable judgment, sufficient to pay the forecasted Development Costs as of such date.

“Initial Compliance Review” means a review of First Year Tenant Files by the Investor Limited Partner or a third party designated by the Investor Limited Partner to confirm that the Project has achieved Qualified Occupancy.

“Installment” means an installment of the Investor Limited Partner’s Capital Contribution, as set forth in Section 4.2(b).

“Installment Date” means the date any Installment becomes due and payable.

“Installment Default” has the meaning set forth in Section 4.10(d).

“Installment Notice” has the meaning set forth in Section 4.10(a).

“Investor Limited Partner” means 42EP IBC Fund II, LP, a Delaware limited partnership, or any Person who replaces it in accordance with this Agreement.

“Involuntary Event” means, with respect to any Partner or Guarantor: (1) the making of an assignment for the benefit of creditors by the Partner or Guarantor; (2) the filing of a voluntary petition in bankruptcy by the Partner or Guarantor; (3) the adjudication of the Partner or Guarantor as a bankrupt or insolvent; (4) the filing of a petition or answer by the Partner or Guarantor seeking for itself a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or rule; (5) the seeking, consenting to or acquiescence of the Partner or Guarantor in the appointment of a trustee, receiver, or liquidator of the Partner or Guarantor or of all or any substantial part of the Partner’s or Guarantor’s properties; (6) the death of any Partner or Guarantor who is a natural person; or (7) the termination of the legal existence of any Partner or Guarantor who is other than a natural person.

“Involuntary Transfer” means any transfer of any Partner’s Partnership Interest effected by operation of law as a result of the occurrence of an Involuntary Event.

“IRS” means the Internal Revenue Service.

“Key Assumptions” means the key financing, tax, revenue, expense and other assumptions relating to the Project as set forth on Schedule B.

“Knowledge” means (1) with respect to the General Partner, the actual (as opposed to constructive or imputed) knowledge, after reasonable investigation and inquiry, of J. Ryan Hamilton; and (2), with respect to the Investor Limited Partner, the actual (as opposed to constructive or imputed) knowledge, after reasonable investigation and inquiry, of Constantine John Chigounis.

“Land” means the tract of land upon which the Project will be located as more fully set forth in Schedule C.

“Lender” or “Lenders” means the Construction Lender and/or the Permanent Lender, as the context requires.

“Limited Partners” means the Investor Limited Partner, the Special Limited Partner, and any Person who becomes a Substituted Limited Partner.

“Limited Partner Interest Option” has the meaning set forth in Section 7.13(a).

“Liquidation Manager” means the General Partner; provided, however, that if there is an Event of Default that has not been cured, the Liquidation Manager shall be any Person selected by the Investor Limited Partner to act as liquidation manager of the Partnership in accordance with Article 13.

“Loan Documents” means (1) the Construction Financing Documents, (2) the Permanent Financing Documents, (3) the Regulatory Agreement and (4) any and all other documents executed by the Partnership evidencing, securing or related to such Loan Documents.

“Low-Income Unit” has the meaning set forth in Section 42(i)(3) of the Code.

“Majority in Interest” means, with respect to any specified group of Partners, those Partners who hold more than 50% of the Percentage Interests held by such group.

“Marketing/Advertising Reserve” has the meaning set forth in Section 7.3(c).

“Minimum Set-Aside Test” means the set-aside test selected by the Partnership pursuant to Section 42(g) of the Code with respect to the percentage of residential units in its Project to be occupied by tenants with incomes equal to no more than a certain percentage of area median income. The Partnership has selected or will select the 40-60 Set-Aside Test as the Minimum Set-Aside Test.

“Net Cash from Operations” means, with respect to any period, an amount equal to Cash Receipts for such period, plus any reserves that are released with the consent of the Investor Limited Partner, minus the sum of (1) all Operating Expenses, excluding amounts due on loans payable solely from Net Cash from Operations and loans to the Partnership from the General Partner, the Developer, the Guarantor or the Limited Partners, (2) Hard Debt Service, (3) all unfunded capital expenditures and Excess Development Costs not previously paid, and (4) such cash as is necessary to establish any additional reserves as the General Partner shall from time to time reasonably determine.

“Net Cash from Sales or Refinancings” means, with respect to any period, an amount equal to the cash proceeds from Partnership sales or refinancings for such period, minus the sum, for such period, of (1) all reasonable costs and expenses incurred by the Partnership in connection with such sale or refinancing, (2) all principal and interest payments and other sums paid on or with respect to any indebtedness of the Partnership, other than amounts treated as

loans pursuant to this Agreement from the General Partner, the Developer, the Guarantor or the Limited Partners, (3) any amounts reasonably required to be set aside in reserves for the Project (which shall include funding the Operating Reserve up to the Operating Reserve Minimum if applicable), and (4) application of the refinancing proceeds for the use for which they were obtained. Net Cash from Sales and Refinancing shall include all principal and interest payments with respect to any note or other obligation received by the Partnership in connection with the sale or other disposition of Project.

“Net Operating Income” means, with respect to any period, an amount equal to Cash Receipts for such period plus (without double counting) any rental assistance payments with respect to the Project for that period, minus Operating Expenses for such period. Net Operating Income shall be calculated on an accrual basis with appropriate seasonal adjustments for periods less than an entire year. In calculating Net Operating Income for the Project, Operating Expenses shall be the greater of the Partnership’s actual Operating Expenses for such period or the anticipated Operating Expenses for such period determined on an accrual basis in accordance with the Key Assumptions and allocated ratably over 12 months of the Partnership fiscal year, and the greater of a 7.5% economic vacancy on gross potential rent or the actual economic vacancy rate for the Project shall be applied. Such calculation shall be evidenced by a certification of the General Partner with an accompanying unaudited balance sheet and operating statement of the Partnership and shall be subject to the approval of the Investor Limited Partner, not to be unreasonably withheld, conditioned or delayed. The Investor Limited Partner shall be provided with all documents and records which it may reasonably require in order to calculate Net Operating Income and shall have the right to examine and copy all books and records of the Partnership, General Partner (relating to the Partnership and/or the Project) and Property Management Agent (relating to the Partnership and/or the Project) in connection therewith. The Investor Limited Partner shall make the calculation of Net Operating Income in its reasonable judgment taking into consideration the views of the Accountant.

“Operating Deficit” means, with respect to any period, an amount (if positive) equal to the result of (1) Operating Expenses for such period, plus (2) Hard Debt Service for such period, minus (3) Cash Receipts for such period plus (without double counting) any rental assistance payments with respect to the Project for that period. In computing the Operating Deficit, all cash expenditures or amounts budgeted to be spent for capital improvements during the period described above shall also be taken into account, unless such amounts are funded from Project reserves. Operating Deficits shall be measured on a monthly basis and funded as necessary during the Operating Deficit Guaranty Period.

“Operating Deficit Guaranty” has the meaning set forth in Section 7.2(b).

“Operating Deficit Guaranty Amount” means \$172,000 in the aggregate outstanding at any one time.

“Operating Deficit Guaranty Period” means the period beginning with the date on which the Project achieves Permanent Loan Conversion and ending on the date that is the later of (1) the fifth anniversary from Permanent Loan Conversion, (2) the date in which the Project’s Debt Service Coverage Ratio has been greater than or equal to 1.15 for a period of three consecutive

years immediately prior to such date and (3) the establishment by the General Partner, on behalf of the Partnership, the Operating Reserve Minimum.

“Operating Expenses” means all expenses relating to the operation and administration of the Partnership and the Project, including all trade payables, lender fees, repair and maintenance expenses, required deposits into reserve and escrow accounts, salaries, employee benefits, payroll taxes and other payroll-related expenses, Property Management Fees, property taxes, assessments, utility costs, insurance premium payments, and all other Partnership obligations or expenditures that become due and payable, but excluding Hard Debt Service and loans payable from Net Cash from Operations. A ratable portion of the annual amount of seasonal and/or periodic expenses which might reasonably be expected to be incurred on an unequal basis during a full annual period of operation shall be included in Operating Expenses for any period considered. Notwithstanding the foregoing, Operating Expenses do not include (1) the portion of Property Management Fees (capped at 2%) that is subordinated to the Permanent Financing and not actually paid for the applicable period, (2) Partnership audit and tax return preparation costs that exceed the amounts set forth in the Key Assumptions, indexed for inflation, and (3) legal fees related to any disputes between the Investor Limited Partner and the Partnership.

“Operating Reserve” means the amount required by this Agreement or the Loan Documents to be reserved by the Partnership to fund Operating Deficits arising with respect to the Project, which reserve shall be funded as described in Section 7.3(a).

“Operating Reserve Minimum” has the meaning set forth in Section 7.3(a).

“Option” has the meaning set forth in Section 7.13(a).

“Option Period” has the meaning set forth in Section 7.13(a).

“Original Agreement” means the Partnership’s original limited partnership agreement entered into as of September 15, 2017 by the General Partner and the Original Limited Partner.

“Original Limited Partner” means 4C Development – Texas, LLC, a Texas limited liability company.

“Partial Completion” means the date on which the last of the following conditions is satisfied: (1) the construction/rehabilitation of the Project has been completed in a good and workmanlike manner, at the specified percentage (based upon the total dollar amount of hard costs incurred for work completed as a percentage of total hard costs in the development budget for the Project), as certified by the Architect and as confirmed by the Investor Limited Partner’s construction consultant; and (2) a clean down-dated Title Policy through the date of partial completion has been issued to the Partnership in a form reasonably acceptable to the Investor Limited Partner with such endorsements as the Investor Limited Partner may reasonably require.

“Partner” means any General Partner or Limited Partner. “Partners” means all General Partners and Limited Partners collectively.

“Partnership” means West Texas Golden Trails, LP, a Texas limited partnership.

“Partnership Controlling Parties” has the meaning set forth in Section 3.1(p).

“Partnership Interest” means, as to any Partner, such Partner’s right, title, and interest in and to any and all assets, distributions, losses, profits, and shares of the Partnership, whether cash or otherwise, to participate in the governance of the Partnership, and any other interests and economic incidents of ownership whatsoever of such Partner in the Partnership under this Agreement and the Act. A Partnership Interest shall not be certificated and shall not be considered a “security” or “investment property” for purposes of Article 8 and Article 9 of the Uniform Commercial Code of any jurisdiction.

“Partnership Property” means all real and personal property acquired by the Partnership and any improvements thereto, and shall include both tangible and intangible property.

“Payment Period” has the meaning set forth in Section 4.10(c).

“Percentage Interest” means the Percentage Interest of each Partner as set forth on Schedule A.

“Permanent Financing” means the Permanent Loan, and any successor or replacement loans.

“Permanent Financing Documents” means any and all documents evidencing, securing or related to the Permanent Financing, including but not limited to the commitment letter, loan agreement, promissory note and mortgage for the Permanent Loan.

“Permanent Lender” means the Credit Agency, or such other provider of permanent financing as may be approved by the General Partner and the Investor Limited Partner.

“Permanent Loan” means, collectively, (1) the HOME Loan, and (2) such other loan(s) as may be approved by the General Partner and the Investor Limited Partner.

“Permanent Loan Conversion” means the date on which the last of the following conditions is satisfied: (1) as applicable, (A) the closing of the Permanent Loan, including the initial disbursement of the proceeds thereof and payment in full of the Construction Loan (which may occur simultaneously with the Second Installment), or (B) the conversion of the Construction Loan to a Permanent Loan, including the initial disbursement of the proceeds of the Permanent Loan; (2) all punch-list items have been completed, as verified by the Architect and the Investor Limited Partner’s construction consultant; (3) all conditions with respect to the payment of retainages under the Construction Contract and all subcontracts have been satisfied and all such retainages have been disbursed to the Contractor and the subcontractors, as applicable; and (4) all final lien-waivers, which may be conditioned upon payment from the loan or capital contribution otherwise due, have been obtained from the Contractor and all subcontractors.

“Person” means an individual or entity, including a corporation, general partnership, joint venture, general partnership, limited partnership, limited liability company, trust, cooperative or association.

“Placed in Service” means the placement in service as defined by federal tax law for Qualified Basis and Tax Credit. The Project will be “Placed in Service” when the last building in the Project is Placed in Service.

“Plans and Specifications” means the plans and specifications approved by the Investor Limited Partner, as supplemented by any change orders approved by the Investor Limited Partner, not to be unreasonably withheld, conditioned or delayed, pursuant to Section 7.4(h).

“Prime Rate” means the annual lending rate of interest announced from time to time by JP Morgan Chase & Co., New York, New York, as its prime rate.

“Project” means the affordable housing rental project to be known as Golden Trails Apartments, which project will be located on Melodie Drive in West, McLennan County, Texas and will collectively be comprised of one building containing 45 residential units and all furnishings, equipment and personal property used in connection with the operation thereof and the Land upon which the improvements will sit.

“Project Documents” means the Plans and Specifications, Development Agreement, Construction Contract, Loan Documents, Regulatory Agreement, Property Management Agreement, Tax Credit Application, Tax Credit Reservation Letter, Carryover Allocation Agreement, and all other significant documents relating to the Project or the Tax Credit by which the Partnership is bound, as amended or supplemented from time to time.

“Project State” means the State of Texas.

“Projected Credit” means \$5,208,400 for the entire Credit Period, comprising \$108,991 for 2019, \$520,840 for 2020 through 2028, and \$411,849 for 2029. The Projected Credit shall be deemed amended and revised to reflect the Projected Credit set forth in any revised Key Assumptions prepared pursuant to Section 4.2(c)(ii) and approved by the Investor Limited Partner.

“Property Management Agent” means initially Hamilton Properties Corp., a Missouri corporation, or such other Property Management Agent as is selected by the General Partner from time to time, with the consent of the Investor Limited Partner, or otherwise replaced in accordance with this Agreement.

“Property Management Agreement” means the Property Management Agreement entered into or to be entered into by the Partnership and the Property Management Agent pursuant to which the Property Management Agent shall have primary responsibility for overseeing the management of the Project, as described in Section 7.6.

“Property Management Fee” has the meaning set forth in Section 7.6(a).

“Public Use Test” means the requirement whereby the units in the Project must be available for use by the general public.

“Publicity Parties” has the meaning set forth in Section 7.11.

“Purchase Price” has the meaning set forth in Section 7.13(b).

“QAP” means the Qualified Allocation Plan for the Project State.

“Qualified Basis” has the meaning set forth in Section 42(c) of the Code.

“Qualified Occupancy” means the achievement of initial occupancy by Qualified Tenants of each of the Low-Income Units in the Project that is to be included in the numerator of the applicable fraction for purposes of determining the Certified Credit. For purposes of determining Qualified Occupancy, the same Qualified Tenant may not simultaneously qualify 2 units.

“Qualified Occupancy Date” means December 31, 2019, which is the date upon which Qualified Occupancy is anticipated to be achieved as set forth in the Key Assumptions.

“Qualified Tenants” means tenants under executed leases of at least 9 months who at the time of their initial occupancy of the Project (1) are charged rents that satisfy the Rent Restriction Test, and (2) have incomes at or below the income limits under the Minimum Set-Aside Test.

“Reasonable Efforts” means with respect to a given obligation, the efforts that a reasonable Person in the General Partner’s position, acting in good faith, would use so as to perform that obligation as expeditiously and diligently as possible.

“Regulations” means the Federal Income Tax Regulations (including Temporary Regulations) promulgated under the Code.

“Regulatory Agreement” means, to the extent applicable, and collectively, (1) the Extended Use Agreement, and (2) any regulatory agreements and/or any declaration of covenants and restrictions to be entered into between the Partnership and any Credit Agency, or other Authority providing financial assistance, setting forth certain terms and conditions under which the Project is to be developed and/or operated.

“Related Mortgage Loan” has the meaning set forth in Section 15.20.

“Related Mortgagee” has the meaning set forth in Section 15.20.

“Rent Restriction Test” means the test pursuant to Section 42(g) of the Code whereby the gross rent charged to tenants of the Low-Income Units in the Project cannot exceed 30% of the imputed income limitation of the applicable units.

“Replacement Reserve” means the amount of funds required by this Agreement or the Loan Documents to be reserved by the Partnership to fund capital replacement costs with respect to the Project, which reserve shall be funded as described in Section 7.3(b).

“Reporting Certificate” means the certification of the General Partner, in the form of Exhibit 7.

“Restricted Period” has the meaning set forth in Section 10.3(b).

“Sale Notice” has the meaning set forth in Section 4.10(d).

“SEC” means the United States Securities and Exchange Commission.

“Special Additional Capital Contribution” means an ILP Special Additional Capital Contribution or a GP Special Additional Capital Contribution, as context requires.

“Special Limited Partner” means 42EP SLP, LLC, a Delaware limited liability company, or any Person who replaces it in accordance with this Agreement.

“Stabilization” means the date on which the last of the following conditions is satisfied: (1) Completion; (2) at least 90% of the Project’s residential units have been occupied for a period of three consecutive months immediately prior to such date; and (3) the Debt Service Coverage Ratio has been greater than or equal to 1.15 for a period of three consecutive months immediately prior to such date. Such calculation shall be subject to the approval of the Investor Limited Partner and shall be evidenced by a certification of the General Partner with an accompanying unaudited balance sheet and operating statement of the Partnership, along with all other documents and records that the Investor Limited Partner may reasonably require in order to verify the achievement of Stabilization. In addition, in the event of a dispute, such calculation shall be attested to by the Accountant in accordance with standards established by the American Institute of Certified Public Accountants (the form of which attestation shall be subject to reasonable approval of the Investor Limited Partner). Within 10 business days of receipt of the foregoing certification and all supporting information described in the immediately preceding sentence, the Investor Limited Partner shall provide the General Partner with written approval of its certification or, if the Investor Limited Partner is unable to verify Stabilization to its satisfaction, a written description of its calculations and suitable supporting documentation. The General Partner shall then resubmit its certification, together with any additional supporting documentation, and the Investor Limited Partner shall have five business days to respond in the manner described in the immediately preceding sentence. Stabilization shall be deemed to occur as of the date the Investor Limited Partner approves the General Partner’s certification of Stabilization, or the day after the expiration of the Investor Limited Partner’s applicable 10-day or 5-day response period described in the foregoing paragraph, if the Investor Limited Partner fails to provide a response within the permitted time period. If there remains a dispute regarding Stabilization following the completion of the foregoing procedures, the General Partner and the Investor Limited Partner shall each submit their calculations and supporting materials regarding Stabilization to the Accountant, who shall review such materials, conduct additional analysis and inquiry in its reasonable professional discretion, and make a determination regarding Stabilization which such determination shall be binding on the parties. The cost of such analysis shall be an expense of the Partnership.

“Substituted Limited Partner” means a Person who is admitted as a Limited Partner to the Partnership pursuant to Section 10.3 or Section 10.4 in place of and with all the rights of a limited partner under this Agreement and the Act.

“Supportive Services” has the meaning set forth in Section 7.5(f).

“Target IRR” has the meaning set forth in Section 4.2(c)(vi).

“Tax Adjuster Date” has the meaning set forth in Section 4.2(c)(vi).

“Tax Credit” means the low-income housing tax credit under Section 42 of the Code.

“Tax Credit Application” means the Partnership’s application to the Credit Agency for a Tax Credit Reservation.

“Tax Credit Recapture Event” means (1) the filing of a tax return or an amended return by the Partnership evidencing a reduction in the Qualified Basis of the Project or an event described in Section 42(j) of the Code causing a recapture of Tax Credit previously allocated to the Investor Limited Partner, (2) an administrative adjustment by the IRS evidencing a reduction or recapture of Tax Credit previously allocated to the Investor Limited Partner, unless the Partnership shall timely file a petition with respect to such adjustment with the United States Tax Court or any other court of competent jurisdiction and the collection of such assessment shall be stayed pending the disposition of such petition, (3) a decision by the United States Tax Court or any other court of competent jurisdiction upholding the assessment of such administrative adjustment against the Partnership with respect to any Tax Credit previously claimed in connection with the Project, unless the Partnership shall timely appeal such decision and the collection of such assessment shall be stayed pending the disposition of such appeal, (4) the decision of a court of competent jurisdiction affirming such decision, or (5) any other event that causes a recapture of a Tax Credit under applicable law.

“Tax Credit Reservation Letter” means the commitment letter issued by the Credit Agency, dated August 25, 2017, whereby \$520,840 of annual Tax Credit is reserved for West Texas Golden Trails, LP.

“Tax Matters Partner” means the General Partner acting in its capacity designated in Section 11.8.

“Tenant File Review” has the meaning set forth in Section 11.10(b).

“TIC” has the meaning set forth in Section 12.8(c)(i).

“Timing Adjuster” has the meaning set forth in Section 4.2(c)(ii)(A).

“Timing Shortfall” has the meaning set forth in Section 4.2(c)(ii)(A).

“Title Policy” means an owner’s title insurance policy issued by Stewart Title Guaranty Company, insuring the Partnership’s fee simple interest in and to the Land and the Project, as of the date of this Agreement or the date of acquisition of the Land and Project, if later, in an amount not less than the combined value of all projected indebtedness for the Project at one time outstanding (exclusive of the Development Fee Note) and the Capital Contributions, showing no encumbrances and exceptions to title other than the Construction Financing or the Permanent Financing and any other title matters approved by the Investor Limited Partner, and containing those endorsements as the Investor Limited Partner may reasonably require.

“Unpaid Installment” has the meaning set forth in Section 4.10(b).

“Upward Adjuster” has the meaning set forth in Section 4.2(c)(v).

“USA Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, Pub. L. No. 107-56, 115 Stat. 272.

“Voluntary Transfer” means any sale, assignment, transfer, pledge, or hypothecation of any Partnership Interest by a Partner, except for an Involuntary Transfer.

“Withdrawal” (including the forms Withdraw, Withdrawing and Withdrawn) means, as to a General Partner, the occurrence of death, adjudication of insanity or incompetence, Involuntary Event, dissolution, liquidation, or voluntary or involuntary withdrawal or retirement from the Partnership for any reason, including whenever a General Partner may no longer continue as a General Partner by law or pursuant to any terms of this Agreement. Withdrawal shall also mean the sale, assignment, transfer or encumbrance by a General Partner of its interest as a General Partner. A General Partner that is an entity shall be deemed to have sold, assigned, transferred or encumbered its interest as a General Partner in the event (as a result of one or more transactions) of any sale, assignment or other transfer (but specifically excluding any transfer occurring pursuant to the laws of descent and distribution), directly or indirectly, in a single transaction or series of related or unrelated transactions, of voting control of the General Partner or any direct or indirect parent of the General Partner, or more than 50% of the capital securities of the General Partner or any direct or indirect parent of the General Partner.

ARTICLE 3

Representations and Warranties

Section 3.1 Representations and Warranties Relating to the Partnership and the Project. The General Partner hereby represents and warrants to the Partnership and to the Limited Partners as of the Closing Date and, except where such representations and warranties are expressly limited to the Closing Date or a specific Installment Date, as of each Installment Date, that:

(a) Organization; Authorization. The Partnership is a limited partnership duly organized, existing, and in good standing under the laws of the Project State, with full power and authority to own the Land and to develop, rehabilitate, own, operate and maintain the Project in accordance with the terms of this Agreement. The Partnership has complied with all recording, filing and other requirements necessary to establish and maintain itself as a limited partnership under the Act. The General Partner has and will continue to take all actions under the laws of the Project State and any other applicable jurisdiction that is necessary to maintain the Partnership as a limited partnership under the Act and to enable the Partnership to engage in its business as contemplated by this Agreement. The Partnership has the requisite power and authority to enter into this Agreement and each of the Project Documents to which it is a party and to perform its

obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and each of the Project Documents to which the Partnership is a party have been duly authorized by all necessary partnership action. This Agreement and each of the Project Documents to which the Partnership is a party have been duly executed and delivered by the Partnership and each constitutes a legal, valid and binding obligation of the Partnership.

(b) No Conflicts; Consents. The Partnership's execution, delivery and compliance with this Agreement and each of the Project Documents to which it is a party will not (1) conflict with or result in any violation of the Partnership's organizational documents; (2) conflict with or result in any violation of any provision of any bond, note or other instrument of indebtedness, contract, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Partnership is a party; or (3) violate any provision of any order, writ, judgment, injunction, decree, statute, law, rule or regulation applicable to the Partnership, or its respective assets or properties (including the Project). The General Partner has obtained all consents and approvals of any Authority and any other Person that are necessary in connection with the execution of this Agreement and admission of the Investor Limited Partner and the Special Limited Partner to the Partnership including, where applicable, the consent or approval of (1) the Lender, (2) the Credit Agency, and (3) the Land owner. All certifications made by or on behalf of the General Partner and its Affiliates in order to obtain such consents or approvals are accurate and complete.

(c) Title. The Partnership owns a good and indefeasible fee simple interest in the Land and the Project, as evidenced by issuance of the Title Policy, free and clear of all liens, charges, and encumbrances other than mortgages and other security instruments securing any of the Construction Financing and Permanent Financing and such other defects, encumbrances and exceptions as the Investor Limited Partner may approve in writing. Except as disclosed in the Title Policy, there are no special assessments of any nature with respect to the Land or the Project or any part thereof currently pending, nor has the Partnership or the General Partner received any notice of any special assessments or public improvements that are likely to result in the same being contemplated; and there are no federal, state or local tax liens encumbering the Partnership's interest in the Land or the Project other than the liens for taxes and assessments not yet due and payable.

(d) Insurance. The Partnership has insurance providing for the types of coverage and in the coverage amounts at least sufficient to satisfy the Insurance Requirements set forth on Exhibit 9. The amount of insurance maintained by the Partnership against a casualty loss (as defined in Section 42(j)(4)(E) of the Code) with respect to the Project is sufficient to permit a substantial reconstruction of the Project within a reasonable period of time following any such casualty other than earthquake loss. Each of said policies is and will continue to be in full force and effect, and all premiums due thereunder will be paid in a timely manner. No notice has been received by the General Partner from the insurance company which issued any of such policies stating in effect that any of such policies is not in full force and effect, will not be renewed or will

be renewed only at a higher premium rate than is presently payable therefore or only upon satisfaction of other specified conditions.

(e) Land Use; Permits. The Land is and will be properly zoned for the Project, and the use and construction/rehabilitation of the Project pursuant to the Plans and Specifications conforms and at Completion will conform with all applicable laws, including all Environmental Laws and all zoning, building, health, fire, wetlands and other land use rules and regulations. There are no laws, planning rules, regulations, ordinances, requirements, or Environmental Laws, regulations, or procedures applicable to the Project that would materially adversely affect the operation of the Project as a low-income housing development. All building permits, environmental permits or other clearances, easements and governmental permits, licenses, and approvals required in connection with the construction/rehabilitation, development, ownership, operation, use, and occupancy of the Project and all residential units contained therein, have been or will be timely obtained and the General Partner shall take all actions necessary to maintain such approvals in full force and effect.

(f) Access. All legally required or appropriate roads and public utilities, including telephone, sewer, water, electricity and, if applicable, gas are available in sufficient volume to the Project, and all easements required in connection therewith have been obtained and filed of public record, and the General Partner shall use Reasonable Efforts to keep all such utilities operating in a manner sufficient to service the Project and the residential units contained therein.

(g) Project Documents. There are no agreements, written or oral, affecting the ownership or operation of the Project in any material respect except for this Agreement and the Project Documents, agreements between the Contractor and its subcontractors relating to the Project that do not otherwise constitute Project Documents, and such other agreements entered into after the Closing Date that have been consented to in writing by the Investor Limited Partner. The General Partner has provided accurate and complete copies of the Project Documents to the Investor Limited Partner. Neither the Partnership nor the General Partner nor, to the Knowledge of the General Partner, any other party to any of the Project Documents is (or, with notice or the passage of time, or both, would be) in default in any material respect under the Project Documents, and all conditions to the effectiveness or continuing effectiveness of the Project Documents required to be satisfied on or prior to Closing have been satisfied.

(h) Leases. There are no leases affecting the Project or any part thereof.

(i) No rent due under any lease is or will have been prepaid or concession made to the tenant thereunder other than as set forth on the Partnership's rent roll certified to the Investor Limited Partner, and, if applicable, updated, on each Installment Date.

(ii) The Partnership shall not charge a separate fee to the tenants of the Project for the use of any of the common area facilities, garages and/or carports

(other than the coin-operated laundry facilities that may be leased by the Project and used on the premises).

(iii) All leases of dwelling units in the Project shall contain a provision obligating tenants to notify the Property Management Agent immediately of any suspected water leaks, moisture problems or mold in dwelling units or common areas of the Project.

(i) Financing Restrictions. Other than the restrictions set forth in the Project Documents and Section 42 of the Code, no restriction on the sale or refinancing of the Project exist or will be placed on the Project while the Investor Limited Partner is a Partner. Neither the Partnership nor any Partner (nor any Affiliate of any Partner) has or will have direct or indirect personal liability as maker, guarantor, partner, or otherwise with respect to the payment of principal or interest or any other sum due under the Loan Documents, other than the General Partner or its Affiliates with respect to (1) the Construction Financing, (2) the Development Fee Note, and (3) customary carve-outs to nonrecourse liability set forth in the Permanent Financing Documents, which provisions have been reviewed and approved by the Investor Limited Partner. Except as otherwise previously disclosed in writing to the Investor Limited Partner, there are no outstanding loans or advances from the General Partner or any of its Affiliates to the Partnership and the Partnership has no unsatisfied obligations to make any payments of any kind to the General Partner or any of its Affiliates.

(j) Fees. Neither the General Partner nor its Affiliates will receive, directly or indirectly, from the Partnership or from any other Person, any fee, rebate, discount, commission, compensation, kick back or other consideration in connection with (1) this Agreement, (2) any of the Project Documents, (3) or otherwise in connection with the development of the Project or the acquisition of the Land, except for the payment of fees and distributions to the General Partner under this Agreement and the Incentive Management Fee Agreement, the Developer under the Development Agreement, the Property Management Agent under the Property Management Agreement, the Contractor under the Construction Contract and other incidental fees for ancillary services, such as laundry and rentals, provided in connection with operation and management of the Project. Neither the General Partner nor any of its Affiliates owns a direct or beneficial interest in the seller of the Land.

(k) Environmental Matters. With regard to environmental matters:

(i) Neither the Partnership nor the General Partner has been notified by a federal, state or municipal agency that the Project is in material violation of any Environmental Law and that such material violation is continuing. To the Knowledge of the General Partner, no Hazardous Substance was ever stored on the Land (except in compliance with Environmental Law), no material violation of Environmental Law exists with respect to the Land or the Project, and the General Partner is not aware of any condition that should, in the exercise of due diligence, cause it to investigate the existence of an environmental condition of such nature.

As used in this paragraph, “material violation” means any violation of an Environmental Law (1) that jeopardizes or could jeopardize the ability of the Partnership to develop, own or operate the Project, (2) be a threat to the health or safety of the Project’s current or future residents, (3) cause the Partnership to be in breach of any Permanent Loan, or (4) cause the Partnership to have to expend funds in excess of what is or is likely to be available to the Partnership from Net Cash from Operation to correct such violation. The General Partner shall, throughout the term of the Partnership, notify the Investor Limited Partner in writing of any notice it may receive that such a condition or violation exists or may exist.

(ii) With respect to any previously disclosed hazardous condition or Hazardous Substance that has not been properly removed, encapsulated or remediated in a manner consistent with applicable federal, state and local law prior to Closing:

(A) the Project budget includes an amount necessary for recommended removal, encapsulation, or other remediation of such condition or substance; and

(B) the General Partner will verify that construction/rehabilitation of the Project has been or is being completed in accordance with the recommendations for removal, encapsulation, or remediation of such conditions or substances and will certify to such in writing to the Investor Limited Partner, upon completion of the construction/rehabilitation.

(iii) The General Partner will deliver to the Investor Limited Partner copies of all test results of materials or soils that are indicated in the environmental report(s) for the Project to be potentially hazardous or copies of any supplemental environmental report(s) that discuss the results of such tests.

(iv) The General Partner will take all actions within its control necessary to comply with and continue to comply with all ongoing or newly arising monitoring, maintenance, inspection, reporting, and remediation requirements of any applicable federal, state, or local environmental laws and regulations.

(v) Unless otherwise approved by the Investor Limited Partner, the aforesaid environmental report(s) are based on assessments of the Project that were performed or recertified not more than 180 days prior to the date of execution of this Agreement by the Limited Partners.

(vi) The General Partner shall, to the extent any such recommendation is set forth in any of the environmental report(s) for the Project, (1) cause a qualified environmental consultant to prepare a lead and/or asbestos operations and

maintenance plan for the Project, and (2) ensure that such plan is located in a readily accessible and appropriate area on the Project.

(vii) All radon mitigation, testing, evaluation and/or remediation for the Project has been performed or will be performed in accordance with all applicable federal, state, and local laws and regulations.

(viii) No drywall (also known as, without limitation, plasterboard, gypsum board, and sheetrock) used or to be used in the construction/rehabilitation of the Project has been manufactured in or imported from China (“Foreign Drywall”).

For purposes of the representations contained in this Section 3.1(k), substances known to be hazardous shall not include small amounts of chemicals, cleaning agents, or similar substances employed in routine household uses in a manner typical of occupants in other residential properties, or incidental cleaning supplies, provided that they are used at all times in strict compliance with all applicable laws and regulations and industry standards.

(l) Litigation; No Violations. Except as otherwise previously disclosed in writing to the Investor Limited Partner, there are no actions, suits, or proceedings pending or, to the Knowledge of the General Partner, threatened by any person or Authority against or affecting the Project, the Partnership, the General Partner or any of its Affiliates, that may have a material adverse effect on the Project or the Partnership or on the ability of the General Partner to perform its obligations hereunder. The General Partner has no Knowledge of, and has not received any notices with respect to, any violations by the Partnership or the Project of federal or state law or municipal ordinances or orders or requirements of any Authority in whose jurisdiction the Project is subject.

(m) Other Financial Commitments. The General Partner has not, either individually, or on behalf of the Partnership, and the Partnership has not, incurred any financial responsibility with respect to the Project prior to the Closing Date, other than (1) those disclosed to the Investor Limited Partner, (2) those reflected in the Project Documents and approved Project budget, (3) those imposed by law on general partners of partnerships, or (4) obligations that will be fully satisfied at or prior to the Closing Date. Neither the Partnership nor the General Partner is under any commitment to any real estate broker, rental agent, finder, syndicator, or other intermediary with respect to the Project or any portion thereof, except for arrangements disclosed in writing to the Investor Limited Partner prior to the date hereof.

(n) Financial Assumptions. The facts and underlying assumptions with respect to the development and operation of the Project, the General Partner, the Guarantor and their Affiliates, which have been provided to the Limited Partners in conjunction with the preparation of the Key Assumptions and the development budget, are accurate and reasonable, and nothing has come to the attention of the General Partner that would cause the General Partner to believe that such facts and assumptions are incorrect in any

material respect. The Partnership has used the accrual method of accounting since its formation and will continue to do so.

(o) No Employees. The Partnership does not have any employees and shall not hire any employees.

(p) Prohibited Persons. Neither the Partnership nor the General Partner, nor any Affiliate of the General Partner (collectively, the "Partnership Controlling Parties") is:

(i) a Person who has been debarred or otherwise denied, in whole or in part, the ability or opportunity to participate in any government sponsored or financed program (including, but not limited to HUD programs) or has been convicted of a felony criminal offense;

(ii) in violation of (1) any applicable anti-money laundering laws, including, without limitation, those contained in the USA PATRIOT Act and the Bank Secrecy Act, or (2) any applicable economic sanction laws administered by the U.S. Treasury Department Office of Foreign Assets Control (OFAC), including, without limitation, Executive Order No. 13224, or (3) any applicable anti-drug trafficking or anti-terrorism laws, civil or criminal; or

(iii) a Person who (1) is charged with, or has reason to believe that he, she or it is under investigation for, any violation of any such laws, (2) has been convicted of any violation of, been subject to civil penalties pursuant to, or had any of its property seized or forfeited under any such laws, (3) is named on the list of "Specially Designated Nationals or Blocked Persons" maintained by OFAC (or any successor list), (4) is otherwise identified by the United States as a person with whom a U.S. person is prohibited from transacting business under any other applicable law, (5) is owned, controlled by, or affiliated with any Person identified in clause (1), (2), (3) and/or (4) hereof, or (6) is engaged in any dealings or transactions for or on behalf of or otherwise associated with any Person identified in clause (1), (2), (3) and/or (4) hereof.

Section 3.2 Representations and Warranties Relating to the General Partner and the Guarantor. The General Partner hereby represents and warrants to the Partnership and to the Limited Partners as of the Closing Date, and, except where such representations and warranties are expressly limited to the Closing Date or a specific Installment Date, as of each Installment Date, that:

(a) Organization; Authorization. The General Partner is a limited liability company duly organized, existing, and in good standing under the laws of the Project State. The General Partner has the requisite power and authority to enter into this Agreement and each of the Project Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and each of the Project Documents to which the General Partner is a party have been duly authorized by all necessary limited liability company action. This Agreement and each of the Project Documents to which the General Partner is a party

have been duly executed and delivered by the General Partner and each constitutes a legal, valid and binding obligation of the General Partner.

(b) No Conflicts; Consents. The General Partner's execution, delivery and compliance with this Agreement and each of the Project Documents to which it is a party will not (1) conflict with or result in any violation of the General Partner's organizational documents; (2) conflict with or result in any violation of any provision of any bond, note or other instrument of indebtedness, contract, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the General Partner is a party; or (3) violate any provision of any order, writ, judgment, injunction, decree, statute, law, rule or regulation applicable to the General Partner, or its respective assets or properties.

(c) Entity Requirements. The General Partner will satisfy the following single purpose entity requirements:

(i) it shall not enter into and has not entered into any contract or agreement with any Affiliate of the General Partner, any constituent party of the General Partner, or any Affiliate of any constituent party, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's length basis with third parties other than any such party;

(ii) it has and shall continue (1) to hold itself out as an entity separate and distinct from any other Person; (2) not to identify itself or any of its Affiliates as a division or part of the other; (3) to correct any known misunderstanding regarding its separate status; and (4) to use separate stationery, invoices, checks, and the like bearing its own name;

(iii) it has and intends to 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;

(iv) it shall continue to pay its debts and liabilities from its own assets as the same shall become due, and shall not allow an Affiliate to pay any debts or liabilities on behalf of the General Partner;

(v) it has and shall continue to maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any party;

(vi) it has not and shall not, other than as a result of obligations imposed by law on general partners of partnerships, (1) assume or guarantee the debts of any other Person in a manner that includes a pledge, encumbrance, transfer or hypothecation (whether by operation of law or otherwise) of any assets or interests of the Partnership or, (2) hold itself out to be responsible for the debts of another Person in a manner that includes the pledge, encumbrance, transfer or hypothecation of any assets or interests of the Partnership (whether by operation of law or otherwise), or (3) otherwise pledge, encumber, transfer or hypothecate the

assets of the Partnership for the benefit of another Person or permit the same to occur, or (4) hold the Partnership's credit as being available to satisfy the obligations of any other Person;

(vii) it has and shall continue to maintain separate annual financial statements that fairly and completely reflect the financial condition of the General Partner, showing its assets and liabilities separate and distinct from those of any other entity; provided that in the event the financial statements of the General Partner are consolidated with the financial statements of any other entity, the General Partner has and shall continue to cause to be included in such consolidated financial statements: (1) a narrative description of the separate assets, liabilities, business functions, operations and existence of the General Partner to ensure that such separate assets, liabilities, business functions, operations and existence are readily distinguishable by any entity receiving or relying upon a copy of such consolidated financial statements, and (2) a statement that the General Partner's assets and credit are not available to satisfy the debts of such other entity or any other Person;

(viii) it has and shall continue to file its own tax returns and pay its own taxes required to be paid under applicable law, except to the extent the General Partner is required to file a consolidated return in accordance with federal and/or state law;

(ix) all transactions carried out by the General Partner have been and will be, in all instances, made in good faith and without intent to hinder, delay or defraud creditors of the General Partner; and

(x) it is not a "tax-exempt entity" within the meaning of Section 168(h) of the Code or a "tax-exempt controlled entity" that would be treated as such a tax-exempt entity.

(d) Financial Information.

(i) The financial statements and other written information provided to the Investor Limited Partner with respect to the financial condition of the General Partner and Guarantors that are Affiliates of the General Partner are accurate and complete as of their respective dates. To the Knowledge of the General Partner, the financial statements and other written information provided by Guarantors that are not Affiliates of the General Partner, if any, are accurate and complete as of their respective dates.

(ii) The General Partner and the Partnership have adequate sources of funds to timely cause Completion of the Project and satisfaction of all other reasonably foreseeable obligations of the Partnership and General Partner under this Agreement.

(iii) No event of bankruptcy has occurred with respect to the General Partner, Developer, any Guarantor, or any of their respective Affiliates, and, to the Knowledge of the General Partner, no event of bankruptcy has occurred with respect to the Contractor or any of its Affiliates.

(e) Segregation of Duties. The General Partner, and not the Developer, shall be solely responsible for the following:

- (i) analyzing the QAP for targeted areas within the State;
- (ii) identifying potential land sites and analyzing the demographics of potential sites;
- (iii) analyzing the economy and forecasting future growth potential of the geographic area in which the Project is located;
- (iv) determining the Land's zoning status and possible rezoning strategies;
- (v) contacting local government officials concerning access to utilities, public transportation, impact fees and local ordinances;
- (vi) performing environmental tests on the Land (except to the extent that the developer is responsible for such tests on any buildings or land immediately below the buildings);
- (vii) negotiating the purchase of the Land and its related financing;
- (viii) causing the partnership to acquire the Land;
- (ix) processing necessary Tax Credit documentation with the Credit Agency;
- (x) arranging the Permanent Loan for the Partnership; and
- (xi) arranging for the admission to the Partnership of the Investor Limited Partner.

Section 3.3 Representations and Warranties Relating to Tax Credit and Tax Matters. The General Partner hereby represents and warrants to the Partnership and to the Limited Partners as of the Closing Date, and, except where such representations and warranties are expressly limited to the Closing Date or a specific Installment Date, as of each Installment Date, that:

(a) Tax Elections.

(i) The Partnership has not made an election to be classified as an association taxable as a corporation.

(ii) The Partnership has not made an election under Section 42(b)(1) of the Code to “lock in” the Applicable Percentage. The Project will qualify for the minimum Applicable Percentage of 9% under Section 42(b)(2) of the Code.

(iii) The Partnership has elected or will elect to depreciate the underlying buildings owned by the Partnership over 27.5 years using the straight line method, and to depreciate the personal property and site improvements owned by the Partnership over 5 and 15 years, respectively, in accordance with Section 168 of the Code.

(b) Carryover Allocation. The Credit Agency has issued a Carryover Allocation for Tax Credit for the Project in the amount of not less than \$520,840 for each year during the Credit Period, and the Partnership shall comply with the Carryover Allocation Agreement in all material respects. Specifically, but without limitation, (1) the Partnership will submit to the Credit Agency, on or before July 1, 2018, an Independent Accountant’s Report certifying that the Partnership has satisfied the requirements of the Carryover Test, and (2) the Project shall be Placed in Service no later than December 31, 2019.

(c) Extended Use Agreement. The Partnership has or will enter into an Extended Use Agreement that will be recorded pursuant to state law as a restrictive covenant prior to the end of the tax year during which the Project is deemed to be Placed in Service.

(d) Minimum Set-Aside Test. The General Partner shall ensure that all requirements shall be met which are necessary to obtain or achieve compliance with the Minimum Set-Aside Test, the Rent Restriction Test, the Public Use Test and any other requirements necessary for the Project to initially qualify, and to continue to qualify, for Tax Credit, including all applicable requirements set forth in the Regulatory Agreement and the Extended Use Agreement.

(e) Tax Credit Application. The Partnership’s Tax Credit Application received points under the Credit Agency’s ranking system as a result of specific representations made by the Partnership and the General Partner therein, which are accurate and complete, and the General Partner shall cause the Partnership to develop the Project and manage the Partnership in a manner which is consistent with the award of the number of points assigned to the Tax Credit Application by the Credit Agency, except with the consent of the Credit Agency and the Investor Limited Partner.

Section 3.4 Representations and Warranties of the Investor Limited Partner and the Special Limited Partner. The Investor Limited Partner and the Special Limited Partner severally represent and warrant as of the Closing Date and each Installment Date.

(a) Organization; Authorization. Each of the Investor Limited Partner and the Special Limited Partner is duly organized, existing, and in good standing under the laws of the State of Delaware. Each of the Investor Limited Partner and the Special Limited Partner has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by each of the Investor Limited Partner and the Special Limited Partner has been duly authorized by all necessary partnership and limited liability company action. This Agreement has been duly executed and delivered by the Investor Limited Partner and the Special Limited Partner and constitutes a legal, valid and binding obligation of each of them.

(b) No Conflicts; Consents. The Investor Limited Partner's and the Special Limited Partner's execution, delivery and compliance with this Agreement will not (1) conflict with or result in any violation of either of the Investor Limited Partner's or the Special Limited Partner's organizational documents; (2) conflict with or result in any violation of any provision of any bond, note or other instrument of indebtedness, contract, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which either the Investor Limited Partner or the Special Limited Partner is a party; or (3) violate any provision of any order, writ, judgment, injunction, decree, statute, law, rule or regulation applicable to the Investor Limited Partner or the Special Limited Partner, or their respective assets or properties.

(c) Securities Law Matters. Each of the Investor Limited Partner and the Special Limited Partner is (1) purchasing its Partnership Interest for its own account and not with a view toward resale or distribution of the securities, (2) sophisticated and able to adequately evaluate the merits and risks associated with an investment in the Partnership, and (3) aware that transfer of Partnership Interests is restricted by applicable law and this Agreement.

Section 3.5 Reliance. The General Partner hereby agrees that all of the representations and warranties made in the Agreement may be relied upon by the Investor Limited Partner, the Special Limited Partner, any investors in the Investor Limited Partner, and tax counsel engaged by the Investor Limited Partner to render a tax opinion with respect to the Investor Limited Partner's investment in the Partnership. No representation, warranty or statement of the General Partner in this Agreement or in any document, certificate or schedule furnished or to be furnished to any Limited Partner pursuant to this Agreement contains or will contain any inaccurate statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading.

ARTICLE 4

Capital Contributions

Section 4.1 General Partner Capital Contributions.

The General Partner has made, or shall make upon the execution of this Agreement, a cash Capital Contribution to the Partnership in the amount of \$100 in exchange for a 0.005% General Partner Partnership Interest, and, upon the execution of this Agreement, shall provide documentation to the Investor Limited Partner evidencing the fact that such Capital Contribution has been made.

(a) The General Partner has assigned and hereby assigns (and has caused and shall cause its Affiliates to assign) to the Partnership all of its right, title and interest in the Project, including without limitation the following:

(i) all contracts with architects, contractors and supervising architects with respect to the development of the Project;

(ii) all plans, specifications and working drawings, heretofore prepared or obtained in connection with the Project (including the Plans and Specifications) and all governmental approvals obtained, including planning, zoning and building permits;

(iii) any and all commitments with respect to the Permanent Financing and the Tax Credit;

(iv) any and all rights under and pursuant to the Project Documents; and

(v) any other work product related to the Project.

(b) The General Partner's Capital Account will not be credited with any amount as a result of its assignment to the Partnership of the various items referred to in the immediately preceding sentence.

(c) In no event shall the General Partner make any additional Capital Contribution to the Partnership without the consent of the Investor Limited Partner, except as otherwise required under the terms of this Agreement.

Section 4.2 Limited Partner Capital Contributions; Adjusters.

(a) Special Limited Partner. The Special Limited Partner shall make a Capital Contribution to the Partnership in the amount of \$100 in exchange for a 0.005% Limited Partner Partnership Interest. This Capital Contribution shall be contributed on behalf of the Special Limited Partner by the Investor Limited Partner as part of the First Installment, and the Special Limited Partner shall reimburse the Investor Limited Partner for such Capital Contribution.

(b) Investor Limited Partner. The Investor Limited Partner shall make Capital Contributions to the Partnership in the aggregate amount of \$4,648,032 in exchange for a 99.99% Limited Partner Partnership Interest. Subject to the provisions of this Agreement, including Section 4.2(c), Section 4.3 and Section 4.8, the Investor Limited Partner shall be obligated to make Capital Contributions in cash installments (the “Installments”) upon satisfaction of all of the funding conditions for a particular Installment set forth in the following table:

[Remainder of page intentionally left blank.]

Installment	Funding Conditions	Amount
First	1. Satisfactory completion of the Investor Limited Partner's due diligence review	\$464,803 *
	2. Execution of this Agreement	
	3. Execution of all Construction Loan documents	
	4. Receipt of Permanent Financing commitments	
	*Up to \$40,000 of the first installment will be used to reimburse 42 Equity for due diligence and closing costs, including the issuance of the tax opinion.	
Second	1. Satisfaction of any outstanding requirements related to payment of the prior installment	\$3,898,229**
	2. Completion	
	3. Receipt of Certificate of Occupancy for all Project buildings	
	4. Receipt of Architect's Certificate of substantial completion	
	5. Inspection by 42 Equity's construction consultant confirming Completion	
	6. Permanent Loan Conversion	
	7. 100% Qualified Occupancy	
	8. Stabilization	
	9. Satisfactory completion of all punch list items	
	10. Receipt of final Title Policy	
	11. Receipt of satisfactory updated "As-Built" ALTA survey	
	12. Receipt of final lien waivers from the General Contractor	
	13. Receipt of a final Cost Certification verifying the tax credit basis	
	14. Recordation of Extended Use Agreement	
	15. Receipt of satisfactory evidence that all required reserves have been established by the General Partner and funded at the required levels (which funding levels may be met with funds from this Installment). A portion of this Installment shall be used to fully fund the Operating Reserve.	
	*\$83,192 of this Second Installment shall be used to fund the Operating Reserve.	
Third	1. Satisfaction of any outstanding requirements related to payment of the prior installment	\$285,000
	2. 8609 Issuance	
	3. July 1, 2020	
	Total:	\$4,648,032

Notwithstanding anything to the contrary in Section 4.2, the Investor Limited Partner may, in its sole and absolute discretion, waive any one or more of the funding conditions and pay all or a portion of such Installment prior to full satisfaction of such conditions; provided, however, that any requirement that is waived must be satisfied prior to the payment by the Partnership of any Development Fee.

(c) Capital Contribution Adjustments. The Projected Credit is as follows:

Year	Projected Credit
2019	\$108,991
2020-2028	\$520,840
2029	\$411,849
Total:	\$5,208,400

(i) Determination of Certified Credit. The General Partner shall cause the Accountant to provide to the Partners a calculation of the Certified Credit for each year during the Credit Period based, among other things, on (1) the Forms 8609 issued by the Credit Agency for all the buildings comprising the Project, and (2) the Cost Certification prepared in connection with the application by the Partnership for Forms 8609

(ii) Downward Adjusters. If any of the following events occur (each, a “Downward Adjuster”), the Capital Contribution of the Investor Limited Partner shall be reduced in accordance with Section 4.2(c)(iii):

(A) Timing Adjuster. If the Actual Credit for 2019 is less than 99.99% of the Projected Credit for such year (a “Timing Shortfall”), then (1) the Capital Contribution of the Investor Limited Partner shall be reduced by an amount (the “Timing Adjuster”) equal to the product of (x) the sum of the Timing Shortfalls and (y) 70%, and (2) the Projected Credit for 2029 shall be correspondingly increased. The Timing Adjuster, if any, shall be determined prior the funding of the Third Installment.

(B) Basis Adjuster. The Accountant shall determine the Certified Credit promptly after receipt of Forms 8609 for the Project. If Forms 8609 are not available at the time of the payment of the Third Installment, then the Accountant shall make a preliminary determination of Certified Credits at that time and each of the adjustments required pursuant to this Section 4.2(c)(ii)(B) shall be made twice: preliminarily at the time of the Third Installment and finally at the time of the final determination of the Certified Credit. If the aggregate Certified Credit for the Credit Period is less than 99.99% of the aggregate Projected Credit for the Credit Period (a “Credit Shortfall Amount”), then (1) the Capital Contribution of the Investor Limited Partner shall be reduced by an amount (the “Basis Adjuster”) equal to the product of (x) the Credit Shortfall Amount and (y) 89%, and (2) the Projected Credit shall be revised accordingly.

(iii) Payment, Application and Coordination of Downward Adjusters.

(A) Each Downward Adjuster shall be applied first to reduce the Second Installment (if it has not previously been funded), and then to the extent necessary, each subsequent Installment. If the sum of the Downward Adjusters exceeds the total of all unfunded Installments, then the General Partner shall make a payment to the Partnership of such excess (the "Credit Adjuster Obligation"), which payment shall constitute a non-reimbursable funding of Excess Development Costs, and the entire Credit Adjuster Obligation shall be immediately distributed to the Investor Limited Partner as a return of capital and shall neither constitute nor be limited by Net Cash from Operations or Net Cash from Sales or Refinancings. Any Credit Adjuster Obligation that is not paid within 30 days after demand is made shall be deemed to bear simple interest from the due date through the date of payment at the Prime Rate plus 4%.

(B) The parties intend that the Basis Adjuster be determined first, based on any change between Projected Credit and Certified Credit, and that the Timing Adjuster then be determined after taking into account such change. Thus, for the purpose of determining any Timing Shortfall where there is an increase, or decrease, in such Tax Credit taken into account under Section 4.2(c)(ii)(B), the Projected Credit for the applicable year used in determining the Timing Shortfall shall be the amount of the Tax Credit reflected in the Certified Credit that is allocable to such year assuming the same lease-up schedule as assumed in determining the Projected Credit.

(C) The Partners acknowledge and agree that, if a reduction in the Capital Contributions of the Investor Limited Partner occurs as a result of a Downward Adjuster, the General Partner and the Investor Limited Partner shall agree on a method of applying such reduction in Capital Contribution that shall have the least adverse effect on the Qualified Basis and Eligible Basis of the Project for purposes of Tax Credit, which such method may include, if and to the extent necessary, the deferral of a portion of the Development Fee.

(iv) Anticipated Capital Contribution Reductions. Notwithstanding anything to the contrary contained herein, if, upon the request by the General Partner for funding any Installment, the Investor Limited Partner shall have a reasonable basis (as explained to the General Partner in writing promptly upon receipt of a request for funding of such Installment) to believe that the amount of such Installment would have been subject to reduction if the Accountant had made a current determination or projection under any of the preceding provisions of this Section 4.2(c), the Investor Limited Partner may so notify the General Partner and the General Partner shall thereupon engage the Accountant to make such determination or projection (unless the General Partner and Investor Limited

Partner shall mutually agree upon the adjustments to be made). The amount of the Installment in question shall then be provisionally reduced in accordance with such projection or agreement; provided, however, that if the Accountant's subsequent determinations with respect to matters provisionally reduced under this subsection shall vary from the determinations or mutual agreements described herein, then either (1) the Investor Limited Partner shall promptly pay to the Partnership the amounts, if any, by which the provisional reduction exceeded the reduction, if any, as subsequently determined, or (2) the amount, if any, by which the reduction as subsequently determined exceeded the provisional reduction shall be applied against future Installments or refunded in accordance with Section 4.2(c). The due date for payment by the Investor Limited Partner of any Capital Contribution which shall become the subject of the procedure described in this subsection shall be tolled pending determination of the provisional reduction (if any) as provided herein.

(v) Upward Adjusters.

(A) Upward Basis Adjuster. If the aggregate Tax Credit reflected in the Certified Credit is greater than the aggregate Tax Credit reflected in the Projected Credit (such additional amount, the "Additional Credit"), then the Capital Contribution of the Investor Limited Partner shall be increased by an amount (the "Upward Adjuster") equal to the product of the Additional Credit and 89%, and the Projected Credit shall be revised accordingly. The Upward Adjuster shall be made and applied to increase the final Installment. The Partnership shall use the Upward Adjuster (A) to pay Excess Development Costs, (B) to pay any Deferred Development Fee (but the Development Fee shall not be increased as a result), and (C) the balance, if any, to increase the Operating Reserve or other escrow or reserve; provided, that at the end of the Operating Deficit Guaranty Period, the excess of the balance then remaining in the Operating Reserve over the Operating Reserve Minimum may be released and distributed as Net Cash from Operations. Notwithstanding anything to the contrary contained herein, the Upward Adjuster shall not exceed 5% of the Capital Contribution of the Investor Limited Partner (prior to any increase in accordance with this Section 4.2(c)(v)) without the consent of the Investor Limited Partner; provided that, if additional Tax Credit is available for which the Investor Limited Partner has not made a Capital Contribution with respect thereto, the parties agree that this Agreement shall be amended in such a manner as to afford the General Partner the expected benefits of such additional Tax Credit without otherwise materially and adversely affecting the interests of the Investor Limited Partner. Notwithstanding the foregoing, however, there shall be no additional Capital Contributions due under this Section 4.2(c)(v) unless the determination of the Additional Credit shall be supported by the 8609 Issuance and by a certification of the Accountant in form and substance reasonably acceptable to the Investor Limited Partner to the effect that the

buildings in the Project will have sufficient Eligible Basis and Qualified Basis, given their respective Applicable Percentages, so as to enable the Partnership to claim the entire Additional Credit, and the determination of the amount of the additional Tax Credit and the Accountant's certification thereof shall have been received by the Investor Limited Partner no later than December 31, 2019.

(B) Upward Timing Adjuster. If the Actual Credit for 2019 is more than the Projected Credit for such year (in such case, a "Timing Surplus"), then the Capital Contribution of the Investor Limited Partner shall be increased by an amount, not to exceed \$100,000, equal to the product of (1) \$0.45, multiplied by (2) the Timing Surplus.

(vi) Corporate Tax Reform Adjuster. Upon the later of (i) July 1, 2020 or (ii) the Third Installment (the "Tax Adjuster Date"), the Special Limited Partner shall perform an analysis of the Project's projected benefits to the Investor Limited Partner, taking into account any changes to the Code and the Regulations that may have occurred between the Closing Date and the Tax Adjuster Date (such changes being referred to herein as the "Applicable Tax Reform Changes"), including specifically but without limitation any changes in corporate income tax rates and changes in the timing and amount of permitted depreciation deductions. If, as determined by the Special Limited Partner in its sole reasonable discretion using a methodology consistent with the Key Assumptions and taking into account any Downward Adjuster and/or Upward Adjuster, the projected quarterly compounded, pre-tax equivalent annual internal rate of return on the Investor Limited Partner's Capital Contributions as of the Tax Adjuster Date (the "Adjuster IRR"), is less than the projected quarterly compounded, pre-tax equivalent annual internal rate of return on the Investor Limited Partner's Capital Contributions as of the Closing Date (the "Target IRR"), then the Investor Limited Partner's Third Installment shall be reduced by an amount such that the Adjuster IRR, taking such reduction into account, would equal the Target IRR. If it is not possible to reduce the Third Installment sufficiently to achieve such result, then the Partnership shall adjust the distributions made pursuant to Section 6.1 or Section 6.2, as applicable, in a manner necessary to ensure that the Investor Limited Partner receives additional distributions from the Partnership such that the Adjuster IRR, taking such distributions (in addition to any reductions made pursuant to the preceding sentence) into account, equals the Target IRR. Promptly after the Special Limited Partner's calculation of Adjuster IRR, as contemplated in this Section 4.2(c)(vi), the Special Limited Partner shall provide to the General Partner the Special Limited Partner's calculations of the Target IRR and the Adjuster IRR.

Section 4.3 Conditions to Payment of Capital Contributions.

(a) General Conditions. Notwithstanding satisfaction of the conditions in Section 4.2, the Investor Limited Partner shall have no obligation to fund an Installment or any portion thereof unless:

(i) The Investor Limited Partner has received and accepted as to form the Funding Certificate executed by the General Partner;

(ii) The Investor Limited Partner has received any items that were required as a condition to the prior Installment but were deferred until the Installment to be funded;

(iii) The Investor Limited Partner has received all such documentation as it may reasonably request to verify the satisfaction of the Installment conditions, the accuracy of the representations and warranties contained in the Funding Certificate and the General Partner's continued compliance with the terms of this Agreement;

(iv) No Event of Default has occurred;

(v) No event triggering a repurchase obligation under Section 4.8 has occurred;

(vi) No Lender, grant provider or the Credit Agency has (1) failed to timely fund any portion of any Construction Financing, Permanent Financing or grant to the Partnership when due, (2) provided notice of a default under any Loan Document, or (3) provided a notice of denial or termination of any financing or grant commitment to the Partnership;

(vii) All construction/rehabilitation and development work completed as of the date of any funding request shall have been done materially in accordance with the Plans and Specifications;

(viii) The General Partner has complied, in all material respects, with the terms of this Agreement, subject to any expressly applicable cure rights;

(ix) The representations and warranties of the General Partner set forth in the Agreement are materially accurate as of the date of funding of the Installment;

(x) The General Partner has complied, in all material respects, with its obligation to furnish the Limited Partners with any reports or other information, in satisfactory form, required to be provided by the General Partner pursuant to Article 12 hereof;

(xi) There has been no, and there is no imminent nor threatened, material adverse change in the General Partner's financial or business condition or operations that affects (or with the passage of time will affect) its ability to perform its obligations hereunder; and

(xii) There has been no change in any law or regulation that would adversely affect the ability of the Partnership to generate Tax Credit.

(b) Draw Requests During Construction/Rehabilitation. Prior to Completion, the Investor Limited Partner shall fund Installments only in accordance with the following draw procedure:

(i) Not more than once a month and not less than 5 business days before the date on which the Partnership desires a draw to be made, the Partnership shall deliver to the Investor Limited Partner the following documents (together, the "Draw Documents"):

(A) an original Contractors requisition for payment in a form reasonably satisfactory to the Investor Limited Partner (American Institute of Architects standard form G-722 or G-702/G-703 shall be deemed satisfactory) certified by the architect for actual improvements in place and for materials securely stored on site through the date of that requisition;

(B) an original schedule of values showing costs incurred in the various construction and soft cost categories, summarized in a format provided by the Investor Limited Partner, together with copies of invoices or other appropriate backup information required by the Investor Limited Partner;

(C) a certification from the General Partner that as of the date of the draw request neither the Partnership nor the General Partner are in default of any of their obligations under this Agreement or any Project Document, and the representations and warranties of the General Partner in this Agreement continue to be accurate;

(D) copies of the partial waiver of liens (subject to retainages) for current invoices and the unconditional waiver of liens for past invoices, of each subcontractor and significant supplier, as to all work performed and materials purchased for which the immediately preceding draw, if any, had been made, in form acceptable to the Title Company, and an accounting prepared by the Contractor of all payments made under the immediately preceding draw;

(E) such other document as may be reasonably required by the Investor Limited Partner; and

(F) a copy of the project schedule, updated monthly, showing the progress of the work.

(ii) The Investor Limited Partner shall have five business days after receiving the Draw Documents in which it has the right, exercisable by notice by facsimile or other electronic transmittal to the Partnership, to object to the draw on the basis that the Draw Documents are incomplete or inaccurate, or do not otherwise comply with the Project Documents or this Agreement. As soon as practical after receipt of such notice, the Partnership shall complete the Draw Documents, correct all inaccuracies and resubmit the Draw Documents for approval. If the Investor Limited Partner does not object to the Draw Documents within such five-day period, the Draw Documents shall be deemed approved.

(c) Legal Opinion. As a condition precedent to the Investor Limited Partner making the First Installment, the Investor Limited Partner shall have received the opinion of Holden Law Office, P.C. and McCoy & Orta, P.C., counsel to the Partnership and the General Partner, in substantially the form of Exhibit 5. Such opinion shall explicitly state that counsel to the Investor Limited Partner may rely upon it.

(d) Items To Be Delivered No Later Than 90 Days After Completion. No later than 90 days after Completion of the Project, the General Partner shall deliver or cause to be delivered to the Investor Limited Partner all of the following:

(i) A compiled balance sheet (“Compiled Balance Sheet”) prepared by the Accountant as of the date of Completion showing the Eligible Basis of the Project and each Partner’s capital account as a separate line item. The Compiled Balance Sheet shall reflect that Excess Development Costs paid by the General Partner pursuant to the completion guaranty shall not constitute income, loans or Capital Contributions to the Partnership, but rather are costs not incurred by the Partnership and not includible in the cost of the Project. The Compiled Balance Sheet shall also reflect a capital account for the General Partner as described in this Agreement.

(ii) Prior to its submission to the Credit Agency, a copy of the completed Cost Certification prepared by the Accountant showing the costs incurred with respect to the construction/rehabilitation of the Project, together with any application for Form(s) 8609 and/or Credit Agency cost certifications to be submitted to the Credit Agency or to any other Authority.

(iii) A report from the Accountant stating that it has performed the following agreed upon procedures:

(A) It has prepared the completed Cost Certification.

(B) It has compared the Cost Certification to the Eligible Basis of the Project shown on the Compiled Balance Sheet as of the date of Completion, which it has prepared and which is attached thereto.

(C) It has reconciled the differences between the Cost Certification and the eligible basis shown on the Compiled Balance Sheet.

(D) It has prepared a reconciliation of these costs and has reviewed invoices and other documentation supporting these costs, has determined that such costs are properly includable in Eligible Basis and has calculated the Eligible Basis and has stated such basis and has identified it on the Compiled Balance Sheet. It will attach the reconciliation and calculations.

(E) It has prepared a tax depreciation and amortization schedule in a form acceptable to the Investor Limited Partner listing the individual depreciable and amortizable asset categories including, but not necessarily limited to, those assets depreciable over 3, 5, 7, 15, 27.5 and 40 years, and showing the cost, estimated life, and method used to depreciate/amortize each category for tax purposes. The annual depreciation/amortization expense for each category is listed beginning with the year the Project is Placed in Service and ending 18 years from the Placed in Service date with the total annual depreciation and amortization expenses listed for each year. It has determined that the Tax Depreciation and Amortization Schedule properly reflects the appropriate methodology for determining the depreciable and amortizable expenses for the Project.

Section 4.4 Right of Offset. The Investor Limited Partner shall have the right to offset any Installment and any portion thereof with any unpaid Credit Adjuster Obligation and any other fees or charges levied by the Investor Limited Partner in accordance with this Agreement, and the balance of such Installment or Installments after such offset shall be contributed to the Partnership.

Section 4.5 Additional Capital Contributions. Except as expressly provided in this Agreement, no Partner is required to make contributions to the capital of the Partnership.

Section 4.6 Special Additional Capital Contributions.

(a) If, in any fiscal year of the Partnership, the Investor Limited Partner's Capital Account balance may be reduced to or below zero, the Investor Limited Partner may, in its sole and absolute discretion, make a special additional Capital Contribution to the Partnership, in an amount reasonably required to avoid the reduction of the Investor Limited Partner's Capital Account balance to or below zero (an "ILP Special Additional Capital Contribution"). Any ILP Special Additional Capital Contributions shall be deposited in a separate Partnership reserve account, withdrawals from which shall require the consent of the Investor Limited Partner. All interest earned on such account shall be payable to such Investor Limited Partner, and an amount of income equal to the amount of such interest shall be specifically allocated to such Investor Limited Partner. The Investor Limited Partner shall receive a guaranteed payment pursuant to Section 4.9 for the use of its ILP Special Additional Capital Contribution. Whenever an ILP Special

Additional Capital Contribution is made, the General Partner shall have the option, in its sole and absolute discretion, to make a GP Special Additional Capital Contribution to the Partnership, up to the same amount and on the same terms in the aggregate as the ILP Special Additional Capital Contribution.

(b) If (1) the Partnership is required to fund additional reserves in accordance with Section 7.3, and/or (2) the Partnership has not paid the Development Fee in full by the first to occur of (i) the 13th anniversary of the commencement of the Compliance Period, (ii) the date of liquidation of the Partnership, or (iii) the date of removal of the General Partner from the Partnership (the “DDF Outside Date”), then in each case, the General Partner shall make a Capital Contribution (each, a “GP Special Additional Capital Contribution”) to the Partnership on the DDF Outside Date, in the amount of the outstanding balance of the Development Fee, and any accrued and unpaid interest thereon, and the Partnership shall use this Capital Contribution to pay the remaining balance of the Development Fee, and any accrued and unpaid interest thereon. If the DDF Outside Date is triggered in accordance with clause (iii) above, it shall be the General Partner being removed, immediately prior to such removal, that shall make the GP Special Additional Capital Contribution.

Section 4.7 Return of Capital Contributions; Interest. Except as expressly provided in this Agreement, no Partner has the right: (1) to withdraw any part of its Capital Contribution from the Partnership, (2) to demand a return of its Capital Contribution, or (3) to receive property other than cash in return for its Capital Contribution. The Partnership shall not pay any Partner interest on its Capital Contribution or its Capital Account.

Section 4.8 Repurchase Obligation.

(a) No later than 10 days after the occurrence of any of the following events, the General Partner shall provide written notice to the Limited Partners and the Investor Limited Partner shall have the right, but not the obligation, to require the General Partner (or any of the General Partners, if more than one) to repurchase the Investor Limited Partner’s entire Partnership Interest for the payment specified in Section 4.8(b):

(i) The Project is not Placed in Service by December 31, 2019, or such later date to which the Investor Limited Partner may consent;

(ii) Qualified Occupancy has not occurred by June 30, 2020, or such later date to which the Investor Limited Partner may consent;

(iii) Permanent Loan Conversion has not occurred by October 31, 2020, or such later date to which the Investor Limited Partner may consent;

(iv) Forms 8609 are not issued by the Credit Agency in time to allow the Partnership to claim Tax Credit for the first year of the Credit Period, unless such 8609s are expected by the Investor Limited Partner in its good faith judgment to be received in the following year and it is reasonably expected that the Investor Limited Partner will be made whole through operation of the Timing Adjuster;

(v) the aggregate amount of Certified Credit is less than 70% of the aggregate amount of Projected Credit;

(vi) the Partnership fails to meet the Minimum Set-Aside Test or the Rent Restriction Test by the close of the first year of the Credit Period;

(vii) the Partnership fails to satisfy the Carryover Test, as finally determined by the Accountant or pursuant to an IRS audit;

(viii) a casualty occurs and the insurance proceeds (if any), plus amounts escrowed by the General Partner to complete construction/rehabilitation, are not sufficient to restore the Project, or the Project is not otherwise restored, within 18 months following such casualty (or such shorter period as is necessary to qualify for Tax Credit);

(ix) the Project or any related entity fails to comply with any material representations set forth in the Tax Credit Application and a General Partner fails to cure same within a reasonable period of time after notice from the Credit Agency or the Investor Limited Partner such that the Tax Credit is reasonably likely to be recaptured or Carryover Allocation rescinded; or

(x) an Extended Use Agreement is not in effect before the end of the first year of the Credit Period.

(b) If the Investor Limited Partner elects to require a General Partner to repurchase its Partnership Interest, such General Partner, no later than 30 days after receiving written notice by the Investor Limited Partner of such election, shall acquire the entire Partnership Interest of the Investor Limited Partner by making payment to the Investor Limited Partner, by wire transfer of immediately available funds, of an amount equal to 110% of the Capital Contributions made to the Partnership by the Investor Limited Partner, less the dollar value of any Tax Credit actually received by the Investor Limited Partner and not subject to recapture, plus the Limited Partner's reasonable and actual legal, accounting and other third-party expenses incurred in connection with such repurchase.

(c) On or before the closing of the Partnership Interest purchase described in this Section 4.8, the General Partner shall cause the Partnership to effect the release of any letter of credit, guaranty or collateral that the Investor Limited Partner and/or its Affiliates have provided to secure obligations of the Partnership. In addition, the General Partner and the Partnership shall indemnify and hold harmless the Investor Limited Partner and its Affiliates from any loss, damage or liability to which the Investor Limited Partner or its Affiliates may be subject arising out of or relating to the Partnership, the Project, this Agreement, or the provision of any letter of credit, guaranty or collateral in connection with the foregoing.

(d) Provided that the General Partner shall have satisfied its obligations with respect to this Section 4.8, the Investor Limited Partner shall execute an instrument

withdrawing from the Partnership and acknowledging that it has no further interest in the Partnership.

Section 4.9 Guaranteed Payments. No later than 90 days after the end of the Partnership's fiscal year, subject to any applicable restrictions set forth in the Permanent Financing Documents, any Partner who has made a Special Additional Capital Contribution pursuant to Section 4.6 shall receive an amount equal to the annual interest earned by the Partnership, if any, on such Special Additional Capital Contributions. Provided that the General Partner is not required to assume any additional burdens outside the normal course of business, the Partnership shall invest any amounts contributed pursuant to Section 4.6 as reasonably directed by the contributing Partners. Any guaranteed payment due to a Partner shall be deemed an expense of the Partnership for purposes of determining Net Cash from Operations. Any guaranteed payment which is not paid when due shall remain a liability of the Partnership and shall bear interest as set forth above.

Section 4.10 Default by the Investor Limited Partner.

(a) If the Investor Limited Partner fails to contribute any Installment following the completion of each condition precedent thereto in accordance with the terms of this Agreement, and such failure continues for a period of 30 days after delivery of notice of such failure to the Investor Limited Partner (the "Installment Notice"), the General Partner may proceed to sell the Partnership Interests of the Limited Partners as provided in this Section 4.10, unless the Limited Partners dispute in good faith the claim of the General Partner that all conditions precedent to the obligation to fund such Installment(s) have been completed, in which event the dispute shall be subjected to binding arbitration as provided hereinafter. Without limiting the generality of the foregoing, neither the Investor Limited Partner, the Special Limited Partner, nor any of their Affiliates, shall have any personal liability with regard to the covenants or obligations undertaken by the Investor Limited Partner under this Agreement. If the Investor Limited Partner shall be in default under any of the terms of this Agreement, the sole recourse of any party hereto for any obligations due hereunder or any damages resulting from such default shall be against the Partnership Interests of the Investor Limited Partner and the Special Limited Partner.

(b) If there is a dispute as to the completion by the General Partner of each condition precedent to the payment of an Installment in accordance with the terms of this Agreement and the Investor Limited Partner fails to pay any Installment as a result thereof (an "Unpaid Installment"), and such failure to pay continues for a period of 30 days after delivery of the Installment Notice to the Investor Limited Partner and Special Limited Partner, the parties shall cooperate in good faith to resolve such dispute and, if unable to do so, submit the same to binding arbitration ("Arbitration") as expeditiously as practical, but in no event later than 75 days following the date of the Installment Notice. Any Arbitration hereunder shall be submitted to and settled in Austin, Texas, pursuant to the Commercial Rules of Arbitration then in effect of the American Arbitration Association (or under any other form of arbitration mutually acceptable to the General Partner and the Limited Partner) for the purpose of determining if any portion of the

Capital Contribution is currently due and payable because all of the conditions precedent have been completed and the amount of the Capital Contribution that is currently due and payable (the “Arbitration Amount”, which shall include interest at the Prime Rate from the date of the Installment Default (hereinafter defined in subsection (d)) until paid and shall not include any amount for costs, damages, consequential damages, lost profits, etc.). Any Arbitration Decision rendered in accordance with the terms and conditions of this Section shall be final and conclusive upon the parties, and may be entered in the highest court of the forum (state or federal) having jurisdiction over the issues addressed in the Arbitration, if necessary. In addition, the General Partner and the Guarantors shall not be liable for any Excess Development Costs or Credit Adjuster Obligations that are determined in such Arbitration to have been caused directly by such Unpaid Installment.

(c) The Investor Limited Partner shall have the unconditional right to pay any Unpaid Installment or Arbitration Amount within the Payment Period and upon the terms and conditions set forth herein, The “Payment Period” shall commence upon receipt by the Limited Partners of the Installment Notice and shall terminate 10 business days following the Partnership’s receipt of the final written Arbitration decision (the “Arbitration Decision”), The Arbitration Decision may include the fees of the prevailing party’s counsel and/or its share of the expenses of the Arbitration in the discretion of the arbitrator. If an Arbitration Decision is awarded in favor of the Limited Partner(s) and includes an award of money damages, then if the General Partner does not promptly pay the amount of damages to the Limited Partners, the Limited Partners may deduct the amount of the award from their remaining Installments.

(d) If the Arbitration Decision provides that all or a part of the Unpaid Installment is owed to the Partnership (or the Limited Partners do not dispute the contention that the Unpaid Installment is owed to the Partnership) and the Limited Partners fail to pay the Arbitration Amount (with interest as aforesaid) prior to the expiration of the Payment Period, the Limited Partners shall be in default hereunder (an “Installment Default”) and the General Partner shall have the right to cause the Partnership to sell the Partnership Interests of the Special Limited Partner and the Investor Limited Partner, including, without limitation, to the Construction Lender or an Affiliate thereof, on the most favorable terms and conditions to the Partnership as the General Partner may obtain acting in good faith provided that such terms and conditions shall in all events be commercially reasonable. If the General Partner obtains a buyer for the Special Limited Partner’s and Investor Limited Partner’s Partnership Interests, the General Partner shall notify the Special Limited Partner and Investor Limited Partner in writing (a “Sale Notice”) with respect to the terms and conditions of the proposed sale, including, without limitation, the identity of the proposed purchaser. The General Partner shall not sell the Partnership Interests of the Limited Partners until 10 business days after the receipt by the Investor Limited Partner of the Sale Notice during which time the Investor Limited Partner shall have the right to pay the Arbitration Amount to cure the Installment Default (notwithstanding the fact that the Payment Period may have previously expired), Notwithstanding any other provision of this Section 4.10 to the contrary, in the event the Partnership Interests of the Special Limited Partner and the Investor Limited Partner remain unsold to a substitute investor 60 days after the Payment

Period ends, it is understood and agreed that the Construction Lender or an Affiliate thereof shall have the continuous option at any time thereafter to purchase the Partnership Interests of the Special Limited Partner and the Investor Limited Partner in a commercially reasonable amount. Any amount paid for the Interests shall be applied in the following order (1) first, to the payment of the Partnership's reasonable out-of-pocket fees and expenses in connection with the sale of the Percentage Interests; (2) second, to the payment of the Arbitration Amount with the applicable interest; (3) third, to the payment of any subsequent Installment as the same become due in accordance with the applicable terms of this Agreement prior to the transfer of the Partnership Interests; (4) fourth, to the Investor Limited Partner in an amount equal to the Investor Limited Partner's Installments actually made by the Investor Limited Partner less an amount equal to any Tax Credit allocated to and received by the Investor Limited Partner which have not been recaptured and are not likely to be recaptured as of the date of the sale of the Percentage Interest; and (5) fifth, to the Partnership.

(e) The obligations of the Limited Partners to the Partnership shall be extinguished upon completion of the transfer of the Limited Partners' Partnership Interests to a Substitute Limited Partner pursuant to Article 10 and the rights and benefits of the Limited Partners attributable to such Partnership Interests in the Partnership shall terminate on the date of admission of such Substitute Limited Partner. If any or all of the Tax Credit allocated to the Limited Partners are subject to recapture following the sale of the Partnership Interests of the Limited Partners and excluding any recapture triggered by the sale, the General Partner shall be obligated to reimburse the Limited Partners in an amount equal to (1) the amount of any recapture recognized by the Limited Partner, plus (2) interest, penalties and enforcement costs payable on any such shortfall or recapture, plus (3) an amount equal to the dollar amount of future Tax Credit unable to be taken due to the circumstances giving rise to the shortfall or recapture, plus (4) an additional amount such that, after payment of tax, if any, by the Limited Partner on the sum of the amounts described in clauses (1) through (4) of this subsection that are includible in federal taxable income (calculated at the highest federal corporate income tax rate then in effect), the net amount paid to the Investor Limited Partner pursuant to this sentence (net of such tax liability) will equal the sum of the amounts described in clauses (1) through (3) of this subsection.

(f) The Limited Partners' right to receive distributions in accordance with Article 6 shall be suspended upon the occurrence of an Installment Default until the earlier of the date (1) the Limited Partners pay the Arbitration Amount, provided that if a Sale Notice is issued, it is paid within ten business days after receipt of the Sale Notice, (2) the completion of a transfer of the Limited Partners' Interests to a Substitute Limited Partner pursuant to Section 4.10(e) hereinabove, or (3) the termination of the Limited Partners' Interests in the Partnership. Upon the occurrence of the events in clause (2) or clause (3) of this Section, the Limited Partners shall have no further right to receive distributions in accordance with Article 6 from the date of the occurrence of the Installment Default.

(g) Any bankruptcy filed by a Limited Partner shall not prevent the sale of the Partnership Interest of the Investor Limited Partner and the Special Limited Partner pursuant to the terms hereof and subsequent acquisition by a subsequent investor, including without limitation, the Construction Lender or an Affiliate thereof.

(h) Notwithstanding anything to the contrary contained herein, this Section 4.10 shall govern in any event of a dispute regarding fulfillment of the conditions precedent to the payment of an Installment.

ARTICLE 5

Allocations

Section 5.1 Capital Accounts. The Partnership shall determine and maintain a separate Capital Account for each Partner throughout the full term of the Partnership in accordance with the capital accounting rules of Section 1.704-1(b)(2)(iv) of the Regulations.

Section 5.2 Profit and Loss Allocations. Except as otherwise specifically provided in this Section 5.2, the Partnership shall allocate all profits, losses, tax-exempt income, non-deductible non-capitalizable expenditures, and other items of income, gain, loss, deduction and credit to the Partners in accordance with their Percentage Interests.

Section 5.3 Special Allocations.

(a) If there is a determination that there is any original issue discount or imputed interest attributable to the Capital Contribution of any Partner, or any loan between a Partner and the Partnership, any income or deduction of the Partnership attributable to such imputed interest or original issue discount on such Capital Contribution or loan (whether stated or unstated) shall be allocated solely to such Partner.

(b) If the deduction of all or a portion of any fee paid or incurred by the Partnership to a Partner or an Affiliate of a Partner is disallowed for federal income tax purposes by the IRS with respect to a taxable year of the Partnership, the Partnership shall then allocate to such Partner an amount of gross income of the Partnership for such year equal to the amount of such fee as to which the deduction is disallowed.

(c) The payment by the General Partner of Excess Development Costs shall not be treated as an item of income or gain to the Partnership. The payment by the Developer of costs under the Development Agreement shall not be treated as an item of income or gain to the Partnership.

(d) If a Partner makes an unsecured loan to the Partnership pursuant to Section 7.2 or otherwise, any deductions or losses of the Partnership attributable to the use of those funds shall be specially allocated to such Partner.

(e) Notwithstanding any other provision of this Agreement, before any other allocation of gross income and gain is made, if any unanticipated gross income arises

from a subsequent recharacterization of a tax reporting position of the Partnership, it is the intent of the Partners that all such gross income shall be allocated to the General Partner.

(f) In any year in which the General Partner receives an Incentive Management Fee, such fee shall be treated as a guaranteed payment. If and to the extent that such fee, for any reason, cannot be treated as a guaranteed payment, then the General Partner shall be allocated an amount of gross income of the Partnership in an amount equal to the Incentive Management Fee.

(g) “Nonrecourse deductions” (within the meaning of Section 1.704-2(b)(1) of the Regulations) shall be allocated to the Partners in accordance with their Percentage Interests. “Partner nonrecourse deductions” (within the meaning of Section 1.704-2(c) of the Regulations) shall be allocated to the Partner who bears the economic risk of loss associated with such deductions, in accordance with Section 1.704-2(i) of the Regulations.

(h) To the extent an adjustment to the adjusted tax basis of any Partnership Property pursuant to Sections 734(b) or 743(b) of the Code is required, pursuant to Section 1.704-1(b)(2)(iv)(m) of the Regulations, to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such section of the Regulations.

(i) To the extent an adjustment to the adjusted tax basis of any Partnership Property undertaken pursuant to Section 734(b) or 743(b) of the Code is required to be taken into account in determining the Capital Accounts of the Partners under Section 1.704-1(b)(2)(iv)(m) of the Regulations, then the amount of such adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss will be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to the aforementioned section of the Regulations.

Section 5.4 Regulatory Allocations.

(a) Notwithstanding any other provision of this Agreement, no allocation of loss or deduction (or item thereof) shall be made by the Partnership to a Partner if such allocation would cause or increase a deficit Capital Account balance of the Partner otherwise receiving such allocation (excluding the portion of such deficit balance that must be restored to the Partnership upon liquidation by such Partner, if any, and the amount that such Partner is deemed obligated to restore pursuant to the penultimate sentences of Section 1.704-2(g)(1)(ii) and 1.704-2(i)(5) of the Regulations).

(b) If there is a net decrease in “partnership minimum gain” (as defined in Section 1.704-2(b)(2) of the Regulations) during a Partnership taxable year, each Partner

will be allocated items of gross income and gain for such year (and, if necessary, subsequent years) equal to such Partner's share of such decrease, determined under §1.704-2(g) of the Regulations. A Partner shall not be subject to this mandatory allocation of income or gain to the extent that any of the exceptions provided in Section 1.704-2(f)(2)-(5) of the Regulations applies. All allocations pursuant to this Section 5.4(b) shall be in accordance with Section 1.704-2(f) of the Regulations. This provision is a "minimum gain chargeback" within the meaning of Section 1.704-2(f) of the Regulations and shall be construed as such.

(c) If there is a net decrease in "partner minimum gain" (as defined in Section 1.704-2(i) of the Regulations) during a Partnership taxable year, each Partner shall be allocated items of gross income and gain for such year (and, if necessary, subsequent years) equal to such Partner's share of such net decrease, determined under Section 1.704-2(i)(4) of the Regulations. However, in accordance with Section 1.704-2(i)(4) of the Regulations, the preceding sentence shall not apply to the extent that any of the exceptions provided therein are applicable. All allocations pursuant to this Section 5.4(c) shall be in accordance with Section 1.704-2(i)(4) of the Regulations. This provision is a "minimum gain chargeback" within the meaning of Section 1.704-2(i)(4) of the Regulations and shall be construed as such.

(d) If any Partner unexpectedly receives any adjustments, allocations or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Regulations, items of Partnership income and gain shall be specially allocated to each such Partner in an amount and manner sufficient to eliminate (to the extent required by the Regulations promulgated under Section 704(b) of the Code) the deficit balance in each such Partner's Capital Account as quickly as possible, provided that an allocation pursuant to this Section 5.4(d) shall be made if and only to the extent that such Partner would have a deficit Capital Account after all other allocations provided for in this Article 5 have been tentatively made as if this Section 5.4(d) were not in this Agreement. This provision is a "qualified income offset" within the meaning of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be construed as such.

(e) If any Partner has a deficit Capital Account at the end of any fiscal year in excess of the sum of (1) the amount that such Partner must restore to the Partnership upon liquidation, if any, and (2) the amount such Partner is deemed obligated to restore pursuant to the penultimate sentences of Section 1.704-2(g)(1)(ii) and 1.704-2(i)(5) of the Regulations, such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 5.4(e) shall be made if and only to the extent that such Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article 5 have been tentatively made as if this Section 5.4(e) and Section 5.4(d) were not in this Agreement.

(f) Notwithstanding anything to the contrary contained in this Article 5 (other than allocations contained in Section 5.7(e) relating to allocations required by Section 704(c) of the Code, Section 5.3(i) relating to allocations required by the Regulations

resulting from basis adjustments pursuant to Sections 734(b) and 743(b) of the Code, and Section 5.4(a) through Section 5.4(h) relating to minimum gain, qualified income offset and other regulatory allocations, as well as provisions prohibiting allocations which would increase an adjusted Capital Account deficit), the General Partner shall be allocated no more and no less than its Percentage Interest of income, gain, loss, deduction or tax preference items at all times during the existence of the Partnership.

(g) The allocations made pursuant to this Article 5 shall be made in accordance with the requirements of Section 1.704-1 and 1.704-2 of the Regulations, including the ordering rules of Section 1.704-2(j) of the Regulations.

(h) If income, loss or items thereof are allocated to one or more Partners pursuant to this Section 5.4, subsequent income, loss or items thereof shall be allocated (subject to the provisions of this Section 5.4) to the Partners so that, to the extent possible in the judgment of the General Partner, the net amount of allocations to each Partner under this Article 5 over the term of the Partnership shall be equal to the amount that would have been allocated had Section 5.4 not been applied.

Section 5.5 Allocation of Gains and Losses upon Sale. Gains and losses recognized by the Partnership upon a sale or refinancing of Partnership Property shall be allocated in the following manner:

(a) Gains shall be allocated (1) first, to the Partners with negative Capital Account balances, that portion of gains (including any gains treated as ordinary income for federal income tax purposes) which is equal in amount to, and in proportion to, such Partners' respective negative Capital Accounts in the Partnership; provided, that no gain shall be allocated under clause (1) of this Section 5.5(a) to a Partner once such Partner's Capital Account is brought to zero; and (2) second, gain in excess of the amount allocated under clause (1) shall be allocated to the Partners in the amount and to the extent necessary to increase the Partners' respective Capital Accounts so that the proceeds distributed under Section 6.2(h) will be distributed in accordance with the Partners' respective Capital Accounts.

(b) Losses shall be allocated (1) first, to the extent and in such proportions as the respective positive balances in all Partners' Capital Accounts; and (2) second, any remaining loss to the Partners in accordance with the manner in which they bear the economic risk of loss associated with such loss under Section 752 of the Code and the Regulations promulgated thereunder, or, if none, to the Partners in accordance with their Percentage Interests.

Section 5.6 Variation of Allocations to Preserve and Protect Partners' Intent.

(a) It is the intent of the Partners that each Partner's distributive share of income, gain, loss, deduction, or credit (or item thereof) shall be determined and allocated in accordance with this Article 5 to the fullest extent permitted by Section 704(b) of the Code. In order to preserve and protect the determinations and allocations provided for in this Article 5, the General Partner hereby is authorized and directed to allocate

income, gain, loss, deduction, or credit (or item thereof) arising in any year differently than otherwise provided for in this Article 5 to the extent that allocating income, gain, loss, deduction or credit (or item thereof) in the manner provided for in Article 5 would cause the determinations and allocations of each Partner's distributive share of income, gain, loss, deduction, or credit (or item thereof) not to be permitted by Section 704(b) of the Code and Regulations promulgated thereunder. Any allocation made pursuant to this Section 5.6 shall be deemed to be a complete substitute for any allocation otherwise provided for in this Section 5.6 and no amendment of this Agreement or approval of any Partner shall be required.

(b) In making any allocation under Section 5.6(a), the General Partner is authorized to act only after having been advised by the Accountant that, under Section 704(b) of the Code and the Regulations promulgated thereunder, (1) the new allocation is necessary, and (2) the new allocation is the minimum modification of the allocations otherwise provided for in this Article 5 necessary in order to ensure that, either in the then current year or in any preceding year, each Partner's distributive share of income, gain, loss, deduction, or credit (or item thereof) is determined and allocated in accordance with this Article 5 to the fullest extent permitted by Section 704(b) of the Code and the Regulations promulgated thereunder.

(c) If the General Partner is required by Section 5.6(a) to make any new allocation in a manner less favorable to the Investor Limited Partner than is otherwise provided for in this Article 5, then the General Partner is authorized and directed, only after having been advised by the Accountant that it is permitted by Section 704(b) of the Code, to allocate income, gain, loss, deduction, or credit (or item thereof) arising in later years in such manner so as to bring the allocations of income, gain, loss, deduction, or credit (or item thereof) to the Investor Limited Partner as nearly as possible to the allocations thereof otherwise contemplated by this Article 5.

(d) New allocations made by the General Partner under Section 5.6(a) and Section 5.6(c) in reliance upon the advice of the Accountant shall be deemed to be made pursuant to the fiduciary obligation of the General Partner to the Partnership and the Investor Limited Partner, and no such allocation shall give rise to any claim or cause of action by the Investor Limited Partner.

Section 5.7 Accounting and Tax Rules; Tax Effect of Allocations.

(a) All items of income, gain, loss, deduction and credit for all purposes of this Agreement shall be determined in accordance with the accrual accounting method.

(b) In any year in which a Partner sells, assigns or transfers all or any portion of its Partnership Interest to any Person who during such year is admitted as a substitute partner, the share of all items of income, gain, loss, deduction and credit, all Net Cash from Operations, and all Net Cash from Sales or Refinancings that are attributable to the Partnership Interest sold, assigned or transferred shall be divided between the assignor and the assignee as provided in Section 10.5.

(c) The allocation of all items of income, gain, loss, deduction and credit to any Partner under this Article 5 shall be deemed an allocation to that Partner of the same proportionate part of each separate item of Partnership taxable income, gain, loss, deduction or credit which comprise such items, including any “unrealized receivable” or “substantially appreciated inventory item” under Section 751 of the Code.

(d) Any portion of the gains treated as ordinary income for federal income tax purposes under Sections 1245 and 1250 of the Code shall be allocated on a dollar for dollar basis to those Partners to whom the items of Partnership deduction or loss giving rise to such recapture amount had been previously allocated.

(e) In accordance with Section 704(c) of the Code (relating to allocations with respect to appreciated contributed property) and the Regulations promulgated thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Partnership shall be allocated, solely for tax purposes, among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its fair market value. If any Partnership Property has been revalued on the books of the Partnership and the Capital Accounts of the Partners adjusted as provided in Section 1.704-1(b)(2)(iv)(f) of the Regulations, subsequent allocations of income, gain, loss, and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for federal income tax purposes and its adjusted book value in the same manner as, but not necessarily under the same convention(s) or method(s) specifically used by the Partnership for its allocations actually made or to be made by the Partnership, under Section 704(c) of the Code and the Regulations thereunder. Any elections or other decisions relating to such allocations shall be made by the General Partner, with the consent of the Investor Limited Partner, which shall not be unreasonably withheld, conditioned or delayed, in a manner that reasonably reflects the purpose and intention of this Agreement.

(f) For purposes of determining the Partners’ respective shares of “excess nonrecourse liabilities” of the Partnership, within the meaning of Section 1.752-3(a)(3) of the Regulations, the Partners’ interest in profits shall be equal to their Percentage Interests.

(g) The Partners are aware of the income tax consequences of the allocations made pursuant to this Article 5 and hereby agree to be bound by the provisions of this Article 5 in reporting their respective shares of Partnership income, gain, loss, deduction and credit for income tax purposes.

Section 5.8 Election to Restore Deficits. Notwithstanding anything to the contrary contained in this Agreement, a Limited Partner may from time to time elect to be obligated to restore a deficit in its Capital Account up to a limited dollar amount. Such election shall be made by the Limited Partner’s delivery of a written notice of election to the General Partner no later than April 15 following the taxable year for which such election is to be effective and shall specify the dollar amount of the deficit in its Capital Account that the Limited Partner agrees to

restore. Such election shall be irrevocable and shall be binding on subsequent transferees of the Limited Partner's Partnership Interest.

Section 5.9 Obligations of the General Partner with Respect to Elections. The General Partner shall execute on behalf of the Partnership all documents necessary to elect, pursuant to Sections 734, 743 and 754 of the Code, to adjust the basis of the Partnership's property upon the request of the Investor Limited Partner, if, in the sole opinion of the Investor Limited Partner, such election would be advantageous to the Investor Limited Partner; provided, however, that the Investor Limited Partner shall reimburse the Partnership for the reasonable and actual out-of-pocket costs of implementing such election and shall further indemnify the General Partner from any liability that might arise out of any material adverse effect such election has on the Key Assumptions or other tax benefits afforded to the Investor Limited Partner.

Section 5.10 Energy Efficient Home Tax Credits. The General Partner shall be authorized to obtain a determination from the Accountant that the Partnership is eligible to claim federal energy efficient home tax credits under Section 45L of the Code (the "45LCredits") provided and on the condition that any and all legal, accounting, and engineering costs and expenses attributable thereto (including, without limitation, all costs and expenses necessary to obtain a certification from an energy efficient certifier and all costs and expenses incurred by the Partnership as a result of any subsequent audit or other proceeding by the Service, and reasonable and actual legal and accounting fees incurred by the Limited Partners in connection with their evaluation of such proposal) are paid for by the General Partner at its sole cost and expense. The General Partner shall have no authority to cause the Partnership to claim 45L Credits without the consent of the Limited Partners, which may be withheld in their sole discretion. In the event that the Partnership is deemed eligible to claim 45L Credits, the Limited Partners may at their discretion provide consent to the 45L Credits being claimed by the Partnership and specially allocated to the General Partner, provided and on the condition that each of the Limited Partners receives satisfactory evidence demonstrating that: (i) the 45L Credits will not cause a reduction in the amount of Projected Tax Credits, (ii) the 45L Credits will not cause a material reduction in the Partnership's eligible basis under Section 42(d) of the Code, (iii) the 45L Credits will not cause a material reduction in the depreciation deductions projected to be allocated to the Limited Partners from those set forth in the Key Assumptions, and (iv) the allocation of 45L Credits to the General Partner will not result in taxable income to the Partnership or, the Limited Partners. In addition, if required by the Limited Partners, the General Partner and the Guarantor shall provide the Limited Partners with a written indemnity upon such terms and conditions that are satisfactory to the Limited Partners pursuant to which the General Partner and the Guarantor agree to indemnify the Partnership and, the Limited Partners from any adverse consequences that may arise from or in connection with the 45L Credits. Upon receipt of the consent of the Limited Partners that all of the above criteria have been satisfied, the General Partner shall be authorized to cause the Partnership to claim the 45L Credits and the Partners will amend this Agreement, if necessary, to provide for the allocation of the 45L Credits to the General Partner.

ARTICLE 6

Distributions

Section 6.1 Distribution of Net Cash from Operations. For each fiscal year following Stabilization, subject to the consent of the Investor Limited Partner (which shall not be unreasonably withheld, conditioned or delayed) and, if required, each Lender and the Credit Agency, the Partnership shall distribute the lesser of Return to Owner and Net Cash from Operations in the following order and priority:

- (a) First, to pay any unpaid Credit Adjuster Obligations;
- (b) Second, to the Investor Limited Partner to repay any loans made by it to the Partnership;
- (c) Third, up to 100% to the Developer to pay any unpaid Deferred Development Fee;
- (d) Fourth, if the Operating Reserve account is below the Operating Reserve Minimum, to the replenishment of such account until the balance is restored to the Operating Reserve Minimum;
- (e) Fifth, to the General Partner (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay any amounts treated as loans to the Partnership by the General Partner pursuant to Section 7.2(b) and not yet repaid;
- (f) Sixth, to the Special Limited Partner to pay any unpaid Asset Management Fees;
- (g) Seventh, 90% of any remaining amount to the General Partner as an Incentive Management Fee; and
- (h) Eighth, any remaining amount to the Partners in accordance with the following percentages: 99.99% to the Investor Limited Partner, 0.005% to the General Partner and 0.005% to the Special Limited Partner.

The Partnership shall make distributions under this Section 6.1, if any, no later than that later of (1) 75 days after the end of the applicable fiscal year, and (2) completion of the annual audit.

Notwithstanding any other provision of this Section 6.1 to the contrary, the aggregate amount distributable to the Investor Limited Partner for any period pursuant to clause (h) cannot be less than 10% of the aggregate amount distributed for such period pursuant to clauses (g) and (h), and distributions pursuant to clauses (h) and (g) (in that order) shall be adjusted accordingly.

Section 6.2 Distribution of Liquidation Proceeds and Net Cash from Sales or Refinancings. Except as may be required under Section 13.3(b), the proceeds resulting from the liquidation of Partnership Property pursuant to Section 13.3, and Net Cash from Sales or Refinancings, as the case may be, shall be distributed and applied in the following order of priority:

- (a) First, to pay any unpaid Credit Adjuster Obligations;
- (b) Second, to the Investor Limited Partner to pay any unpaid Disposition Expenses;
- (c) Third, to the Investor Limited Partner to repay any loans made by it to the Partnership;
- (d) Fourth, to the Developer to pay any unpaid Deferred Development Fee;
- (e) Fifth, to the Special Limited Partner to pay any unpaid Asset Management Fees;
- (f) Sixth, to the General Partner (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay loans to the Partnership or any amounts treated as loans, other than loans made or treated as such pursuant to Section 7.2(b), and not yet repaid;
- (g) Seventh, to the General Partner to repay any amounts treated as loans made pursuant to Section 7.2(b), and not yet repaid; and
- (h) Eighth, the remainder 80.00% to the General Partner, 0.05% to the Special Limited Partner and 19.95% to the Investor Limited Partner.

ARTICLE 7

Powers, Rights and Obligations of the General Partner

Section 7.1 Management of Partnership. The Partnership is managed by the General Partner, who exercises full and exclusive control over the affairs of the Partnership, subject, however, to the limitations on its authority set forth in this Agreement. The General Partner is under a fiduciary duty as provided in the Act to conduct and manage the affairs of the Partnership in good faith, in a prudent, businesslike, and lawful manner. The General Partner will devote such part of its time to the affairs of the Partnership as is necessary and appropriate to carry out the purposes of the Partnership as contemplated in this Agreement.

Section 7.2 Guaranties.

(a) Development Completion Guaranty. The General Partner hereby absolutely and unconditionally guarantees to the Partnership and the Limited Partners (1) that the Project will achieve Completion on or before December 31, 2019, and (2) that the Project will achieve Permanent Loan Conversion (the “Development Completion Guaranty”). The obligations of the General Partner under the Development Completion Guaranty shall be unlimited and shall include the obligation to provide all funds required of the Partnership to complete construction/rehabilitation of the Project and to repair, or cause the Contractor to repair, any latent defects that occur up to one year after Completion (to the extent not then available from Development Sources and Net Cash from Operations), and further including payment of all Excess Development Costs, when and as incurred, until the Project achieves Permanent Loan Conversion. Repayment of any borrowings arranged by the General Partner to fund its obligations under this Section 7.2(a) shall be the sole obligation of the General Partner. Amounts paid by the General Partner pursuant to this Section 7.2(a) shall not be treated as loans to the Partnership, nor shall they be treated as Capital Contributions of the General Partner to the Partnership.

(b) Operating Deficit Guaranty.

(i) If at any time during the Operating Deficit Guaranty Period an Operating Deficit shall exist which is in excess of amounts available in the Operating Reserve, the General Partner shall provide such funds to the Partnership as shall be necessary, up to the Operating Deficit Guaranty Amount, to pay such Operating Deficit (the “Operating Deficit Guaranty”). Repayment of any borrowings arranged by the General Partner to meet its obligations under this Section 7.2(b)(i) shall be the sole obligation of the General Partner. Subject to Section 7.2(b)(ii) below, funds made available by the General Partner to fulfill its obligations pursuant to this Section 7.2(b)(i) shall be accounted for as unsecured loans to the Partnership by the General Partner and may be reimbursed to the General Partner, with interest at the Applicable Federal Rate, in accordance with Section 6.1 hereof, or out of the proceeds of refinancing or sale pursuant to Section 6.2 hereof.

(ii) If the Operating Deficit overruns are due to the gross negligence or willful misconduct of the General Partner, then any Operating Deficit Guaranty advances made by the General Partner to cover such costs shall be deemed to be damages that are not repayable as loans to the Partnership, and such amounts shall not be considered or treated as Capital Contributions of the General Partner to the Partnership.

(c) Tax Credit Guaranty. The General Partner hereby absolutely and unconditionally guarantees to the Partnership and the Limited Partners that, if the amount of Actual Credit available to the Partnership for any year is less than the Certified Credit for such year, or there is a Tax Credit Recapture Event with respect to such year, then the

General Partner shall make a Capital Contribution to the Partnership in the amount of any Credit Reduction Amount, in accordance with following terms:

(i) The “Credit Reduction Amount” shall be an amount equal to: (1) the Certified Credit for such year minus the Actual Credit for such year, plus (2) the amount of any recapture recognized by the Investor Limited Partner as a result of a Tax Credit Recapture Event, plus (3) interest, penalties and enforcement costs payable on any such shortfall or recapture, plus (4) an amount equal to the dollar amount of future Tax Credit unable to be taken due to the circumstances giving rise to the shortfall or recapture, plus (5) an additional amount such that, after payment of tax, if any, by the Investor Limited Partner on the sum of the amounts described in clauses (1) through (5) hereof that are includible in federal taxable income (calculated at the highest federal corporate income tax rate then in effect), the net amount paid to the Investor Limited Partner pursuant to this sentence (net of such tax liability) will equal the sum of the amounts described in clauses (1) through (4) above. Notwithstanding the foregoing, the Credit Reduction Amount shall not include any amount caused solely by the failure of the Investor Limited Partner to make an Installment when due and payable. In the event of a transfer by the Investor Limited Partner of its Partnership Interest, such transfer shall not be deemed a Tax Credit Recapture Event, but the General Partner shall remain liable to such transferee Investor Limited Partner for any Credit Reduction Amount attributable to a Tax Credit Recapture Event that occurs subsequent to such transfer.

(ii) Except as provided below, the General Partner shall be obligated to make a Capital Contribution to the Partnership, in an amount equal to the Credit Reduction Amount, within 30 days of a delivery of the written determination by the Investor Limited Partner, as verified by the Accountant, that the Credit Reduction Amount is due and owing with respect to any such year of the Credit Period or any prior year(s) (commencing on the first day of the first year of the Credit Period). Upon receiving such a payment, the Partnership shall then immediately distribute such amounts to the Investor Limited Partner as a return of capital. Any amounts not paid within 30 days of the delivery of the written determination shall bear interest at the Prime Rate plus 4% per annum, until paid in full and such interest shall be deemed part of the Credit Reduction Amount. An amount equal to the Credit Reduction Amount, if not contributed by the General Partner or paid the Guarantor, shall be distributed to the Investor Limited Partner from Net Cash from Operations under Section 6.1 with respect to the Credit Reduction Amount due and owing with respect to any prior year(s), but such distributions shall not limit the right of the Investor Limited Partner to remove the General Partner for failure to pay the Credit Reduction Amount. Any amounts due and owing under this Section 7.2(c) upon the occurrence sale or refinancing of Partnership Property, shall be distributed to the Investor Limited Partner under Section 6.2.

(iii) Notwithstanding the foregoing, any Credit Reduction Amount due to a change in tax law shall be payable solely from distributions of Net Cash from Operations pursuant to Section 6.1, or distributions of Net Cash from Sales or Refinancings pursuant to Section 6.2, and any Credit Reduction Amount due to a sale of the Project that has been consented to by the Investor Limited Partner shall be reduced by any distribution of Net Cash from Sales or Refinancings made pursuant to Section 6.2 with respect to such sale.

(iv) It is understood and acknowledged that the provisions of this Section 7.2(c) may be applied on more than one occasion if events giving rise to the payment of a Credit Reduction Amount occur in more than one year during the applicable Credit Period.

(d) Cumulative Guaranty Obligations. The various guaranty obligations under this Section 7.2 are cumulative, not concurrent. Any limitation of liability under one guaranty shall not affect the amount of liability under any other guaranty, and any payment of obligations under one guaranty shall not reduce the amount of liability under any other guaranty.

Section 7.3 Required Reserves.

(a) Operating Reserve. The General Partner shall establish an operating reserve (the “Operating Reserve”) to fund Operating Deficits incurred by the Partnership. The Operating Reserve shall be funded simultaneously with the Second Installment in the amount of \$83,192 (which amount shall constitute the “Operating Reserve Minimum”) and maintained throughout the Compliance Period, although it may be released and distributed subject to the provisions of this Agreement after the tenth year of the Compliance Period provided that the Project has maintained a 1.15 Debt Service Coverage Ratio for the three year period immediately preceding the release. Throughout the Compliance Period, until the Operating Reserve is released, the General Partner shall also be obligated, to the extent funds are available, to replenish the Operating Reserve account up to the Operating Reserve Minimum out of Cash Receipts (prior to distribution of Net Cash from Operations) or from sales or refinancings (prior to the distribution of Net Cash from Sales or Refinancings), or from the any other available reserve, subject to the rules regarding maintenance of those reserves. Withdrawals from the Operating Reserve account shall require the approval of the General Partner, the Lender (if applicable) and the Investor Limited Partner (which shall not be unreasonably withheld, conditioned or delayed and except in cases where the account is under the control of a Lender in which case the General Partner shall, no later than 5 business days after such withdrawal, notify the Investor Limited Partner in writing of the amount of the withdrawal from the Operating Reserve account and the purpose for which such withdrawal was made). If applicable, no later than 5 business days after receipt by the Investor Limited Partner of such request, the Investor Limited Partner shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Investor Limited Partner does not respond within such 5 business day period, the withdrawal request will be

deemed to be approved. Upon depletion of all of the funds in the Operating Reserve account, any continuing shortfalls shall be funded pursuant to the Operating Deficit Guaranty. Any excess funds remaining in the Operating Reserve account at the end of the 10th year of the Compliance Period, if the Debt Service Coverage Ratio has been greater than or equal to 1.15 for a period of 3 consecutive years immediately prior to such date, shall be distributed to the Partners in accordance with Section 6.2 or Section 13.3, as applicable.

(b) Replacement Reserve. The General Partner shall establish a replacement reserve (the "Replacement Reserve") to fund capital improvements and repairs to the Project. Commencing on the Permanent Loan Conversion date, the General Partner shall fund the Replacement Reserve on an annual basis, an amount equal to \$250 per unit per year (subject to 3.0% annual increase), from Cash Receipts (prior to any distributions of Net Cash from Operations). Withdrawals from the Replacement Reserve shall comply in all respects with the Loan Documents, and withdrawals in excess of \$10,000 in the aggregate in any given month will require the approval of the General Partner, the Lender (if applicable) and the Investor Limited Partner (which shall not be unreasonably withheld, conditioned or delayed and except in cases where the account is under the control of a Lender in which case the General Partner shall, no later than five business days after such withdrawal, notify the Investor Limited Partner in writing of the amount of the withdrawal from the Operating Reserve account and the purpose for which such withdrawal was made). If applicable, no later than five business days after receipt by the Investor Limited Partner of such request, the Investor Limited Partner shall notify the General Partner whether the request has been approved, disapproved or whether additional information is needed to evaluate the request. If the Investor Limited Partner does not respond within such five business day period, the withdrawal request will be deemed to be approved. Any funds remaining in the Replacement Reserve account at the end of the Compliance Period shall, subject to any required Permanent Lender consent, be released from the Replacement Reserve account and distributed to the Partners in accordance with Section 6.2 or Section 13.3 hereof, as applicable.

(c) Marketing/Advertising Reserve. The General Partner shall establish a reserve (the "Marketing/Advertising Reserve") in the amount of \$10,000 simultaneously with the funding of the First Installment. The Marketing/Advertising Reserve shall be used solely for the purpose of paying marketing and advertising costs incurred by the Partnership. Any funds remaining in the Marketing/Advertising Reserve at Stabilization shall be transferred to the Operating Reserve up to the Operating Reserve Minimum.

Each of the above reserves shall be held in segregated interest bearing accounts controlled by the General Partner (or Lender, if required by such Lender). Any interest earned with respect to any of the above reserve accounts shall be deposited into that respective reserve account for the benefit of the Partnership. Any failure to obtain the approval of the Investor Limited Partner or to provide the Investor Limited Partner with proper notice in accordance with this Section 7.3 shall constitute an Event of Default under Section 9.6.

Section 7.4 Restrictions on General Partner's Authority. Notwithstanding anything to the contrary contained in this Agreement, the General Partner shall not take any of the actions set forth below, and shall not permit its Affiliates or any agents of the Partnership to take any of the actions set forth below, without the prior written consent of the Investor Limited Partner, which may be withheld for any reason, except for Section 7.4(g), (h), (i), (k), (m), (o), (p) or (cc), for which consent shall not be unreasonably withheld, conditioned or delayed:

(a) Do any act in contravention of or inconsistent with the Act, other applicable law, this Agreement, the Project Documents or any other agreement to which the Partnership is a party;

(b) Do any act making it impossible to carry on the ordinary business of the Partnership;

(c) Take any action that would cause the termination of the Partnership for federal income tax purposes or the dissolution of the Partnership for state law purposes;

(d) Make, amend or revoke any tax election required of or permitted to be made by the Partnership under the Code or the Regulations, including any election under Section 42 or Section 754 of the Code;

(e) File a tax return reflecting an allocation of cost to a class of property other than residential rental property that varies by more than 10% from the cost set forth in the Key Assumptions;

(f) Change any accounting method of the Partnership;

(g) Amend the Construction Contract;

(h) agree to any change order under the Construction Contract if: (1) the cost associated with any such change is more than the lesser of \$50,000 or 2% of the Construction Contract amount or if the cost of all change orders to date exceeds 5% of the Construction Contract, (2) such change would result in materials of inferior quality being used in the Project, (3) such change represents a material deviation, whether or not of lesser quality, from the original work scope agreed to by the Investor Limited Partner, or (4) such change would cause a delay in the construction/rehabilitation of the Project of more than 30 days;

(i) Confess a judgment against the Partnership;

(j) Use Partnership Property or assign rights in specific Partnership Property for other than a Partnership purpose;

(k) Sell or otherwise transfer (1) any interest in the Project or (2) any asset of the Partnership with a book value of greater than \$10,000, other than leases of residential units or, where applicable, commercial space, in the ordinary course of the Partnership's business;

(l) Incur any debt or liability (or enter into any agreement resulting in any such debt or liability being incurred) on behalf of the Partnership either (1) that is not in ordinary course of the Partnership's business, or (2) that is in the ordinary course of the Partnership's business but exceed \$25,000, other than the Construction Financing and Permanent Financing, and those other liabilities (or agreements relating thereto) that are contemplated hereby or that have been disclosed to and approved by the Investor Limited Partner;

(m) Acquire any interest in real property or acquire any item of personal property on behalf of the Partnership having a purchase price of more than \$10,000, unless such acquisition is part of the development budget or annual operating budget that has been approved by the Investor Limited Partner or such is a replacement of existing personal property;

(n) Refinance, prepay, amend or modify any mortgage or long term liability of the Partnership, including, without limitation the Permanent Financing;

(o) Compromise any claim or liability in excess of \$50,000 owed by or to the Partnership;

(p) Construct any improvements on the Project other than those contemplated in the Plans and Specifications (or any modification thereof if such modification is expressly approved by the Investor Limited Partner or otherwise allowed by this Agreement) or otherwise required in writing by the Credit Agency;

(q) Lease or otherwise operate any Low-Income Unit in a manner that such Low-Income Unit would fail to be treated as a "low-income unit" under Section 42(i)(3) of the Code, or operate the Project in a manner that the Project would fail to be treated as a qualified low-income housing project under Section 42 of the Code;

(r) Except for the Construction Financing and Permanent Financing (including any regulatory agreements or declarations governing such loans), mortgage, pledge or encumber any interest in any Partnership Property, including the Project;

(s) Loan any money on behalf of the Partnership or guarantee on behalf of the Partnership the indebtedness of any other Person;

(t) Change the nature of the business or purpose of the Partnership;

(u) Admit any other person or entity as a Partner, except as specifically permitted herein;

(v) Except as permitted by Section 13.1 (pertaining to dissolution of the Partnership), take any action that causes the dissolution of the Partnership;

(w) Perform any act subjecting any Limited Partner to liability as a general partner in any jurisdiction;

(x) Deposit any Partnership funds in any bank, savings and loan, or other financial institution whose accounts are not insured by the Federal Deposit Insurance Corporation;

(y) Commingle any Partnership funds with the funds of any other Person;

(z) Execute or deliver any assignment for the benefit of creditors;

(aa) Except as provided herein, become or permit any Affiliate or any other Person related to the General Partner (within the meaning of Section 1.752-4(b) of the Regulations) to become personally liable on, or in respect of, or guarantee all or any portion of the indebtedness evidenced by the Loan Documents;

(bb) Except as authorized herein, modify or amend this Agreement, or amend any fee agreement or the construction contract in any material respect, or deviate from the Plans and Specifications for the construction/rehabilitation of the Project in any material respect;

(cc) After Completion, construct any improvements on the Project other than those contemplated in the Plans and Specifications (or any modification thereof if such modification is expressly approved by the Investor Limited Partner) with a cost basis in excess of \$25,000 or replacements of existing improvements;

(dd) Acquire or purchase on behalf of the Partnership any automobiles;

(ee) Cause or permit the Partnership to hire any employee; and

(ff) Enter into any contractual arrangement on behalf of the Partnership for the provision of medical services, medication management, home health care or related personal care services to the tenants of the Project.

Section 7.5 Basic Obligations of the General Partner. The General Partner shall use Reasonable Efforts to carry out the purposes, objectives and business of the Partnership, in good faith, and shall diligently and faithfully devote to Partnership business such time and effort as is necessary to conduct such business in the best interests of the Partnership. Such duties shall include and the General Partner shall allocate such of its time as is necessary: (1) to supervise the activities of the Management Agent; (2) to make inspections of the Project to determine if the Project is being properly maintained and necessary reports are being made; (3) to prepare or cause to be prepared all reports of operations that are to be furnished to the Limited Partner or that are required by the Project Documents, the Lenders or any Authorities; and (4) to do all other things that it may reasonably deem necessary to supervise the affairs and business of the Partnership. The General Partner shall be responsible for and affirmatively covenants to comply with any Regulatory Agreement and Section 42 of the Code, including, without limitation, the responsibility for ensuring that the Low-Income Units continue to be qualified units for purposes of Section 42 of the Code throughout the Compliance Period. Specifically, but without limitation:

(a) The General Partner shall cause the development and construction/rehabilitation of the Project to be undertaken and completed in a timely, good and workmanlike manner in substantial accordance with the following: (1) all applicable requirements of the Project Documents, (2) all applicable requirements of the Credit Agency and other Authorities having jurisdiction over the Project, and (3) all applicable laws and building codes. In furtherance thereof, the General Partner shall provide adequate on-site representation at regularly scheduled meetings and at intervals commensurate with the on-site construction activities, shall actively enforce the terms of performance specified in the Construction Contract, and shall provide the Investor Limited Partner with timely notice of any issues of non-compliance by the Contractor. The General Partner shall also ensure that deficiencies or other conditions regarding the Project, if it would reasonably be determined that they potentially create a hazardous condition for residents or passers-by, be promptly remedied even if such costs are not contemplated in the approved construction work scope.

(b) If at any time during the construction/rehabilitation of the Project, (1) construction is or may be stopped or suspended for a period of 45 days, or (2) construction has or may be delayed so that in the reasonable determination of the General Partner, (A) Completion may not be achieved by the date set forth in the Construction Contract or (B) the Projected Credit for any year during the Credit Period may not be achieved, the General Partner shall promptly, but in any event within 10 business days, send notice of such occurrence, together with an explanation of the circumstances surrounding such occurrence, to the Investor Limited Partner.

(c) The General Partner shall operate the Project in accordance with all applicable laws, regulations, ordinances, the Project Documents and the QAP (to the extent applicable). Without limitation:

(i) The General Partner shall, and shall cause the Property Management Agent to, operate the Project in accordance with, and lease the residential units in compliance with, the provisions of all federal, state and local fair housing laws prohibiting discrimination in housing on the grounds of race, color, religion, sex, familial status, national origin, or handicap, including Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, Title VI of the Civil Rights Act of 1964 (Public Law 88-353, 78 Stat. 241), Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

(ii) The General Partner shall ensure that the Project shall at all times comply with the applicable requirements of Section 504 of the Uniform Federal Accessibility Standards, where applicable and as amended, the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities, as now existing or hereafter amended or adopted, the Fair Housing Amendments Act of 1988, the Fair Housing Act Design Manual implemented in connection therewith as now existing or hereafter amended or adopted, any other federal and state and local laws and ordinances related to disabled access, and all statutes, rules, regulations, and orders of

Authorities adopted or enacted with respect thereto (collectively, “Access Laws”). Notwithstanding any provisions set forth herein or in any other document, the General Partner shall not alter or permit any tenant or other person to alter the Project in any manner which would increase the General Partner’s responsibilities for compliance with the Access Laws without the consent of the Investor Limited Partner. In connection with any such consent, the Investor Limited Partner may require a certificate of compliance with the Access Laws from the Architect at Completion. Following construction/rehabilitation, and during construction with respect to any portion of the Project that is occupied by tenants, the Project will be operated in a manner that complies with applicable accessibility and barrier-free regulations such that if an enforcement action is brought against the Partnership, the General Partner will use any and all of its own resources to promptly correct recorded deficiencies.

(d) The General Partner shall prepare, sign, and submit to the IRS, the Credit Agency, and any other Authority having jurisdiction over the Project, on a timely basis, any and all annual reports, information returns, and other certifications and information required by any such Authority. The General Partner shall comply with all other applicable requirements of any federal, state, or local Authority having jurisdiction over the Project, including any requirements of any such Authority with respect to the funding and maintenance of any Operating Reserves or Replacement Reserves for the Project.

(e) The General Partner shall inspect or cause the inspection of the Project at least once annually for the presence of any mold, fungus or moisture buildup in or on the Project. If any non-trivial amounts of mold, fungus or moisture buildup is identified in or on the Project, the General Partner shall notify the Investor Limited Partner within 10 business days and shall consult with the Investor Limited Partner regarding remediation.

(f) The General Partner shall ensure that any counseling, healthcare, housekeeping or similar supportive services (“Supportive Services”) to be provided to the residents of the Project be performed, unless otherwise approved by the Investor Limited Partner, under service agreements between the General Partner or residents receiving such Supportive Services and the provider of such Supportive Services. The service provider shall be a third party other than the Partnership or the General Partner. To the extent that any services are required to be provided to the tenants of the Project by any Lender or any Project Document (including, but not limited to any Supportive Services) the General Partner shall be responsible for ensuring that such services are made available to the tenants.

(g) The General Partner shall not, and shall cause the Property Management Agent not to, (1) cause or knowingly permit any waste or damage to the Project, or (2) knowingly allow (to the extent restriction is legally permitted) any tenant to use a residential unit, or, if applicable, commercial space, within the Project or any of the common areas in any manner which is unlawful, hazardous, unsanitary, noxious, or offensive or which unreasonably interferes with the use of the Project by the other tenants.

(h) The General Partner shall not knowingly permit any building or improvement upon the Land to be removed, demolished or altered in whole or in any material respect (including structural alterations) except as approved by the Investor Limited Partner or as otherwise allowed by this Agreement.

(i) If one or more of the buildings or other structures comprising the Project is damaged or destroyed, the General Partner shall, subject to the terms of the Loan Documents, make proof of loss, pursue, adjust and compromise claims under policies of insurance providing coverage for the Project and shall cause the Partnership to restore such buildings or structures completely within a reasonable period as determined by the IRS so as to avoid loss and/or recapture of Tax Credit, but in no event later than the date that is 18 months after such damage or destruction occurred.

(j) The General Partner shall cause all of (1) the fixtures, maintenance supplies, tools, equipment and the like now and to be owned by the Partnership or to be appurtenant to, or to be used in the operation of the Project, as well as (2) the rents, revenues and profits earned from the operation of the Project, to be free and clear of all security interests and encumbrances except for any mortgage, any additional security agreements executed in connection with the Construction Financing and Permanent Financing, and any rights of set-off existing at law.

(k) The General Partner shall be responsible for the payment of any fines or penalties imposed by the Credit Agency or Lender pursuant to the Project Documents (other than with respect to payments of principal or interest under the Permanent Financing) attributable to any negligence of it or its Affiliates or failure to take action despite the same being within the reasonable control of the General Partner or its Affiliate.

(l) Other than items for which liability is being contested with the consent of the Investor Limited Partner, which shall not be unreasonably withheld, conditioned or delayed, the General Partner shall cause the Partnership to pay on or before the date when the same would become delinquent, any and all real estate and ad valorem taxes, personal property taxes, assessments, water rates, sewer rents, fines, impositions and any other charges now or hereafter levied against the Project, whether foreseen or unforeseen, ordinary or extraordinary; and also any and all license fees or similar charges which may be imposed by any Authority with respect to the Project for the use and occupancy of the Project, use of walks, chutes, areas and other space beyond the lot line of the Project and on or abutting the public sidewalks and/or highways in front or adjoining the Project or pursuant to any applicable law for the use of any furnaces, compactors, incinerators, parking areas or for other matters covered by any such laws; and also any and all corporate, franchise, withholding, income, profits and gross receipts, and other taxes due by the Partnership; in each case together with any penalties and interest on any of the foregoing, and in default thereof.

(m) Other than items for which liability is being contested with the consent of the Investor Limited Partner, which shall not be unreasonably withheld, conditioned or delayed, the General Partner shall cause the Partnership to pay promptly, when and as

due, all charges for utilities, whether public or private, and will not suffer or permit any construction or mechanics', laborers, material statutory or other liens to be created or to remain outstanding upon any part of the Project, and if any such lien is created, will cause the Partnership to discharge the same of record by payment or bond against such lien no later than 45 days after the filing thereof.

(n) The General Partner acknowledges that the HOME Loan has been or will be funded with the proceeds of HOME Program funds pursuant to the Cranston-Gonzalez National Affordable Housing Act of 1995, which is implemented by the HOME Investor Limited Partners Program, 24 C.F.R. Part 92, as amended (collectively, the "HOME Act"). The General Partner shall cause the Partnership to comply in full with the HOME Act, including rental restrictions and tenant income limitations, Davis-Bacon Act, and all requirements set forth in any regulatory agreement executed by the Partnership in connection with the HOME Loan. In addition, the General Partner shall cause the Partnership to comply with such requirements in a manner such that, pursuant to Code Sections 42(i)(2)(D) and (E), the assistance provided the Partnership under the HOME Act shall not constitute a "federal subsidy" within the meaning of Code Section 42(i), and shall cause at least 40% of the units in the Apartment Complex to be occupied by individuals with incomes of 50% or less of area median incomes, as adjusted for family size, notwithstanding any other provision of this Agreement.

Section 7.6 Property Management Agent.

(a) Selection of Property Management Agent. The Partnership, with the approval of the Credit Agency and/or the Lender, if required, shall engage the Property Management Agent to manage the operation of the Project during the lease-up period and following Stabilization. The Property Management Agent shall possess all required and applicable certifications and licenses issued through the Project State or through a reputable property management educational organization (such as an Accredited Management Organization designation through the Institute of Real Estate Management) as well as any additional certifications or licenses that are required to manage Tax Credit properties. The Property Management Agent shall perform its obligations in accordance with all laws, procedures and regulations governing property managers within the Project State. The Property Management Agent shall be paid a management fee (the "Property Management Fee") in such amount as may be approved by the Credit Agency and the Lender, if required. The Property Management Agent shall be required to prepare monthly and annual modified accrual-basis operating statements with respect to the Project which statements shall be provided to the General Partner no later than 15 days following the end of each month (or year, as applicable) and which statements shall disclose any event or occurrence with respect to the Project that is asserted by any Authority to be in violation of any federal, state or local statute or regulation. The contract between the Partnership and the Property Management Agent and the management plan for the Project shall be in a form acceptable to the Credit Agency and/or the Lender, if required, and reasonably acceptable to the Investor Limited Partner. Such contract shall have an initial term of one year and shall be renewable annually thereafter unless notice of nonrenewal is given by either party not more than 30 days

prior to the expiration of the then current term and shall provide, among other things, (1) for termination by the General Partner with no more than 30 days' notice; (2) for payment of a management fee in an amount not to exceed the respective percentage set forth above; (3) that if the Property Management Agent is an Affiliate of the General Partner, the Property Management Agent shall accrue 100% of the Property Management Fee until the Project has achieved positive Net Cash from Operations, and from time to time thereafter to the extent necessary at any time to prevent a default under the Permanent Financing, to pay an Credit Adjuster Obligation or to repay any Limited Partner loans, and (4) other commercially reasonable terms including the provision of a fidelity bond and insurance coverage consistent with the specifications provided in the Insurance Requirements set forth in Exhibit 9. Hamilton Properties Corp., a Missouri corporation, is hereby approved by the parties to act as the initial Property Management Agent for the Project.

(b) Removal of the Property Management Agent. The General Partner (1) may, upon receiving the consent of the Investor Limited Partner, not to be unreasonably withheld, conditioned or delayed, after receiving any required approval of any Lender and the Credit Agency, as applicable, dismiss or not renew the Property Management Agent as the entity responsible for the Project under the terms of the contract between the Partnership and the Property Management Agent, and (2) at the request of the Investor Limited Partner, shall immediately remove the Property Management Agent if: (A) the Investor Limited Partner has validly removed the General Partner pursuant to Section 9.6, or (B) there has been a default under any Permanent Financing Document or the occurrence of a Tax Credit Recapture Event, if either event was the result of the failure of the Property Management Agent to properly perform its duties under the Property Management Agreement, or (C) there has been a default under the Property Management Agreement (subject to the fulfillment and expiration of any applicable notice and cure provisions) that results in a material adverse effect on the Project, or (D) the Partnership has been issued a citation or given a similar notice by an Authority of a building code violation that has not been cured in a reasonable time, or (E) the Credit Agency has filed an IRS Form 8823 with respect to the Project and any noncompliance alleged therein has not been cured in a reasonable time and is the result of the failure of the Property Management Agent to properly perform its duties under the Management Agreement, or (F) there is any intentional misconduct by the Property Management Agent or negligence in the discharge of its duties and obligations as Property Management Agent (subject to the fulfillment and expiration of any applicable notice and cure provisions), including, without limitation, for any action or failure to take any action which violates in any material respect any provision of the Property Management Agreement or a Regulatory Agreement, or the approved management plan for the Project.

(c) Replacement of the Property Management Agent. Upon the termination of the contract with the Property Management Agent or the removal of the Property Management Agent as the entity responsible for the management of the Project, the General Partner shall engage a substitute Property Management Agent which, if the removed Property Management Agent was an Affiliate of the General Partner, is not an

Affiliate of the General Partner, subject to the approval of the Lender and the Credit Agency, if required, and the consent of the Investor Limited Partner, not to be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary contained herein, if there exists a conflict between the terms of this Agreement and that of the Management Agreement, the terms of this Agreement shall control.

(d) General Partner Removal. If the General Partner fails to comply with any of the requirements of this Section 7.6, it may be removed for cause pursuant to Section 9.6 hereof.

Section 7.7 Fees for Services Rendered. The Partnership shall pay the following fees to the Partners or their Affiliates:

(a) Development Fee. The Partnership shall accrue and pay to the Developer a Development Fee, in the aggregate amount of \$878,441 (or the maximum amount allowable by the Credit Agency’s rules at Cost Certification, the Development Agreement or this Agreement, as described in this Section 7.7(a), which is payable at the times and upon the conditions set forth in the Development Agreement and this Agreement), for services rendered in negotiating, coordinating and supervising the planning, architectural, engineering and construction services necessary for the development of the Project as more specifically set forth in the Development Agreement. The Development Fee shall be capitalized to the depreciable basis of the Project, and earned in accordance with the Development Agreement for services performed as to each building in the Project as such building is Placed in Service. The Development Fee shall be paid from the available proceeds of funded Installments after payment of all other Development Costs and amounts owing to the Limited Partners then due, generally in accordance with the following schedule, subject to such changes as will be outlined in the updated Project budget:

Capital Contribution Installment	Benchmark	Development Fee Payment
First	Closing	\$182,267
N/A	50% Construction Completion	\$60,756
Second	Permanent Loan Conversion	\$79,534
Third	8609 Issuance	\$285,000
		\$607,557

(i) Any portion of the Development Fee that is deferred or not otherwise paid in full when due (including, but not limited to, \$270,884 of Development Fees anticipated to be deferred) (the “Deferred Development Fee”) shall be paid, together with interest thereon at the Applicable Federal Rate, commencing in the month and year the Project is Placed in Service, but in no event

later than the end of the Compliance Period. If any portion of the Deferred Development Fee remains unpaid at the end of the Compliance Period, such amount shall be paid by the Partnership on said date from the proceeds of the additional Capital Contribution made by the General Partner.

(ii) The amounts specified in Section 7.7(a) as payable to the Developer are payable to the Developer in its capacity as the developer of the Project. The Development Fee is payable without regard to the income of the Partnership. The Developer shall not delegate its obligations under the Development Agreement to any other party without the consent of the Investor Limited Partner.

(b) Asset Management Fee. The Partnership shall pay an annual, cumulative Asset Management Fee to the Special Limited Partner in the amount of \$5,000 per annum (subject to an annual 3% increase), which fee shall be paid on December 31 of the year that the first building in the Project is Placed in Service (pro-rated for such year from such Placed in Service date to December 31) and on June 1st of each year thereafter. If the Partnership does not have sufficient funds to pay the Asset Management Fee in any year, the unpaid amount shall accrue and shall be payable prior to any future distributions of Net Cash from Operations or if not fully paid prior to a sale or refinancing, then from Net Cash from Sales or Refinancings. The General Partner shall ensure that any accrued but unpaid Asset Management Fee will be reflected in the annual audited financial statement. Neither the Special Limited Partner, nor its Affiliates, will incur any liability to the General Partner or the Partnership as a result of the performance of or failure to perform asset management or other services with respect to oversight or monitoring of the Partnership.

(c) Incentive Management Fee. The Partnership shall pay the General Partner an Incentive Management Fee on an annual, non-cumulative basis, in the amount and priority specified in Section 6.1(g) hereof to compensate the General Partner for monitoring the activities of the Partnership, supervising the Property Management Agent, and reporting to the Investor Limited Partner so as to enable the Partnership to comply with all Code requirements for the Tax Credit and to establish eligibility for such Tax Credit with respect to the Project and avoid recapture thereof during the Compliance Period.

(d) Disposition Fee. The Partnership shall pay the Investor Limited Partner a disposition fee upon the sale, transfer or other disposition of the Project or the Investor Limited Partner's interest therein in an amount equal to the lesser of (1) the reasonable and actual third-party and internal costs of incurred by the Limited Partners in connection with the evaluation and documentation of any sale, transfer or other disposition of the Project, any Partnership Property or any Partnership Interest, in whole or in part, or (2) \$100,000 (the "Disposition Fee").

(e) Withholding of Fees. If (1) the General Partner, or any successor General Partner, shall not have complied with this Agreement in all material respects (subject to the fulfillment and expiration of any applicable notice and cure provisions), or (2) a

Lender shall have declared the Partnership to be in default under any Loan for reasons other than the Investor Limited Partner's failure to make an Installment when due (subject to the fulfillment and expiration of any applicable notice and cure provisions), or (3) foreclosure proceedings shall have been commenced against the Project for reasons other than the Investor Limited Partner's failure to make a Capital Contribution when due (subject to the fulfillment and expiration of any applicable notice and cure provisions) and such proceedings have not been dismissed, or (4) if the Property Management Agent is an Affiliate of the General Partner and the Property Management Agent has violated the Management Agreement in any material respect (subject to the fulfillment and expiration of any applicable notice and cure provisions), or (5) the Carryover Allocation is revoked by the Credit Agency or the Credit Agency declares a default thereunder, or (6) there currently exists a basis for the Investor Limited Partner to request a repurchase of its Interest pursuant to Section 4.8, or (7) the Developer is in default under the Development Agreement, then the Partnership shall withhold payment of any installment of fees and/or allowance payable to the General Partner or any Affiliate pursuant to Article 7 or any other provision of this Agreement. All amounts so withheld by the Partnership under this Section 7.7(e) shall be promptly released to the payees thereof after the General Partner (or the Developer, as applicable) has cured the default justifying the withholding, as demonstrated by evidence reasonably acceptable to the Investor Limited Partner.

Section 7.8 Outside Ventures of General Partner. The General Partner and any Affiliate thereof may engage in or possess an interest in any other business venture of any type or description, independently or with others (including any venture which may be competitive with the business being conducted by the Partnership) and neither the Partnership, nor any Partner will, by virtue of this Agreement, have any right, title or interest in or to such outside ventures or the income or other benefits derived therefrom.

Section 7.9 Dealing with Affiliates. The General Partner may employ or retain in any capacity any Partner or Affiliate of any Partner so long as the terms upon which such Partner or such Affiliate is employed or retained are commercially reasonable under the circumstances and comparable to those terms which could be obtained from an independent person for comparable services in the area where the Project is located or the Partnership has its principal office.

Section 7.10 Indemnification of Partnership and Limited Partners.

(a) The General Partner hereby agrees to defend, indemnify, and hold harmless the Partnership and the Limited Partners and their respective Affiliates, owners, employees, agents, successors and assigns, from and against any loss, claims, demand, liabilities, lawsuits and other proceedings, judgments, awards, costs, and expenses including attorneys' fees or damages (including foreseen and unforeseen actual damages) arising directly or indirectly out of the presence on, under or about the Project of any Hazardous Substance, or the use, release, generation, manufacture, storage, or disposal of any Hazardous Substance on, under or about the Project, or the violation of any Environmental Law with respect to the Project. The indemnification provided by this Section 7.10(a) shall include, but not be limited to, the costs and expenses (including

reasonable attorneys' fees) of the removal of any liens affecting any property of the indemnitee as a result of such legal action.

(b) The General Partner hereby agrees to defend, indemnify, and hold harmless the Partnership and the Limited Partners and their respective Affiliates, owners, employees, agents, successors and assigns, from and against any loss, claims, demand, liabilities, lawsuits and other proceedings, judgments, awards, costs, and expenses including attorneys' fees or damages (including foreseen and unforeseen actual damages), arising directly or indirectly, in whole or in part, out of the General Partner's gross negligence, fraud, willful misconduct, malfeasance, breach of obligations under the Act or actions performed outside the scope of the authority of the General Partner, the inaccuracy or breach of any representations or warranties contained in this Agreement, or the breach of any of the General Partner's or the Partnership's obligations under the Project Documents or this Agreement.

(c) The General Partner hereby agrees to defend, indemnify, and hold harmless the Partnership and the Limited Partners and their respective Affiliates, owners, employees, agents, successors and assigns, from and against any loss, claims, demand, liabilities, lawsuits and other proceedings, judgments, awards, costs, and expenses including attorneys' fees or damages (including foreseen and unforeseen actual damages) arising directly or indirectly out of the use of Foreign Drywall in the construction/rehabilitation of the Project.

(d) The General Partner will satisfy any judgment, decree, decision or settlement arising out of a liability of the Partnership as follows: (1) first, out of insurance proceeds available therefor; (2) next out of Partnership income or profit; and (3) finally, and only if the General Partner is personally liable therefor, out of the separate income or property of the General Partner. The General Partner shall have no liability whatsoever to any Limited Partner or the Partnership for any act or omission taken or not taken at the written direction of the Special Limited Partner or the Investor Limited Partner, as the case may be. The foregoing indemnification obligations shall be recourse obligations of the General Partner and shall survive the dissolution of the Partnership and/or the death, retirement, incompetency, insolvency, bankruptcy, or withdrawal of the General Partner.

(e) Any Person due indemnification under this Section 7.10 shall promptly, but in any event within 20 days, after gaining knowledge of the claim or occurrence of the event giving rise to indemnification, give notice to the General Partner thereof. General Partner shall be entitled, at its expense, to assume defense of any action by notifying the indemnified Person within a reasonable time. Such counsel may be the same counsel providing defense to the General Partner or the Partnership, provided that such counsel reasonably determines that counsel's ability to represent the indemnified Person is not materially impaired by such dual representation. If there is such an impairment, the General Partner shall, at its expense, engage separate counsel for the indemnified Person, which counsel shall be reasonably acceptable to such indemnified Person. In any event, the indemnified Person shall be entitled to participate in any such action or defense through its own separate counsel, which shall be an expense of such indemnified Person.

An indemnified Person shall not settle or compromise any claim subject to indemnity without the consent of the General Partner, which consent shall not be unreasonably withheld, conditioned or delayed. The indemnified Person shall reasonably cooperate in the defense of any action.

Section 7.11 Publicity and Promotional Events. The General Partner shall be obligated to notify the Investor Limited Partner at least 30 days in advance of any groundbreaking, ribbon cutting, open house, public relations event or other similar activities related to the Project. Representatives of the Investor Limited Partner and any investors who have provided funds that have been invested in the Project by the Investor Limited Partner (collectively, the “Publicity Parties”) shall be entitled to attend such events. The General Partner shall also be obligated to place the names of any entities that the Investor Limited Partner might designate on any signage that is erected for publicity purposes during the construction/rehabilitation of the Project. Any costs related thereto shall be paid by the Partnership. The General Partner shall notify the Investor Limited Partner when any such signage is being prepared and provide the Investor Limited Partner with a reasonable amount of time to provide names for inclusion. The General Partner acknowledges that it will benefit from any publicity generated by the Publicity Parties with respect to the Project. In consideration thereof, the General Partner hereby grants to the Publicity Parties a limited, royalty free license to use of the Project name and likeness, including any photographs of the Project and any written materials related to the Project, in any commercial, promotional or marketing materials such as press releases, publications, and publicity events that any of the Publicity Parties may wish to publish or conduct.

Section 7.12 Loans to the Partnership. With the prior written consent of the Investor Limited Partner, which shall not be unreasonably withheld, conditioned or delayed, if additional funds are required by the Partnership for any purpose relating to the business of the Partnership or for any of its obligations, expenses, costs or expenditures, the Partnership may borrow such funds as are needed from any General Partner or other Person as the General Partner, the Investor Limited Partner and the Lender, if so required, may agree. Unless the Investor Limited Partner and the Lender, if so required, agree otherwise, such loans (1) shall bear a per annum rate of interest equal to the Prime Rate plus 1%, (2) shall not have a fixed maturity date that is prior to the end of the Compliance Period, (3) shall not be secured by any mortgage or other encumbrance on the property of the Partnership, and (4) shall be payable solely from the assets of the Partnership (which assets include the proceeds of any claim against the General Partner under this Agreement).

Section 7.13 Option to Purchase.

(a) For a period of twelve (12) months after the end of the Compliance Period for the last building in the Project (the “Option Period”), the General Partner will have an option (the “Option”) to purchase (X) the Project (the “Asset Option”) if the purchase price in Section 7.13(b) exceeds the purchase price in Section 7.13(d) or (Y) the Limited Partners’ Partnership Interests (the “Limited Partner Interest Option”) if the purchase price in Section 7.13(d) exceeds the purchase price in Section 7.13(b) on the terms and conditions set forth in this Section 7.13 and subject to the terms of the then existing

Permanent Loan. This Option shall be null and void and of no effect upon the removal or withdrawal of General Partner or a related entity thereof as developer or general partner of the Partnership. The General Partner may exercise the Option by delivering to the Partnership and the Limited Partners, during the Option Period appropriate term, written notice of the exercise. The notice of exercise shall state that the Option is exercised without condition or qualification.

(b) The purchase price (the "Purchase Price") of the Project if acquired pursuant to the Asset Option shall be the sum of any amount owed to the Limited Partners under any provision of the Agreement (including all credit adjusters owed under Section 4.2(c)) plus the greater of (i) the fair market value of the Project (fair market value is to include all reserves and deposits) or (ii) one dollar (\$1.00) plus the amount of the outstanding debt secured by deeds of trust or mortgages on the Project and any other obligations of the Partnership, including, but not limited to any loans from any Partner or any of their Affiliates, and the amount which, if the Partnership were liquidated, would be sufficient to distribute to the Limited Partners an after-tax amount equal to the transfer, income and other taxes resulting to the Limited Partners upon the sale and disposition of the Project, assuming that Limited Partners have no other taxable income or loss and using the highest combined federal, state and local marginal tax rate in effect on the date of sale. The General Partner shall pay no additional amount for the reserves provided for in Section 7.3, other than the addition of such reserves in calculating the fair market value of the Project.

(c) The fair market value of the Project shall be determined by mutual agreement of the parties or, in the absence of such agreement, as follows. The General Partner and the Limited Partners shall select a mutually acceptable appraiser who shall determine the fair market value of the Project. In the event the parties are unable to agree upon an appraiser, the General Partner and the Limited Partners shall each select an appraiser. If the difference between the two appraisals is within ten percent (10%) of the lower of the two appraisals, the fair market value shall be the average of the two appraisals. If the difference between the two appraisals is greater than ten percent (10%) of the lower of the two appraisals, then the two appraisers shall jointly select a third appraiser. If the two appraisers are unable jointly to select a third appraiser, either the General Partner or the Limited Partners may, upon written notice to the other, request that the appointment be made by the American Arbitration Association or its designee. The appraisals shall take into account any title restrictions and the requirement that the Project remain dedicated for the use of low-income households pursuant to any restrictions under any loan agreements or regulatory agreements. If the third appraisal is less than either of the first two, then fair market value shall be the average of the two lowest appraisals. If the third appraisal is greater than the first two, then fair market value shall be the average of the two highest appraisals. If the third appraisal falls between the previous two appraisals, the fair market value shall be the value established by the third appraisal. The General Partner and the Limited Partners shall share the cost equally of any appraiser jointly selected or shall pay the costs of the appraiser they each select and shall share the cost equally of any third appraiser. Any appraiser selected pursuant to this section shall

be an MAI appraiser with at least five years of experience in valuing income-restricted multifamily rental property.

(d) The purchase price (the “Buyout Price”) of the Project if acquired pursuant to the Limited Partner Interest Option shall be the sum of any amount owed to the Limited Partners under any provision of the Agreement (including all credit adjusters owed under Section 4.2(c)) plus the greater of (i) the fair market value of the Limited Partners’ Partnership Interests (fair market value is to include all reserves and deposits) or (ii) one dollar (\$1.00) plus the amount of the outstanding debt secured by deeds of trust or mortgages on the Project and any other obligations of the Partnership, including, but not limited to any loans from any Partner or any of their Affiliates, and the amount which, if the Partnership were liquidated, would be sufficient to distribute to the Limited Partners an after-tax amount equal to the transfer, income and other taxes resulting to the Limited Partners upon the sale and disposition described in this paragraph, assuming that Limited Partners have no other taxable income or loss and using the highest combined federal, state and local marginal tax rate in effect on the date of sale. The General Partner shall pay no additional amount for the reserves provided for in Section 7.3, other than the addition of such reserves in calculating the fair market value of the Limited Partners’ interest.

(e) The fair market value of the Limited Partners’ Partnership interest shall be determined by mutual agreement of the parties or, in the absence of such agreement, as follows. The General Partner and the Limited Partners shall select a mutually acceptable appraiser who shall determine the fair market value of the Project. In the event the parties are unable to agree upon an appraiser, the General Partner and the Limited Partners shall each select an appraiser. If the difference between the two appraisals is within ten percent (10%) of the lower of the two appraisals, the fair market value shall be the average of the two appraisals. If the difference between the two appraisals is greater than ten percent (10%) of the lower of the two appraisals, then the two appraisers shall jointly select a third appraiser. If the two appraisers are unable jointly to select a third appraiser, either the General Partner or the Limited Partners may, upon written notice to the other, request that the appointment be made by the American Arbitration Association or its designee. The appraisals shall take into account any title restrictions and the requirement that the Project remain dedicated for the use of low-income households pursuant to any restrictions under any loan agreements or regulatory agreements. If the third appraisal is less than either of the first two, then fair market value shall be the average of the two lowest appraisals. If the third appraisal is greater than the first two, then fair market value shall be the average of the two highest appraisals. If the third appraisal falls between the previous two appraisals, the fair market value shall be the value established by the third appraisal. The General Partner and the Limited Partners shall share the cost equally of any appraiser jointly selected or shall pay the costs of the appraiser they each select and shall share the cost equally of any third appraiser. Any appraiser selected pursuant to this section shall be an MAI appraiser with at least five years of experience in valuing income-restricted multifamily rental property.

(f) The closing shall occur no later than ninety (90) days after the Limited Partners' receipt of the General Partner's written notice of exercise of the Option (or, if later, thirty (30) days after the fair market value is determined pursuant to the preceding paragraph). The purchase price shall be the greater of the Purchase Price and the Buyout Price and shall be payable in readily available funds (and/or payable by taking subject to the existing debt and assuming liability for all unsecured obligations if utilizing the Asset Option). As a condition to closing, the General Partner shall (i) pay all amounts owed to the Limited Partners under the Agreement and (ii) obtain all consents from any lessor, governmental agency and holder of a mortgage or deed of trust on the Project, whose consent to a sale is required. Except as provided above with respect to appraisal costs, all costs associated with the sale pursuant to an Option to the General Partner, including, without limitation, any real estate transfer taxes, title policy premiums, recordation costs and costs related to the assumption of the underlying loans shall be shared by the General Partner and the Partnership as agreed by the Partners.

ARTICLE 8

Powers and Rights of the Limited Partners

Section 8.1 Limitation of Liability. Except as otherwise required under the Act (relating to a limited partner's liability under certain circumstances to refund to the Partnership distributions of cash previously made to it as a return of capital), the liability of a Limited Partner is limited to its Capital Contribution as and when payable under this Agreement. No Limited Partner shall have any other liability to contribute money to, or in respect of the liabilities or obligations of, the Partnership, nor shall any Limited Partner be personally liable for any obligations of the Partnership, except as and to the extent provided in the Act. No Limited Partner shall be obligated to make loans to the Partnership.

Section 8.2 No Participation in Management. Except as otherwise expressly provided in this Agreement and permitted under the Act, the Limited Partners shall not participate in the operation, management, or control of the Partnership's business, transact any business in the Partnership's name, or have any power to sign documents for or otherwise bind the Partnership. The Limited Partners shall have no power or authority with respect to the Partnership except insofar as the consent of a Limited Partner shall be expressly required and except as otherwise expressly provided in this Agreement and permitted under the Act. Notwithstanding the foregoing, nothing in this Agreement shall be construed to limit any right, power or authority of the Limited Partners set forth herein.

Section 8.3 Other Activities. Any Limited Partner and any Affiliate thereof may engage in or possess interests in other business ventures of every kind and description for its own account, including serving as a partner, member or shareholder of other partnerships or companies that own, either directly or indirectly, low-income housing projects similar to the Project. Neither the Partnership nor any of the Partners shall have any right by virtue of this Agreement in or to such other business ventures or to the income or profits derived therefrom.

ARTICLE 9

Withdrawal or Removal of General Partner

Section 9.1 Withdrawal. No General Partner shall Withdraw from the Partnership or sell, assign or encumber its Partnership Interest without the consent of the Investor Limited Partner and all the other General Partners, except that if the Investor Limited Partner or a designee thereof becomes a General Partner, it shall not require the consent of any other General Partner to transfer all or any portion of its interest as a General Partner, other than as may be required under the Act. In the event of any Withdrawal by a General Partner in violation of this Section 9.1, such General Partner, in addition to being subject to any and all other legal remedies which may be pursued by the Partners, shall transfer to the Investor Limited Partner or its designee, automatically and without payment, such General Partner's Partnership Interest and all unpaid fees from the Partnership and shall remain liable for all of the Withdrawing General Partner's obligations under this Agreement. In addition, upon such Withdrawal and transfer, the Investor Limited Partner or its designee shall automatically become a General Partner on the terms set forth in Section 9.5 without further action by the Withdrawing General Partner or any other Partner, and each Partner hereby consents to such transfer and to the admission of the Investor Limited Partner or its designee as a General Partner in such a situation. Such transfer shall occur automatically upon such Withdrawal without further action by such Withdrawing General Partner.

Section 9.2 Obligation to Continue. Upon the Withdrawal of a General Partner, the remaining General Partners (if any) shall have the right and obligation to continue the business of the Partnership employing its assets and name, all as contemplated by the Act. No later than 30 days after they obtain knowledge of the Withdrawal of a General Partner, the remaining General Partners shall notify the Limited Partners of such Withdrawal.

Section 9.3 Withdrawal of All General Partners. If the Withdrawal of one or more General Partners will result in no General Partners in the Partnership, such General Partner may not Withdraw from the Partnership until a new General Partner has been admitted to the Partnership. If, following the Withdrawal of a General Partner, there is no remaining General Partner, the Limited Partners may elect to reconstitute the Partnership and continue the business of the Partnership for the balance of the term specified in Section 1.4(b) by selecting a successor General Partner. If the Limited Partners elect to reconstitute the Partnership pursuant to this Section 9.3 and admit the designated successor General Partner, the relationship among the then Partners shall be governed by this Agreement.

Section 9.4 Partnership Interest of General Partner After Permitted Withdrawal. In the event of the Withdrawal of a General Partner not in violation of Section 9.1 and except as otherwise provided in Section 9.5, the Withdrawing General Partner hereby agrees to transfer to the remaining General Partners or to a successor General Partner selected in accordance with Section 9.3, as the case may be, the Withdrawing General Partner's Partnership Interest, such transfer to be made in consideration of the payment by the transferee of either the agreed value of such Partnership Interest or, if such value is not agreed to, the fair market value of such Partnership Interest as determined by a committee of 3 MAI real estate appraisers, 1 selected by

the Withdrawing General Partner, 1 selected by the transferee and a third selected by the other 2 appraisers. The transfer of the Withdrawing General Partner's Partnership Interest shall be deemed to be effective as of the date of Withdrawal, but the Partnership shall not make any distributions to the designated transferee until the transfer shall have been made. The admission of any successor or additional General Partner requires the consent of the Investor Limited Partner.

Section 9.5 Admission of Additional General Partner(s) under Certain Circumstances. If a General Partner withdraws in violation of Section 9.1 or is subject to removal under this Agreement pursuant to Section 9.6 or otherwise, the Investor Limited Partner, in its sole discretion, shall have the option at any time thereafter to cause itself or its designee to be admitted as an additional General Partner on the terms set forth herein without any further action by any other Partner. An additional General Partner so admitted shall automatically become a General Partner and be irrevocably delegated all of the power and authority of all of the other General Partners, and all contracts and agreements between the Partnership and any of the other General Partners, the Developer or any Affiliate of any of them shall be subject to termination by the Partnership at any time after such admission. If the other General Partner's removal has not been finalized at the time of admission of the additional General Partner, the additional General Partner shall be deemed the Managing General Partner and its decision with respect to any matter within the authority of a General Partner shall control and it shall be able to act independently on behalf of the Partnership without the vote or consent of the other General Partner. Any such additional General Partner shall have the right to withdraw as a General Partner at any time, leaving the pre-existing General Partners once again as the only General Partners, the provisions of this Section 9.5 notwithstanding, whereupon the Investor Limited Partner or its designee shall once again become a Limited Partner and its rights and its interest in the Partnership as the Investor Limited Partner shall not be affected. The admission of an additional General Partner shall not relieve any other General Partner of any of such other General Partner's obligations hereunder, and each other General Partner shall fully indemnify and hold harmless the additional General Partner from and against any and all losses, judgments, liabilities, expenses and amounts paid in settlement of any claims sustained by the additional General Partner in connection with its capacity as a General Partner.

Section 9.6 Removal of General Partner. The Investor Limited Partner may remove the General Partner (or any and all of the General Partners, if more than one) if any of the events set forth in Section 9.6(a) (each, an "Event of Default") occurs:

(a) Events of Default.

(i) Any fraud, gross negligence, malfeasance or intentional misconduct of the General Partner;

(ii) The breach of the Project Documents in any material respect by the Partnership, General Partner or any Affiliate of the General Partner, which breach has not been expressly waived by the Lender and the Credit Agency, as applicable, or cured within any applicable cure period, and which breach results in, or is likely to result in, a material adverse effect to the Investor Limited Partner, the Tax

Credit, or the Partnership, or an impairment of the Project or the Partnership Property;

(iii) The breach of Section 4.2(c), Section 4.8, Section 7.2 or Section 7.10;

(iv) The use by the General Partner of any funds in any of the reserves described in Section 7.3 for purposes other than as permitted therein;

(v) The breach of this Agreement or the Development Agreement in any material respect by the Partnership, General Partner or any Affiliate of the General Partner, which breach has not been expressly waived by the Investor Limited Partner, and such violation results in, or is likely to result in, a material adverse effect to the Investor Limited Partner, the Tax Credit, or the Partnership, or an impairment of the Project or the Partnership Property;

(vi) Any action or inaction by the Partnership, General Partner or any Affiliate of the General Partner that does, or with the passage of time would, (1) cause the termination of the Partnership for federal income tax purposes (except to the extent such action is expressly authorized herein), (2) cause the Partnership to be treated for federal income tax purposes as an association taxable as a corporation, (3) cause the Partnership to fail to qualify as a limited partnership under the Act, (4) cause any Limited Partner to be liable for Partnership obligations in excess of its Capital Contribution, (5) qualify as an event of removal or withdrawal with respect to the General Partner under the Act, or (6) otherwise substantially reduce tax benefits or substantially increase tax liabilities of any Limited Partner and otherwise is not cured by payments made pursuant to Section 4.2(c);

(vii) The occurrence of any event listed in Section 4.8(a);

(viii) The occurrence of an event of default under the Guaranty Agreement not otherwise cured, pursuant to the terms of this Agreement and the Guaranty Agreement, by the General Partner;

(ix) The occurrence of an Involuntary Event with respect to the General Partner or a Guarantor;

(x) The General Partner or a Guarantor (or any Decision Maker of either, unless such Decision Maker is immediately removed after written notice to the Investor Limited Partner) is convicted by a court of competent jurisdiction of a felony criminal offense or such General Partner or Guarantor pleads guilty to such an offense; or

(xi) During the Compliance Period, the General Partner has operated the Project in a manner such as that 20% or more of the Low-Income Units fail to qualify for Tax Credit.

(b) Effectiveness. The Investor Limited Partner shall give written notice to all Partners of its determination that a General Partner shall be removed. If the Investor Limited Partner has determined to remove a General Partner, such General Partner shall have 30 days after receipt of such notice to cure any monetary default and 60 days to cure any nonmonetary default or other reason for such removal, in which event it shall remain as General Partner. If, at the end of the applicable cure period, the General Partner has not cured any default or other reason for such removal, it shall cease to be a General Partner and the powers and authorities conferred on it as General Partner under this Agreement shall cease and the Partnership Interest of such General Partner shall be transferred to the Investor Limited Partner or its designee in accordance with Section 9.5.

Notwithstanding such removal, the General Partner shall remain liable to the Partnership and the Limited Partners for (1) all obligations and liabilities (including its obligations to make any payments pursuant to Section 4.2(c), Section 4.8, Section 7.2 or Section 7.10) incurred by it as a General Partner before the effective date of such removal but is free of any obligations and liabilities incurred on account of Partnership activities from and after the time of such removal, and (2) all actual damages and other amounts recoverable or payable hereunder or under applicable law by or to the Partnership or the Limited Partners as a result of the occurrence of the Event of Default.

ARTICLE 10

Transfer of Limited Partner Partnership Interests

Section 10.1 Voluntary Transfers.

(a) A Limited Partner may at any time and without the consent of any other Partner freely transfer, sell, assign or pledge its Partnership Interest to any Affiliate; provided that, prior to payment in full of all outstanding Capital Contribution obligations of the Investor Limited Partner, the initial Investor Limited Partner shall remain obligated therefor notwithstanding any transfer or assignment of such interest. A Limited Partner may transfer, sell, assign or pledge its Partnership Interest to a non-Affiliate third party during the Restricted Period only upon the prior written consent of the General Partner, in its sole discretion, and after the Restricted Period, only upon the prior written consent of the General Partner, which consent shall not be unreasonably withheld, conditioned or delayed. A Limited Partner shall give notice of a transfer, sale or assignment to the General Partner at least 90 days prior to transfer, sale or assignment of its Partnership Interest (but no such notice shall be required in the case of a pledge or collateral assignment by the Limited Partner of its Partnership Interest). After Completion, the Investor Limited Partner and/or the Special Limited Partner, as applicable, shall pay any transfer taxes incurred upon the making of any such transfer, whether directly or indirectly.

(b) The General Partner may approve or disapprove the proposed non-Affiliate transfer in its sole discretion, and in the event of approval shall promptly cooperate with any reasonable request by the Limited Partner in connection with the

proposed transfer, sale, assignment or pledge of its Partnership Interest, and by executing and delivering any certificates, documents or instruments, and causing to be delivered such opinions, in each case for the benefit of the transferee, purchaser, assignee or pledgee of such Interest, as the General Partner is required to deliver or cause to be delivered as a condition of the making by the Limited Partner of any Capital Contribution pursuant to Section 4.2, and by entering into any amendments to this Agreement or the exhibits hereto that such transferee, purchaser, assignee or pledgee may reasonably request provided that the same do not reduce or change the timing of, or the obligation of the Limited Partner to make Capital Contributions, increase the obligations or restrict the authority of the General Partner, or otherwise materially adversely affect the essential economic or other interests of the Partners hereunder.

(c) Except for any transfer of the Limited Partner's Interest under Section 4.8, the Limited Partner whose Partnership Interest is being transferred (or a Limited Partner which is an entity to cause or permit the sale, transfer and/or assignment of equity interests in itself) shall pay such third party, out-of-pocket, reasonable expenses, including legal fees and costs and accounting costs (including as the latter relates to any termination of the Partnership for federal income tax purposes under Section 708(b)(1)(B) of the Code), as may be incurred by the Partnership and the General Partner in connection with such transfer.

(d) In connection with any Voluntary Transfer or other transfer of equity interests in the Investor Limited Partner, the Investor Limited Partner and its Affiliates may disclose to prospective investors information previously supplied to the Investor Limited Partner and/or its Affiliates about the Partnership, the Project, the General Partner, each of the other Partners, the Developer, the Guarantor, the Property Management Agent and Affiliates thereof, and the Partners, the Guarantor, the Developer and Affiliates thereof hereby agree to such disclosure and to supply such further information as the Investor Limited Partner, its Affiliates or any such investor(s) may require in order to effectuate such a transfer. The Investor Limited Partner shall reimburse to the Partnership and the General Partner, as the case may be, any reasonable and actual out-of-pocket costs incurred by them with respect to any such activities.

Section 10.2 Rights of Assignee of Interest.

(a) Except as otherwise provided in Section 10.3, an assignment of a Limited Partner's Partnership Interest or a portion thereof shall not entitle the assignee to become a partner of the Partnership, and the assignee shall only be entitled to receive, in accordance with any agreement that it may have with the Limited Partner, all or a portion of the Profits, Losses, items of income, gain, expense, loss or credit, and distributions of the Partnership otherwise allocable to the Limited Partner in respect of such Partnership Interest or portion thereof, and the assignee shall not have any other rights of a Partner of the Partnership, under this Agreement or otherwise. For the purpose of allocation of Profits, Losses, items of income, gain, expense, loss or credit, and for the purpose of distributing cash of the Partnership, an assignment of the Limited Partner's Interest shall be subject to Section 10.5.

(b) Except as provided in this Article and as required by operation of law, the Partnership shall not be obligated for any purpose whatsoever to recognize the assignment by any Limited Partner of its Partnership Interest until the Partnership has received actual notice thereof.

(c) Any Person who is the assignee of all or any portion of a Limited Partner's Partnership Interest, but does not become a Substituted Limited Partner and desires to make a further assignment of such Interest, shall be subject to all the provisions of this Article 10 to the same extent and in the same manner as any Limited Partner desiring to make an assignment of its Partnership Interest.

Section 10.3 Admission of Substituted Limited Partner.

(a) Subject to the other provisions of this Article 10, an assignee of the Partnership Interest of a Limited Partner (which shall be understood to include any purchaser, transferee, donee, or other recipient of any disposition of such Partnership Interest) shall be deemed admitted as a Substituted Limited Partner of the Partnership only upon the satisfactory completion of the following:

(i) any consent of the General Partner required pursuant to this Section 10.3, which shall not be unreasonably withheld or delayed, and any consent of the Lender and/or the Credit Agency that is required pursuant to the Loan Documents or applicable law shall have been given; any required consent of the General Partner may be evidenced by the execution by the General Partner of an amended Agreement and/or certificate evidencing the admission of such Person as a Limited Partner pursuant to the requirements of the Act;

(ii) the assignee shall have accepted and agreed to be bound by the terms and provisions of this Agreement by executing a counterpart thereof or an appropriate amendment hereto, and such other documents or instruments as the General Partner may reasonably require in order to effect the admission of such Person as a Limited Partner;

(iii) an amended Agreement and/or Certificate of Limited Partnership evidencing the admission of such Person as a Limited Partner shall have been filed for recording pursuant to the requirements to the Act, if necessary; and

(iv) if the assignee is not a natural person, the assignee shall have provided the General Partner with evidence satisfactory to counsel for the Partnership of its authority to become a Limited Partner under the terms and provisions of this Agreement.

(b) Notwithstanding anything to the contrary contained herein, prior to the first to occur of (1) the making by the Investor Limited Partner of its final Installment pursuant to Section 4.2 or (2) any event or occurrence described in Section 4.8 or Section 9.6(a) (the period prior to the first to occur of the events described in clause (1) and clause (2), the “Restricted Period”), no assignee of the Partnership Interest of a Limited Partner shall be admitted as a Substituted Limited Partner unless either (i) the assignee is an Affiliate of the Investor Limited Partner, or (ii) the General Partner, in its reasonable discretion, shall have consented thereto, and the Lender, if required, also shall have consented thereto.

(c) After the Restricted Period, any assignee of the Partnership Interest of a Limited Partner shall, subject to the consent of the General Partner, which consent shall not be unreasonably withheld, conditioned or delayed (but subject, if applicable, to obtaining any required consent of the Lender), be admitted to the Partnership as the Substituted Limited Partner in its place and stead.

(d) The General Partner shall cooperate with the Person seeking to become a Substituted Limited Partner by preparing the documentation required by this Section and making all official filings and publications. The Partnership shall take all such action, including the filing, if required, of any amended Agreement and/or Certificate of Limited Partnership evidencing the admission of any Person as a Limited Partner, and the making of any other official filings and publications, as promptly as practicable after the satisfaction by the assignee of the Partnership Interest of a Limited Partner of the conditions contained in this Article 10 to the admission of such Person as a Limited Partner of the Partnership. Any cost or expense incurred in connection with such admission shall be borne by the Substituted Limited Partner.

Section 10.4 Involuntary Transfers. The Involuntary Transfer of all or any part of any Limited Partner’s Partnership Interest will not cause the dissolution and termination of the Partnership, but rather the business of the Partnership is continued without interruption in accordance with the provisions of this Section 10.4. Upon an Involuntary Transfer of all or any part of any Limited Partner’s Partnership Interest, such Limited Partner’s successor or legal representative shall automatically be deemed to be a Substituted Limited Partner.

Section 10.5 Distributions and Allocations with Respect to Transferred Partnership Interests. If any transfer (whether a Voluntary or Involuntary Transfer) of a Limited Partner’s Partnership Interest is recognized by the Partnership under this Article 10, then

all allocations of Profits and Losses attributable to the transferred Partnership Interest shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during such fiscal period, using any convention or method of allocation selected by the General Partner which is then permitted under Section 706 of the Code and the Regulations promulgated thereunder. All distributions of Net Cash from Operations made prior to the effective date of any such transfer shall be made to the transferor and any such distributions made after the effective date of such transfer shall be made to the transferee.

ARTICLE 11

Fiscal Matters

Section 11.1 Books and Records. The Partnership shall maintain all books and records that are required under the Code, the Act or by the Credit Agency (including without limitation Tax Credit compliance records as required in Section 11.10 and tenant leasing files that will adequately document the timing, amount and availability of Tax Credit) and may maintain such other books and records as the General Partner in its discretion deems advisable. Notwithstanding the requirements of the Code, the Act or any Authority, the General Partner shall cause the books and records of the Partnership to be maintained in accordance with GAAP consistently applied as may be in effect from time to time. Every Partner, or its duly authorized representatives, shall at all times have access to the records of the Partnership at the principal office of the Partnership at any and all reasonable times, and may inspect and copy any of such records. A list of the names and addresses of all Partners shall be maintained as part of the books and records of the Partnership and shall be mailed to any Partner upon request. The General Partner shall cause its Affiliates to account for fees received from the Partnership in a manner that ensures no Partnership deductions are delayed, suspended or disallowed as a result of Section 267(a)(2) of the Code.

Section 11.2 Bank Accounts. The General Partner shall establish in the name and on behalf of the Partnership such bank accounts as shall be required to facilitate the operation of the Partnership's business. The Partnership's funds shall not be commingled with any other funds of the General Partner or any of its Affiliates, including any other partnership in which the General Partner is a general partner. Funds of the Partnership held in bank accounts shall be deposited in one or more interest bearing accounts maintained in FDIC insured banking institutions, with no such account having a balance in excess of the maximum insured amount, or in such other investment vehicle as shall be approved by the Investor Limited Partner. If the Partnership incurs any loss due to any Partnership funds being deposited in FDIC insured accounts with balances in excess of the maximum insured amount, the General Partner and the Guarantor (pursuant to the Guaranty Agreement) shall be absolutely and unconditionally liable to the Partnership and the Limited Partners with respect to any such loss. Promptly upon the request of the Investor Limited Partner, the General Partner shall obtain and deliver to the Investor Limited Partner full, complete, and accurate statements of the amount and status of all Partnership bank accounts and all withdrawals therefrom and deposits thereto.

Section 11.3 Accountant. The Accountant shall annually prepare for execution by the General Partner all tax returns of the Partnership, shall annually audit the books of the

Partnership, and shall certify, in accordance with GAAP, a balance sheet, a profit and loss statement, and a cash flow statement. A full detailed statement shall be furnished to all Partners, showing such assets, properties, and net worth and the profits and losses of the Partnership for the preceding fiscal year. All Partners shall have the right and power to examine and copy, at any and all reasonable times, the books, records and accounts of the Partnership.

Section 11.4 Cost Recovery and Elections.

(a) With respect to all depreciable assets for which cost recovery deductions are permitted, the Partnership shall elect to use, so far as permitted by the provisions of the Code, accelerated cost recovery methods. However, subject to the consent of the Investor Limited Partner, the Partnership shall change to another method of cost recovery if such other method is, in the opinion of the Accountant, more advantageous to the Investor Limited Partner and the investor(s) in the Investor Limited Partner.

(b) Subject to the provisions of Section 11.5, all other elections required or permitted to be made by the Partnership under the Code shall be made by the General Partner in such manner as will, in the opinion of the Accountant, be most advantageous to the Investor Limited Partner and the investor(s) in the Investor Limited Partner, subject to consent of the Investor Limited Partner.

Section 11.5 Section 754 Elections. In the event of a transfer of all or any part of the Partnership Interest of the Investor Limited Partner or a transfer of all or any part of a direct or indirect interest in the Investor Limited Partner, upon request by the Investor Limited Partner the Partnership shall elect to adjust the basis of the Partnership Property pursuant to Sections 743 and 754 of the Code so long as such election does not create any negative tax implications for the Partnership and/or General Partner. Any such adjustments shall affect only the successor in interest to the transferring Partner or to the transferring owner of such direct or indirect interest. Each Partner will furnish the Partnership all information necessary to give effect to such election; provided, however, that the Investor Limited Partner shall reimburse the Partnership for the reasonable and actual out-of-pocket costs of implementing such election and shall further indemnify the General Partner from any liability that might arise out of any material adverse effect such election has on the Key Assumptions or other tax benefits afforded to the Investor Limited Partner.

Section 11.6 Fiscal Year and Accounting Method. The fiscal and tax year of the Partnership shall be the calendar year. The books of the Partnership shall be kept on an accrual basis.

Section 11.7 Expenses of the Partnership. All expenses of the Partnership shall be billed directly to and paid by the Partnership.

Section 11.8 Tax Matters Partner.

(a) The General Partner hereby is designated as Tax Matters Partner of the Partnership, and shall engage in such undertakings as are required of the Tax Matters Partner of the Partnership, as provided in the Regulations promulgated under Section

6231 of the Code. Each Partner, by its execution of this Agreement, consents to such designation of the Tax Matters Partner and agrees to execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent.

(b) The Tax Matters Partner shall have and perform all of the duties required under the Code, including the following duties:

(i) Furnish the name, address, profits interest, and taxpayer identification number of each Partner to the IRS; and

(ii) Within 10 business days after the receipt of any correspondence or communication relating to the Partnership or Partner from the IRS, the Tax Matters Partner shall forward to each Partner a photocopy of all such correspondence or communication(s). The Tax Matters Partner shall, within 10 business days thereafter, advise each Partner in writing of the substance and form of any conversation or communication held with any representative of the IRS.

(c) The Tax Matters Partner shall not without the consent of the Investor Limited Partner, not to be unreasonably withheld or delayed:

(i) Extend the statute of limitations for assessing or computing any tax liability against the Partnership (or the amount or character of any partnership items);

(ii) Settle any audit with the IRS concerning the adjustment or readjustment of any partnership item(s) (within the meaning of Section 6231(a)(3) of the Code);

(iii) File a request for an administrative adjustment with the IRS at any time or file a petition for judicial review with respect to any such request;

(iv) Initiate or settle any judicial review or action concerning the amount or character of any Partnership tax item(s) (within the meaning of Section 6231(a)(3) of the Code);

(v) Intervene in any action brought by any other Partners for judicial review of a final adjustment; or

(vi) Take any other action not expressly permitted by this Section 11.8 on behalf of the Partners of the Partnership in connection with any administrative or judicial tax proceeding.

(d) In the event of any Partnership-level proceeding instituted by the IRS pursuant to Sections 6221 through 6233 of the Code, the Tax Matters Partner shall consult with the Investor Limited Partner regarding the nature and content of all action and defense to be taken by the Partnership in response to such proceeding. The Tax

Matters Partner also shall consult with the Investor Limited Partner regarding the nature and content of any proceeding pursuant to Sections 6221 through 6233 of the Code instituted by or on behalf of the Partnership (including the decision to institute proceedings, whether administrative or judicial, and whether in response to a previous IRS proceeding against the Partnership or otherwise).

(e) The Partnership shall indemnify and reimburse the Tax Matters Partner for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Partners. The payment of all such expenses shall be made before any distributions are made from Net Cash from Operations or any discretionary reserves are set aside by the General Partner.

Section 11.9 Eligible Basis. The General Partner shall provide to the Accountant and the Investor Limited Partner, within 10 business days of their request, such written documentation as is reasonably requested by the Accountant or the Investor Limited Partner in order to verify the determination of Eligible Basis, including documentation supporting the allocation of any costs incurred by the Partnership into the determination of Eligible Basis. As certified or will be certified by the Accountant to the Partnership and the Investor Limited Partner: (1) all amounts included in the determination of Eligible Basis as set forth in the Key Assumptions and in the Tax Credit Application are properly includable pursuant to the Code and IRS rulings; (2) no portion of the Project's Eligible Basis, including the portion of the Development Fee included in Eligible Basis, is allocable, under the Code and rulings issued by the IRS, to land costs, organizational or syndication costs; (3) land preparation costs included in Eligible Basis are inextricably associated with depreciable assets of the Partnership; and (4) any portion of the Development Fee that is included in Eligible Basis, including any portion the payment of which is deferred, is properly includable in Eligible Basis under the Code and IRS rulings. In connection with the determination of the Eligible Basis:

(a) None of the costs to develop and construct/rehabilitate the Project has been or will be paid for, directly or indirectly, from the proceeds of tax-exempt bonds pursuant to Section 103 of the Code, and the Eligible Basis of the Project shall not include any costs financed with the proceeds of a federally funded grant pursuant to Section 42(d)(5)(A) of the Code.

(b) The Credit Agency has determined that the Project is not receiving an allocation of credit dollar amount in excess of the amount required for its financial feasibility, and has further determined that the Project is eligible for an increase in the eligible basis of the Project as authorized by Section 42(d)(5)(B) of the Code, and consequently the Partnership will be entitled to increase the Eligible Basis of the buildings comprising the Apartment Complex to 130% of what it would otherwise be.

(c) The General Partner shall cause the Partnership to operate any clubhouse in such manner as will qualify it as a community service facility as defined in Section 42(d)(4)(C) of the Code and allow the costs associated with its construction/rehabilitation to be included in the Project's Eligible Basis.

Section 11.10 Tax Credit Compliance.

(a) The General Partner shall cause the Project to be rented to low-income tenants as set forth in the Key Assumptions. Without limitation of the foregoing, the General Partner shall (1) cause the Project to achieve Qualified Occupancy no later than October 31, 2016; (2) comply with the rent schedule set forth in the Key Assumptions; (3) keep or cause to be kept all records of rental and occupancy throughout the Compliance Period; (4) comply and cause the Property Management Agent to comply with all income certification or other record-keeping requirements of the Code and Regulations, and of prudent management accounting practices, to support the claim of Tax Credit based on the occupancy requirements for the Project and any other non-trivial tax benefits resulting from such low-income occupancy of the Project; and (5) take such other actions necessary to claim all available tax benefits in connection therewith.

(b) The Investor Limited Partner shall have the right (acting itself or through an accounting or consulting firm designated by it to act on its behalf) to make periodic in-person reviews of the tenant files and leasing practices and procedures for the Project for the purpose of assessing compliance with the requirements of the Code and the Credit Agency (a "Tenant File Review"). A Tenant File Review shall occur at the office of the Property Management Agent during regular business hours on a mutually agreeable review date within 20 calendar days, provided that the Investor Limited Partner may elect to require that the General Partner furnish copies of all such tenant files and leasing practices and procedures to the Investor Limited Partner in advance no later than 5 days prior to such specified review date by electronic transmission or overnight delivery. The General Partner shall cooperate with and assist (and shall cause the Property Management Agent to so cooperate with and assist) in the conduct of each Tenant File Review, and shall cause the Property Management Agent to promptly cure any reasonably identified deficiencies in tenant files or practices and procedures in light of current industry practices during the Tenant File Review. The costs incurred by the Investor Limited Partner shall be borne by the Investor Limited Partner. Neither the making of such reviews nor the existence of the right to make such reviews shall relieve the General Partner of its obligation (or constitute a defense against breach of such obligation) to maintain the Project in compliance with all rules and requirements under the Code and of the Credit Agency but the General Partner shall have no liability to the Investor Limited Partner for following any written direction provided by the Investor Limited Partner.

(c) Except to the extent that another record storage method shall have been approved by the Investor Limited Partner, the General Partner shall cause all tenant leases, income certifications and other records required by the Code and the Credit Agency to evidence that all tenants occupying Low-Income Units are qualified tenants to be stored in fireproof file cabinets in a secure location throughout the entire Compliance Period.

ARTICLE 12

Reports

Section 12.1 Tax Returns and Related Reports - Due February 15.

(a) The Partnership's federal income tax returns shall be prepared by the Accountant. No later than February 15 of each year, the General Partner shall furnish the Limited Partners with copies of the completed federal income tax return, including a copy of each Limited Partner's Form K-1, the qualifying occupancy summary, and such supporting schedules as may be reasonably requested by the Investor Limited Partner. In addition the General Partner shall deliver a draft Partnership tax return to the Investor Limited Partner no later than March 15 of each year. The General Partner shall not file any such tax returns until the Investor Limited Partner has advised it that it has reviewed the returns and does not object to the filing of the returns, which review the Investor Limited Partner shall complete not less than 10 days before the due date of the returns. The General Partner shall deliver a final Partnership tax return to the Investor Limited Partner no later than May 15 of each year. The General Partner shall be solely responsible for the truthfulness and accuracy of all information included in tax returns notwithstanding any review of said tax returns by the Investor Limited Partner.

(b) The Partnership is required to make a one-time filing of Forms 8609 at the Philadelphia Campus of the IRS prior to the due date of the first Form 1065 of the Partnership on which it claims Tax Credit.

(i) Within 90 days after Completion and prior to its submission to the Credit Agency, the Partnership shall submit to the Investor Limited Partner a copy of the completed Cost Certification prepared by the Accountant showing Development Costs incurred, together with any application for Forms 8609 and/or Credit Agency Cost Certifications to be submitted to the Credit Agency. The General Partner shall not file the application for Forms 8609 and/or the Cost Certification until the Investor Limited Partner has advised them that it has reviewed the proposed submission and does not object to its filing, which review the Investor Limited Partner shall complete not less than 15 days before the due date of the filing.

(ii) Promptly after they are available, but in all events at least 30 days prior to the filing of the Forms 8609, the General Partner shall provide to the Investor Limited Partner fully completed (as to both Parts I and II) and executed (by both the Credit Agency and the Partnership) copies of the Forms 8609 for all of the buildings in the Project. Part II of the executed Forms 8609 shall elect the 40-60 Set-Aside Test as the Minimum Set-Aside Test. The General Partner shall not file the Forms 8609 until the Investor Limited Partner has advised it that it has reviewed the forms and does not object to the filing of the forms, which review the Investor Limited Partner shall complete not less than 15 days before the due date of the filing.

(iii) The General Partner shall be solely responsible for the truthfulness and accuracy of all information included in the Forms 8609 notwithstanding any review of said forms by the Investor Limited Partner. The General Partner shall provide evidence reasonably acceptable to the Investor Limited Partner that the Forms 8609 have been properly and timely filed at the Philadelphia Campus of the IRS.

Section 12.2 Annual Financial Statements - Due March 15. On or before March 15 of each year, the General Partner shall send to the Investor Limited Partner all of the following with respect to the preceding calendar year, in a form reasonably acceptable to the Investor Limited Partner:

(a) A balance sheet as of the end of the Partnership's fiscal year and statements of operations, Partner's capital (showing separately the capital of the General Partner and each Limited Partner, and showing as separate line items the Partnership's assets that are depreciable over 3, 5, 7, 15, 27.5 and 30 years), and a statement of cash flows and a statement of cash from operations, all for the year then ended, all of which shall be audited and prepared according to GAAP and accompanied by the Accountant's report thereon. Notwithstanding depreciation methods used for tax purposes, the financial statements of the Partnership shall reflect, and the Accountant's report shall state, that the Project is being depreciated for book purposes over a 30 year useful life with respect to real property and over the longest useful life that is consistent with GAAP with respect to personal property, unless otherwise requested by the Investor Limited Partner. The financial statements of the Partnership shall also reflect that amounts paid to the General Partner as Incentive Management Fees shall be treated as deductible to the Partnership or gross income allocable to the General Partner.

(b) Beginning with respect to the year following the achievement of Qualified Occupancy and with respect to each year thereafter, the Accountant, or a third party compliance auditor approved by the Investor Limited Partner, shall provide a separate report on agreed upon procedures for the purposes of verifying that the Project meets IRS compliance rules regarding income certification. The report shall state that they have chosen at random 20% of the project's tenant files and performed all of the following agreed upon procedures:

(i) Reviewed the terms of the lease and confirm it is in compliance with Section 42 of the Code and the Regulations promulgated thereunder;

(ii) Confirm income and asset verification forms are in the tenant file;

(iii) Confirm correct calculation of move-in income and confirm documentation supporting the calculation is in the file;

(iv) Where required, confirm proper annual re-certification of income documentation is in the file;

(v) Confirm proper documentation of student status; and

(vi) Confirm that the rents charged do not exceed limits applicable under Section 42 of the Code and the Regulations promulgated thereunder.

(c) Copies of the Partnership's insurance certificates with endorsements naming the Investor Limited Partner as a person to be given notice of cancellation or premium due.

In addition, (1) no later than February 15 of each year, the General Partner shall deliver to the Investor Limited Partner unaudited operating statements for the Partnership, which shall include, without limitation, information relating to net operating income, occupancy and debt service coverage; and (2) no later than March 1 of each year, the General Partner shall deliver to the Investor Limited Partner draft audited financial statements for the Partnership, prepared in accordance with GAAP.

Section 12.3 Annual Business Report - Due January 31. On or before each January 31, the General Partner shall prepare and deliver to the Investor Limited Partner a report, in a form provided by or reasonably acceptable to the Investor Limited Partner on or about December 1 of the preceding year and in substance reasonably satisfactory to the Investor Limited Partner, addressing all material aspects of the business. Such reports shall include, but not necessarily be limited to:

(a) Copies of any reports relating to the Project submitted by the Credit Agency to the IRS, the Partnership or the General Partner within the previous twelve months;

(b) The occupancy levels of the Project during the preceding fiscal year;

(c) Maintenance performed or required to be performed and the sources of funds therefore;

(d) If there are any Operating Deficits or anticipated Operating Deficits, the manner in which such deficits will be funded and the actions being taken or proposed by the General Partner to correct any operating difficulties being experienced by the Partnership; and,

(e) A certification from the General Partner that the General Partner and the Partnership are each qualified as a corporation, limited liability company, or limited partnership (as applicable) in the jurisdiction in which each was formed (and is duly qualified in the jurisdiction where the Project is located if not formed in such jurisdiction) and that, as of the date of such certification, each has filed all required annual reports, paid all fees, and paid all franchise taxes due on or prior to the date hereof in such jurisdictions. Evidence of the good standing of the Partnership and the General Partner in such jurisdiction(s) shall be attached thereto.

Section 12.4 Annual Budgets. In connection with Completion and on or before November 1 of each year thereafter, the General Partner shall provide the Investor Limited Partner with (1) an operating budget reasonably acceptable to the Investor Limited Partner

comparing the budgeted income/costs for the following calendar year to the actual income/costs and the budgeted income/costs for the current year, and (2) a capital expenditures budget reasonably acceptable to the Investor Limited Partner setting forth the planned capital expenditures to be made in the following calendar year and the source of such expenditures (e.g., operating revenues or draws from the Replacement Reserve). If the Investor Limited Partner does not accept any proposed budget submitted hereunder, (1) the Partnership shall continue to operate under the existing approved operating budget, subject to such variances for third party expenses which the General Partner deems to be necessary and in the best interests of the Partnership, and (2) capital expenditures shall be subject to Investor Limited Partner approval on a case-by-case basis until a new budget is approved by the Investor Limited Partner except for (x) expenditures approved by Lender, and (y) emergency repairs or other expenditures reasonably necessary to maintain habitability and safety of the Project or to otherwise comply with Credit Agency requirements.

Section 12.5 Insurance Reports - Due Annually. Upon expiration or cancellation of any insurance policy required to be maintained pursuant to the Insurance Requirements found in Exhibit 9 to this Agreement, the General Partner shall provide the Investor Limited Partner with evidence of renewal or replacement of such policy together with copies of endorsements naming the Investor Limited Partner as a person to be given not less than 30 days' notice of premium due, lapse, expiration, cancellation or non-renewal.

Section 12.6 Quarterly Financial Statements. During the Compliance Period, within 30 days after the end of each fiscal quarter ending after the Stabilization, the General Partner shall send to the Investor Limited Partner the following, neither of which needs to be audited, but both of which shall be in a form acceptable to the Investor Limited Partner:

- (a) An accrual basis balance sheet of the Partnership as of the end of the quarter showing assets and liabilities including working capital and reserve balances; and
- (b) A statement of operations of the Partnership on an accrual basis and acceptable to the Investor Limited Partner for the quarter just ended, including without limitation schedules showing aging of accounts payable and accounts receivable.

Section 12.7 Rent Roll and General Partner Certificate. During the Compliance Period, within 30 days after the end of each fiscal quarter, the General Partner shall provide the Investor Limited Partner with a rent roll and a Reporting Certificate in the form of Exhibit 7. The rent roll should include the following information for all tenants: building identification number, unit number, number of bedrooms, tenant name/vacant, move in date, move out date (if applicable), security deposits, rent, and gross rent. If the General Partner is unable to make all of the statements set forth in Exhibit 7, it shall attach a schedule to the Reporting Certificate stating which of the statements it is unable to make and describing the actions that are currently being taken to remedy the situation.

Section 12.8 Monthly Reports. The General Partner shall provide within 30 days after the end of each month:

(a) During construction/rehabilitation, copies of all AIA Forms executed in connection with the Project, including G701 for any change orders, even if not requesting funds from the Investor Limited Partner, accompanied by a cover letter listing all change orders discussed in the AIA Forms and a change order log.

(b) From the time that any units have been leased until the Investor Limited Partner has made its Third Installment:

(i) Accrual-basis unaudited financial statements that display each month individually and a year to date total; and

(ii) Rent roll including the following information for all tenants: building identification number, number of occupants, unit number, number of bedrooms, tenant name/vacant, move in date, move out date (if applicable), security deposits, rent, gross rent, current gross income, and gross income at move-in.

(c) Until the achievement of Qualified Occupancy, initial tenant files for each unit in the Project, including the following items:

(i) Tenant Income Certification: Tenant income certification meeting the requirements of Section 42 of the Code (“TIC”) that must be signed and dated by the management representative and all household members over the age of 18.

(ii) Income Verification: Provide a copy of all the third party income verifications from each file, including but not limited to verification of wages, alimony received, child support received, public assistance, student income, welfare payments and social security payments. Note that all tenants 18 and over must have third party income verifications dated within 120 days prior to the TIC or the tenant must certify that they are receiving no income.

(iii) Asset Verification: Provide a certified statement from the tenant indicating they have less than \$5,000 in assets (only in states where this is permitted by the Credit Agency) or a copy of all the third party asset verifications from each file, including but not limited to verification of cash in bank accounts, stocks, bonds, real estate, and lump sum receipts. All third party asset verifications must be dated within 120 days prior to the TIC. Note that all assets with income (savings accounts, CD’s, and so on) must be verified by third party even if they are less than \$5,000. Also provide a certified statement from the tenant regarding assets disposed of in the two years prior to move-in.

(iv) Student Status Verifications: Provide a copy of the student status certifications from each file indicating any household members that are full time students. Also provide verification of the amounts received for grants and/or scholarships and the cost of tuition for any tenants that are not exempt.

(v) Lease: Provide the following pages from the lease: signature page with both tenant and management signatures and dates, page indicating lease term and page indicating rent amount to be charged.

(vi) Tenant Application: Provide a copy of the signed tenant application from each file.

(vii) Copies of any other documentation required under the Regulations to support the income levels stated on the TIC, and any other supporting information reasonably required by the Investor Limited Partner.

Section 12.9 Event Reports. As soon as practicable, but no later than 15 days after any of the following events shall have occurred, the General Partner shall send the Investor Limited Partner a detailed report of such event:

(a) there is a default by the Partnership under the Project Documents or in payment of any mortgage, taxes, interest or other obligation on secured or unsecured debt;

(b) any reserve has been reduced or terminated by application of funds in a manner that differs from the provisions of Section 7.3 in any material respect;

(c) the General Partner has received notice of any fact that may affect, in any material respect, future Net Cash from Operations or future tax benefits projected in the Key Assumptions;

(d) there occurs an investigated criminal incident at the Project;

(e) any failure of the Partnership to comply with applicable laws or regulations or the receipt of any written allegation of such a failure from any Authority;

(f) receipt of an IRS Form 8823 or any notice of any IRS audit of or IRS proceeding relating to the Partnership; or

(g) any claim or suit filed against the Partnership or the Project.

Section 12.10 First Year Tenant Files. The General Partner shall, no later than 30 days following achievement of Qualified Occupancy, deliver scanned copies of the First Year Tenant Files to the Investor Limited Partner and, if requested, its designee, via electronic transmission or overnight delivery.

Section 12.11 Other Reports. If requested by the Investor Limited Partner, the General Partner will provide the Investor Limited Partner with copies of any other periodic reports provided by the Partnership to the Lenders and such other reports and information relating to the Partnership, the General Partner or the Guarantors as may reasonably be requested by the Investor Limited Partner. In particular, if the Project is experiencing operating difficulties (for example, Debt Service Coverage falls below 1.15 in any monthly period), the Investor Limited

Partner shall be entitled to receive monthly information regarding the Project, including without limitation accrual basis operating and financial statements and rent rolls.

Section 12.12 Tax Returns Due to Termination. If there are subsequent transfers of a Limited Partner's beneficial interests or partnership interests which cause a termination of the Partnership pursuant to Section 708(b) of the Code, the General Partner shall (1) deliver to the Investor Limited Partner, for its review and approval, no later than 30 days after receipt of written notice from the Limited Partner of such termination, a draft of Form 1065 and Schedule K-1 or any successor federal return of income forms required to be filed on behalf of the Partnership, and any and all other forms, schedules, materials required in connection therewith, and (2) cause to be prepared and filed with the appropriate agencies within the time period prescribed under the Code, the documents referred to in clause (1), which shall be revised or amended to take into consideration any comments made by the Investor Limited Partner.

Section 12.13 Costs of Preparation; Penalties for Late Reports. The preparation of all Partnership books, records, accounts and reports will be at the expense of the Partnership. To the extent that any item described in this Article 12 is not provided within 10 days after written notice from the Investor Limited Partner that it is overdue, a per day penalty of \$50 shall apply for the first 30 days with respect to any late item and the penalty shall be increased to \$75 per day thereafter. All penalties shall be paid by the General Partner from their own funds and not funds of the Partnership.

Section 12.14 Dismissal of Accountant. To the extent that the reporting requirements set forth in any of the provisions of this Article 12 are not met in all material respects after notice by the Investor Limited Partner and a reasonable opportunity to cure, the Investor Limited Partner, in its reasonable discretion, may direct the General Partner to dismiss the Accountant, and to designate successor Accountant, subject to the consent of the Investor Limited Partner, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that if the General Partner and the Investor Limited Partner cannot agree on the designation of successor Accountant, the successor Accountant shall be designated by the Investor Limited Partner in its sole reasonable discretion, and the fees of such successor Accountant shall be paid by the Partnership.

Section 12.15 Investor Limited Partner Access. Upon reasonable notice of not less than 10 business days given by the Investor Limited Partner, the General Partner shall permit the Investor Limited Partner or its designee (including any potential investor seeking to purchase an equity interest, directly or indirectly, in the Investor Limited Partner) (1) access to the Project for a physical inspection to take place during normal business hours, (2) the opportunity to inspect, examine and, if requested, make copies of all books and records of the Project, including the Project Documents, financial statements, First Year Tenant Files and other Tax Credit compliance data. The General Partner shall cooperate fully with all reasonable requests of the Investor Limited Partner regarding any such inspection and shall, if requested, accompany the Investor Limited Partner on any site inspection conducted for the purpose of marketing the Project to any potential investor seeking to purchase an equity interest, directly or indirectly, in the Investor Limited Partner.

ARTICLE 13

Dissolution, Winding Up and Termination

Section 13.1 Dissolution. The Partnership will dissolve upon the occurrence of any of the following events:

- (a) the expiration of the term of the Partnership;
- (b) the sale or other disposition of all or substantially all of the Partnership Property;
- (c) the election by the General Partner with the consent of a Majority in Interest of the other Partners and, if required, each applicable Authority;
- (d) the Withdrawal of a sole General Partner if the Partnership is not otherwise continued in accordance with Section 9.3; and
- (e) any other event causing the dissolution of the Partnership under the Act which, under the terms of the Act cannot be waived by a written partnership agreement.

Section 13.2 Reconstitution of the Partnership. Upon the dissolution of the Partnership pursuant to Section 13.1(e), the parties hereby agree that the Partnership may be reconstituted if a Majority in Interest of the Partners elects to do so and such reconstitution is not prohibited by law. In that event, the business of the Partnership shall not be wound up, but the assets and liabilities of the Partnership shall, to the extent possible, be transferred to a new partnership formed by a general partner designated by a Majority in Interest of the Partners and governed by this Agreement, with such modifications as such general partner may propose with the approval of a Majority in Interest of the Partners

Section 13.3 Winding Up and Termination.

(a) Upon the dissolution of the Partnership pursuant to Section 13.1 (except as provided in Section 13.2), the affairs and business of the Partnership will be wound up and terminated, the Partnership's liabilities discharged, the Partnership Property liquidated and the net proceeds of such liquidation, except as provided in Section 13.3(b) below, distributed in accordance with Section 6.2. A reasonable time will be allowed for the orderly winding up of the affairs and business of the Partnership so as to enable the Partnership to minimize the normal losses attendant to the winding up and termination period. The winding up and termination of the affairs and business of the Partnership shall be supervised and conducted by the Liquidation Manager. The Liquidation Manager has the exclusive power and authority to act on behalf of the Partnership to wind up and terminate the affairs and business of the Partnership, to sell and convey the Partnership Property to such Persons (including any Partner or any Affiliate thereof) for such consideration and upon such terms and conditions as it deems necessary or appropriate, to discharge the Partnership's liabilities, to establish any reserves that it deems necessary or

appropriate for any contingent or unforeseen liabilities or obligations of the Partnership, and to distribute the liquidation proceeds in the manner described herein.

(b) It is the intent of the Partners that, upon liquidation of the Partnership, any liquidation proceeds available for distribution to the Partners be distributed in accordance with Section 6.2, and the Partners believe that distributions in accordance with positive Capital Account balances, after allocations of gains and losses pursuant to Article 5, will generally effectuate such intent. If, upon liquidation, there would otherwise be any conflict between a distribution pursuant to the Partners' respective Capital Account balances and the intent of the Partners with respect to distribution of proceeds as provided in Section 6.2, the Liquidation Manager shall, notwithstanding the provisions of Article 5, allocate the Partnership's gains, profits and losses in a manner that will cause, as nearly as possible in accordance with applicable requirements of the Code and the Regulations, the Capital Account balances of the Partners to be in the ratios that would allow the distribution of liquidation proceeds to the Partners to be in accordance with Section 6.2. Nevertheless, in all events, distributions in liquidation (after taking into account all pre-liquidation distributions made pursuant to Section 6.1 or Section 6.2) shall be made in accordance with positive Capital Account balances no later than the end of the taxable year of such liquidation or, if later, within 90 days of such liquidation.

(c) The Liquidation Manager shall file all certificates and notices of the dissolution of the Partnership required by law. The Liquidation Manager shall proceed without any unnecessary delay to sell and otherwise liquidate the Partnership's property and assets; provided, however, that if the Liquidation Manager shall determine that an immediate sale of part or all of the Partnership property would cause undue loss to the Partners, then in order to avoid such loss, the Liquidation Manager may, except to the extent provided by the Act, defer the liquidation. Upon the complete liquidation and distribution of the Partnership assets, the Partners shall cease to be Partners of the Partnership, and the Liquidation Manager shall execute, acknowledge and cause to be filed all certificates and notices required by the law to terminate the Partnership.

(d) Upon the dissolution of the Partnership pursuant to Section 13.1, the Accountant shall promptly prepare, and the Liquidation Manager shall furnish to each Partner, a statement setting forth the assets and liabilities of the Partnership upon its dissolution. Promptly following the complete liquidation and distribution of the Partnership property and assets, the Accountant shall prepare, and the Liquidation Manager shall furnish to each Partner, a statement showing the manner in which the Partnership assets were liquidated and distributed.

Section 13.4 Obligations of Partners to Restore Deficit.

(a) If the Partnership is liquidated within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, if the General Partner's Capital Account has a deficit balance (after giving effect to all contributions, distributions and allocations), the General Partner shall make Capital Contributions in the amount of such deficit in compliance with Section 1.704-1(b)(2)(ii)(b)(3) of the Regulations. Similarly, in the event the Partnership

is so liquidated, if a Limited Partner whose Partnership Interest was converted from that of a General Partner has a deficit balance (after giving effect to all contributions, distributions and allocations), then such Limited Partner shall make Capital Contributions in the amount of such deficit in compliance with Section 1.704-1(b)(2)(ii)(b)(3) of the Regulations. In the case where the Investor Limited Partner has made an election under Section 5.8 to be obligated to restore a limited deficit balance, then, if the Partnership is so liquidated, if the Investor Limited Partner's Capital Account has a deficit balance (after giving effect to all contributions, distributions and allocations), the Investor Limited Partner shall make Capital Contributions in the amount equal to the lesser of (1) such deficit, or (2) the limited amount the Investor Limited Partner is obligated to restore pursuant to the notice given under Section 5.8. In all other cases, no Limited Partner shall have any obligation to restore any deficit balance in its Capital Account. The foregoing provisions of this Section 13.4 are intended to satisfy the requirements of Section 1.704-1(b)(3) of the Regulations and shall be interpreted consistently therewith.

(b) Notwithstanding anything to the contrary contained in this Section 13.4, in the event the Partnership is "liquidated" within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, but such "liquidation" does not constitute a dissolution and termination of the Partnership pursuant to this Agreement, then no distributions shall be made pursuant to Section 13.3 hereof. Instead, the Partnership shall be deemed to have distributed the Partnership Property in kind to the Partners, who shall be deemed to have assumed and taken subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Partners shall be deemed to have recontributed the Partnership Property in kind to the Partnership, which shall be deemed to have assumed and taken subject to all such liabilities.

Section 13.5 Waiver of Partition. Each Partner hereby waives any right to partition or cause a partition of the Partnership Property.

ARTICLE 14

Partnership Governance

Section 14.1 Schedule of Partners. The names, addresses, Capital Contributions and Percentage Interests of the Partners are as set forth on Schedule A. The General Partner has no authority to admit additional Limited Partners without the consent of the Investor Limited Partner.

Section 14.2 Meetings. A Majority in Interest of the Partners shall have the authority to convene meetings of the Partnership and to submit matters to a vote of the Partners. The vote of each Partner shall be weighted in accordance with its Percentage Interest and a vote of a Majority in Interest of the Partners shall be binding on the Partnership and the General Partner.

Section 14.3 Submissions to Limited Partners; Consent. Under any circumstance in which a provision of this Agreement requires or otherwise contemplates the consent, approval, vote, waiver, election or other determination of a Limited Partner with respect to any matter,

such consent, approval, vote, waiver, election or other determination shall be at the sole and absolute discretion of the Limited Partner, and shall be effective only if given or made in writing (which writing may be transmitted electronically), unless some other standard, such as consent or approval “not to be unreasonably withheld, conditioned or delayed” is specifically provided with respect to such matter. The General Partner shall give the Limited Partners written notice of any proposal to be submitted for such consent, approval, vote, waiver, election or other determination at least 30 days prior to the due date for the same, unless such notice period is waived by the Limited Partners.

ARTICLE 15

General Provisions

Section 15.1 Notices. All notices or other communication required or permitted by this Agreement shall be in writing and shall be deemed to have been given on (1) the 4th business day after deposit in the United States mail, postage prepaid, (2) the second business day after deposit with Federal Express or similar overnight delivery service, (3) the first business day after delivered personally, or (4) the first business day after delivered by facsimile or other electronic transmission, if to the Partnership, at the principal office of the Partnership set forth in Section 1.4, if to a Partner, at its address set forth on Schedule A. Any Partner may require notices to be sent to a different address by giving notice thereof to the Partnership and all of the other Partners in accordance with this Section 15.1. Rejection or other refusal to accept or the inability to deliver because of a changed address to which no notice was given shall be deemed to be a receipt of such rejected, refused or undelivered notice.

Section 15.2 Entire Agreement. This Agreement, including the schedules and exhibits hereto (which are hereby incorporated by reference), sets forth all (and is intended by all parties to be an integration of all) of the representations, promises, agreements and understandings among the parties with respect to the governance of the Partnership and the conduct of the Partnership’s business, and there are no other representations, promises, agreements or understandings, oral or written, express or implied, among the parties with respect to such governance or business other than as set forth or incorporated herein. In addition, nothing in this Agreement is meant to nor shall be deemed to create an agency relationship between the Limited Partners.

Section 15.3 Benefits and Burdens. Subject to the provisions of this Agreement regarding transfer of Partnership Interests, the agreements contained herein shall inure to the benefit of and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Section 15.4 Joint and Several Obligations. If there shall be more than one General Partner at any time, the obligations of the General Partner hereunder shall be the joint and several obligations of each such General Partner and such obligations shall survive the removal of, or withdrawal by, a General Partner from the Partnership.

Section 15.5 Survival of Representations, Warranties and Agreements. All representations, warranties and agreements contained in this Agreement shall survive until the dissolution and final liquidation of the Partnership, except and to the extent that a particular representation, warranty or agreement expressly provides otherwise or is applicable to a specific time period that has passed.

Section 15.6 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the Project State. Any legal action or proceeding with respect to this Agreement may be brought in the courts of the State of Texas or of the United States of America for the Northern District of Texas, and by execution and delivery of this Agreement, each Partner and other party hereto hereby accepts, generally and unconditionally, the jurisdiction of the aforesaid courts. Each Partner and other party hereto irrevocably consents to the service of process of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, to such Partner and other party hereto at his address set forth in this Agreement, and service so made shall be deemed complete 7 days after the same shall have been so mailed.

Section 15.7 Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (1) ARISING UNDER THIS AGREEMENT, OR (2) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF ANY RIGHT THEY MIGHT OTHERWISE HAVE TO TRIAL BY JURY.

Section 15.8 Interpretive Provisions. Unless the express context otherwise requires: (1) the words “hereof,” “herein,” “hereinafter” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement; (2) words defined in the singular shall have a comparable meaning when used in the plural, and vice versa, and each gender (masculine, feminine and neuter shall include the other genders; (3) the words “Dollars” and “\$” mean U.S. dollars; (4) references herein to a specific Article, Section, Subsection, Schedule or Exhibit shall refer, respectively, to Articles, Sections, Subsections, Schedules or Exhibits of this Agreement; (5) wherever the word “include,” “includes” or “including” is used in this Agreement, it shall be deemed to be followed by the words “without limitation”; (6) references herein to any Person shall include such Person’s heirs, executors, personal representatives, administrators, successors and assigns, and references to any Authority shall include any successor Authority; (7) references herein to any

statute, law or regulation shall be deemed to refer to such statute (including any regulations or rules promulgated thereunder), law or regulation as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time; and (8) references herein to any agreement mean such agreement as amended, supplemented or modified (including any waiver thereto) in accordance with the terms thereof. The captions of this Agreement are inserted only for the purpose of convenient reference and do not define, limit or prescribe the scope or intent of this Agreement or any part hereof. This Agreement has been negotiated at arm's length between parties who are sophisticated and knowledgeable in the subject matter hereof and who have been represented by experienced legal counsel. Accordingly, any rule of law that would require interpretation of any ambiguity in this Agreement against the party that drafted it shall not apply and is hereby waived. Whenever the Investor Limited Partner or Special Limited Partner is required to give its consent in a manner that is not "unreasonably withheld," or words to that effect, it shall be deemed "reasonable" for the Investment Limited Partner or Special Limited Partner to withhold its consent if the result of the proposed action or inaction would, under the circumstances, have more than a negligible adverse impact, whether or not material, on the Investor Limited Partner's anticipated tax and other economic benefits to be derived from its investment in the Partnership. In addition, the terms "material" and "materially" refer to a level of significance that would have affected any decision of a reasonable Person in the Investor Limited Partner's position regarding whether to enter into this Agreement or would affect any decision of a reasonable Person in the Investor Limited Partner's position regarding whether to consummate the transaction contemplated by this Agreement.

Section 15.9 Severability. The invalidity or unenforceability of any provision of this Agreement in a particular respect shall not affect the validity and enforceability of any other provisions of this Agreement or of the same provision in any other respect.

Section 15.10 No Third Party Beneficiaries. It is the explicit intention of the Partners that no person or entity other than the Partners and the Partnership is or shall be entitled to bring any action or enforce any provision of this Agreement against any Partner or the Partnership, and that the covenants, undertakings and agreements set forth in this Agreement shall be solely for the benefit of and shall be enforceable only by the Partners and the Partnership and their or its respective successors and assigns as permitted hereunder).

Section 15.11 Remedies; No Continuing Waiver. If a Partner breaches this Agreement, or if any of such Partner's representations or warranties is inaccurate, the other Partners may pursue available legal or equitable remedies under this Agreement or under applicable law without the necessity of dissolving and/or liquidating the Partnership. Remedies under this Agreement shall be cumulative. No waiver by a party of a breach of this Agreement or any full or partial condition for performance hereunder shall be effective unless in writing and executed by such party. No waiver shall operate as or be construed to be a waiver of any subsequent breach or condition. Notwithstanding the foregoing, nothing herein is intended to confer upon the Limited Partners the right to receive a duplicative recovery for the same economic harm.

Section 15.12 Counterparts. This Agreement may be executed in several counterparts all of which shall constitute one agreement, binding on all parties hereto, notwithstanding that all the parties are not signatories to the same counterpart.

Section 15.13 Broker's Commission and Indemnity. Each of the parties hereto represents and warrants to the others that it has not been introduced to the other party by any broker, nor has it been in contact with any real estate or business broker or consultant otherwise than as specified in this Agreement or the approved Project budget regarding the Project; and each party to this Agreement agrees to indemnify and hold each other party harmless from all suits, claims, actions, loss or expenses (including reasonable attorney's fees) arising from the claim of any person to a brokerage or other commission in connection with this transaction and resulting from contact with or other action, alleged or actual, of the indemnifying party.

Section 15.14 Tax Structure Disclosure. Any obligations of confidentiality contained in or applicable to this Agreement shall not apply to the federal tax structure or federal tax treatment of the Partnership or the transactions contemplated herein. Each Partner and its employees, representatives, and agents may disclose to any and all persons, without limitation of any kind, such federal tax structure and treatment and such transactions. The Partnership Interest shall not be treated as having been issued under conditions of confidentiality for purposes of Section 1.6011-4(b)(3) of the Regulations. Each Partner agrees that it has no proprietary or exclusive rights to the federal tax structure of the Partnership, the transactions contemplated herein, or federal tax matters or ideas related to such transactions.

The General Partner shall promptly notify the Limited Partners if it learns that the Partnership has participated in any reportable transaction within the meaning of Section 1.6011-4(b)(3) of the Regulations.

Section 15.15 Amendment of Agreement. Except as otherwise provided for herein, this Agreement may not be amended in whole or in part except by a written instrument signed by the General Partner and the Limited Partners. Promptly after notice, the Partnership shall reimburse the Limited Partners for all out-of-pocket costs (including reasonable attorneys' fees) incurred by them in reviewing an amendment proposed by the General Partner, whether or not the Limited Partners consent to the proposed amendment.

Section 15.16 Power of Attorney. Each Partner and the Partnership hereby grants the Investor Limited Partner a power of attorney, irrevocable to the extent permitted by law and coupled with an interest, to amend the Certificate of Limited Partnership and this Agreement, to sign any documents and to do anything else which, in the view of the Investor Limited Partner, may be necessary or appropriate to accomplish the purposes of Section 9.5; provided, however, that the Investor Limited Partner shall not exercise such power of attorney unless the documents necessary to effect such provisions of Section 9.5 have been submitted to the General Partner prior to exercise, and the General Partner has failed to execute such documents within three days of its receipt of such documents. The General Partner shall not grant any other power of attorney without the consent of the Investor Limited Partner.

Section 15.17 Business Days. The term "business day," means any day that is not a Saturday, Sunday, or recognized federal holiday. If any document, certificate, schedule or other material to be provided or condition to be satisfied pursuant to this Agreement is due on a day that is not a business day, then such document, certificate, schedule or other material or condition to be satisfied shall be due on the next business day.

Section 15.18 Extraordinary Expenses. Promptly after notice, the non-prevailing party in any action shall reimburse the prevailing party for all out-of-pocket costs (including reasonable attorneys' fees) incurred in connection with exercising rights and remedies or defending against allegations against the non-prevailing party with respect to this Agreement or the affairs of the Partnership.

Section 15.19 USA Patriot Act. The Investor Limited Partner hereby notifies the Partnership and the General Partner that, pursuant to the requirements of the USA Patriot Act, the Investor Limited Partner may be required to obtain, verify and record information that identifies the Partnership and the Partnership Controlling Parties, which information includes the name and address of the Partnership and the Partnership Controlling Parties, and other information that will allow the Investor Limited Partner to identify the Partnership and the Partnership Controlling Parties in accordance with the USA Patriot Act. Accordingly, and in addition, as necessary under applicable economic sanction laws administered by OFAC, including, without limitation, Executive Order No. 13224, the Investor Limited Partner reserves the right, from time to time, without consent, to compare the names of the Partnership and the Partnership Controlling Parties and any current or future Partnership Controlling Party against the list of "Specially Designated Nationals or Blocked Persons" as set forth on the list of such persons published by OFAC (or any successor list).

Section 15.20 Special Related Mortgage Requirements. A limited partner or member (including without limitation a bank, insurance company, government sponsored entity (such as the Federal Home loan Mortgage Corporation or Fannie Mae) or other financial institution) in any entity that is a Partner (each such limited partner or member, a "Related Mortgagee") at any time may make, guarantee, own, acquire, or otherwise credit enhance, in whole or in part, a loan secured by a mortgage, deed of trust, trust deed, or other security instrument encumbering the Project (such loan, a "Related Mortgage Loan"). Under no circumstances will a Related Mortgagee be considered to be acting on behalf or as an agent or the alter ego of such Partner. A Related Mortgagee may take any actions that the Related Mortgagee, in its discretion, determines to be advisable in connection with the Related Mortgage Loan (including in connection with the enforcement of a Related Mortgage Loan). By acquiring an interest in the Partnership, each Partner acknowledges that no Related Mortgagee owes the Partnership or any Partner any fiduciary duty or other duty or obligation whatsoever by virtue of such Related Mortgagee being a limited partner or member in a Partner. Neither the Partnership nor any Partner will make any claim against a Related Mortgagee, or against the Partner in which the Related Mortgagee is a limited partner or member, with respect to a Related Mortgage Loan and alleging any breach of any fiduciary duty, duty of care, or other duty whatsoever to the Partnership or to any Partner based in any way upon the Related Mortgagee's status as a limited partner or member of a Partner.

Section 15.21 Time Essential. Time is of the essence as to all provisions of this Agreement.

-- Signature pages follow --

The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date.

GENERAL PARTNER:

WEST TEXAS GOLDEN TRAILS GP, LLC,
a Texas limited liability company,
its General Partner

By: 4C Development – Texas, LLC,
a Texas limited liability company

Its: Managing Member

By: 
Name: J. Ryan Hamilton
Title: Manager

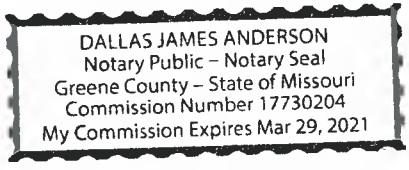
STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Manager of 4C Development – Texas, LLC, a Texas limited liability company, the Managing Member of West Texas Golden Trails GP, LLC, a Texas limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Witness my hand and official seal this 7 day of June, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL]



The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date.

INVESTOR LIMITED PARTNER:

42EP IBC FUND II, LP,
a Delaware limited partnership

By: 42EP 2014 GP, LLC,
a Delaware limited liability company,
its General Partner

By: 42 Equity Partners, LLC,
a Delaware limited liability company,
its Manager

By: _____
Name: Constantine John Chigounis
Its: Managing Director

STATE OF NEW YORK)
) SS.
COUNTY OF NASSAU)

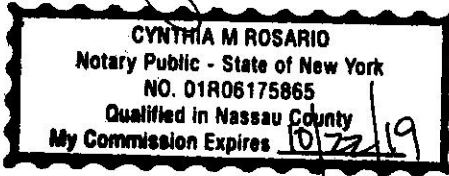
I, the undersigned, a notary public in and for said county and state, hereby certify that Constantine John Chigounis, whose name as Managing Director of 42 Equity Partners, LLC, a Delaware limited liability company, in its capacity as the Manager of 42EP 2014 GP, LLC, a Delaware limited liability company, in its capacity as the general partner of 42EP IBC Fund II, LP, a Delaware limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Managing Director and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Witness my hand and official seal this 9 day of July, 2018.

My Commission Expires: 10/22/19

Cynthia M Rosario
Notary Public

[SEAL]

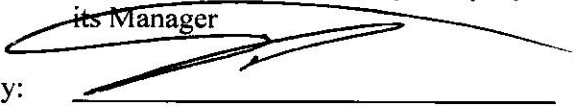


The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date.

SPECIAL LIMITED PARTNER:

42EP SLP, LLC,
a Delaware limited liability company

By: 42 Equity Partners, LLC,
a Delaware limited liability company,
its Manager

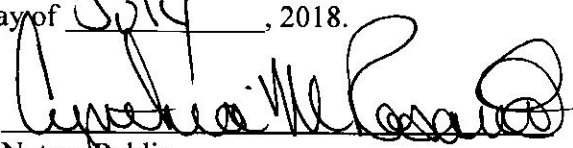
By: 
Name: Constantine John Chigounis
Its: Managing Director

STATE OF NEW YORK)
) SS.
COUNTY OF NASSAU)

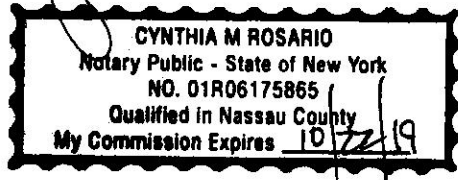
I, the undersigned, a notary public in and for said county and state, hereby certify that Constantine John Chigounis, whose name as Managing Director of 42 Equity Partners, LLC, a Delaware limited liability company, in its capacity as the Manager of 42EP SLP, LLC, a Delaware limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Managing Director and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Witness my hand and official seal this 9 day of July, 2018.

My Commission Expires: 10/22/19


Notary Public

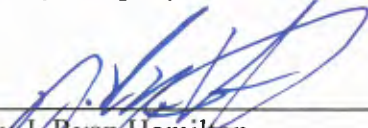
[SEAL]



The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date.

ORIGINAL (WITHDRAWING) LIMITED PARTNERS:

4C Development - Texas, LLC, a Texas limited liability company

By: 
Name: J. Ryan Hamilton
Title: Manager

STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Manager of 4C Development – Texas, LLC, a Texas limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Witness my hand and official seal this 7 day of June, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public




PROPERTY MANAGEMENT AGENT CONSENT AND AGREEMENT

The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date, solely for the purposes of acknowledging and agreeing to Section 6.1, Section 6.2, Section 7.6 and Section 7.7 thereof, notwithstanding any provision of the Management Agreement to the contrary.

PROPERTY MANAGEMENT AGENT:

Hamilton Properties Corp., a Missouri corporation

By: 
Name: J. Ryan Hamilton
Title: Vice President

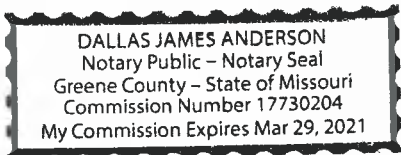
STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Vice President of Hamilton Properties Corp., a Missouri corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such President and with full authority, executed the same voluntarily for and as the act of said corporation.

Witness my hand and official seal this 7 day of June, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL]



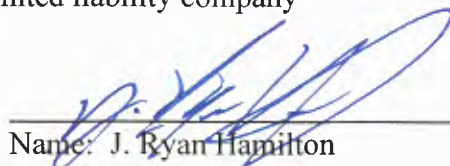
DEVELOPER CONSENT AND AGREEMENT

The undersigned has executed this Amended and Restated Limited Partnership Agreement of West Texas Golden Trails, LP, under seal, effective as of the Effective Date, solely for the purposes of acknowledging and agreeing to Section 6.1, Section 6.2 and Section 7.7 thereof, notwithstanding any provision of the Development Agreement to the contrary.

DEVELOPER:

4C DEVELOPMENT – TEXAS, LLC, a
Texas limited liability company

By:


Name: J. Ryan Hamilton
Title: Manager

STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

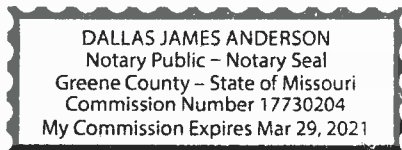
I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Manager of 4C Development – Texas, LLC, a Texas limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Witness my hand and official seal this 7 day of June, 2018.

My Commission Expires: March 29, 2021


Notary Public

[SEAL]



SCHEDULE A

Schedule of Partners

Partner/Initial Address for Notices	Percentage Interest	Capital Contribution
<p>West Texas Golden Trails GP, LLC 3556 S. Culpepper, Suite 4 Springfield, MO 65804 Attn: J. Ryan Hamilton Fax: (417) 882-1730 Email: ryanhamilton@hamiltoncorporation.com</p>	<p>0.005%</p> <p>General Partnership Interest</p>	<p>\$100</p>
<p><i>With a copy to (which shall not constitute notice):</i></p> <p>Holden Law Office, P.C. 718 W, Bus. Hwy. 60 Dexter, MO 63841 Fax: (573)-624-8188 Attn: Tyler R. Ramsey Email: tyler@holdenlawoffices.com</p>		
<p>42EP SLP, LLC</p> <p>2660 Eastchase Lane, Suite 100 Montgomery, AL 36117 Attn: E. Michael Haynes, Jr. Fax: (334) 260-2533 Email: m.haynes@42equity.com</p>	<p>0.005%</p> <p>Special Limited Partnership Interest</p>	<p>\$100</p>
<p>42EP IBC Fund II, LP</p> <p>2660 Eastchase Lane, Suite 100 Montgomery, AL 36117 Attn: E. Michael Haynes, Jr. Fax: (334) 260-2533 Email: m.haynes@42equity.com</p>	<p>99.99%</p> <p>Investor Limited Partnership Interest</p>	<p>\$4,648,032*</p>

With a copy to (which shall not constitute notice):

Maynard Cooper & Gale, P.C.
 1901 Sixth Avenue North, Suite 2400
 Birmingham, AL 35203
 Attn: Matthew A. Aiken
 Email: maiken@maynardcooper.com

*Represents the total Capital Contribution committed by the Investor Limited Partner, the payment of which is subject to all the terms and conditions of this Agreement. As of the date hereof, the Investor Limited Partner has paid in a total of \$464,803.

SCHEDULE C

Legal Description of Land

TRACT 1:

4.00 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County Texas, being all of the 4.00 acre parcel in deed to the estate of the late Carl L. Coorecord as last amended by Order of the Official Public Record of McLennan County Texas and being also Block 1 of the addition of the City of McLennan County Texas as recorded under Instrument Number 2018002401 of the Official Public Record of McLennan County Texas. Said 4.00 acre being more particularly described as follows: it being bounded on the east side by the Coordinate System Center D 8.

COMMENCING at 4 inch diametric DDO Monument in the center of the 5 as described in deed to the estate of the late Carl L. Coorecord as last amended by Order of the Official Public Record and being the corner of the 4.688 acre parcel in the deed to the estate of the late Carl L. Coorecord as recorded under Instrument Number 2010021528 in the said Official Public Record.

Thence along the center line of the 4.688 acre parcel the said following the following line course and distance:

1. S 12degrees 05minutes 53seconds W 125.72 feet to 4 inch diametric DDO monument
2. S 02degrees 49minutes 17seconds W 122.64 feet to 4 inch diametric DDO monument
3. 353.33 feet along curve to the left of the Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to 4 inch iron rod in cement marked Monument

Thence N 77degrees 54minutes 09seconds W 449.90 feet along the said line of the 4.688 acre parcel to 4 inch iron rod in cement marked Monument in the center line of the parcel described 4.00 acre.

Thence N 11degrees 11minutes 13seconds E 100.01 feet to 4 inch iron rod in cement marked Monument for the **POINT OF BEGINNING** and northeast corner of the parcel described parcel of land.

Thence S 11degrees 11minutes 13seconds W 425.00 feet to 4 inch iron rod in cement marked Monument for the southwest corner of the parcel described parcel of land.

Thence N 77degrees 54minutes 09seconds W 410.00 feet to the intersection of the surveyed line and the line described in the plat of the

Thence N 11degrees 11minutes 13seconds E 425.00 feet to the intersection of the surveyed line and the line described in the plat of the

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the intersection of the surveyed line and the line described in the plat of the

TRACT 2:

0.447 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas being all of the land described in the plat of the

COMMENCING at the intersection of the surveyed line and the line described in the plat of the

Thence to the intersection of the surveyed line and the line described in the plat of the

1. *S 12degrees 05minutes 53seconds W 125.72 feet* to the intersection of the surveyed line and the line described in the plat of the

2. *S 02degrees 49minutes 17seconds W 122.64 feet* to the intersection of the surveyed line and the line described in the plat of the

353.33 feet to the center of the circle of Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to the intersection of the surveyed line and the line described in the plat of the

Thence N 77degrees 54minutes 09seconds W 60.03 feet to the intersection of the surveyed line and the line described in the plat of the
POINT OF BEGINNING at the southeast corner of the line described in the plat of the

Thence N 77degrees 54minutes 09seconds W 389.87 feet to an iron rod in
corner of the M... placed for the... corner of the... described parcel of
land

Thence N 11degrees 11minutes 13seconds E 50.01 feet to an iron rod in
corner of the... corner of the... described parcel of land

Thence S 77degrees 54minutes 09seconds E 389.12 feet to an iron rod in
corner of the... corner of the... described parcel of land

Thence 50.02 feet to the center of the... **Radius of 12,275.00 feet and
Chord Bearing S 10degrees 19minutes 26seconds W 50.02 feet** to the...
bearing

TRACT 3:

**A 0.837 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan
County Texas** being all... "B" 0.837 acre...
... Bol... Bod... L.d. ...
... record ... 20170989 in the Official
Public Record of McLennan County Texas and being... Block 1...
... addition to the City of McLennan County Texas... recorded
... 2018002401 of the Official Public Record of McLennan
County Texas and 0.837 acre... more...
bearing... of the... Coord... em... D 8.

Beginning at 3/8 iron rod in corner of the...
Melodie Drive 60... corner of... Block 2 of the
City of McLennan County Texas...
... 2010021528 in the... Official Public
Record of McLennan County for **the northeast corner** of the...
corner of the...

Thence 187.74 feet to the center of the... **Radius of 542.00 feet and
Chord Bearing S 02degrees 16minutes 38seconds W 186.80 feet** to 1/2 iron
rod in corner of the...
the bearing of the...

Thence 198.40 feet to the... **Radius of 602.00 feet
and Chord Bearing S 01degrees 47minutes 44seconds W 197.50 feet** to an iron
rod in corner of the...
... 5...
... 201201224 of the
... Official Public Record...
... 4 iron... Di... DO... ri...

o 11.84 feet to the right of the center of the circle of Radius of 12,215.00 feet and Chord Bearing S 11degrees 21minutes 46seconds W 11.84 feet

Thence 221.48 feet along the line of the circle of 5 feet to the left of the center of the circle of Radius of 12,215.00 feet and Chord Bearing S 10degrees 43minutes 03seconds W 221.48 feet to the intersection of the line of the circle of 5 feet and the line of the circle of 4 feet from the center of the circle of 5 feet to the left of the center of the circle of 4 feet 147.71 feet

Thence N 77degrees 54minutes 09seconds W 60.03 feet along the line of the circle of 5 feet to the intersection of the line of the circle of 5 feet and the line of the circle of 4 feet

Thence 220.58 feet along the line of the circle of 5 feet to the intersection of the line of the circle of 5 feet and the line of the circle of 4 feet from the center of the circle of 5 feet to the left of the center of the circle of 4 feet 147.71 feet

Thence 178.62 feet along the line of the circle of 5 feet to the intersection of the line of the circle of 5 feet and the line of the circle of 4 feet

Thence 208.52 feet along the line of the circle of 5 feet to the intersection of the line of the circle of 5 feet and the line of the circle of 4 feet from the center of the circle of 5 feet to the left of the center of the circle of 4 feet 147.71 feet

Thence N 77 degrees 47 minutes 59 seconds W 60.00 feet to the center of the circle of 5 feet

TRACT 4:

0.20 acre of land in the S. R. Marble tract of McLennan County Texas being all or part of the "D" 0.20 acre described in the original plat of the Bolivar Bodily Ltd. recorded in the public records of McLennan County Texas on November 17, 1989 in the Official Public Record of McLennan County Texas and 0.20 acre being more or less

described shall follow in being recorded on the same date as the Coordinate System Certificate D 8.

Beginning of 8-irod in common Road to the Corridor

Loc 9 Block 1 of the Crec Perimeter Addition to the City of McLe Co
The recorded to the coordinate and addition recorded in L 20100215 in
the Official Public Record of McLe Co for the Corridor

acre of 77 Degree 5 Minute 29 second distance of 20.00 feet
in 8-irod in common M placed in the Corridor of Loc 9 for the
Corridor

acre of 12 Degree 12 Minute 7 second distance of 499.98 feet
in 8-irod in common M placed in the Corridor of Loc 1 Block 1
of the Addition to the City of McLe Co recorded
under L 2018002401 of the Official Public Record of
McLe Co for the Corridor

acre of 77 Degree 54 Minute 09 second distance of 20.00 feet
the Corridor of Loc 1 of 8-irod in common M placed
Corridor

acre of 12 Degree 12 Minute 7 second distance of 499.99 feet
of the Beginning

The Com is prohibited from in any way the area or portion of the land described herein. Any
reference to the above land description shall be the area or portion of land in any reference to the
area or portion of the land described herein for any purpose and/or identification shall not be deemed to
override the effect of the recorded in Item 2 herein.

EXHIBIT 1

Development Agreement

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”), dated as of July 20, 2018 (the “Effective Date”), is between West Texas Golden Trails, LP, a Texas limited partnership (the “Partnership”), and 4C Development - Texas, LLC, a Texas limited liability company (the “Developer”).

WHEREAS, the Partnership has been formed to develop, rehabilitate, own, maintain and operate a 45-unit multifamily apartment complex intended for rental to persons of low and moderate income, to be known as Golden Trails Apartments, and to be located on Melodie Drive in West, McLennan County, Texas (collectively, the “Project”);

WHEREAS, the Partnership is governed by an Amended and Restated Limited Partnership Agreement (the “Partnership Agreement”), of even date herewith, between West Texas Golden Trails GP, LLC, a Texas limited liability company, as General Partner, 42EP IBC Fund II, LP, a Delaware limited partnership, as Investor Limited Partner, and 42EP SLP, LLC, a Delaware limited liability company, as Special Limited Partner; and

WHEREAS, the Partnership desires to engage the Developer to provide development services to the Partnership as set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. Engagement. The Partnership hereby engages the Developer to render services to the Partnership relating to the development of the Project, and ratifies the engagement of the Developer with respect to such development services performed to date. The Developer shall perform its duties and obligations in a professional, competent, businesslike and efficient manner as would a first class developer of apartment projects similar to the Project and as of apartment projects generating Tax Credit.

2. Development Services. The Developer shall supervise and be responsible for the development and construction/rehabilitation of the Project, and shall perform such services and carry out such responsibilities as are set forth herein and as may reasonably be designated from time to time by the General Partner, all in the name of and on behalf of the Partnership.

(a) Determination of Project Size, Structure and Composition. The Developer shall:

(i) conduct a preliminary market study;

(ii) negotiate with, select, and hire a housing marketing analyst to conduct an independent market study for the proposed development, if required by the Partnership;

- (iii) determine the number of units in the Project and their size;
- (iv) determine the appropriate unit mix and amenities;
- (v) identify potential sources of construction financing;
- (vi) analyze the competitiveness of the Project against others in the market area;
- (vii) make preliminary estimates of Project costs and determine Project feasibility; and
- (viii) prepare and submit to the Partnership all information and documentation necessary to obtain a reservation for Tax Credit to the extent related to the services otherwise provided pursuant to this Agreement including, without limitation, information and documentation related to Project description, Project costs, unit mix, amenities, construction financing and developer experience.

(b) Pre-Construction. The Developer shall:

- (i) prepare or obtain an environmental impact assessment of the proposed development;
- (ii) choose the products and materials necessary to equip the Project in a manner consistent with its intended use;
- (iii) if appropriate, prepare pre-qualification criteria for bidders interested in the Project, establish bidding schedules and conduct pre-bid conferences to familiarize bidders with the bidding documents and any special management systems, materials or methods;
- (iv) assist the Partnership in dealing with local organizations, adjoining landowners and other parties interested in the development of the Project;
- (v) secure all necessary land use approvals;
- (vi) select the Architect and other professional advisors;
- (vii) negotiate and cause to be executed in the name of the Partnership, agreements for architectural, engineering, testing or consulting services for the Project;
- (viii) negotiate and determine the terms of construction financing; and
- (ix) prepare a preliminary critical path schedule.

(c) Plans and Specifications. The Developer shall:

(i) coordinate the preparation of the Plans and Specifications and recommend alternative solutions whenever design details affect construction feasibility or schedules;

(ii) ensure that the Plans and Specifications are in compliance with all applicable codes, laws, ordinances, rules and regulations; and

(iii) in collaboration with the Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples.

(d) Construction Services. The Developer shall:

(i) establish and implement appropriate administrative and financial controls for the construction/rehabilitation of the Project, including, but not limited to:

(1) coordination and administration of the Architect or engineer, the Contractor, and other subcontractors, professionals and consultants employed in connection with the construction/rehabilitation of the Project;

(2) administration of any construction contracts on behalf of the Partnership;

(3) participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and construction procedures;

(4) the rendering of advice and recommendations as to the selection procedures for and selection of subcontractors and suppliers;

(5) the submission of any suggestions or requests for changes that could in any reasonable manner improve the design, efficiency or cost of the Project;

(6) applying for and maintaining in full force and effect any and all governmental permits and approvals required for the lawful construction/rehabilitation of the Project;

(7) compliance with all terms and conditions applicable to Partnership or the Project contained in any governmental permit or approval required or obtained for the lawful construction/rehabilitation of the Project, or in any insurance policy affecting or covering the Project, or in any surety bond obtained in connection with the Project;

(8) furnishing such consultation and advice relating to the Project as may be reasonably required;

(9) keeping the Partnership fully informed on a regular basis of the progress of the design and construction/rehabilitation of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested; and

(10) giving or making the Partnership's instructions, requirements, approvals and payments provided for in the agreements with the Architect, the Contractor, and other subcontractors, professionals and consultants retained for the Project;

(ii) cause construction/rehabilitation of the Project to be performed in a diligent and efficient manner, consistent with good workmanship, including:

(1) obtain required building permits;

(2) Ensuring all construction/rehabilitation is consistent with the Plans and Specifications, including any required off-site work, as they may be amended with consent of any Lender; and

(3) General administration and supervision of construction/rehabilitation of the Project, including but not limited to activities of subcontractors and their employees and agents, and others employed by the Project in a manner which complies in all material respects with the Plans and Specifications;

(4) Compliance with any and all zoning regulations, county ordinances, including health, fire and safety regulations, and any other requirements of federal, state and local laws, rules, regulations and ordinances applicable to construction/rehabilitation of the Project; and

(5) Ensuring that the Project is constructed/rehabilitation free and clear of all mechanics' and materialmen's liens.

(iii) receive bids, prepare bid analysis and make recommendations to the Partnership for award of contracts or rejection of bids;

(iv) investigate and recommend a schedule for purchase by the Partnership of all materials and equipment requiring long lead time procurement;

(v) coordinate schedule with the Architect and expedite and coordinate delivery of purchases;

(vi) develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments and monitor disbursement and payment of amounts owed the Architect and the subcontractors;

(vii) record the progress of the Project and submit written progress reports to the Partnership and Architect, including the percentage of completion and the number and amounts of change orders;

(viii) keep, or cause to be kept, accounts and cost records as to the construction/rehabilitation of the Project; assemble and retain all contracts, agreements and other records and data as may be necessary to carry out Developer's functions hereunder;

(ix) make available to the Partnership, during normal business hours and upon the Partnership's written request, copies of all material contracts and subcontracts;

(x) provide, and periodically update, Project construction/rehabilitation time schedule which coordinates and integrates Architect's services with construction schedules;

(xi) coordinate the work of Architect to complete the Project in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Project with authority to achieve such objectives;

(xii) if requested by the Partnership or the Investor Limited Partner, provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples;

(xiii) provide regular monitoring of the schedule as construction/rehabilitation progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete, recommend to the Partnership adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule;

(xiv) recommend courses of action to the Partnership when requirements of subcontracts are not being fulfilled;

(xv) revise and refine the approved estimate of construction/rehabilitation cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed;

(xvi) provide regular monitoring of the approved estimate of construction/rehabilitation costs, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted

or estimated costs and advise the Partnership whenever projected costs exceed budgets or estimates;

(xvii) develop and implement a system for review and processing of change orders as to construction/rehabilitation of the Project;

(xviii) deliver to the Partnership a dimensioned as-built ALTA/ACSM Survey of the real property (locating only buildings) and as-built drawings of the Project construction/rehabilitation;

(xix) obtain an Architect's certificate that the work on the Project is substantially complete, and inspect the Architect's work;

(xx) secure all building code approvals and obtain certificates of occupancy for all of the residential units of the Project;

(xxi) take all other actions necessary to provide the Partnership with a facility ready for lease to tenants; and

(xxii) maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions.

(e) Excluded Services. The Developer shall not perform any of the following services on behalf of the Partnership, which services shall be performed exclusively by the General Partner and not the Developer:

(i) locate, evaluate the suitability of, negotiate the purchase or lease of, or arrange the financing for the Land;

(ii) take part in the organization of the Partnership;

(iii) arrange or negotiate the terms of any Permanent Financing;

(iv) take part in the syndication of limited partner interests in the Partnership, including arranging or negotiating the terms of any investor limited partner's investment in or admission to the Partnership; and

(v) perform or assist in the marketing or leasing of units in the Project.

Notwithstanding the foregoing, the Developer shall be obligated to provide information to the Partnership (in the form reasonably requested by the Partnership) regarding budgets, cost estimates, the status of the construction/rehabilitation and the accomplishment of its duties hereunder, and any other information to the extent necessary or helpful to assist the General Partner or a person retained by it in performing such excluded services.

3. Limitations and Restrictions. The Developer shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to any of the following matters unless and until the same has been approved by the Investor Limited Partner, which approval shall not be unreasonably withheld, conditioned or delayed:

(a) Any proposed material change in the work of the construction/rehabilitation of the Project, or in the Plans and Specifications, or in the cost thereof, or any change that would materially affect the design, cost, value or quality of the Project; or

(b) Any proposed expense in an amount greater than the amount which the Developer in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or leased or services procured on behalf of the Partnership or otherwise in connection with the Project.

4. Accounts and Records.

(a) The Developer, on behalf of the Partnership, shall keep such books of account and other records as may be required and approved by the General Partner, including, but not limited to, records relating to the costs for which construction advances have been requested and/or received. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the General Partner, covering all collections, if any, disbursements and other data in connection with the Project prior to Completion. All accounts and records relating to the Project, including all correspondence, shall be surrendered to the Partnership upon demand without charge therefor.

(b) All books and records prepared or maintained by the Developer shall be kept and maintained at all times at the place or places approved by the General Partner, and shall be available for and subject to audit, inspection and copying by the Property Management Agent, the General Partner or any representative or auditor therefor or supervisory or regulatory authority, at the times and in the manner set forth in the Partnership Agreement.

5. Waiver of Construction Liens. The Developer agrees that no construction lien (e.g., mechanic's, materialman's or similar lien) or claim shall be filed or maintained by it against the Project for or on account of any work done or materials furnished by it under this Agreement. The Developer hereby waives and relinquishes all right to file a construction lien, claim or notice of intention to file any lien or claim, whether or not the right to file a lien or claim arises under statute, and hereby further agrees to file all necessary and appropriate documents to evidence or record such waiver. The Developer further agrees to have any construction liens which may be filed against the Project released or bonded to the satisfaction of the Partnership. The Developer shall obtain lien waivers concurrent with payment made to the Contractor or to any subcontractors, structural or professional engineers, surveyors or any other parties entitled to file construction liens against the Project.

6. Development Fee. For services performed and to be performed under this Agreement, the Partnership agrees to pay the Developer a fee (the “Development Fee”) in the aggregate amount of \$878,441 (or the maximum amount allowable by the Credit Agency’s rules at Cost Certification, the Development Agreement or this Agreement, as described in Section 7.7(a), which is payable at the times and upon the conditions set forth in this Agreement and the Partnership Agreement), which is payable at the times and upon the conditions set forth in the Development Agreement and this Agreement, for services rendered in negotiating, coordinating and supervising the planning, architectural, engineering and construction services necessary for the development of the Project as more specifically set forth in the Development Agreement. The Development Fee shall be capitalized to the depreciable basis of the Project, and earned in accordance with the Development Agreement for services performed as to each building in the Project as such building is Placed in Service. The Development Fee shall be paid from the available proceeds of funded Installments after payment of all other Development Costs and amounts owing to the Limited Partners then due, generally in accordance with the following schedule, subject to such changes as will be outlined in the updated Project budget:

Capital Contribution Installment	Benchmark	Development Fee Payment
First	Closing	\$182,267
N/A	50% Construction Completion	\$60,756
Second	Permanent Loan Conversion	\$79,534
Third	8609 Issuance	\$285,000
		\$607,557

(a) Any portion of the Development Fee that is deferred or not otherwise paid in full when due (including, but not limited to, \$270,884 of Development Fees anticipated to be deferred) (the “Deferred Development Fee”) shall be paid, together with interest thereon at the Applicable Federal Rate, commencing in the month and year the Project is Placed in Service, but in no event later than the 13th anniversary of the commencement of the Compliance Period. If any portion of the Deferred Development Fee remains unpaid at the end of the Compliance Period, such amount shall be paid by the Partnership on said date from the proceeds of the additional Capital Contribution made by the General Partner.

(b) The amounts specified in Section 6(a) as payable to the Developer are payable to the Developer in its capacity as the developer of the Project. The Development Fee is payable without regard to the income of the Partnership. The Developer shall not delegate its obligations under the Development Agreement to any other party without the consent of the Investor Limited Partner.

7. Fee Unconditional. The obligation of the Partnership to pay the Development Fee and to reimburse costs payable to the Developer hereunder shall be unconditional regardless of the payment or nonpayment of Capital Contributions or the amount of income or profits of the Partnership.

8. Withholding of Fee Payments. If (1) the Developer shall not have complied with this Agreement or the Partnership Agreement in all material respects, or (2) any construction financing commitment, or any agreement entered into by the Partnership for construction financing related to the Project shall have terminated prior to its respective termination date(s), or (3) foreclosure proceedings shall have been commenced against the Project by a construction lender, then the Developer shall be in default of this Agreement, and the Partnership shall withhold payment of any installment of the Development Fee not yet earned by the Developer. All amounts so withheld by the Partnership shall be promptly released to the Developer only after the default justifying the withholding is cured, as demonstrated by evidence reasonably acceptable to the Partnership.

9. Right of Offset. The Partnership shall have the right to offset amounts owed hereunder to the Developer against any obligation of the Developer or its Affiliates to the Partnership or its Partners, whether such obligation is incurred in its capacity as Developer, General Partner, Guarantor or otherwise. In addition, the Developer acknowledges and agrees that the Partnership shall have a right to offset amounts owed hereunder against obligations of the General Partner as described in Section 7.7 of the Partnership Agreement.

10. Assignment of Fees. The Developer may assign, pledge or otherwise encumber the Development Fee, for security or otherwise, or any portion thereof or any right of the Developer thereto, with the prior written consent of the Investor Limited Partner, which consent shall not be unreasonably withheld, conditioned or delayed.

11. Acknowledgment of Partnership Agreement Provisions. The Developer acknowledges and agrees to the provisions of Section 6.1, Section 6.2 and Section 7.7 of the Partnership Agreement and agrees that amounts due under this Agreement may be applied or withheld as set forth therein. If the Developer shall be in default of this Agreement after notice and a 30 day opportunity to cure such default, the Partnership may terminate this Agreement and withhold any payments due hereunder.

12. Construction Warranty.

(a) The Developer hereby warrants to the Partnership and to the Investor Limited Partner that the materials and equipment furnished in accordance with this Agreement will be of good quality, that the work will be free from non-trivial defects, and that the work will conform with the material requirements of the Plans and Specifications. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective.

(b) If, within one year after Completion, any of the structural or non-structural work performed to construct/rehabilitate the Project is found by the Investor Limited

Partner to be defective in any material respect or not in accordance with the Plans and Specifications, applicable building codes, laws, rules or regulations in any material respect, the Developer shall correct or cause the Contractor to correct such defect(s) promptly after receipt of written notice from the Partnership or the Investor Limited Partner to do so. With respect to portions of the work first performed after Completion, such one-year period shall be extended by the period of time between the date of Completion and the actual performance of the work. The obligation under this Section 12 shall survive acceptance of the work performed to construct/rehabilitate the Project. The Partnership or the Investor Limited Partner shall give such notice promptly after discovery of the condition. If a non-trivial defect is discovered more than 1 year after the date of Completion but within 3 years of such date in any event, as such period may be extended under this Section, and such defect was actually known to the Developer or an Affiliate of the Developer, is not covered by a Contractor or vendor warranty and was not disclosed to the Partnership and the Investor Limited Partner or was intentionally concealed by the Developer or such Affiliate, then the Developer shall promptly take such action as may be reasonably necessary, at the Developer's sole expense, to correct such defective work to the reasonable satisfaction of the Investor Limited Partner. The Partnership or the Investor Limited Partner, as applicable, shall report to the Developer any materially defective condition discovered more than 1 year after the date of Completion, as such period may be extended under this Section.

13. Expenses. Except as otherwise provided for in this Agreement, the Developer shall be responsible for all of its expenses incurred in connection with the performance of services under this Agreement, including, without limitation, the following: (1) all wages, salaries and other remuneration paid to the Developer's employees, consultants, advisors and independent contractors, including, without limitation, unemployment insurance, social security, workers' compensation, pension benefits and disability benefits; and (2) the Developer's general overhead and administrative expenses, including, without limitation, office rent, utilities and supplies.

14. Successors and Assigns, Termination. This Agreement shall be binding on the parties hereto, their heirs, successors, and assigns. However, this Agreement may not be assigned by any party hereto, or terminated, without the prior written consent of the other party and the Investor Limited Partner.

15. Defined Terms. Capitalized terms used in this Agreement and not specifically defined herein shall have the same meanings assigned to them as in the Partnership Agreement.

16. Savings Clause. If one or more provisions of this Agreement or any application of any provision shall be deemed or declared to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement shall in no way be affected or impaired.

17. Counterparts. This Agreement may be executed by facsimile, electronically transmitted signature and/or by "PDF", and in any number of counterparts, each of which shall

be deemed an original, but all of which together shall constitute 1 agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

18. Amendment. This Agreement shall not be amended or modified in any respect without the prior written consent of each party hereto and the Investor Limited Partner.

19. No Continuing Waiver. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

20. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without giving effect to any conflicts of law principles that might cause the law of another jurisdiction to apply.

21. Independent Contractor Status. Both the Partnership and the Developer agree that the Developer shall act as an independent contractor with respect to the Partnership in the performance of any and all duties under this Agreement, and that this Agreement shall not be construed to create any other form of employment relationship, business relationship, agency, partnership, or joint venture between the Partnership and the Developer.

22. Notices. All notices or other communication required or permitted by this Agreement shall be in writing and shall be deemed to have been given on (1) the 4th business day after deposit in the United States mail, postage prepaid, (2) the second business day after deposit with Federal Express or similar overnight delivery service, (3) the first business day after delivered personally, or (4) the first business day after delivered by facsimile or other electronic transmission, if to the Partnership, at the principal office of the Partnership set forth in Section 1.4 of the Partnership Agreement, if to the Developer, at its primary business address last given to the Partnership. Any party may require notices to be sent to a different address by giving notice thereof to the other party in accordance with this Section 22. Rejection or other refusal to accept or the inability to deliver because of a changed address to which no notice was given shall be deemed to be a receipt of such rejected, refused or undelivered notice.

-- Signature page follows --

The undersigned has executed this Agreement, under seal, effective as of the Effective Date.

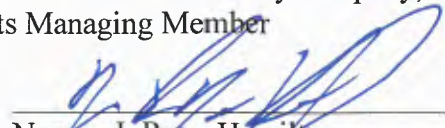
PARTNERSHIP:

WEST TEXAS GOLDEN TRAILS, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company,
its General Partner

By: 4C Development – Texas, LLC,
a Texas limited liability company,
its Managing Member

By:

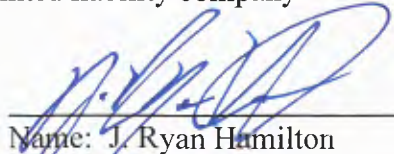

Name: J. Ryan Hamilton
Title: Manager

The undersigned has executed this Agreement, under seal, effective as of the Effective Date.

DEVELOPER:

4C DEVELOPMENT – TEXAS, LLC, a
Texas limited liability company

By:



Name: J. Ryan Hamilton
Title: Manager

EXHIBIT A

Form of Development Fee Note

\$ _____, 20____

FOR VALUE RECEIVED, the undersigned (the “Maker”) promises to pay to the order of 4C Development - Texas, LLC, a Texas limited liability company (the “Developer”) at _____, with attention to _____, or at such other place as the Developer may from time to time designate in writing the principal sum of _____ and No/Dollars (\$_____). This Development Fee Note shall bear interest at the Applicable Federal Rate.

This Development Fee Note is given pursuant to that certain Development Agreement to which the Maker and the Developer are parties, dated as of July 20, 2018 (the “Development Agreement”). Capitalized terms used herein shall have the meaning given to them in the Development Agreement.

Prior to the Maturity Date (as defined below), this Development Fee Note shall be payable (1) from the proceeds of capital contributions to the Maker as soon as available and, in any event, (2) in annual installments on the same date as the date of this Development Fee Note, only from net cash flow of the Maker or from the net proceeds of a sale or refinancing of the Project in accordance with the terms of the Partnership Agreement. The Maker’s obligation to make any payments on this Development Fee Note prior to the Maturity Date shall be subject to the terms of the Partnership Agreement. Payments made on this Development Fee Note pursuant to this paragraph shall be applied first to accrued but unpaid interest and then to reduce the outstanding principal balance.

The Maturity Date of this Development Fee Note shall be the 13th anniversary of the commencement of the Compliance Period. The Maker may, at its election from time to time prior to maturity, prepay without penalty all or any portion of the principal indebtedness of this Development Fee Note.

If any amount owing under this Development Fee Note is not paid when due, such amount shall accrue interest from the due date specified herein until paid at the maximum rate permitted by law. In addition, the Maker promises and agrees to pay, on demand, all reasonable costs of collection, including costs associated with realizing the security for this Development Fee Note, and also including attorneys’ fees incurred by the Developer, whether or not suit is filed or realization on the security occurs.

This Development Fee Note shall be recourse to the Maker and shall be unconditional upon the Maturity Date.

-- Signature page follows --

Time is of the essence with respect to each obligation of the Maker under this Development Fee Note. All payments hereunder shall be made in lawful money of the United States of America. This Development Fee Note shall be governed by the laws of the State of Texas.

WEST TEXAS GOLDEN TRAILS, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company,
its General Partner

By: 4C Development – Texas, LLC,
a Texas limited liability company,
its Managing Member

By: _____
Name: J. Ryan Hamilton
Title: Manager

EXHIBIT 2

Guaranty Agreement

GUARANTY AGREEMENT

This Guaranty Agreement (this “Guaranty Agreement”) is dated and effective as of July 20, 2018 (the “Effective Date”) by the undersigned (whether one or more, referred to as the “Guarantor”), for the benefit of West Texas Golden Trails, LP, a Texas limited partnership (the “Partnership”), 42EP IBC Fund II, LP, a Delaware limited partnership, and 42EP SLP, LLC, a Delaware limited liability company (42EP IBC Fund II, LP and 42EP SLP, LLC are collectively referred to herein as the “Limited Partners”).

WHEREAS, the Partnership is governed by an Amended and Restated Limited Partnership Agreement, dated as of the Effective Date (the “Partnership Agreement”), between the Limited Partners and West Texas Golden Trails GP, LLC, a Texas limited liability company (the “General Partner”);

WHEREAS, the purpose of the Partnership is to acquire, develop, finance, rehabilitate, own, maintain and operate an affordable housing rental apartment project (the “Project”) located in the State of Texas (the “Project State”);

WHEREAS, the Project will be developed by 4C Development - Texas, LLC, a Texas limited liability company (the “Developer”) pursuant to a Development Agreement, dated as of the Effective Date, between the Partnership and the Developer (the “Development Agreement”);

WHEREAS, the Guarantor is an Affiliate of the General Partner, and believes it shall substantially benefit, directly or indirectly, from the Limited Partners being admitted to the Partnership; and

WHEREAS, as a condition to being admitted to the Partnership, the Limited partners have requested that each Guarantor jointly and severally guaranty the obligations of the General Partner in Section 7.2 of the Partnership Agreement and the Developer under the Partnership Agreement and Development Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. Reliance. The Guarantor agrees and acknowledges that this Guaranty Agreement is given to induce the Limited Partners to invest in and become limited partners in the Partnership. Absent execution and delivery of this Guaranty Agreement, the Limited Partners would not have invested in the Partnership as limited partners and would not have agreed to make capital contributions to the Partnership. The Guarantor acknowledges that the Guarantor was and will be directly benefited by the Limited Partners becoming limited partners in the Partnership.

2. Guaranteed Obligations. The Guarantor hereby unconditionally, jointly and severally guarantees to the Partnership and the Limited Partners the full and prompt payment, performance, observance, compliance, and satisfaction of all obligations, covenants, representations, and warranties on the part of the General Partner to be paid, performed,

observed, complied with, or satisfied with respect to Section 7.2 of the Partnership Agreement, as and when due. The Guarantor also unconditionally, jointly and severally guarantees to the Partnership and the Limited Partners full prompt payment, performance, observance, compliance and satisfaction of all obligations, covenants, representations, and warranties on the part of the Developer to be paid, performed, observed, complied with, or satisfied in accordance with the Partnership Agreement and the Development Agreement. All obligations of the General Partner and the Developer herein guaranteed are referred to as the “Guaranteed Obligations.”

3. Guaranty of Payment. The guaranty made hereunder is of payment and not of collection, and the Guarantor waives any right to require that any action be brought against the General Partner or any other Person liable for performance or payment of any of the Guaranteed Obligations or that resort first be had to any other security therefor.

4. Effect of Payment by the Guarantor to the Partnership and/or the Limited Partners. No payment by the Guarantor to the Partnership and/or the Limited Partners under the terms of this Guaranty Agreement shall constitute a Capital Contribution, loan, or advance to the Partnership or change the Partnership Interest of any of the Partners in the Partnership. The Guarantor shall not have any rights in or to the Partnership or its assets as a creditor or a Partner by virtue of any payments made hereunder.

5. Continuing Guaranty. This Guaranty Agreement shall be unconditional, continuing, absolute and irrevocable, and shall continue until completion of the Compliance Period when all Guaranteed Obligations have been fully performed, paid, and satisfied, and shall not be affected or impaired by: (1) any modification, extension, or amendment of the Partnership Agreement or any other agreement now or hereafter executed by the Partnership, the General Partner, or a Limited Partner, or any of them; (2) any modification, extension of time for the payment of, forbearance, settlement, release, surrender, exchange, or discharge of any Guaranteed Obligations, any collateral therefor, or any party liable or to become liable, primarily, secondarily, or otherwise, with respect to any Guaranteed Obligations (herein “Other Obligors”); (3) payment of additional Capital Contributions by the Limited Partners after default or the release of any security after default whether material or otherwise; (4) death, dissolution, or insolvency of the Partnership, the General Partner, the Guarantor, or any Other Obligors; (5) release of the General Partner, or any Other Obligors from the performance or observance of any of the Guaranteed Obligations, arising by operation of law or otherwise, whether made with or without notice to the Guarantor; (6) the fact that the Partnership and/or the General Partner may or may not be personally liable under the Partnership Agreement or the Project Documents to pay any money judgment; (7) any act done, suffered, or left undone by a Limited Partner, the Partnership, or the General Partner or the Developer relating to the Partnership Agreement, the Project Documents, this Guaranty Agreement, or any other instrument or thing, including, without limitation, any delay or failure on the part of the Partnership or Limited Partners in exercising any right, power or privilege under the Partnership Agreement, this Guaranty Agreement, or any other instrument or document executed by the Partnership, the General Partner, the Developer or any Other Obligors; (8) any failure to give any notices of acceptance, notices of default, or other notices; (9) the execution of any guaranty by any personal corporation, partnership, or other entity relating to the Partnership Agreement, the Project Documents or otherwise; (10) any sale, transfer, pledge, surrender, compromise, realization upon, release, renewal, extension, exchange, or other hypothecation of any kind of this Guaranty

Agreement, all or any part of the Partnership Agreement, and all or any part of any security or collateral given to secure any of the obligations thereunder; (11) any failure, invalidity, or unenforceability of, or any defect in, the Partnership Agreement or any security or collateral given to secure any of or all the obligations thereunder; (12) any change in the manner, place, or terms of payment of, or any change or extension of time of payment of, or any renewal or alteration in any of the Guaranteed Obligations, any security therefor, or any liability incurred directly or indirectly in respect thereof; (13) the Limited Partners' exercise or forbearance from exercising any rights or remedies against the Partnership, the General Partner, the Developer or Other Obligors, or any other act, or failure to act in any manner, which may deprive the Guarantor of any rights of subrogation, contribution, or indemnity against the Partnership, the General Partner, the Developer, or any Other Obligors; (14) any change in any of the Partners of the Partnership; or (15) any removal of any General Partner of the Partnership. Notwithstanding the foregoing, this Guaranty shall no longer apply to the General Partner to the extent and from and after the time, that the General Partner is removed from or no longer a partner of the Partnership; provided, however, that the General Partner shall remain obligated under this Guaranty and the corresponding provisions of the Partnership Agreement for all events arising directly or indirectly from the acts of the General Partner.

6. Direct Liability. The liability of the Guarantor hereunder is direct and unconditional and may be enforced without requiring the Limited Partners or the Partnership, as the case may be, first to exercise, enforce, or exhaust any right or remedy against the Partnership, the Developer or any General Partner, or against any Other Obligors. Upon any default by the Partnership or the General Partner or the Developer or Other Obligors relating to any obligation under the Partnership Agreement, the Limited Partners may, at either of their option, proceed directly and at once against the Guarantor to collect the full amount of the Guarantor's liability hereunder, or any portion thereof, without first proceeding against the Partnership, the General Partner, the Developer, any Other Obligors, or any person, corporation, partnership, or other entity.

7. Waivers. The Guarantor hereby waives (1) presentment, demand, protest, and notice of acceptance, notice of demand, notice of protest, notice of dishonor, notice of default, notice of nonpayment, and all other notices to which the Guarantor might otherwise be entitled; (2) any and all claims or defenses relating to lack of diligence or delays in collection or enforcement, or any other indulgence or forbearance whatsoever with respect to any obligations relating to the Partnership Agreement, the Project Documents, or the Guaranteed Obligations and any defense which the Guarantor may have by reason of any defense which the Partnership, any General Partner, the Developer or any Other Obligors may have against the Limited Partners, other than payment, satisfaction, and performance of the Guaranteed Obligations; (3) notice of any advances or Capital Contributions made under the Partnership Agreement or the Project Documents; (4) any right, title, or interest in, or claim to, whether by subrogation or otherwise, any collateral or assets of the Partnership, the Developer, the General Partner, or Other Obligors until all Guaranteed Obligations have been fully paid, satisfied, and performed; (5) any defense or claim relating to the marshaling of assets or any requirement to proceed against any parties or collateral in any particular order; and (6) all other suretyship defenses, rights, and claims.

8. Costs and Attorney Fees. The Guarantor agrees, in addition to the liability for the Guaranteed Obligations, to reimburse the Limited Partners and the Partnership for all costs and

expenses, including reasonable attorney fees, which the Limited Partners or the Partnership, as the case may be, may incur (1) in the collection of any amounts owing under this Guaranty Agreement, the Partnership Agreement or any part thereof; (2) for the enforcement of this Guaranty Agreement, the Partnership Agreement or any term, agreement, covenant, provision, obligation, or duty arising thereunder; (3) in the realization of any collateral obligation or duty hereunder; and/or (4) in connection with any bankruptcy or similar proceeding wherein the Partnership, the General Partner, the Guarantor, or any Other Obligors are the “debtor”. In the event of litigation or other proceeding in connection with this Guaranty Agreement, the Limited Partners shall be entitled, in addition to all other sums and relief, to reasonable attorney fees, costs, disbursements, including all such fees, costs, and disbursements incurred both at and in preparation for trial and any appeal or review, said amount to be set by the courts before which the matter is heard.

9. Statute of Limitations; Bankruptcy. The Guarantor shall remain liable with respect to the payment, performance, observance, compliance, or satisfaction of the Guaranteed Obligations or any part thereof irrespective of whether a recovery upon the same may have been barred by any statute of limitations. Any payment made on any obligations under the Partnership Agreement that may thereafter be required to be refunded, as a preference or otherwise, under any state or federal law shall not be considered payment for purposes hereof, nor shall it have the effect of reducing the amount of the Guaranteed Obligations or the liability of the Guarantor hereunder.

10. Actions Regarding Other Obligors. The Guarantor hereby represents and warrants that the Guarantor was not induced to give this Guaranty Agreement by the fact that there are or may be Other Obligors, or by the fact that there may be other collateral securing the Guaranteed Obligations. No election to proceed in 1 form of action or proceeding or against any party, or on any obligation, shall constitute a waiver of the Limited Partners’ or Partnership’s, as the case may be, right to proceed in any other form of action or proceeding or against any other parties. Without limiting the generality of the foregoing, no action or proceeding by the Limited Partners or the Partnership, as the case may be, against the General Partner, Developer or any Other Obligors, shall serve to diminish the liability of the Guarantor hereunder except to the extent that the Limited Partners or the Partnership, as the case may be, realizes payment by such action or proceeding, notwithstanding the effect of any suit or proceeding upon the Guarantor’s rights of subrogation or contribution against the Partnership, the General Partner, Developer or such Other Obligors. The Limited Partners and the Partnership, as the case may be, shall, at its option, have the right to join the Partnership, the General Partner, the Developer, the Guarantor, and any Other Obligors, in any action or proceeding related to the Guaranteed Obligations.

11. Investigation. The Guarantor delivers this Guaranty Agreement based solely upon the Guarantor’s own independent investigation of the financial condition of the Partnership, other Guarantors, the Developer, Other Obligors, and the General Partner and in no part upon any representation or statement of the Limited Partners with respect thereto. The Guarantor is in a position to and does hereby assume full responsibility for obtaining any additional information concerning the financial condition of the Partnership, other Guarantors, Other Obligors, the Developer and the General Partner as the Guarantor may deem material to its obligations hereunder, and the Guarantor is not relying upon, nor expecting the Limited Partners to furnish, any information in the Limited Partners’ possession concerning the financial condition of such

parties. The Guarantor agrees that it hereby knowingly accepts the full range of risks encompassed within this Guaranty Agreement, which risks include, without limitation, the possibility that the Partnership, the General Partner, the Developer, other Guarantors and/or Other Obligors may incur additional obligations for which the Guarantor may be liable hereunder after the financial condition of the Partnership, the Developer, other Guarantors, Other Obligors and/or the General Partner, or their ability to pay any lawful debts when due has deteriorated, and the Guarantor understands that the amount of the obligations may be increased or decreased and the ratio of obligations to collateral, if any, may be changed adversely to the Guarantor. This Guaranty Agreement will be effective when delivered to the Partnership and the Limited Partners without need for acceptance or any other formality.

12. Representation and Warranty of Financial Condition. The Guarantor hereby represents and warrants that all financial statements of the Guarantor heretofore delivered to the Limited Partners by or on behalf of the Guarantor are accurate and complete in all material respects and fairly present the financial condition of the Guarantor as of the respective dates thereof, and remain accurate and complete and not in any way misleading, as of the date hereof. The Guarantor agrees to provide by March 31 of each year a compiled financial statement of the Guarantor as of the end of the previous fiscal year, including, but not limited to, a balance sheet and income statement with supporting schedules and backup information, or such other financial information as may be reasonably acceptable to the Limited Partners. The Guarantor also agrees to provide at any time upon the request of any Limited Partner bank statements and brokerage statements, together with any other appropriate documentation evidencing to the satisfaction of such Limited Partner the liquidity of the Guarantor. The Guarantor hereby expressly agrees to the release of such financial information by the Limited Partner to their Affiliates, agents and representatives, partners of the Limited Partners and proposed investors in the Investor Limited Partner. The Guarantor shall maintain an aggregate net worth of at least \$5,000,000 and aggregate liquidity of at least \$1,000,000.

13. Partnership's and Limited Partners' Rights. The Partnership and/or any Limited Partner may, at any time and from time to time, with or without the consent of, or notice to, the Guarantor, and without incurring responsibility or liability to the Guarantor or impairing or releasing the obligations of the Guarantor hereunder:

(a) change the manner, place, or terms of performance or payment of, or renew, replace, extend, or otherwise modify any document now or hereafter creating, securing, or governing the disbursement of any of the Guaranteed Obligations (including, without limitation, the Partnership Agreement) other than this Guaranty Agreement;

(b) sell, exchange, release, surrender, realize upon, or otherwise deal with, in any manner and in any order, any property by whomsoever and whenever pledged to secure, or howsoever securing, any of the Guaranteed Obligations or any liability (including, without limitation, any of those hereunder) incurred directly or indirectly in respect thereof or hereof, or any offset there against;

(c) exercise or refrain from exercising, for any period of time whatsoever, any rights against the General Partner, the Developer, other Guarantors or Other Obligors (including, without limitation, the Guarantor) available to the Partnership by law or under

any document now or hereafter creating any of the Guaranteed Obligations, any other security therefor, or any liability (including, without limitation, any of those hereunder) incurred directly or indirectly in connection therewith or herewith (including, without limitation, failing to attempt to collect any of the Guaranteed Obligations);

(d) settle or compromise any of the Guaranteed Obligations, any security therefor, or any liability (including, without limitation, any of those hereunder) incurred directly or indirectly in connection therewith or herewith;

(e) accept any further security for payment of the Guaranteed Obligations in addition to this Guaranty Agreement; and

(f) perform such other acts as may be permitted under the Partnership Agreement.

14. Subrogation. Until the Guaranteed Obligations have been performed and paid in full, the Guarantor shall have no right of subrogation against the General Partner, the Developer, or any Other Obligor in connection with this Guaranty Agreement nor any right to participate in realization upon any security for any of the Guaranteed Obligations.

15. Subordination. Any indebtedness of the General Partner, the Developer, or any Other Obligor to the Guarantor now or hereafter existing is hereby subordinated to the Guaranteed Obligations.

16. Successors. This Guaranty Agreement shall be binding upon the Guarantor, the Guarantor's heirs, personal representatives, successors, and assigns, and shall inure to the Limited Partners' benefit and to the benefit of the Limited Partners' successors and assigns, and to the benefit of anyone claiming title to any collateral sold by the Limited Partners pursuant to any rights, powers, and privileges it or they now have or may hereafter possess.

17. Integration; Waiver. This Guaranty Agreement contains the sole and entire understanding and agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior negotiations and understandings. This Guaranty Agreement may not be terminated or otherwise amended, changed, or modified, nor shall there be any waiver or estoppel by the Limited Partners or the Partnership, except by a written instrument signed by the Limited Partners and the Partnership. No waiver, express or implied, by the Limited Partners or Partnership of any default hereunder shall be deemed a waiver of any other or succeeding default hereunder.

18. Governing Law; Interpretation. This Guaranty Agreement and the rights and obligations of the Guarantor shall be governed and construed in accordance with the internal laws of the State of Texas, without giving effect to any conflict of law provisions that would cause the law of another jurisdiction to apply. If for any reason any provision of this Guaranty Agreement does violate any such laws or is not fully enforceable in accordance with the terms and provisions hereof, this Guaranty Agreement shall be limited or construed to comply with such laws and shall be enforced to the full extent permitted by such laws. If there is more than one Guarantor, the liability of each Guarantor shall be joint and several. All capitalized terms

used but not defined herein shall have the respective meanings given them in the Partnership Agreement.

19. Personal Jurisdiction and Venue. The Guarantor hereby submits to personal jurisdiction as provided in this Section 19 for the enforcement of this Guaranty Agreement and waives any and all personal rights to object to such jurisdiction for the purposes of litigation to enforce this Guaranty Agreement. The Guarantor hereby consents to the jurisdiction of the courts of the State of Texas and the courts of the United States of America for the Northern District of Texas, in any action, suit, or proceeding which any Limited Partner may at any time wish to file in connection with this guaranty or any related matter. The Guarantor hereby agrees that an action, suit, or proceeding to enforce this Guaranty Agreement may be brought in any state or federal court in the State of Texas and hereby waives any objection which the Guarantor may have to the laying of the venue of any such action, suit, or proceeding in any such court; provided, however, that the provisions of this Section 19 shall not be deemed to preclude any Limited Partner from filing any such action, suit, or proceeding in any other appropriate forum. The Guarantor hereby agrees that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon the Guarantor by registered or certified mail to or by personal service at the last known address of the Guarantor, whether such address is within or without the jurisdiction of any such court.

20. Effect of Certain Events. Guarantor further covenants that this Guaranty Agreement shall remain and continue in full force and effect as to and notwithstanding any amendment of the Partnership Agreement, the transfer of any Partnership Interest thereunder, or the withdrawal or removal of any Partner thereunder, and that indulgences or forbearance may be granted under the Partnership Agreement, with or without notice to or further consent of the Guarantor.

In conjunction with any sale, transfer or assignment by a Limited Partner of all or any part of its Partnership Interest in accordance with the provisions of the Partnership Agreement, such Limited Partner is hereby authorized to obtain updated UCC, judgment and tax lien searches and updated financial statements with respect to the Guarantor and the Guarantor represents and agrees that it will take all actions reasonably necessary (or requested by the Limited Partner) to cooperate with the Limited Partner and facilitate the Limited Partner's disposition of its Partnership Interest. In addition, in conjunction with any such sale, transfer or assignment, each Limited Partner is hereby authorized, and the Guarantor hereby consents to the disclosure and/or release of the Guarantor's financial statements and any other information relating to the Guarantor that may be relevant to such sale, transfer or assignment.

21. Security Interest. In order to ensure the timely payment and performance by the Guarantor of the Guaranteed Obligations, each Guarantor hereby grants to the Partnership and the Limited Partners a security interest in all of its respective right, title and interest in the Partnership, including any and all fees, distributions, and payments due or paid to the Guarantor or any of their Affiliates by the Partnership as fees, returns of capital, distributions, repayments of loans or advances or for any other purpose, together with any and all tax benefits and other property rights and distributions, and all of the proceeds and products thereof, all in order to secure the Guarantor's obligations hereunder. Each Guarantor acknowledges and agrees that any amounts owed by the Partnership to a Guarantor are subject to offset and reduction in the event

of the Guarantor's failure to satisfy any Guaranteed Obligation. Further, the termination of the Development Agreement or removal of the General Partner for cause under the terms of the Partnership Agreement shall result in the termination of any payment or distribution obligation of the Partnership owing to any Guarantor regardless of whether such fee was fully earned prior to the effective date of the termination of the Development Agreement or removal of the General Partner.

22. WAIVER OF TRIAL BY JURY. THE GUARANTOR HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHT UNDER THIS GUARANTY AGREEMENT OR THE PARTNERSHIP AGREEMENT OR RELATING THERETO OR ARISING FROM THE TRANSACTION WHICH IS THE SUBJECT OF THIS GUARANTY AGREEMENT AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

-- Signature page follows --

The undersigned has executed this Guaranty Agreement effective as of the Effective Date.

GUARANTOR:

WEST TEXAS GOLDEN TRAILS GP, LLC,
a Texas limited liability company,
its General Partner

By: 4C Development – Texas, LLC,
a Texas limited liability company

Its: Managing Member

By: 
Name: J. Ryan Hamilton
Title: Manager

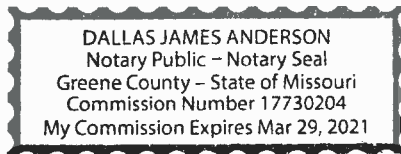
STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Manager of 4C Development – Texas, LLC, a Texas limited liability company, the Managing Member of West Texas Golden Trails GP, LLC, a Texas limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Witness my hand and official seal this 7 day of JUNE, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL]

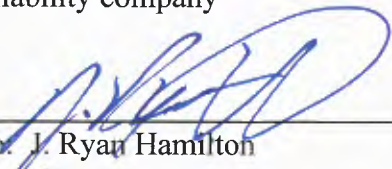


The undersigned has executed this Guaranty Agreement effective as of the Effective Date.

GUARANTOR:

4C DEVELOPMENT – TEXAS, LLC, a
Texas limited liability company

By:

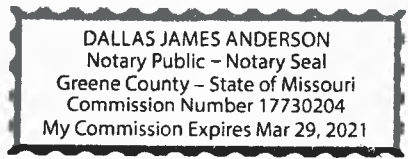

Name: J. Ryan Hamilton
Title: Manager

STATE OF MISSOURI) ,
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name as Manager of 4C Development – Texas, LLC, a Texas limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

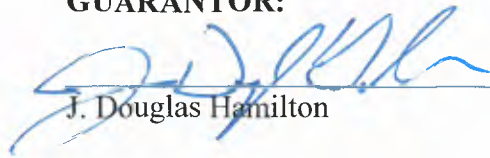
Witness my hand and official seal this 7 day of June, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL] 

The undersigned has executed this Guaranty Agreement effective as of the Effective Date.

GUARANTOR:



J. Douglas Hamilton

STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Douglas Hamilton, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, with full capacity and authority, executed the same voluntarily for and as his act.

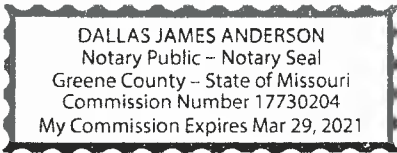
Witness my hand and official seal this 8 day of June, 2018.

My Commission Expires: March 29, 2021



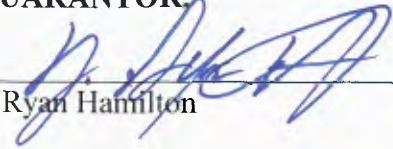
Notary Public

[SEAL]



The undersigned has executed this Guaranty Agreement effective as of the Effective Date.

GUARANTOR:



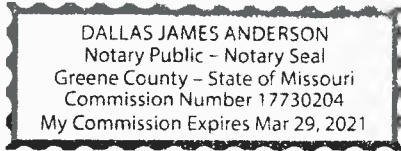
J. Ryan Hamilton

STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)

I, the undersigned, a notary public in and for said county and state, hereby certify that J. Ryan Hamilton, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, with full capacity and authority, executed the same voluntarily for and as his act.

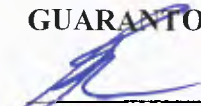
Witness my hand and official seal this 7 day of June, 2018.
My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL]

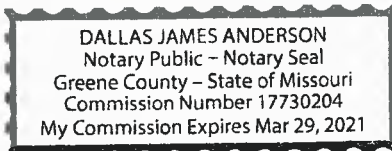


The undersigned has executed this Guaranty Agreement effective as of the Effective Date.

GUARANTOR:


Rita A. Baron

STATE OF MISSOURI)
) SS.
COUNTY OF GREENE)



I, the undersigned, a notary public in and for said county and state, hereby certify that Rita A. Baron, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she, with full capacity and authority, executed the same voluntarily for and as her act.

Witness my hand and official seal this 6 day of June, 2018.

My Commission Expires: March 29, 2021 Dallas James Anderson
Notary Public

[SEAL]

EXHIBIT 3

Property Management Agreement



HAMILTON PROPERTIES CORPORATION
 (Management Company)
MANAGEMENT AGREEMENT FOR:
GOLDEN TRAILS
 (Property Name)



This agreement is made this, July 6, 2019 between West Texas Golden Trails, LP and Hamilton Properties Corporation the ("Agent") under the terms and conditions set forth herein.

A. GENERAL:

1. Appointment and Acceptance: The owner appoints the "Agent" as exclusive agent for the management of the property described in Section I Paragraph B of this agreement, and the Agent accepts the appointment, subject to the terms and conditions set forth in this agreement.
2. Project Description: The property to be managed by the Agent under this Agreement (the "Project") is a housing development consisting of the land, buildings, and other improvements. The Project is further described as follows:

Name:	<u>GOLDEN TRAILS</u>
City:	<u>WEST</u>
County:	<u>MCLENNAN</u>
State:	<u>TEXAS</u>
Types of Units:	<u>1- BEDROOM, 2 BEDROOM</u>
Project No.:	<u>17290 1002694</u>

3. Definitions: As used in this Agreement:
 - a. TDHCA (Texas Department Of Housing & Community Affairs, including any successor agencies.
 - b. "Principal Parties" means the Owner and the Agent.
 - c. "Agent" means the person or business entity, including employees at the Agent's office and project site, engaged in the task of providing management of a TDHCA financed Multifamily Housing project in contractual arrangement with the owner.
4. Identity of Interest: The Agent shall disclose to the Owner and TDHCA any and all Identities of Interest that exist between the Agent and the Owner. A Statement of disclosure of Identity of Interest shall be attaché to this agreement and become part of said agreement.
5. TDHCA Requirements: In performing its duties under this Management Agreement, the Agent will comply with all relevant requirements of TDHCA. TDHCA requirements include preparations of forms and reports in format, prescribed in the TDHCA, Title 10, Part 1, Chapter 10, Subchapter F. and available on the TDHCA web site.
6. Basic Information: As soon as possible, the owner will furnish the Agent with a complete set of "as built" plans and specifications and copies of all guarantees and warranties relevant to construction, fixtures, and equipment. With the aid of this information and inspection by competent personnel, the Agent will become thoroughly familiar with the character, location, construction, layout, plans and operation of the Project.

7. Compliance with Governmental Orders: The Agent will take such action as may be necessary to comply promptly with any and all governmental orders or other requirements affecting the Project, whether imposed by federal, state, county municipal authority, subject, however, to the limitation state in Section IV Paragraph I of this Exhibit with respect to repairs. Nevertheless, the Agent shall take no action so long as the Owner is contesting, or has affirmed its intention to contest, any such order or requirement. The Agent will notify the Owner in writing of all notices of such orders or other requirements, within seventy two (72) hours from the time of their receipt.
8. Nondiscrimination: "We do business in accordance with the Federal Fair Housing Laws. (The Fair Housing Amendments Act of 1988) "It is illegal to discriminate against any person because of Race, Color, Religion, Sex, Handicap (applicant must have the capacity to execute a legal contract), Familial Status, or National Origin." In performance of its obligation under this Agreement, the Agent will comply with all the provisions of any Federal, State or Local laws prohibiting discrimination in housing, Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 78 Stat.241), Title VII of the Civil Rights Act of 1968, and the Fair Housing Amendments of 1988, E.O. 11246, and the Equal Credit Opportunity Act of 1974., Section 504 of the rehabilitation act of 1973 and the age discrimination act of 1975. Our community policies are designed to provide for consistent and fair treatment of all residents in the spirit of these laws. The Staff at our community has a legal obligation to treat each individual in a consistent manner. Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-655-2235 (Toll Free) or at 1-800-735-2989 (TDD).
9. Fidelity Bond: The property will furnish, at its own expense, a fidelity bond in the amount based on the TDHCA requirements specified in the Title 10, Part 1, Chapter 10, Subchapter F a minimum coverage of \$ 10,000. The fidelity bond shall be obtained by a company licensed to provide said coverage in provide said coverage in the project locality.
10. Bids, Discounts, Rebates, Etc.: With prior approval of the owner, the Agent will obtain contracts, materials, supplies, utilities, and services on the most advantageous terms to the project, and it's authorized to solicit bids, formal or informal, for those items which can be obtained from more than one source. The Agent will secure and credit to the owner all discounts, rebates, or commissions obtainable with respect to purchases, service contracts, and all other transactions on the Owner's behalf.

B. MANAGEMENT PLAN:

1. Description: Attached is a copy of the Management Plan for the Project, which provides a comprehensive and detailed description of the policies and procedures to be followed in the management of the Project.
2. Relationship with Management Plan: The Agent shall conduct his/her management activities in accordance with the Policies and Procedures set forth in the Management Plan. In addition, the Agent will also carry out the tasks and responsibilities set forth in Section D of this agreement.
3. Division of duties and common expenses: An identification of duties and supervisory relationship for project site staff and Agent's office staff are described in the Management plan as is the Pro rata division of singularly incurred operating expense common to the Agent and the Owner.

C. BUDGET:

1. Preparation: The Agent shall prepare an original project budget for submission to the Owner. For each subsequent fiscal year the Agent shall prepare a new budget.
2. Budget Categories: The budget shall be prepared using the format and categories of the form 3560-7, Multiple Family Housing Project Budget.”

D. AGENT’S AUTHORIZATIONS: (The Owner authorized the Agent to):

1. Operate the project according to the Owner’s management plan and agreement and in compliance with the Owner’s loan agreement with the TDHCA, applicable TDHCA guidelines and regulations and local jurisdiction.
2. Operate and maintain the project within reasonable tolerance as defined by TDHCA of the expense categories for administration and maintenance outlined in the project budget.
3. Purchase all material, equipment, tools, appliances, supplies and services necessary for proper maintenance and repair of the project as stipulated by the owner in the management plan and project budget.
4. Notwithstanding any of the foregoing provisions or any similar provisions that follow, the prior written approval of the owner will be required for any expenditure which exceeds \$ 2,500 in any instance for litigation involving the project, or labor, materials, or other expenses in connection with the maintenance and repair of the project. This limitation does not apply to recurring expenses within the limits of operating budget or emergency repairs involving danger to persons on the property, or that are required to avoid suspension of any necessary service to the project. In the latter event, the Agent will inform the Owner of the facts as soon as possible.
5. Represent the Owner in specific matters related to Management of the project. In case of Litigation or other such instances requiring Owner representation, authorizations will be provided in writing as an addendum when those situations arise.

E. AGENT’S OBLIGATIONS:

1. Management Input During and After TDHCA Processing: The Agent will advise and assist the Owner with respect to Management planning and input during TDHCA loan processing. The Agent’s specific tasks will be:
 - a.) Participation in any conference with TDHCA officials involving project management.
 - b.) Preparation and submission of occupancy reporting quarterly throughout the period from initial occupancy and after TDHCA loan closing until such time as no longer required by TDHCA. If the management is authorized to sign the reports for the owner, a copy of the signed report as submitted to TDHCA will be provided to the Owner.
 - c.) Participation in the on-site final inspection of the Project, required by TDHCA prior to initial occupancy.
 - d.) Continuing review of the Management Plan, for the purpose of keeping the Owner advised of necessary or desirable changes.
 - e.) The Agent will be responsible for any late fees due to late monthly mortgage payments.

2. Liaison with Architect and General Contractor: At the direction of the Owner during the planning and construction phases, the Agent will maintain direct liaison with the architect and general contractor, in order to:
 - a.) Coordinate management concerns with the design and construction of the Project;
 - b.) Facilitate completion of any corrective work, and;
 - c.) Facilitate the Agent's responsibilities for arranging utilities and services pursuant to Section E Paragraph 10 of this Agreement. The Agent will keep the Owner advised of all significant matters of this nature.

3. Marketing: The Agent will market the rental units according to the Management Plan, observing all the requirements of the Affirmative Fair Housing Marketing Plan, and maintain records of the marketing activity for compliance review.

4. Rentals: The Agent will offer for rent and will rent the dwelling units in the Project. The following provisions will apply:
 - a.) The Agent will make preparations for initial rent-up, as described in the Management Plan.
 - b.) The Agent will follow the tenant selection policy described in the Management Plan.
 - c.) The Agent will show the premises to prospective tenants without regard to race, color, national origin, sex, religion, familial status, handicap, or age; and will provide reasonable accommodations to individuals with handicaps.
 - d.) The Agent will take and process applications for rentals. If an application is rejected, the Agent will inform the applicant in writing of the reason for the rejection. The rejected application, with the reason for rejection noted thereon, will be kept on file until a compliance review has been conducted. If the rejection is because of information obtained from a Credit Bureau, the source of the report must be revealed to the applicant according to the Fair Credit reporting Act. A current list of qualified applicants will be maintained.
 - e.) The Agent will prepare all dwelling leases and will execute the same in its name, identified thereon as Agent for the Owner. The terms of all leases will comply with the relevant provisions of the TDHCA and shall be obtained from the Rural Rental Housing Association of Texas.
 - f.) The Owner will furnish the Agent with rent and income report forms required by the TDHCA, showing rents as appropriate for dwelling units, other charges for facilities and services, income data relevant to determinations of tenant eligibility, and tenant rents. In no event will rents and other charges be exceeded.
 - g.) The Agent will counsel all prospective tenants regarding eligibility and will prepare and verify eligibility certifications in accordance with TDCHA requirements.
 - h.) The Agent shall use "Tenant Tracker" at the lowest level to acquire a credit and criminal background check on each applicant. The Agent shall charge an application fee at a rate equal to the amount of the charge from "Tenant Tracker" rounded up to the nearest dollar amount. This information shall be only used to qualify a prospective resident and shall be kept in strict confidence. If an applicant is denied as result of using this service, the Agent shall advise said applicant of source of information.

5. Reports: The Agent will furnish information (including occupancy reports) as may be requested by the Owner, TDHCA and/or the Office of Inspector General from time to time with respect to the Project's financial, physical, or operational condition. The Agent will also prepare and submit:
 - Form Texas Section 42 TIC "Tenant Initial Certification"
 - Form 3560-7 "Multiple Family Housing Project Budget"
 - Form 3560-8 "Balance Sheet"

The Agent will assist the Owner in completing all additional forms and data prescribed by TDHCA affecting the operation and maintenance of the project.

6. Collection of Rents, Security Deposits, and other Receipts: The Agent will collect all rents when due, charges and other amounts receivable on the Owner's Account in Connection with the General Operating Account with the following bank: _____, whose deposits are insured by an agency of the Federal Government. This account will be carried in the Owner's name and designated as the records of: "Golden Trails General Operating Account". The agent will collect, deposit and disburse security deposits, if required, in compliance with any State, or Local laws governing tenant security deposits. Security deposits will be deposited by the Agent in a separate account, in a Federally Insured Institution. This account will be carried in the Owner's name and designated as: "Golden Trails Security Deposit Account".
7. Accounting System: The Agent must develop a systematic method to record the business transactions of the Project that appropriately reflect the complexity of Project operations. The Agent may be required to implement and use a bookkeeping and accounting system as prescribed by TDHCA. The Accounts described in Section F of this agreement, at a minimum, it will be established and maintained by the Agent.
8. Enforcement of Leases: The Agent will ensure full compliance by each tenant with the terms of the lease. Voluntary compliance will be emphasized. The Agent, using services of local social service agencies when available, will counsel tenants and make referrals to community agencies in cases of financial hardship or other circumstances deemed appropriate by the Agent. Involuntary termination of tenancies should be avoided to the maximum extent consistent with sound management of the Project. Nevertheless and subject to the action to terminate any tenancy when, in the Agent's judgment, there is material regulations or such termination. The tenant must be properly notified of his/her right to appeal the proposed action according to TDHCA regulations. Attorney's fees and other necessary costs incurred in connection with such actions will be paid out of the General Operating Account as Project expenses within the itemized limit of the Project budget.
9. Maintenance and Repairs: The Agent will maintain and repair the Project in accordance with the Management Plan and local codes, and keep it in a condition acceptable to the Owner and TDHCA at all times. This will include: grounds care, energy conservation measures and practices, and such other maintenance and repair work as may be necessary, subject to any limitations imposed by the Owner in addition to those contained herein. Incident thereto, the following provisions will apply:
 - a.) Special attention will be given to preventative maintenance, and to the greatest extent feasible, the services of regular maintenance employees will be used.
 - b.) The Agent will contract with qualified independent contractors for the maintenance and repair of air conditioning systems, and for extraordinary repairs beyond the capability of regular maintenance employees. Any Identity of Interest will be identified in accordance with Paragraph E. A copy is attached.
 - c.) The Agent will systematically receive and promptly investigate all service requests from tenants, take such action as may be justified, and keep records of the same. Emergency requests will be received and serviced on a twenty four (24) hour basis. Serious complaints will be reported to the Owner after investigation.
 - d.) The Agent is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary for proper maintenance and repair with prior written approval of the owner.
 - e.) Notwithstanding any of the foregoing provisions, the prior written approval of the Owner will be required for any expenditures which exceed Fifteen Hundred Dollars (\$2,500) in any one instance

for labor, materials or otherwise in connection with the maintenance and repairs of the Project. This limitation is not applicable for recurring expenses with the limits of the operating budget or emergency repairs involving manifest danger to persons or property or that are required to avoid suspension of any necessary service to the Project. In the later event, the Agent will inform the Owner of the facts as promptly as possible.

f.) The Agent will advise the Owner of any cost-effective energy conservation measures adaptable to the project. The Agent will encourage their use and will assist the owner during any installation of these measures.

10. Utilities and Services: According to the Owner's Management Plan, The Agent will make arrangements for water, electricity, gas, fuel oil sewage, and trash disposal, vermin extermination, decorating, laundry facilities, and telephone services.

11. Insurance: The Owner will inform the Agent of insurance to be carried with respect to the Project and its operations, and the Agent will cause such insurance to be placed and kept in effect at all times. The Agent will pay premiums out of the General Operating Account and premiums will be treated as operating expenses. The Agent will pay premiums out of the General Operating Account and premiums will be treated as operating expenses. All insurance will be placed with companies, on conditions, in amounts, and with beneficial interests appearing thereon as shall be acceptable to the Owner and the TDHCA provided that the same will include public liability coverage with the Agent designated as one of the insured, as well as, the Owner and TDHCA. The Agent will investigate and furnish the Owner with full reports on all accidents, claims, potential claims for damage relating to the Project, and will cooperate with the Owner's insurers in connection therewith.

12. Taxes, Fees, and Assessments: The Agent shall pay all taxes, assessments, and government fees promptly when due and payable from project funds. The Agent shall also evaluate local property taxes to insure they bear a fair relationship to the project value and appeal such taxes when appropriate.

13. Employees: The Management Plan prescribes the number, qualifications, and duties of the personnel to be regularly employed in the direct management of the Project, including a site manager, maintenance, bookkeeping, clerical and other managerial employees. All such personnel will be employees of the Owner, and will be hired, paid and supervised, and discharged by the Owner. Property account will also reimburse the agent for Worker's Compensation, Social Security Taxes, and other taxes normally paid by the employer dealing with wages. Agent employees who work off-site or in the Agent's office will be paid directly by the Agent out of the management fee paid by the Project.

F. PROJECT ACCOUNTS:

The Agent will maintain and safeguard the Owner's project financial accounts and tenant security deposit accounts according to the current requirements as set forth in the Title 10, Part 1, Chapter 10, Subchapter F.

G. AGENT COMPENSATION, TENURE AND IDENTIFICATION:

1. Agents Compensation: The Agent will be compensated for its services including overall management under this Agreement by monthly fees, to be paid from the General Operating Account and treated as a project operation maintenance expense. Each monthly fee will be in an amount equal 5% of the monthly gross rents.

2. Items/Services Included in Management Fee:

A.) The following items and services are included in the Management fee:

- 1.) Monitoring of project operations, training and supervision of on-site staff provided by main office employees.
- 2.) Maintenance of project books, reports, records, and accounts.
- 3.) Preparation and distribution of monthly reports.
- 4.) Preparation and distribution of annual reports of operations and maintenance.
- 5.) Preparation of requests for reserve withdrawals, rent adjustments, and rehabilitation and energy conservation proposals.
- 6.) Review of tenant certifications and submission of monthly Rental Assistance requests and moneys collected for occupancy surcharge
- 7.) Preparation and distribution of operating disbursements and protection of project receipts.
- 8.) Overhead of management Agent including:
 - a.) Maintenance of computer System and Accounting software necessary to fulfill accounting requirements
 - b.) Office supplies necessary to maintain the communication with the properties, with TDHCA and the Owners.
 - c.) Postage related to the normal responsibility for mailings to the properties TDHCA and the Owners.
 - d.) Expense of telephone and fax communications with the properties, TDHCA and the Owners.
 - e.) Direct costs of insurance (fidelity bonds covering central office staff, computer and data coverage's, etc.) directly related to protection of the funds and records of the owner.
- 9.) Supervision by the Management Agent and its staff (time knowledge and expertise of overall operations and capital improvements.
- 10.) Meetings with owners, investors, and/or TDHCA.
- 11.) Development, preparation and management plans and/or agreements.
- 12.) Preparation and distribution of payroll for all on-site employees including the costs of preparing and submitting all appropriate tax reports and deposits.

3. Management related items that will be charged to the Operating Account.

A.) All legal fees directly related to the operation and management of the property.

B.) All auditing fees directly related to the preparation of the Annual audit and year-end report to TDHCA.

C.) All repairs and maintenance is an operating expense for the project.

D.) Specific costs that will be charged to the property are as follows:

- 1.) The costs of obtaining and receiving credit bureau reports on prospective residents.
- 2.) The costs of duplicating forms for those properties not owning a copier. This will include the costs of producing or purchasing forms and mailing or delivering those forms to the project site at not more than one dollar (\$1.00) per unit per month.
- 3.) All bank charges related to the property including purchases of supplies (stamps checks, deposit slips, etc.)
- 4.) Direct costs for rental or storage for maintenance of out of dated records of property when space is not available at the project site.

E.) Payroll for managers and maintenance personnel.

- 1.) Actual costs of direct personnel costs of permanent and part time staff assigned directly to the project site. This will include Manager and maintenance and will include the following specific items:
 - a.) Gross Salary
 - b.) Employer FICA contribution

- c.) Federal Unemployment Taxes
- d.) State Unemployment Taxes
- e.) Worker's Compensation Insurance.

4. Terms of Agreement:

This agreement shall be in effect for a period of not more than 3 years, beginning on the July 6, 2019, subject, however to the following conditions:

- A.) This agreement will not be binding upon the Principle Parties until approved by the TDHCA.
- B.) This Agreement may be terminated by the mutual consent of the Principal Parties at the end of any calendar month, provided that at least thirty (30) days advanced written notice thereof with reasons given is submitted to TDHCA. In the event of sale of this property, Agent agrees to accept Owners cancellation effective at date of closing.
- C.) In the event that a petition of bankruptcy is filed by or against either makes an assignment for the benefit of creditors or takes advantage of any insolvency act, the other party may terminate this Agreement without written notice to the other, provided that prompt written notice with reasons given for such termination is submitted to TDHCA.
- D.) It is expressly understood and agreed by and between the Principal Parties that the State Director shall have the right to terminate this Agreement at the end of any calendar month, with cause, or without cause in cases of owner default, on thirty (30) days advance written notice to each of the Principal Parties, except that in the event of a default by the owner under its security instruments the State Director may terminate this agreement immediately upon the issuance of a notice of cancellation to each of the Principal Parties. It is further understood and agreed that no liability will attach to either of the Principal parties in the event of such termination.
- E.) Upon termination of the Agreement the Agent will submit to the Owner all project books and records any financial statements required by TDHCA. After the Principal Parties have accounted to each other with respect to all matters outstanding as of the date of termination, the Owner will furnish the Agent security, in the form and principal amount satisfactory to the Agent against any obligations or liabilities which the Agent may properly have incurred on behalf of the Owner here under.

5. Agent's Indemnification: Notwithstanding any provision of this Agreement or an obligation of Agent hereunder, it is understood and agreed:

- A.) That Owner has assumed and will maintain its responsibility and obligation throughout the term of the Agreement for the finances and the financial stability of the project; and
- B.) That Agent shall have no obligation, responsibility or liability to fund authorized project costs, expenses, or accounts other than those funds generated by the project itself or provided to the project or to the Agent by Owner. In accordance with the foregoing, Owner agrees that the Agent shall have the right at all times to secure payment of its compensation, as provided for under Section G Paragraph 1 of this Agreement from the Operating and Maintenance Account, immediately when such compensation is due and without regard to other project obligations or expenses provided the Agent has satisfactorily discharged all duties and responsibilities under this agreement to the extent that the Project's Operating and Maintenance Account is insufficiently funded for this purpose. Failure of Owner at any time to abide by the to fulfil the foregoing shall be a breach of this Agreement entitling Agent to obtain from Owner, upon demand, full payment of all compensation owed to Agent through the date of such breach and entitling Agent, at its option, to terminate this Agreement forthwith.

H. INTERPRETIVE PROVISIONS:

1. This Agreement constitutes the entire agreement between the Owner and the Agent with respect to the management and operation of the Project. No change will be valid unless made by supplemental written agreement approved by all parties.
2. This Agreement has been executed in several counterparts, each of which shall constitute a complete original Agreement, which may be introduced in evidence or used for any other purpose without production of any of the other counterparts.
3. At all times, this Agreement will be subject and subordinate to all rights of the TDHCA, and will work to benefit of the constitute a binding obligation upon the Principal Parties and their respective successors and assigns. To the extent that this agreement confers rights upon Consenting Parties it will be deemed to work to their benefit, but without liability to either in the same manner and work with the same effect as though the Consenting parties were primary parties to the Agreement.

IN WITNESS THEREOF, the Principal Parties (by their duly authorized officers) have executed this Agreement on the date first above written.

OWNER: WEST TEXAS GOLDEN TRAILS, LP

BY: 

TITLE: Authorized Representative of GP

DATE: 7/6/18

AGENT: HAMILTON PROPERTIES CORPORATION

BY: 

TITLE: PPS

DATE: 7/7/18

Attachments: Management Plan

EXHIBIT 4

Incentive Management Fee Agreement

INCENTIVE MANAGEMENT FEE AGREEMENT

This Incentive Management Fee Agreement (this “Agreement”), dated as of July 20, 2018 (the “Effective Date”), is between West Texas Golden Trails, LP, a Texas limited partnership (the “Partnership”), and West Texas Golden Trails GP, LLC, a Texas limited liability company (the “General Partner”).

WHEREAS, the Partnership has been formed to develop, rehabilitate, own, maintain and operate a 45-unit multifamily apartment complex intended for rental to persons of low and moderate income, to be known as Golden Trails Apartments, and to be located on Melodie Drive in West, McLennan County, Texas (collectively, the “Project”); and

WHEREAS, in order to effectuate the purposes for which the Partnership was formed, the Partnership has engaged the services of the General Partner with respect to, among other things, overseeing and monitoring certain aspects of the management and administration of the Partnership, for the period commencing as of the date hereof and continuing throughout the term of the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Appointment. The Partnership hereby appoints the General Partner to render services in managing and administering the Partnership during the term of the Partnership as herein contemplated.

2. Authority. In conformity with the provisions of the Amended and Restated Limited Partnership Agreement of the Partnership, dated as of the Effective Date (the “Partnership Agreement”), throughout the term of the Partnership, the General Partner shall have the authority and the obligation, which authority and obligation may, subject to the provisions of the Partnership Agreement, be exercised by the General Partner to:

(i) administer, manage and direct the business of the Partnership, and take such further action as it may deem necessary or desirable to further the interest of the Partnership in accordance with the provisions of the Partnership Agreement;

(ii) monitor the day-to-day operations of the Project and make recommendations with respect thereto;

(iii) investigate and make recommendations with respect to the selection and conduct of relations with consultants and technical advisors (including, without limitation, accountants and other similar advisors, attorneys, corporate fiduciaries, escrow agents, depositaries, custodians, agents for collection, insurers, insurance agents and banks) and persons acting in any other capacity, in connection with the Partnership;

(iv) maintain appropriate books and records of the Partnership in accordance with sound federal income tax accounting principles and in conformity with the requirements of the Partnership's lenders, including information relating to the sale by the General Partner or any Affiliate of goods or services to the Partnership;

(v) be responsible for the safekeeping and use of all funds and assets of the Partnership, including the maintenance of bank accounts in accordance with the Partnership Agreement;

(vi) provide reports and information to Partners required by the Partnership Agreement;

(vii) furnish or cause to be furnished to the Partners copies of any and all financial reports that may be requested by any party to any of the Project Documents or any Authorities having jurisdiction, including copies of any financial statements required by the Partnership's lenders;

(viii) furnish or cause to be furnished to the Partners and/or any party to any of the Project Documents all such information as they may reasonably request from time to time with respect to the financial and administrative conditions of the Project and the Partnership; and

(ix) provide office space, support staff and administrative services as required by the Partnership.

3. Fees. For services to be performed under this Agreement, the Partnership shall pay the General Partner, solely from the Net Cash from Operations of the Partnership available pursuant to the Partnership Agreement, an annual Incentive Management Fee. Such annual fee shall be in the amount and priority set forth in the Partnership Agreement, commencing after the events described in the Partnership Agreement have occurred, subject to the limitations set forth in the Partnership Agreement.

4. Withholding of Fee Payments. If (1) the General Partner or any successor General Partner shall not have with this Agreement or the Partnership Agreement in all material respects, or (2) the General Partner shall have been removed pursuant to the Partnership Agreement, then such General Partner shall be in default of this Agreement, and the Partnership shall withhold payment of all or any installment of fees payable to such General Partner pursuant to Section 3 of this Agreement and under the Partnership Agreement.

All amounts so withheld by the Partnership under this Section 4 shall be promptly released to the General Partner, only after the General Partner has cured the default justifying the withholding, unless the General Partner shall have been removed pursuant to the Partnership Agreement.

5. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any of the parties hereto without the written consent of the other party and the Investor Limited Partner.

6. Defined Terms. Capitalized terms used in this Agreement but not specifically defined herein shall have the same meanings assigned to them as in the Partnership Agreement.

7. Savings Clause. If one or more provisions of this Agreement or any application of any provision shall be deemed or declared to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement shall in no way be affected or impaired.

8. Counterparts. This Agreement may be executed by facsimile, electronically transmitted signature and/or by "PDF", and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute 1 agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

9. Amendment. This Agreement shall not be amended or modified in any respect without the prior written consent of each party hereto and the Investor Limited Partner.

10. No Continuing Waiver. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

11. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without giving effect to any conflicts of law principles that might cause the law of another jurisdiction to apply.

-- Signature page follows --


The undersigned are executing this Agreement effective as of the Effective Date.

PARTNERSHIP:

WEST TEXAS GOLDEN TRAILS, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company,
its General Partner

By: 4C Development - Texas, LLC,
a Texas limited liability company,
its Managing Member


By: 

Name: J. Ryan Hamilton
Title: Manager

GENERAL PARTNER:

West Texas Golden Trails GP, LLC,
a Texas limited liability company

By: 4C Development - Texas, LLC,
a Texas limited liability company,
its Managing Member

By: 

Name: J. Ryan Hamilton
Title: Manager

EXHIBIT 5
Legal Opinion

The Partnership is duly formed and validly existing under the Act and in good standing under the laws of the State. The Partnership has full power and authority to own and operate the Project and to conduct its business hereunder. The Partnership is duly qualified to own its property and transact its business in the State and is not qualified to do business, nor is it required to qualify to do business, in a jurisdiction other than the State.

The General Partner is duly and validly organized and is validly existing in good standing as a limited liability company under the laws of the State, with full power and authority to enter into and perform its obligations under the Partnership Agreement, the Incentive Management Agreement and all of the Project Documents to which it is a party. The General Partner is duly qualified to own its property and transact its business in the State and is not qualified to do business, nor is it required to qualify to do business, in a jurisdiction other than the State.

The Developer is duly and validly organized and is validly existing in good standing as a limited liability company under the laws of the State of Texas, with full power and authority to enter into and perform its obligations under the Partnership Agreement, the Development Agreement and the Guaranty. The Developer is qualified to do business in the State. The Developer is duly qualified to own its property and transact its business in the State and is not qualified to do business, nor is it required to qualify to do business, in a jurisdiction other than the State.

[Guarantor #1] is duly and validly organized and is validly existing in good standing as a [Guarantor Form] under the laws of [Guarantor State], with full power and authority to enter into and perform its obligations under the Guaranty. [Guarantor #1] is duly qualified to own its property and transact its business in the State and is not qualified to do business, nor is it required to qualify to do business, in a jurisdiction other than the State. [Repeat for each Guarantor.]

The acquisition by the Investor Limited Partner of its Partnership Interest does not require the consent or approval of any partner, public authority or party, except those consents and approvals that have heretofore been obtained and delivered to the Investor Limited Partner. The Partnership has complied with all filing or recording requirements with the proper Authorities necessary to establish the limited liability of the Investor Limited Partner under the laws of the State, and the Investor Limited Partner shall have no personal liability for the obligations of the Partnership based solely on its status as a Limited Partner. The Investor Limited Partner has been validly admitted as a Limited Partner of the Partnership entitled to all the benefits of a Limited Partner under the Partnership Agreement and is not required to take any further action (including, without limitation, registration to transact business as a foreign limited partnership) under the laws of the State to continue to own its Partnership Interest. No transfer or other tax or assessment or fee is due by the Partnership or the Investor Limited Partner on the admission of the Investor Limited Partner to the Partnership.

There is and shall be no direct or indirect personal liability of the Partnership or of any of the Partners or their Affiliates for the repayment of the principal of and payment of interest on the Permanent Financing, and the sole recourse (other than customary carve-outs required by

institutional lenders and credit enhancers) of the Permanent Financing Lenders, with respect to the principal thereof and interest thereon, shall be to the assets of the Partnership securing such indebtedness. [This aspect of the opinion may be deferred until the opinion given in conjunction with the making of the [Second] Installment.]

Execution of the Development Agreement and the Incentive Management Agreement by the Partnership has been duly and validly authorized by or on behalf of the Partnership and, having been executed and delivered in accordance with their respective terms, the Development Agreement and the Incentive Management Agreement constitute the valid and binding agreements of the Partnership, enforceable in accordance with their respective terms, and execution thereof by the Partnership is not in violation of any contract, agreement, charter, bylaw, resolution, judgment, order, decree, law or regulation by which the Partnership is bound or as to which it is subject.

Execution of the Partnership Agreement, the Incentive Management Agreement, the Guaranty and all other Project Documents to which it is a party by the General Partner has been duly and validly authorized by or on behalf of such General Partner and, having been executed and delivered in accordance with their respective terms, the Partnership Agreement, the Incentive Management Agreement, the Guaranty and each other Project Document to which the General Partner is a party constitute the valid and binding agreements of the General Partner, enforceable in accordance with their respective terms, and execution hereof and thereof by the General Partner is not in violation of any contract, agreement, charter, bylaw, resolution, judgment, order, decree, law or regulation by which the General Partner is bound or as to which it is subject.

Execution of the Partnership Agreement, the Development Agreement and the Guaranty by the Developer has been duly and validly authorized by or on behalf of the Developer and, having been executed and delivered in accordance with their respective terms, the Partnership Agreement, the Development Agreement and the Guaranty constitute the valid and binding agreements of the Developer, enforceable in accordance with their respective terms, and execution thereof by the Developer is not in violation of any contract, agreement, charter, bylaw, resolution, judgment, order, decree, law or regulation by which the Developer is bound or as to which it is subject.

Execution of the Guaranty by the Guarantors has been duly and validly authorized by or on behalf of each Guarantor and, having been executed and delivered in accordance with its terms, the Guaranty constitutes the valid and binding agreement of the Guarantors, enforceable in accordance with its terms, and execution thereof by the Guarantors is not in violation of any contract, agreement, charter, bylaw, resolution, judgment, order, decree, law or regulation by which a Guarantor is bound or as to which a Guarantor is subject.

Based solely on the [litigation search], there are no proceedings pending before any court or other governmental body that are applicable to the General Partner, a Guarantor, the Developer or the Partnership as a named party, or related to the business or assets of the Partnership or of the Project.

Based solely on the Title Policy, the Partnership owns good and marketable [fee simple/leasehold] title to the Land and the Project, subject only to the Loan Documents, and such other liens, charges, easements, restrictions and encumbrances as are set forth in the Title Policy, none of which materially adversely affect the development or operation of the Project.

The Partnership has received a reservation letter related to the allocation of Tax Credit for the amount of Projected Credit during the Credit Period from the Credit Agency, which is the appropriate state or local credit authority for the jurisdiction in which the Project is located. [The Partnership owned the Land as of December 31 of the year it received the Carryover Allocation.]

To our knowledge after due inquiry, there are no defaults existing with respect to any of the Project Documents.

To our knowledge after due inquiry, no event of bankruptcy or other Involuntary Event has occurred with respect to the Partnership, the General Partner, the Developer or the Guarantors.

EXHIBIT 6
Funding Certificate

FUNDING CERTIFICATE

[First/Second/Third] Installment

_____, 201__

I, _____, hereby certify on behalf of the General Partner as follows:

1. I am _____, the _____ of 4C Development – Texas, LLC, the Managing Member of West Texas Golden Trails GP, LLC, a Texas limited liability company (the “General Partner”), which is the sole general partner of West Texas Golden Trails, LP, a limited partnership organized and existing under the laws of the State of Texas (the “Partnership”).

2. I am fully familiar with all of the General Partner’s and the Partnership’s business and financial affairs, including all of the matters described in this Certificate.

3. This Certificate is made and delivered for the purpose of, among other things, inducing 42EP IBC Fund II, LP, a Delaware limited partnership, and 42EP SLP, LLC, a Delaware limited liability company (together, the “Limited Partners”) (1) to purchase their respective limited partnership interests in the Partnership; (2) to enter into the Amended and Restated Limited Partnership Agreement with the General Partner dated July 20, 2018 (the “Agreement”); and/or (3) to fund their respective Capital Contributions to the Partnership in connection with the development of that certain project known as Golden Trails Apartments (the “Project”).

4. As of the date of this Certificate, the representations and warranties contained in the Agreement by the General Partner and the Partnership are accurate in all respects and are not in any way misleading.

5. The covenants contained in the Agreement that were to have been performed and completed by the date of this Certificate have been fully and completely performed as of the date of this Certificate, except as otherwise consented to in advance and in writing by the Limited Partners.

6. No default, breach or violation of the terms of the Agreement or any of the Project Documents on the part of the General Partner or the Partnership has occurred as of the date of this Certificate.

7. Neither the General Partner nor the Partnership is in default of any obligation relating to the business of the Partnership or the Project, as of the date hereof, and all obligations of the General Partner and the Partnership will be satisfied when due.

8. No actions or proceedings of any kind or nature are pending or threatened against the General Partner or the Partnership[, **except as may be described in Exhibit [X] attached hereto and made a part hereof. Such actions or proceedings are fully covered by insurance or, if adversely determined, would not have a material adverse effect on the General**

Partner's, or the Partnership's, as applicable, ability to pay when due any amounts that may become payable in respect of the Agreement or in connection with the Project, or to continue with the development and operation of the Project].

9. As of the date of this Certificate, the General Partner (1) is solvent; (2) is able to pay its debts and other liabilities as such debts and other liabilities mature; (3) has capital sufficient to carry on the businesses in which it is engaged; and (4) has assets the present fair saleable value of which is greater than the amount of its liabilities. The General Partner will not be rendered insolvent by entering into the Agreement or by performing the currently foreseeable obligations on its part to be performed in respect of the Project, or by conducting the transactions contemplated under the Agreement.

10. All insurance requirements of the General Partner and the Partnership under the Agreement have been met and satisfied in all respects.

11. No uncured default of the General Partner and the Partnership under the Agreement or any of the Project Documents exists.

12. All consents required to admit the Limited Partners to the Partnership, including the consent of the Credit Agency and all other Authorities, have been obtained, and no further consents are required.

13. The undersigned has completed and filed or caused to be filed any required certificate of amendment relating to the Partnership, as formed under the Agreement, and will deliver to the Limited Partners a certified copy of said certificate of amendment within 10 days following the date hereof. An accurate and complete copy (initialed by the General Partner) of the Certificate of Limited Partnership and any amendments thereto has been delivered to the Limited Partners prior to execution hereof.

14. As of the date of this Certificate, all of the conditions and prerequisites for funding the **[First/Second/Third]** Installment, as set forth in the Agreement, have been fully and completely performed.

15. There have been no changes to the Plans and Specifications.

16. All capitalized terms used, but not herein defined, have the respective meanings ascribed to such terms in the Agreement.

-- Signature page follows --

The foregoing matters are certified and agreed to by the undersigned General Partner as of the date of this Certificate, and you may rely hereon in consummating your investment in the Project/Partnership or in advancing your Capital Contributions. All certifications made herein shall constitute representations and warranties of the undersigned. In the event of any material and adverse inaccuracy in any of the foregoing certifications, or failure to perform any of the foregoing agreements, the Limited Partners shall be entitled to any and all remedies under the Agreement and applicable law, including remedies for breach of warranty, representation, or agreement, and the undersigned shall defend and indemnify the Limited Partners against any liability or damages therefrom.

GENERAL PARTNER:

West Texas Golden Trails GP, LLC,
a Texas limited liability company

By: 4C Development - Texas, LLC,
a Texas limited liability company,
its Managing Member

By: _____
Name: J. Ryan Hamilton
Title: Manager

EXHIBIT 7
Reporting Certificate

REPORTING CERTIFICATE

[Date]

I, _____, hereby certify on behalf of the General Partner as follows:

1. I am _____, the _____ of 4C Development – Texas, LLC, the Managing Member of West Texas Golden Trails GP, LLC, a Texas limited liability company (the “General Partner”), which is the sole general partner of West Texas Golden Trails, LP, a limited partnership organized and existing under the laws of the State of Texas (the “Partnership”).

2. I am fully familiar with all of the General Partner’s and the Partnership’s business and financial affairs, including all of the matters described in this Certificate.

3. This Certificate is made and delivered for the purpose of complying with the General Partner’s obligations under Section 12.6 and Section 12.7 of the Amended and Restated Limited Partnership Agreement of the Partnership (the “Agreement”), dated July 20, 2018, which governs the operation of that certain project known as Golden Trails Apartments (the “Project”).

4. Attached to this Certificate are (a) an accrual basis balance sheet of the Partnership as of the most recent fiscal quarter showing assets and liabilities, including working capital and reserve balances, and (b) a statement of operations of the Partnership on an accrual basis for the most recent fiscal quarter, including schedules showing aging of accounts payable and accounts receivable. The foregoing financial statements are accurate and complete in all material respects and fairly present the financial condition of the Partnership as of such financial statements and remain accurate, and not in any way misleading, as of the date hereof.

5. Attached to this Certificate is a rent roll for the Project that includes the following information for all tenants: building identification number, unit number, number of bedrooms, tenant name/vacant, move in date, move out date (if applicable), security deposits, rent, and gross rent. Such rent roll is accurate and complete in all material respects.

6. For the period ending month _____ year _____, all of the statements that follow are accurate other than that reflected in the attached schedule, which fully describes the specific manner in which any of the following statements is not accurate and the action the General Partner is taking, or has taken, to remedy such noncompliance.

(a) The Project complies with all of the applicable provisions of Section 42 of the Code and neither the General Partner nor the Partnership has received a Form 8823 or other notice of noncompliance from the Credit Agency or the IRS.

(b) The Partnership is not in default under any Project Document or other material agreement (including any agreement with any Authority) to which it is a party.

(c) The Partnership continues to maintain in full force and effect all policies of insurance referred to in Exhibit 9 of the Agreement and has not received notice of cancellation or non-renewal of any insurance policy pertaining to the Project.

(d) There exists no delinquency in the payment of any real estate or ad valorem taxes.

(e) There has been no significant adverse change in the financial condition of the Partnership or the operations of the Project.

(f) No legal action has been instituted or threatened against either the Partnership or a General Partner which can reasonably be expected to have a material adverse effect on either of them.

(g) There has been no change in the financial condition of a General Partner or any Affiliate that would adversely affect its ability to fulfill its obligations to the Partnership, whether those obligations arise under the Partnership Agreement or another agreement between the Partnership and the General Partner.

(h) None of the Partnership, a General Partner or any Affiliate of a General Partner has received notice, outside of the ordinary course of business, that he or it is the subject of an investigation by the Credit Agency, the IRS or any other Authority.

(i) With respect to any material agreement to which the Partnership is a party, no party thereto is in default under such material agreement (other than tenant leases where the tenant is the only party in default thereof).

(j) The Partnership continues to qualify as a limited partnership under the laws of the jurisdiction in which it was formed (and is duly qualified as a limited partnership in the jurisdiction where the Project is located if not formed in such jurisdiction) and, as of the date hereof, has filed all required annual reports, paid all fees, and paid all franchise taxes due on or prior to the date hereof in each of such jurisdictions. [Alternatively, if the General Partner does not want to provide the representation set forth in the first clause of subparagraph (j), it may deliver a legal opinion, reasonably satisfactory to the Investor Limited Partner, to the same effect.]

(k) If the General Partner is other than an individual, the General Partner continues to qualify as a corporation, limited liability company, or limited partnership (as applicable) in the jurisdiction in which it was formed (and is duly qualified in the jurisdiction where the Project is located if not formed in such jurisdiction) and, as of the date hereof, has filed all required annual reports, paid all fees, and paid all franchise taxes due on or prior to the date hereof in such jurisdictions.

(l) If the General Partner is an individual, no condition exists that is likely to have a material adverse effect on the ability of the General Partner to continue to fulfill its obligations as General Partner in accordance with the Partnership Agreement.

(m) All Low-Income Units at the Project are qualified and the General Partner has supporting information and documentation with respect thereto.

7. All capitalized terms not herein defined shall have the respective meanings ascribed to them in the Agreement.

The foregoing matters are certified and agreed to by the undersigned General Partner as of the date of this Certificate.

GENERAL PARTNER:

West Texas Golden Trails GP, LLC,
a Texas limited liability company

By: 4C Development - Texas, LLC,
a Texas limited liability company,
its Managing Member

By: _____
Name: J. Ryan Hamilton
Title: Manager

EXHIBIT 8

Architect's Completion Certificate

ARCHITECT’S COMPLETION CERTIFICATE

The undersigned, an architect duly licensed and registered in the State of Texas has prepared for West Texas Golden Trails, LP, a Texas limited partnership (the “Partnership”) final plans, working drawings and detailed specifications (and addenda), dated _____, 20__, and last redated and revised on _____, 20__ (collectively the “Plans and Specifications”) in connection with the proposed construction/rehabilitation of an affordable housing rental project to be known as Golden Trails Apartments (the “Improvements”) on certain real property located on Melodie Drive, West, McLennan County, Texas (collectively, the “Premises”). The undersigned hereby certifies that:

The undersigned hereby certifies to the Partnership and 42EP IBC Fund II, LP that, to the best of the undersigned’s knowledge, information and belief: (1) all of the Improvements have been completed in accordance with the Plans and Specifications, including all roads and access to the Premises; (2) all necessary gas, electric, water and sewer services and other utilities have been made available to the Improvements; (3) all [**permanent**][**temporary**] certificates of occupancy, as well as any other approvals, certificates, permits and licenses that may be required for the continued use and occupancy of the Improvements and the Premises, have been issued by such local or municipal fire, health, police, buildings, housing, environmental, zoning or other agency or department having jurisdiction thereof; (4) the Improvements have been constructed in compliance with the Plans and Specifications and are in compliance with the requirements of law, including without limitation, the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act of 1988, the Rehabilitation Act of 1973, as well as all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulations, and the requirements of the appropriate board of fire underwriters or other similar body acting in and for the locality in which the Premises is located.; and (5) all contractors, subcontractors and workmen who worked on the Improvements have been paid in full except for normal retainages and amounts in dispute.

BARON DESIGN & ASSOCIATES, LLC

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT 9

Insurance Requirements



INSURANCE REQUIREMENTS

Immediately upon purchase of the Land, and throughout the term of this Agreement, the Operating Partnership shall obtain, and maintain in full force and effect, the following policies of insurance on the subject location provided that the coverage amounts set forth below are subject to increase, from time to time, at the written request of the Investor Limited Partner:

1. **Commercial General Liability** insurance, insuring for third party claims of legal liability against the Operating Partnership, and caused by bodily injury, property damage, personal injury or advertising injury, arising out of the ownership or management of the Land and including the costs to defend such actions brought against the Operating Partnership, as well as hired and non-owned automobile liability insurance. The policy shall include an approved endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds, and shall be primary coverage for the additional insureds, without contribution from other valid insurance policies which may be available to the additional insureds. Limits of the policy shall be at least \$1 million per occurrence and \$2 million in the general aggregate. If coverage is provided under blanket policies insuring other locations or entities, then the general aggregate must apply to each insured location separately.
2. **Umbrella/Excess Liability** insurance, with the Commercial General Liability, Automobile Liability and Employers Liability policies scheduled as underlying policies. Limits of the policy shall be at least \$3 million per occurrence and in the annual aggregate. The policy shall include an endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds and shall be primary coverage for the additional insureds without contribution from other valid insurance policies which may be available to the additional insureds.

Prior to the commencement of any construction of the Project, The General Partner shall obtain (or cause to be obtained by the Contractor) and keep in force during the term of any construction:

3. **Builder's Risk** insurance, insuring for all risks of physical loss of or damage (excluding the perils of earthquake and flood, unless specifically required by the Investor Limited Partner) to:
 - fixtures, materials, supplies, machinery and equipment to be used in construction; scaffolding, falsework, fences, forms, etc; trailers and temporary structures incidental to the construction; foundations and underground work;
 - equipment breakdown / testing for all elevators and/or centralized mechanical systems;
 - personal property of others for which the Operating Partnership may be liable; and
 - personal property of the Operating Partnership used to maintain or service the Project's construction, whether located at the site or elsewhere, including while in-transit.

The construction site shall be specifically scheduled on the policy as a Covered Location. Limits of policy will be at least the estimated replacement value of the completed Project, plus the value of other property insured. Coverage and limits shall be extended to include soft cost for additional costs made necessary by a delay in

completion of construction; such soft costs should include payment for construction loan fees, insurance, financing fees, taxes, architect's/engineer's fees, and lease up/rent loss.

Amounts of coverage for soft costs should be sufficient to meet the likely costs of each category for a delay period of 12 months. Policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation; loss payment shall be to the Operating Partnership. The policy shall have a deductible of no greater than \$10,000 per occurrence. The policy shall carry no coinsurance provisions. The Operating Partnership shall be the Named Insured on the policy. The policy shall include an endorsement naming 42 Equity Partners, LLC and any Investor Limited Partner as Loss Payee, as their interests may appear, and an endorsement naming 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds.

4. Contractor's Liability:

- Worker's Compensation insurance, insuring for occupational disease or injury and employer's liability, and covering the Contractor's full liability for statutory compensation to any person or persons who perform work in, on, or about the Project construction, including the employees of sub-contractors of any tier, and liability to the dependents of such persons. The policy will be in a form which complies with the worker's compensation acts and safety laws of the state in which the Project is located. Worker's Compensation limits shall be statutory; Employer's Liability limits shall be at least \$1 million per occurrence.
- Commercial General Liability insurance, insuring for third party claims of legal liability against the Contractor, and caused by bodily injury, property damage, personal injury or advertising injury, arising out of the activities of the contractor, and including the costs to defend such actions brought against the Operating Partnership. Completed Operations coverage shall also be included in the policy. The policy shall include an endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds, and shall be primary coverage for the additional insureds, without contribution from other valid insurance policies which may be available to the additional insureds. Limits of the policy shall be at least \$1 million per occurrence and \$2 million in the general aggregate.
- Umbrella/Excess Liability insurance, with the Commercial General Liability, Automobile Liability and Employers Liability policies scheduled as underlying policies. Limits of the policy shall be at least \$2 million per occurrence and in the annual aggregate. Additional Liability limits may be required for projects consisting of more than 50 units or more than 3 stories. The policy shall include an endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds and shall be primary coverage for the additional insureds without contribution from other valid insurance policies which may be available to the additional insureds.

5. Architect's Liability or other design professional:

- Professional Liability insurance, insuring for third party claims of negligence against the design professional, and caused by the wrongful act of the design professional; limits shall be the greater of \$1 million per occurrence and in the aggregate, or 10% of the value of the construction contract.
- Commercial General Liability insurance, insuring for third party claims of legal liability against the design professional, and caused by bodily injury, property damage, personal injury or advertising injury, arising out of the activities of the design professional, and including the costs to defend such actions brought against the Operating Partnership. Products and Completed Operations coverage shall also be included in the policy. The policy shall include an approved endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds, and shall be primary coverage for the additional insureds,

without contribution from other valid insurance policies which may be available to the additional insureds. Limits of the policy shall be at least \$1 million per occurrence and \$2 million in the general aggregate.

Prior to any occupancy of the Project, The General Partner shall obtain, and shall maintain in full force and effect throughout the term of this Agreement, the following policies of insurance:

6. **Property Damage** insurance, insuring the Operating Partnership for all risks of physical loss of or damage (excluding the perils of earthquake and flood, unless specifically required by the Investor Limited Partner) to the real property comprising the Project, personal property of the Operating Partnership used to maintain or service the Project, and new construction, additions, alterations and repairs to structures. Policy shall provide for claims to be paid based upon replacement cost of the lost or damaged property without deduction for depreciation; loss payment shall be to the Operating Partnership. Limits of policy will be at least the replacement value of the Project. The policy shall have a deductible of no greater than \$10,000 per occurrence. The policy shall carry no coinsurance provisions. Coverage and limits shall be extended to include the actual loss of rents sustained due to an insured loss, for a period of at least 12 months from the date of such loss. Coverage shall be further extended to include debris removal, Equipment Breakdown, and Ordinance or Law coverage for the increased costs of construction, or the loss in value of undamaged portions of the building(s), caused by the enforcement of building, zoning or land use law. The policy shall include an endorsement naming 42 Equity Partners, LLC and any Investor Limited Partner as Loss Payee, as its interests may appear, and naming 42 Equity Partners, LLC and Any Investor Limited Partner as additional insured's, and shall allow the Investor Limited Partner to be associated in the adjustment of any claim.
7. **Management Agent's** insurance will be required upon entering into the Property Management Agreement with the Management Company, the General Partner shall obtain, and maintain in full force and effect, through the term of such Property Management Agreement, the following coverage:
 - Fidelity Bond from the Management Company, in an amount and issued by a surety acceptable to the Investor Limited Partner, or alternate crime insurance in amounts, and with coverage, acceptable to the Investor Limited Partner.
 - Worker's Compensation insurance for any person or persons considered employees of the Management Company under applicable state law, covering the Management Company's full liability for statutory compensation to any person or persons who perform work in, on, or about the Project, and Employer's Liability; Employer's Liability limits shall be at least \$1 million per occurrence.
 - Commercial General Liability insurance, insuring for third party claims of legal liability against the management company, and caused by bodily injury, property damage, personal injury or advertising injury, arising out of the activities of the management company, and including the costs to defend such actions brought against the Operating Partnership. Products and Completed Operations coverage shall also be included in the policy. The policy shall include an endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds, and shall be primary coverage for the additional insureds, without contribution from other valid insurance policies which may be available to the additional insureds. Limits of the policy shall be at least \$1 million per occurrence and \$2 million in the general aggregate. If coverage is provided under blanket policies insuring other locations or activities of the management company, then the general aggregate must apply to each insured location separately.
 - Umbrella/Excess Liability insurance, with the Commercial General Liability, Automobile Liability and Employers Liability policies scheduled as underlying policies will be required for projects with unique exposures and projects having more the 50 units or more than 3 stories. The policy shall include an endorsement adding 42 Equity Partners, LLC and any Investor Limited Partner as additional insureds and

shall be primary coverage for the additional insureds without contribution from other valid insurance policies which may be available to the additional insureds.

8. Hazard Insurance:

- Named Windstorm coverage is required for all projects located in Tier 1 counties and any location deemed as hazardous by the Investor Limited Partner. Coverage shall be provided for the full replacement cost without gaps along with business income dedicated specifically to Named Windstorm related losses. The maximum deductible will be 5%.
- Earthquake coverage may be required if the project is in earthquake-prone Zone 3 or 4. Coverage shall be in an amount acceptable to the Investor Limited Partner with a maximum deductible of 5%.
- Flood coverage is mandatory for all properties within the 100 Year Flood Plain. Coverage shall be provided for the maximum amount available through the National Flood Insurance Program along with an excess Flood if deemed necessary by the Investor Limited Partner.

All insurance policies shall be underwritten by companies licensed to write such insurance in the state in which the Project is located, and shall be rated in the latest A.M. Best's Insurance Rating Guide with a rating of at least A- and be in a financial category of at least IX. All deductibles / self-insured retentions must be clearly disclosed on the certificates and shall be less than \$10,000. The General Partner shall furnish to the Investor Limited Partner a complete copy of each such policy of insurance required under paragraphs 1-4, 6 and 8 above. If an insurance policy is not available when required, as set forth above, then Certificates of Insurance detailing the policy terms and conditions as noted above shall be provided, but the policies must then be provided within 60 days. All such policies shall include endorsements requiring at least 30 days prior written notice to the Investor Limited Partner of any cancellation, termination or reduction of coverage therein. Notice of the renewal of any policy shall be made at least 10 days prior to the scheduled date of such renewal, and shall be in the form of endorsement to the policy. Notice to the Investor Limited Partner of any replacement of any policy shall be made at least 10 days prior to such replacement, and shall be in the form of a copy of the replacement policy, or by certificate, as noted above. Evidence of insurance under paragraphs 5 and 7 above may be provided on a Certificate of Insurance issued to the Operating Partnership and the Investor Limited Partner. All Certificates shall grant the Investor Limited Partner 30 days written notice of cancellation (10 for non-payment).

By requiring insurance limits, the Investor Limited Partner does not represent that coverage and limits will necessarily be adequate to protect the Operating Partnership, The General Partner, or Contractor, and such coverage and limits shall not be deemed as a limitation or release of the General Partner's or Contractor's liability under any indemnification granted to the Investor Limited Partner in this Agreement.

The requirements specified herein shall not be waived by delivery of a certificate or policy to the Investor Limited Partner (or its counsel) not in conformance with these requirements unless these requirements are specifically modified in writing by the Investor Limited Partner.

2018 HTC Full Application

Part 4 Tab 35

Supporting Documents:
Rental Assistance

NA

2017 HTC Full Application

Part 4 Tab 35

Supporting Documents:
Funding from Local Government



February 17, 2017

Sharon Gamble
TDHCA
221 E. 11th
Austin, TX 78701

RE: TDHCA Application # 17290

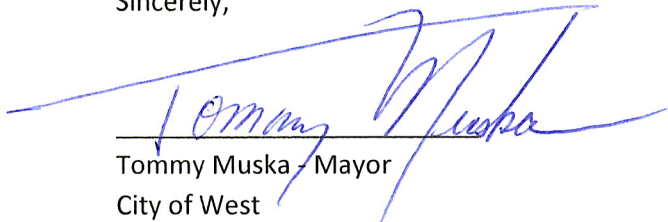
Dear Ms. Gamble:

I am writing this letter to acknowledge the name change of the the Golden Trails development (TDHCA # 17290), located on Melodie Drive and South I-35, in the City of West, McLennan County. The City of West City Council passed a resolution of support on December 6, 2016 supporting this project referencing the working name of the same project, Four Corners Senior Housing.

The December 6 resolution of support also references Four Corners Development, LLC as the developer and applicant. 4C Development–Texas, LLC is the correct entity.

This letter confirms that the City is aware of the name change and confirms that the resolution passed was indeed for the development now known as Golden Trails and is still valid.

Sincerely,



Tommy Muska - Mayor
City of West

**City of West Resolution for Four Corners Development, LLC,
Senior Housing Development
Resolution No. 161206**

Whereas Four Corners Development, LLC has proposed a development for affordable senior (55+) rental housing at an approximate 4-acre site on South I-35, south of Slovacek's named Four Corners Senior Housing in the City of West; and

Whereas, there is a need for affordable housing for the City of West citizens of modest means; and

Whereas, Four Corners Development, LLC intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2017 Low Income Housing Tax Credit Program funds for Four Corners Senior Housing.

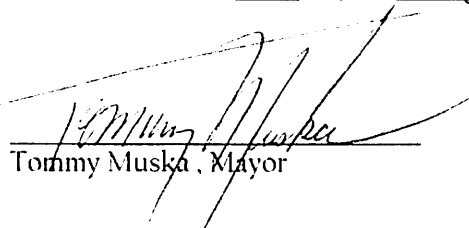
Whereas, there is a requirement for a de minimis commitment of development funding by the Local Political Subdivision.

Be it resolved that:

This resolution affirms the City of West's support for the above named development; and

Confirms the City of West will provide a loan, grant, reduced fee or contribution of other value for the benefit of the development in the amount of \$10.

PASSED AND APPROVED at a Regular Meeting of the City Council of the City of West, Texas on this the 10th day of December, 2016.



Tommy Muska, Mayor

ATTEST:



Shelly Nors, City Secretary

2018 HTC Full Application

Part 5 Tab 36

Sponsor Characteristics

Sponsor Characteristics (Competitive HTC Only)

Self Score Total:

Pursuant to §11.9(b)(2) of the Qualified Allocation Plan, an Application may qualify to receive up to two (2) points provided the ownership structure meets one of the following requirements in parts 1 OR 2 below;

1. Application is attempting to score as a Qualified Nonprofit or certified HUB with ownership interest and material participation and meets the criteria below:

No If attempting to score as a Qualified Nonprofit, Application is applying under the Nonprofit Set-Aside

If attempting to score as a certified HUB, evidence of the HUB's existence from the Texas Comptroller of Accounts is provided behind this Tab

No The Qualified Nonprofit or certified HUB has some combination of ownership interest, cash flow from operations, and developer fee which taken together equal at least 50% and no less than 5% for any category.

Ownership Interest: **CANNOT BE LESS THAN 5%**

Cash flow from operations: **CANNOT BE LESS THAN 5%**

Developer Fee: **CANNOT BE LESS THAN 5%**

Total:

The Qualified Nonprofit or certified HUB will materially participate in the Development and the operation of the Development throughout the Compliance Period. A detailed narrative describing how that material participation will be achieved is included.

The Qualified Nonprofit or certified HUB has experience directly related to the housing industry. Mark all that apply and provide a detailed narrative describing experience in each category:

Property Management Construction Development Financing Compliance 


No Principals of the Qualified Nonprofit or HUB are related Parties to any other Principals of the Applicant or Developer.

Evidence of experience in the housing industry and a statement regarding material participation are provided behind this tab.

Points Claimed:

2. Application is attempting to score as a participating Nonprofit or certified HUB and meets the criteria below:

A certified HUB will participate in Development Services or provide onsite tenant services, and evidence of the HUB's existence from the Texas Comptroller of Accounts is provided behind this Tab.

A Nonprofit will participate in Development Services or provide onsite tenant services, and evidence from a state or federal source of the organization's nonprofit status is provided behind this Tab. 

No Principals of the HUB or Nonprofit are related Parties to any other Principal of the Applicant or Developer.

Evidence of experience in the provision of Development Services or in the provision of on-site tenant services as well as a detailed narrative describing how the HUB or Nonprofit will provide such services must be included behind this tab.

Points Claimed:

Total Points Claimed:

2018 HTC Full Application

Part 5 Tab 36

NP or HUB evidence

NA

2018 HTC Full Application

Part 5 Tab 37

Owner, Developer, and
Guarantor Org Charts

Owner and Developer Organization Charts

Applicants should note that subsequent changes to the Development Ownership structure presented in this section will require the written consent of the Department.

Pursuant to §10.204(13)(A) of the Uniform Multifamily Rules, submit three separate charts. One showing the complete organizational structure of each of the following entities: Development Owner, Developer, and Guarantor.

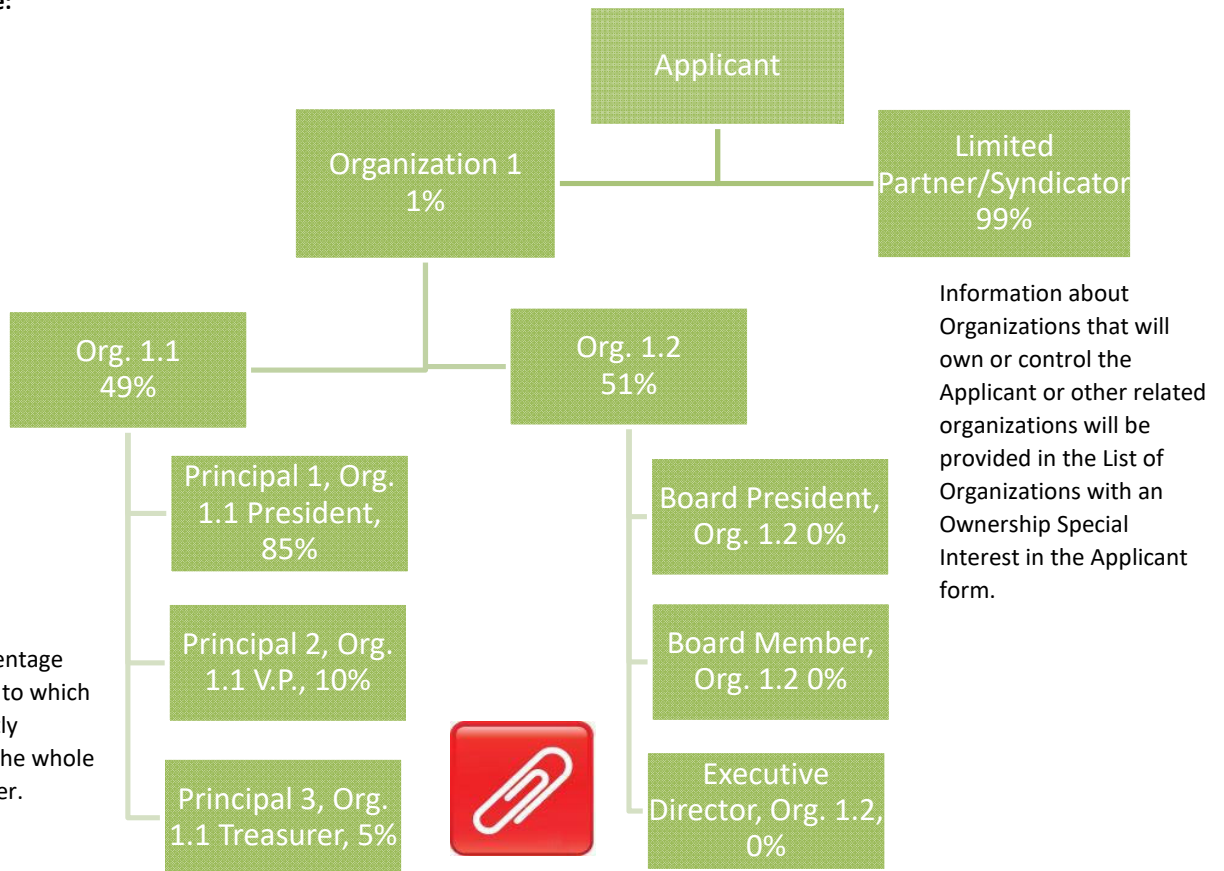
The organization charts must include:

- The names and ownership percentages of all Persons having an ownership interest in the Development Owner, Developer, and/or Guarantor.
- Nonprofit entities, public housing authorities, publicly traded corporations, individual board members and executive directors must be included in Organization charts.
- Any and all trusts must list all beneficiaries that have the legal ability to control or direct activities of the trust and are not just financial beneficiaries.

In the case of:

- (A) Partnerships - Principals include all general Partners and Special LPs (any LP that is not the Syndicator is a "Special LP");
- (B) Corporations - Principals include the executive director and all members of the board (shown with "0%" ownership as applicable). For to-be formed instrumentalities of PHAs, where the executive director and board remain to be determined, include the PHA, itself, and its members;
- (C) Limited liability companies - Principals include all the managing members and all other members.

Org. Chart Example:

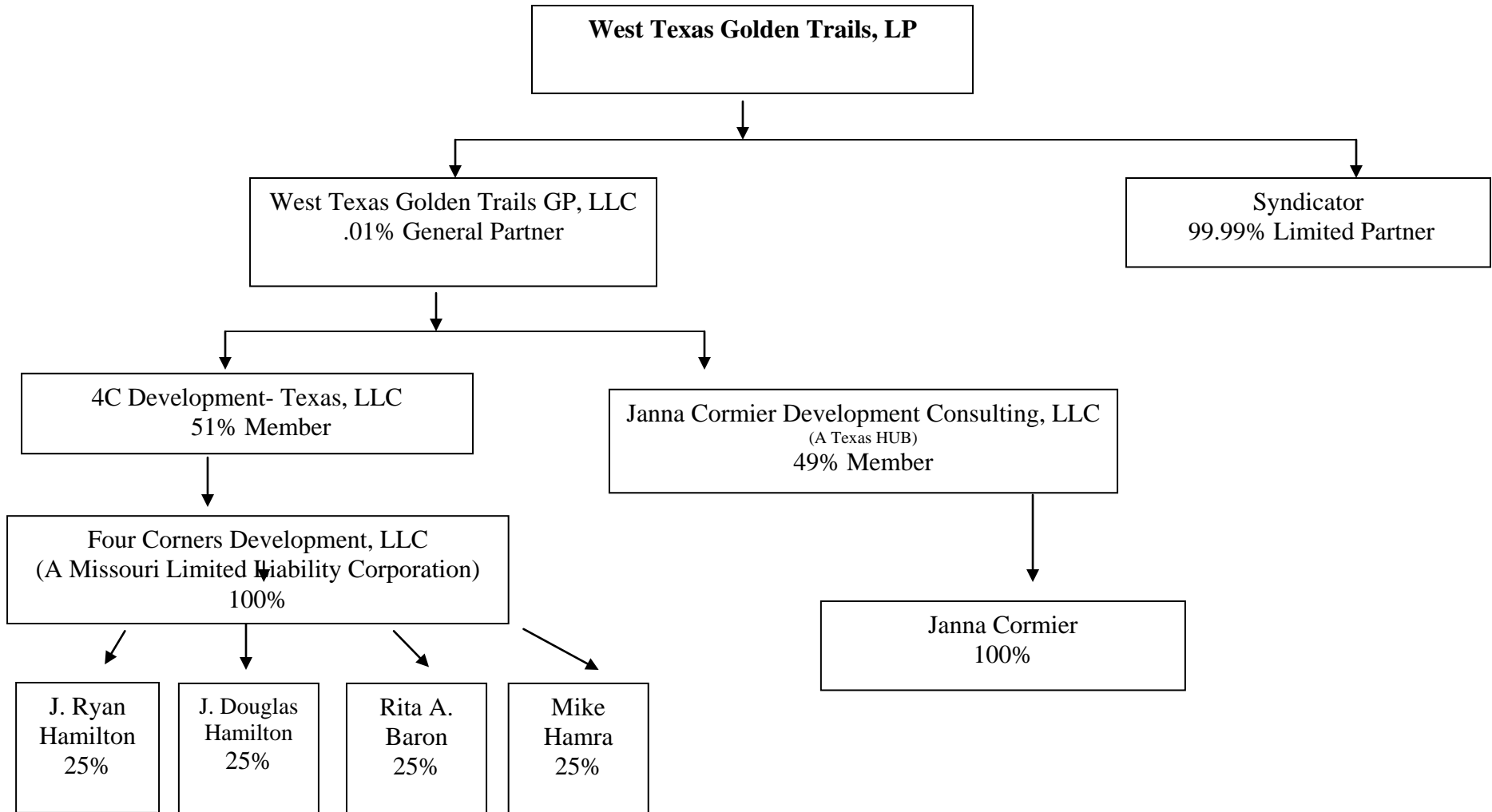


Note that the percentage refers to the entity to which the Person is directly connected, not to the whole Development Owner.

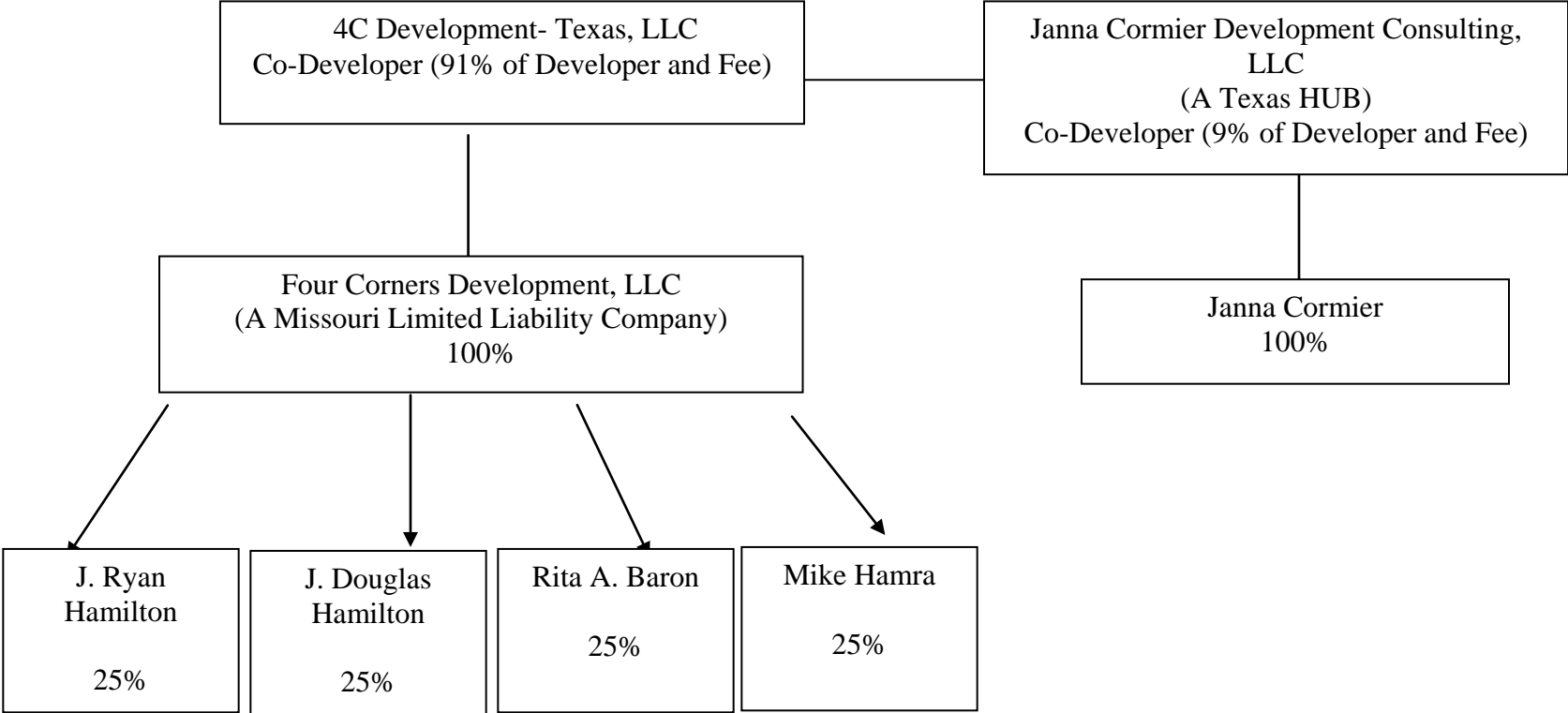


If a revised chart is submitted, include date of submission!

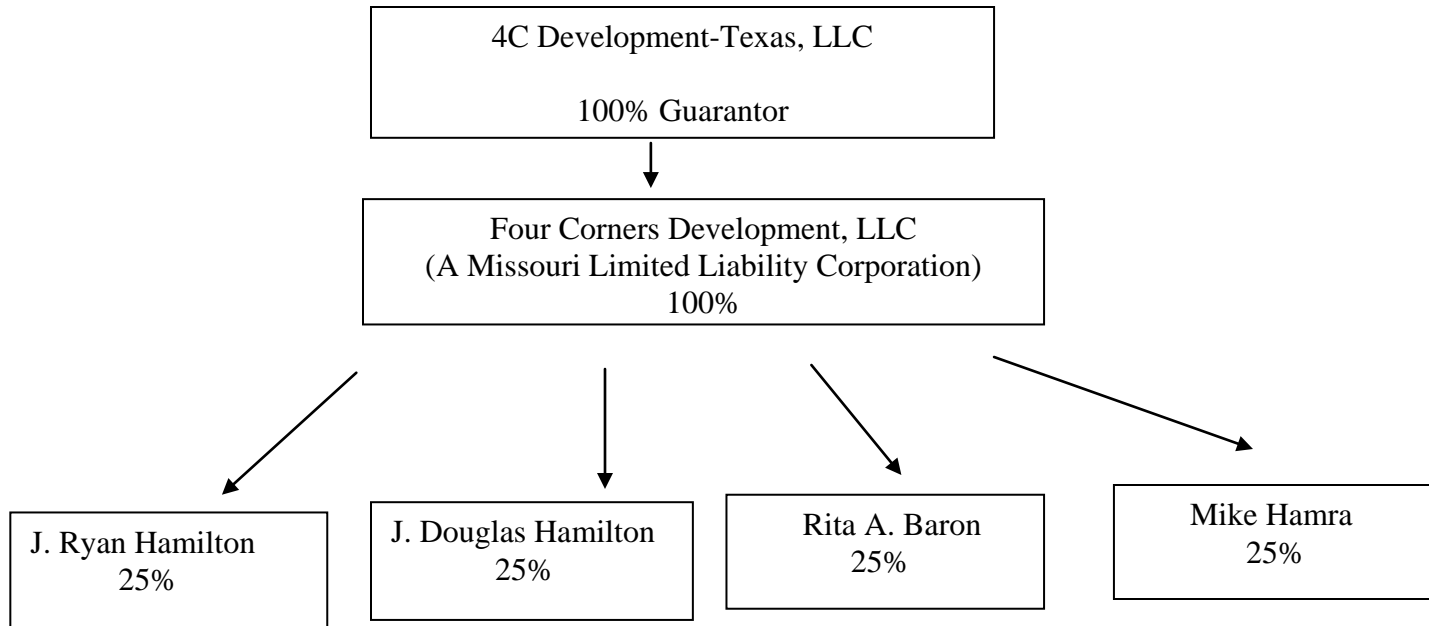
**ORGANIZATIONAL CHART FOR
APPLICANT/OWNER**



DEVELOPER ORGANIZATIONAL CHART



GUARANTOR ORGANIZATIONAL CHART



2018 HTC Full Application

Part 5 Tab 38

List of Organizations and
Principals

List of Organizations and Principals

Provide the requested information for all partnerships, corporations, limited liability companies, trusts, or any other public or private entity and their Affiliates identified on the Owner and Developer Organization Charts. Organizations that own or control other organizations should also be identified until the only remaining sub-entity would be natural persons. Organizations that are Developers and/or Guarantors must also be listed on this form as must any organization (and natural person whose ownership interest in an applicable entity is direct instead of via membership in an organization) that will receive more than 10% of the developer fee. (Note - Entity Names, Principals, and ownership percentage should coincide with the Owner and Developer Organization Charts)

Applicant Legal Name: <u>West Texas Golden Trails, LP</u>	
Address: <u>PO Box 41326</u>	City: <u>Austin</u> State: <u>TX</u> Zip: <u>78704</u>
Name(s) of Entities the Organization Owns or Controls: <u>100% Development Owner</u>	
Organization legally formed? <u>Yes</u>	Date formed: <u>8/4/2017</u> Legal Org is or will be: <u>Limited Partnership</u>
Previous TDHCA Experience? <u>Yes</u>	Phone: <u>(713) 409-0211</u> Email: <u>michael@aqualanddevelopment.com</u>

Org. 1

Organization Legal Name: <u>West Texas Golden Trails GP, LLC</u>		Role/Title: <u>General Partner</u>
Address: <u>PO Box 41326</u>		City: <u>Austin</u> State: <u>TX</u> Zip: <u>78704</u>
Name(s) of Entities the Organization Owns or Controls: <u>0.01% of West Texas Golden Trails, LP</u>		
Organization legally formed? <u>Yes</u>		Date formed: <u>8/4/2017</u> Legal Org is or will be: <u>limited Liability Compan</u>
Previous TDHCA Experience? <u>Yes</u>		Phone: <u>7134090211</u> Email: <u>michael@aqualanddevelopment.com</u>
Organization is identified on Org. Chart: <u>Yes</u>		Ability to exercise Control over the Development? <u>Yes</u>
List of Sub-Entities or Principals:		
1. <u>4C- Development- Texas, LLC</u>	2. <u>Janna Cormier Development Consulting, LLC</u>	3. <u>NA</u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.

1.1

Organization Legal Name: <u>4C Development- Texas, LLC</u>		Role/Title: <u>Mg Mem, Co-Dev, Guar</u>
Address: <u>PO Box 41326</u>		City: <u>Austin</u> State: <u>TX</u> Zip: <u>78704</u>
Name(s) of Entities the Organization Owns or Controls: <u>51% of West Texas Golden Trails GP, LLC; 91% Co-Developer; 100% Guarantor</u>		
Organization legally formed? <u>Yes</u>		Date formed: <u>2/15/2017</u> Legal Org is or will be: <u>limited Liability Compan</u>
Previous TDHCA Experience? <u>Yes</u>		Phone: <u>713-409-0211</u> Email: <u>michael@aqualanddevelopment.com</u>
Organization is identified on Org. Chart: <u>Yes</u>		Ability to exercise Control over the Development? <u>Yes</u>
List of Sub-Entities or Principals:		
1. <u>Four Corners Development, LLC</u>	2. <u>NA</u>	3. <u></u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.

1.1.1

Organization Legal Name: <u>Four Corners Development, LLC</u>		Role/Title: <u>Sole Member</u>
Address: <u>3556 Culpepper, Suite 4</u>		City: <u>Springfield</u> State: <u>MO</u> Zip: <u>65804</u>
Name(s) of Entities the Organization Owns or Controls: <u>100% of 4C Development- Texas, LLC</u>		
Organization legally formed? <u>Yes</u>		Date formed: <u>8/10/2011</u> Legal Org is or will be: <u>limited Liability Compan</u>
Previous TDHCA Experience? <u>Yes</u>		Phone: <u>417-882-1701</u> Email: <u>rhamilton@4cornersdevelopmentllc.com</u>
Organization is identified on Org. Chart: <u>Yes</u>		Ability to exercise Control over the Development? <u>Yes</u>
List of Sub-Entities or Principals:		
1. <u>J. Ryan Hamilton</u>	2. <u>J. Douglas Hamilton</u>	3. <u>Rita A. Baron</u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>
4. <u>Michael K. Hamra</u>	5. <u>NA</u>	6. <u></u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.
1.2

Organization Legal Name: Janna Cormier Development Consulting, LLC Role/Title Member & Co-Dev

Address: 9205 San Juan Pass City: Austin State: TX Zip: 78737

Name(s) of Entities the Organization Owns or Controls: 49% of West Texas Golden Trails GP, LLC and 9% Co-Developer

Organization legally formed? Yes Date formed: 9/18/2014 Legal Org is or will be: Limited Liability Compan

Previous TDHCA Experience? Yes Phone: 512-773-8169 Email: janna.cormier@jcdevelopmentconsulting.com

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? No

List of Sub-Entities or Principals:

1. <u>Janna Cormier</u>	2. <u>NA</u>	3. <u></u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.

Organization Legal Name: NA Role/Title

Address: City: State: Zip:

Name(s) of Entities the Organization Owns or Controls:

Organization legally formed? Date formed: Legal Org is or will be:

Previous TDHCA Experience? Phone: Email:

Organization is identified on Org. Chart: Ability to exercise Control over the Development?

List of Sub-Entities or Principals:

1. <u></u>	2. <u></u>	3. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.

Organization Legal Name: Role/Title

Address: City: State: Zip:

Name(s) of Entities the Organization Owns or Controls:

Organization legally formed? Date formed: Legal Org is or will be:

Previous TDHCA Experience? Phone: Email:

Organization is identified on Org. Chart: Ability to exercise Control over the Development?

List of Sub-Entities or Principals:

1. <u></u>	2. <u></u>	3. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

Org.

Organization Legal Name: Role/Title

Address: City: State: Zip:

Name(s) of Entities the Organization Owns or Controls:

Organization legally formed? Date formed: Legal Org is or will be:

Previous TDHCA Experience? Phone: Email:

Organization is identified on Org. Chart: Ability to exercise Control over the Development?

List of Sub-Entities or Principals:

1. <u></u>	2. <u></u>	3. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>
4. <u></u>	5. <u></u>	6. <u></u>
TDHCA Experience: <u></u>	TDHCA Experience: <u></u>	TDHCA Experience: <u></u>

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Part 5 Tab 39

Previous Participation

Previous Participation Form

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role:	West Texas Golden Trails, LP West Texas Golden Trails GP, LLC
Email Address:	mfogel@4cornersdevelopmentllc.com
City & State of Home Addr:	Austin, TX
Applicant Legal Name:	West Texas Golden Trails, LP

1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, Direct Loan (HOME, TCAP, RHD), and BOND) that you have controlled at any time.

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
17290	Golden Trails	West	HTC	in 7/17	NA

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

Community Affairs:	CEAP		DOE		HHSP		WAP	
	CSBG		ESG		LIHEAP			
HOME:	CFDC		HBA		PWD		TBRA	
	DR		HRA		SFD			
HTF/OCI:	AYBR		Bootstrap		CFDC		Self-Help	
Other:							NSP	

Previous Participation Form

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role:	4C Development- Texas, LLC Four Corners Development, LLC Rita A. Baron Michael K. Hamra
Email Address:	rhamilton@4cornersdevelopmentllc.com
City & State of Home Addr:	Springfield, MO
Applicant Legal Name:	West Texas Golden Trails, LP

1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, Direct Loan (HOME, TCAP, RHD), and BOND) that you have controlled at any time.

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
17290	Golden Trails	West	HTC	in 7/17	NA
17285	Forest Trails	Lindale	HTC	in 7/17	NA
17288	OakTrails	San Angelo	HTC	in 7/17	NA
18398	Hickory Trails	Longview	HTC	in 7/18	NA
18370	Heritage Tower	Longview	HTC	in 7/18	NA

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

Community Affairs:	CEAP		DOE		HHSP		WAP	
	CSBG		ESG		LIHEAP			
HOME:	CFDC		HBA		PWD		TBRA	
	DR		HRA		SFD			
HTF/OCI:	AYBR		Bootstrap		CFDC		Self-Help	
Other:							NSP	

Previous Participation Form

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: J. Ryan Hamilton
J. Douglas Hamilton

Email Address: rhamilton@4cornersdevelopmentllc.com

City & State of Home Addr: Springfield, MO

Applicant Legal Name: West Texas Golden Trails, LP

1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, Direct Loan (HOME, TCAP, RHD), and BOND) that you have controlled at any time.

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
15237	TRM Senior Apartments	Troup, Rusk, Mt Pleasant	HTC	in 07/15	NA
17290	Golden Trails	West	HTC	in 7/17	NA
17288	Oak Trails	San Angelo	HTC	in 7/17	NA
17285	Forest Trails	Lindale	HTC	in 7/17	NA
18398	Hickory Trails	Longview	HTC	in 7/18	NA
18370	Heritage Tower	Longview	HTC	in 7/18	NA

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

Community Affairs:	CEAP		DOE		HHSP		WAP	
	CSBG		ESG		LIHEAP			
HOME:	CFDC		HBA		PWD		TBRA	
	DR		HRA		SFD			
HTF/OCI:	AYBR		Bootstrap		CFDC		Self-Help	
Other:							NSP	

Previous Participation Form

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: Janna Cormier Development Consulting, LLC
Janna Cormier

Email Address: janna.cormier@jcdevelopmentconsulting.com

City & State of Home Addr: Austin, TX

Applicant Legal Name: West Texas Golden Trails, LP

1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, Direct Loan (HOME, TCAP, RHD), and BOND) that you have controlled at any time.

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
17290	Golden Trails	West	HTC	in 7/17	NA
17288	Oak Trails	San Angelo	HTC	in 7/17	NA
17285	Forest Trails	Lindale	HTC	in 7/17	NA
18398	Hickory Trails	Longview	HTC	in 7/18	NA
18370	Heritage Tower	Longview	HTC	in 7/18	NA

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

Community Affairs:	CEAP		DOE		HHSP		WAP	
	CSBG		ESG		LIHEAP			
HOME:	CFDC		HBA		PWD		TBRA	
	DR		HRA		SFD			
HTF/OCI:	AYBR		Bootstrap		CFDC		Self-Help	
Other:							NSP	

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Part 5 Tab 40

Nonprofit Participation

NA

Nonprofit Participation

Nonprofit Set-Aside (Competitive HTC Applications Only)

Qualification: Must meet the definition of a Qualified Nonprofit Development pursuant to §10.3(a)(102) of the Uniform Multifamily Rules, §42(h)(5) of the code, and the requirements of §11.5(1) of the Qualified Allocation Plan.

Documentation: Eligibility will be confirmed based upon completion of the Nonprofit Participation and Additional Nonprofit Documentation requirements in this section.

By selecting this box the Applicant affirms the election to be included in the Nonprofit Set-Aside and certifies that they expect to receive a benefit in the allocation of tax credits as a result of being affiliated with a nonprofit.

By selecting this box the Applicant affirms the election to be excluded from the Nonprofit Set-Aside and certifies that they do not expect to receive a benefit in the allocation of tax credits as a result of being affiliated with a nonprofit.

Nonprofit Information (ALL Applications)

Only nonprofit organizations will complete this section. All nonprofit Applicants or Principals must complete this form without regard to their level of ownership or the set-aside under which the Application was made.

Organization Name: _____

Is the Organization a 501(c)(3) or (4) as of the beginning of the Application Acceptance Period? _____

If no to the question above, what is its current legal status? _____

If "Other" please specify: _____

Date of legal formation of Nonprofit Organization: _____

1) Is Applicant comprised of a joint venture between a Nonprofit and for-profit entity? _____

If "Yes", will this nonprofit organization Control the Applicant? _____

What is the ownership percentage of this nonprofit organization? _____

2) Describe the nonprofit's participation: _____

3) Describe the nonprofit's participation in the operation of the Development throughout the Compliance and/or extended use period:

4) Will the nonprofit receive part of the development fees paid in connection with the development? _____

If "Yes," explain: _____

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Part 5 Tab 41

Nonprofit Support
Documentation

NA

Nonprofit Supporting Documents Should be Included Behind this Tab

Applications involving a Qualified Nonprofit Organization pursuant to Texas Government Code, §2306.6706 that have a 501(c)(3) or 501(c)(4) designation at the time of Application and competitive 9% HTC Applications electing to compete under the Nonprofit Set-aside must provide the following documentation behind this tab:

- NA IRS determination letter
- Third Party legal opinion (not applicable to Tax-Exempt Bond Developments)
- The Nonprofit's most recent financial statement as prepared by a Certified Public Accountant (not applicable to Tax-Exempt Bond Developments)
- Certification regarding Board member residence (not applicable to Tax-Exempt Bond Developments)



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Part 5 Tab 42

Development Team

Development Team Members

The requested information on all known Development Team members must be provided. In addition to the categories listed below, the "Other" category should be used to list all known Development Team members that are included in the "Development Cost Schedule." If the team member that will be utilized is not yet known, indicate "TBD." If it is anticipated that the Development Team category will not be utilized, indicate "N/A."

** If there is a direct or indirect, financial, or other interest with Applicant or other team members, provide an attachment behind this form in the Application that explains the relationship(s).*

Developer:

<u>4C Development- Texas, LLC</u>	<u>J. Ryan Hamilton</u>	<u>(417) 882-1701</u>
	Contact Name	Phone
<u>rhamilton@4cornersdevelopmentllc.com</u>	<u>TBD</u>	<u>45-3022037</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		

Housing General Contractor:

<u>Hamilton Builders, LLC</u>	<u>J. Douglas Hamilton</u>	<u>(417) 882-1701</u>
	Contact Name	Phone
<u>douglashamilton@hamiltoncorporation.com</u>	<u>TBD</u>	<u>46-4539205</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		

Infrastructure General Contractor:

<u>NA</u>		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text"/>		

Cost Estimator:

<u>Hamilton Builders, LLC</u>	<u>J. Douglas Hamilton</u>	<u>(417) 882-1701</u>
	Contact Name	Phone
<u>douglashamilton@hamiltoncorporation.com</u>	<u>TBD</u>	<u>46-4539205</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		

Architect:

<u>Baron Designs</u>	<u>Rita Baron</u>	<u>(417) 877-9800</u>
	Contact Name	Phone
<u>rbaron@baron-design.com</u>	<u>TBD</u>	<u>35-2192032</u>
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="text" value="No"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="text" value="Yes"/>		

Engineer:

NA		
Contact Name		Phone
Proposed Fee		Tax ID Number (TIN)
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		

Civil Engineer:

Adams Engineering		Justin Paris	(903) 324-8400
Contact Name		Phone	
Proposed Fee		Tax ID Number (TIN)	
Email	Proposed Fee	Tax ID Number (TIN)	
Certified Texas HUB?	No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*			No

Market Analyst:

Affordable Housing Analysts		Bob Coe	(281) 387-7552
Contact Name		Phone	
Proposed Fee		Tax ID Number (TIN)	
Email	Proposed Fee	Tax ID Number (TIN)	
Certified Texas HUB?	No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*			No

Appraiser:

NA		
Contact Name		Phone
Proposed Fee		Tax ID Number (TIN)
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?		
This is a direct or indirect, financial, or other interest with Applicant or other team members*		

Attorney:

Shackelford, Bowen, McKinley & Norton, LLP		John Shackelford	(214) 780-1400
Contact Name		Phone	
Proposed Fee		Tax ID Number (TIN)	
Email	Proposed Fee	Tax ID Number (TIN)	
Certified Texas HUB?	No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*			No

Accountant:

Tidwell Group		Brent L. Barringer	(205) 271-5543
Contact Name		Phone	
Proposed Fee		Tax ID Number (TIN)	
Email	Proposed Fee	Tax ID Number (TIN)	
Certified Texas HUB?	No		
This is a direct or indirect, financial, or other interest with Applicant or other team members*			No

Property Manager:

Hamilton Properties	J. Ryan Hamilton	(417) 882-1701
	Contact Name	Phone
ryanhamilton@hamiltoncorporation.com	TBD	43-1556825
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

Originator of Underwriter:

International Bank of Commerce	Ramiro Macias	(956) 547-1120
	Contact Name	Phone
ramiromacias@ibc.com	TBD	TBD
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

Bond Issuer:

NA		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Syndicator:

International Bank of Commerce	Ramiro Macias	(956) 547-1120
	Contact Name	Phone
ramiromacias@ibc.com	TBD	TBD
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

Supportive Services Provider:

TBD		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Supportive Services Provider:

NA		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Title Company

North American Title Co.	Lisa Lamb	(214) 954-0734
	Contact Name	Phone
llamb@nat.com	TBD	
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

Application Consultant:

Sarah Anderson Consulting	Alyssa Carpenter	(512) 789-1295
	Contact Name	Phone
ajcarpen@gmail.com	TBD	46-2015199
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> No	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

ESA Provider:

Phase Engineering	Tracy Watson	(210) 997-4056
	Contact Name	Phone
tracy@phaseengineering.com	TBD	75-2502360
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/> Yes	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/> No		

PCA Provider:

NA		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Other:

NA		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Other:

NA		
	Contact Name	Phone
Email	Proposed Fee	Tax ID Number (TIN)
Certified Texas HUB?	<input type="checkbox"/>	
This is a direct or indirect, financial, or other interest with Applicant or other team members*		
<input type="checkbox"/>		

Development Team Member Relationships with Applicant

The Applicant, Developer, Contractor, Cost Estimator, Architect, and Property Manager are related entities through a principal.

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Part 5 Tab 43

Architect Certification

Architect Certification Form

x

The Architect Certification is included behind this tab.

The form for the certification will be posted to the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

The form for the certification will be posted to the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

NOTE: The certification requires a separate statement be submitted that describes how the accessibility requirements for the physically accessible /hearing and visual impaired Units will be met, along with related parking requirements.
Be sure this statement is attached to this certification.

Architect Certification

I (We) certify that the Development will be designed and built to meet the accessibility requirements of the Federal Fair Housing Act as implemented by HUD at 24 C.F.R. Part 100 and the Fair Housing Act Design Manual, Titles II and III of the Americans with Disabilities Act (42 U.S.C. Sections 12131-12189) as implemented by the Department of Justice regulations at 28 C.F.R. Parts 35 and 36, and the Department's Accessibility rules in 10 TAC Chapter 1, Subchapter B, in effect at the time of certification.

I (we) certify that all materials submitted to the Department by the Architect or Applicant constitute records of the Department subject to Chapter 552, Tex. Gov't Code, and the Texas Public Information Act.

I (We) certify that in accordance with Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8, if the Development includes the New Construction or substantial rehabilitation of multifamily units (4 or more units per building), at least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise compliant with the 2010 ADA Standards with the exceptions listed in "Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities" (Federal Register 79 FR 29671) meets this requirement. In addition, at least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments.

I (We) have attached a statement describing how the requirements Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 will be met as described in 10 TAC Chapter 1, Subchapter B. At a minimum, the statement will include (1) The total number of Units (2) Number and description of Unit types, the number of Units of each Type, (3) Number of Units of each Type that will meet the accessibility requirements, and (4) a description of how the accessibility requirements relating to Unit distribution will be met.

I (We) certify that if the Development includes the New Construction or Rehabilitation of single family units (1 to 3 units per building), every unit will be designed and built to meet the accessibility requirements of Tex. Gov't Code §2306.514, as it may be amended from time to time.


I (We) have attached a statement describing how, regardless of building type, all Units accessed by the ground floor or by elevator ("affected units") meet the requirements at 10 TAC §10.101(b)(8)(B).

I(We) certify that all accessible Units under 10 TAC Chapter 1, Subchapter B, and all affected Units meeting the requirements under 10 TAC 10.101(b)(8)(B) will be dispersed throughout the Development.

If the Applicant is applying for HOME funds and the Development consists of New Construction, I (We) further certify that the Development meets the Construction Site Standards in 24 C.F.R §983.57(e)(1).

This certification meets the requirement that the Applicant provide a certification from the Development engineer or an accredited architect. A similar certification will also be required after the Development is completed from an inspector, architect, or accessibility specialist.

By:


Signature

November 2, 2018

Date

Janet R. White, FAIA, LEED AP

Printed Name

Architect 23540 - Texas

License Number and State

Baron Design & Associates

Firm Name (If applicable)

Received 12/19/18/cs 11:42



Alyssa Carpenter <ajcarpen@gmail.com>

architect certification

Sharon Gamble <sharon.gamble@tdhca.state.tx.us>
To: Alyssa Carpenter <ajcarpen@gmail.com>

Fri, Jan 12, 2018 at 11:01 AM

Yes; or the architect can use their own form...

Regards,

Sharon D. Gamble MSW, PMP
Competitive Housing Tax Credit Program Administrator
Texas Department of Housing and Community Affairs
(512) 936-7834

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(a)).

About TDHCA

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us

-----Original Message-----

From: Alyssa Carpenter [mailto:ajcarpen@gmail.com]
Sent: Friday, January 12, 2018 8:52 AM
To: Sharon Gamble
Subject: architect certification

The application indicates that the architect needs to submit a separate statement regarding the accessible units and parking requirements; however, you have added forms that must be signed by the architect for each of these under tab 23. Would we simply submit those same tab 23 forms with the architect certification in tab 43 to meet this requirement?

Regards,

Alyssa Carpenter

Accessible Mobility Units Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be:

(1) Distributed throughout the Unit types **AND** the Development; and

(2) Made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with Disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

Multifamily Housing Developments covered by 10 TAC 10.101(b)(8)(A) must have a minimum of 5% of all units in the development set aside for the mobility impaired **and an additional 2%** must be set aside for the hearing and/or visually impaired.

Mobility	Total Units	Required %	Calculated Units	Units Required	Units Proposed
Unit Description	45	5%	2.25	3	3
A/B - 1-BED 1-BATH	33	5%	1.65	1.65	2
C/D - 2-BED 1-BATH	12	5%	0.6	1	1
		5%	0	0	
		5%	0	0	
		5%	0	0	
	45		2.25	2.65	3

*NOTE: If total is more than what is required, Applicant will select which Unit(s) not to include Under "Units Proposed"

EXAMPLE:

Unit Description	Total Units	Required %	Calculated Units	Units Required	Units Proposed
	68	5%	3.4	4	4
1/1 (874sqft & 806 sqft)	28	5%	1.4	1.4	1
2/2 (950 sqft & 1008 sqft)	36	5%	1.8	1.8	2
3/2 (1120 sqft & 1190 sqft)	4	5%	0.2	1	1
D		5%	0	0	
E		5%	0	0	
	68		3.4	4.2	4

*NOTE: Required is 4, but calculation yields 4.2. Applicant selected which to round down Under "Units Proposed"

By signing below, I (WE) certify that the information above meets the requirements in Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10 TAC Chapter 1, Subchapter B. At least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments.

By: 
Signature

Janet White, FAIA
Printed Name

11/12/18
Date

Baron Design & Associates, LLC
Firm Name (If applicable)

Accessible Parking Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

Parking requirements based on:

[-https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards](https://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards)

[-https://www.huduser.gov/publications/pdf/fairhousing/](https://www.huduser.gov/publications/pdf/fairhousing/)

There must be one accessible space per accessible Unit located on the closest route to the Unit (ADA).

When parking is provided for leasing office and amenities, use ADA Table 208.2 to calculate.

When calculating additional spaces needed, use whichever yields the larger number of spaces.

If you have different kinds of parking, e.g. lot, carport, and garages, each has to meet the standards individually.

If there is a separate amenity (e.g. a pavilion in the back corner of property) that provides non-accessible spaces, at least one space would need to be an accessible.

Use this chart to indicate number of parking spaces provided.

enter the total number of parking spaces

enter the parking type and the number of spaces in each, starting with the surface lot (*see the example)

make sure the totals match!

EXAMPLE*

Total # of Spaces:	69	Percentage of Total
Surface lot	69	1
		0
		0
		0
		0
	69	100

Total # of Spaces:	450	Percentage of Total
Surface lot	300	0.666666667
Carports	100	0.222222222
Garages	50	0.111111111
Facility 4		
Facility 5		0
	450	100

Use this chart to figure out accessible parking requirements.

chart above must be completed first

In C32, enter the total number of accessible spaces required

(see Application Webinar, Part 3, from 0:00 - 14:20, or webinar slides starting at slide 136)

In D33, enter the number of units required per accessible Unit in the surface lot

In column F, distribute required van spaces among the different parking facilities

# Accessible Spaces:	4	Distribution	Van Spaces
Surface lot	4	4	2
	0	0	
	0	0	
	0	0	
	0	0	
Total	4	4	2

EXAMPLE*

# Accessible Spaces:	16	Distribution	Van Spaces
Surface lot	10.666667	10	1
Carports	3.555556	4	1
Garages	1.777778	2	1
Facility 4	0	0	0
Facility 5	0	0	0
Total	16	16	3

By signing below, I (WE) certify that the information above meets the requirements in the 2010 ADA Standards for Accessible Design Title III regulations at 28 CFR part 36, subpart D, and the 2004 ADA Accessibility Guidelines at 36 CFR part 1191, appendices B and D. There will be at least one accessible spot per accessible unit located on the closest route to the accessible unit. For every 6 or fraction of 6 accessible spaces required, at least one will be van accessible. Accessible spaces will be dispersed amongst the parking types provided.

By: _____
Signature

Printed Name

Date

Firm Name (If applicable)

2018 HTC Full Application

Part 5 Tab 44

Evidence of Experience

Evidence of Experience Must be Provided Behind this Tab

Pursuant to §10.204(6) of the Uniform Multifamily Rules, a Principal of the Developer, Development Owner, or General Partner must establish that they have experience in the development of 150 units or more.



Evidence of experience behind this tab includes:

- An Experience certificate issued by the Department under the 2014-2018 Uniform Multifamily Rules.
- An Application for experience and supporting documentation in accordance with §10.204(6)(A)(i) through
- Evidence from the Department that the application for experience was received and is being processed by the Department.

Alternatively, pursuant to §13.5(d)(1) of the Multifamily Direct Loan Rule, Applicants requesting MFDL as the only source of Department funds may meet the Experience Requirement by providing evidence of the successful development and operation for at least 5 years of at least twice as many affordability restricted units as requested in the Application.

- Documentation provided behind this tab meets the alternative Experience Requirement in §13.5(d)(1).

DUNS Number and System for Award Management (SAM.gov) registration (Direct Loan Applications Only)

The Office of Management and Budget (OMB) requires grant applicants to provide a Dunn and Bradstreet (D&B) Data Universal Numbering System (DUNS) number when applying for Federal grants, including Direct Loan funds, on or after October 1, 2003. The DUNS number will supplement other identifiers required by statute or regulation, such as tax identification numbers. To apply for a DUNS number applicants can go to the Dunn & Bradstreet website:

<http://fedgov.dnb.com/webform>

Once applicants have obtained a DUNS number, they must register with the SAM database:

<https://sam.gov/portal/public/SAM>

Applicants may provide this information with the Application or upon award.



- Evidence of SAM.gov registration for the applicant entity is attached behind this tab.

Davis Bacon Labor Standards (Section 811 PRA Program and Direct Loan Applications)

24 CFR §92.354, Davis-Bacon Act (40 U.S.C. §§276(a)-276(a)(5), the Davis-Bacon Related Acts, the Contract Work Hours and Safety Standards Act, and the Copeland (Anti-Kickback) Act (40 U.S.C. §276(c)) apply to developments being assisted with Direct Loan funds if (Select all that apply):

- Twelve (12) or more Direct Loan or Section 811 PRA-assisted units will be rehabilitated or constructed under one construction contract.

The Section 811 PRA units and Direct Loan Units **are not cumulative**. For example, if a proposed development has ten Section 811 PRA units and ten Direct Loan-assisted units, Davis Bacon would not be triggered.

- Community Development Block Grant (CDBG) funds are being used to support the Development, which requires a lower number of units (8) be used as a threshold.

Applicants electing to participate in the Section 811 PRA Program either by committing an Existing Development to the Section 811 PRA Program or by committing a Proposed Development in this Application are encouraged to review §PRA.213 Davis Bacon Labor Standards in the Section 811 Program Guidelines, found on the TDHCA webpage at

<http://www.tdhca.state.tx.us/section-811-pra/resource-documents.htm>

Existing Developments where construction is fully complete before an application for a Proposed Development is submitted to the Department to receive assistance under the 811 PRA program are not subject to Davis-Bacon or Contract Work Hours and Safety Standards Act requirements.

Affirmative Marketing Plan (Direct Loan Applications Only)

Complete and submit HUD's Affirmative Marketing Plan form (Form 935.2 or successors). This form may be found on the Department's website at

<http://www.tdhca.state.tx.us/home-division/mf-home/index.htm>

The Affirmative Marketing Plan must comply with the Affirmative Marketing requirements in the Compliance Rules.

HUD approval is not necessary unless the property receives project-based Section 8 assistance.



2018 HTC Full Application

Part 5 Tab 44

Experience Certificate



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS
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Tom H. Gann
J.B. Goodwin

February 21, 2017

Writer's direct phone # 512-475-1676
Email: marni.holloway@tdhca.state.tx.us

Mr. J. Ryan Hamilton
3556 South Culpepper
Suite 4
Springfield, Missouri 65804

RE: REQUEST FOR EXPERIENCE CERTIFICATE UNDER 2017 UNIFORM MULTIFAMILY RULES

Dear Mr. Hamilton:

We have reviewed your request for an experience certificate, which is provided to individuals that meet the requirements of §10.204(6) of the Uniform Multifamily Rules. In order to meet the experience requirements an individual must establish that they have experience in the development and placement in service of at least 150 residential units. We find that the documentation you have provided is sufficient to establish this required experience. Additionally, you have certified to compliance with the requirements of §10.204(6)(B), including the following requirements:

(ii) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state, in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence. ...

(iv) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves.

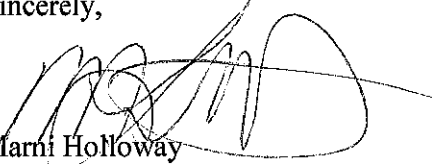
Should you choose to participate as a member of the Development Team or an individual providing experience for any Application submitted for funding, a Previous Participation Review (10 TAC §1.5) may be conducted prior to any award of funds. Additionally, should it be determined at any point in time that the information provided in your request for experience is fraudulent, knowingly falsified, intentionally or negligibly materially misrepresented, or omits relevant information, this



certificate of experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs' rules and requirements.

If you have any questions or concerns regarding this certificate or the experience requirements, please contact Marni Holloway at marni.holloway@tdhca.state.tx.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marni Holloway', written over a horizontal line.

Marni Holloway
Director of Multifamily Finance

2018 HTC Full Application

Part 5 Tab 44

DUNS Number and
System for Awards Management
registration

ALERT - June 11, 2018: Entities registering in SAM must submit a [notarized letter](#) appointing their authorized Entity Administrator. Read our [updated FAQs](#) to learn more about changes to the notarized letter review process and other system improvements.

Entity Dashboard

- [Entity Overview](#)
- [Entity Registration](#)
 - [Core Data](#)
 - [Assertions](#)
 - [Reps & Certs](#)
 - [POCs](#)
- [Reports](#)
 - [Service Contract Report](#)
 - [BioPreferred Report](#)
- [Exclusions](#)
 - [Active Exclusions](#)
 - [Inactive Exclusions](#)
 - [Excluded Family Members](#)

[BACK TO USER DASHBOARD](#)

West Texas Golden Trails, LP
DUNS: 080874854 CAGE Code: 7YRH6
Status: Active
Expiration Date: 08/09/2019
Purpose of Registration: Federal Assistance Awards Only
3556 S Culpepper Cir Ste 4
Springfield, MO, 65804-4252 ,
UNITED STATES

Entity Overview

Entity Registration Summary

DUNS: 080874854
Name: West Texas Golden Trails, LP
Business Type: Business or Organization
Last Updated By: Joseph Ryan Hamilton
Registration Status: Active
Activation Date: 08/09/2018
Expiration Date: 08/09/2019

Exclusion Summary

Active Exclusion Records? No



- [Search Records](#)
- [Data Access](#)
- [Check Status](#)
- [About](#)
- [Help](#)
- [Disclaimers](#)
- [Accessibility](#)
- [Privacy Policy](#)
- [FAPIIS.gov](#)
- [GSA.gov/IAE](#)
- [GSA.gov](#)
- [USA.gov](#)

2018 HTC Full Application

Part 5 Tab 44

Multifamily Direct Loan
Affirmative Marketing
Plan

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see <http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf> for the instructions. Using Nuance software is the only means of completing this form.

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

U.S. Department of Housing and Urban Development
Office of Fair Housing and Equal Opportunity

OMB Approval No. 2529-0013
(exp. 1/31/2021)

1a. Project Name & Address (including City, County, State & Zip Code) Golden Trails Apartments Melodie Drive and Interstate W 35 frontage road West, TX 76691 McLennan County	1b. Project Contract Number 17290	1c. No. of Units 45
1d. Census Tract 48309004201		
1e. Housing/Expanded Housing Market Area Housing Market Area: West, TX Expanded Housing Market Area: McLennan County		
1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address Hamilton Properties Corporation, PO Box 162358, Fort Worth, TX 76161 Tarrant County, 817-514-6767 Ext. 1 tibliss@sbcglobal.net		
1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address Golden Trails, L.P. 3556 S Culpepper, Suite 4, Springfield, MO 65804 417-882-1701 Greene County rhamilton@4cornersdevelopmentllc.com		
1h. Entity Responsible for Marketing (check all that apply) <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Other (specify) _____ Position, Name (if known), Address (including City, County, State & Zip Code), Telephone Number & Email Address Regional District Manager, Tina Anderson, PO Box 162358, Fort Worth, TX 76161 Tarrant County, tibliss@sbcglobal.net		
1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & E-Mail Address. Tina Anderson, PO Box 162358, Fort Worth, TX 76161 Tarrant County, tibliss@sbcglobal.net		
2a. Affirmative Fair Housing Marketing Plan Plan Type <input type="text" value="Initial Plan"/> Date of the First Approved AFHMP: <input type="text"/> Reason(s) for current update: <input type="text"/>		
2b. HUD-Approved Occupancy of the Project (check all that apply) <input checked="" type="checkbox"/> Elderly <input type="checkbox"/> Family <input type="checkbox"/> Mixed (Elderly/Disabled) <input type="checkbox"/> Disabled		
2c. Date of Initial Occupancy <input type="text" value="06/01/2019"/>	2d. Advertising Start Date Advertising must begin <i>at least</i> 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects. Date advertising began or will begin <input type="text" value="03/01/2019"/> For existing projects, select below the reason advertising will be used: To fill existing unit vacancies <input type="checkbox"/> To place applicants on a waiting list <input type="checkbox"/> (which currently has <input type="text"/> individuals) To reopen a closed waiting list <input type="checkbox"/> (which currently has <input type="text"/> individuals)	

3a. Demographics of Project and Housing Market Area
Complete and submit Worksheet 1.

3b. Targeted Marketing Activity

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

- White American Indian or Alaska Native Asian Black or African American
 Native Hawaiian or Other Pacific Islander Hispanic or Latino Persons with Disabilities
 Families with Children Other ethnic group, religion, etc. (specify)

4a. Residency Preference

Is the owner requesting a residency preference? If yes, complete questions 1 through 5.
If no, proceed to Block 4b.

(1) Type

(2) Is the residency preference area:
The same as the AFHMP housing/expanded housing market area as identified in Block 1e?

The same as the residency preference area of the local PHA in whose jurisdiction the project is located?

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

5a. Fair Housing Poster

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

Rental Office Real Estate Office Model Unit Other (specify)

5b. Affirmative Fair Housing Marketing Plan

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

Rental Office Real Estate Office Model Unit Other (specify)

5c. Project Site Sign

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office Real Estate Office Model Unit Entrance to Project Other (specify)

The size of the Project Site Sign will be ' x '
The Equal Housing Opportunity logo or slogan or statement will be ' x '

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

We used the Affirmative Marketing Tool - Updated 02/22/2017 made available through the Texas Department of Housing and Community affairs for the Census tract where the property is located. We will continue to monitor the Texas Department of Housing and Community affairs website for changes in their marketing tool.

We should have no difficulty marketing to the handicapped or disabled, blacks, and Hispanics, but we suspect that renting to that Asian population will be difficult, as the city of West only has 6 individuals that identify as Asian. Most of that population would have to come from the city of Waco, about 20 miles south of the city of West. The entire county of McLennan has only about 1.4 percent Asians. This will make it difficult to market to such a small portion of the population. Baylor University is in the city of Waco and we suspect that many of the Asian population could be college students and would not qualify to rent in a seniors community.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

Manager, and Regional District Manager

7b. Staff Training and Assessment: AFHMP

- (1) Has staff been trained on the AFHMP?
- (2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)?
- (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?

Courses are offered through a firm recognized by TDHCA as an authorized vendor for Fair Housing and ADA, VAWA and other courses on line. These classes will be taken annually.

- (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act?
- (5) If yes, how and how often?

We review with every application that is submitted to make sure we are not discriminating.

7c. Tenant Selection Training/Staff

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?
- (2) What staff positions are/will be responsible for tenant selection?

Manager and Regional District Manager

7d. Staff Instruction/Training:

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

Manager has yet to be hired, as property has yet to start construction. All training materials are on-line and are not available.

Regional District Manager has completed 2 classes: "Fair Housing Leasing & Management Issues" by E & A Team Inc. and also "Fair Housing: Reasonable Accommodations" Webinar from Zeffert & Associates. Certificates are attached.

All courses are completed annually or more often with employee changes.

The courses offered by E & A Team Inc. are recognized by TDHCA as a authorized vendor.

8. Additional Considerations Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

The city of West needs additional housing to accommodate the senior population, and the handicapped or disabled. Our single building will be accessible on all floors in the apartment community to anyone who is handicapped or disabled. We will have 2 units that will be mobility accessible and 1 unit will be for the hearing or sight impaired. And we will make reasonable accommodation for any resident that requests modifications. We will make regular contact with the minority organizations, churches and others to make sure they are aware of our apartment community. Our property will be highly visible from I 35W.

9. Review and Update

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Name (type or print)

Linda M Farral

Title & Name of Company

Chief Accountant, Hamilton Properties Corporation

For HUD-Office of Housing Use Only

Reviewing Official:

For HUD-Office of Fair Housing and Equal Opportunity Use Only

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

Signature & Date (mm/dd/yyyy)

Name
(type
or
print)

Title

Name
(type
or
print)

Title

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

Purpose of Form: All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

Applicability: The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

INSTRUCTIONS:

Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

Part 1: Applicant/Respondent and Project

Identification. Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (<http://factfinder2.census.gov/main.html>) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

Part 2: Type of AFHMP

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

Please attach a copy of the advertising or marketing material.

Part 5 - Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

Part 6 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7 - Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act. Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

Demographic Characteristics	Project's Residents	Project's Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White	No residents yet	No applications yet	92.8	87	69.8
% Black or African American			3	3.5	14.8
% Hispanic or Latino			8.9	13.8	23.6
% Asian			0.2	0.1	1.4
% American Indian or Alaskan Native			0.6	0.3	0.6
% Native Hawaiian or Pacific Islander			0.1	0.0	0.0
% Persons with Disabilities			22	26	24
% Families with Children under the age of 18			29.8	32.2	30.1
Other (specify)					

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.	
Disabled of all races & Ethnicities	Heart of Texas Region MHMR Center PO Box 890 110 W 12th St Waco, TX 76703 Website: http://www.hotrmhmr.org	Phone calls & annual letter with flier Executive Director: Barbara Tate 254-752-3451 ?/19 with letter/flyer
Black	Bold Spring Baptist Church 101 N Harrison St West, TX 76691 Website: https://boldspringmbc.com	Phone calls & annual letter with flier Pastor: Dr. Monty E Francis 254-826-3225 ?/19 with letter/flyer
Hispanic	St. Mary's Church of the Assumption 301 S Harrison St. PO Box 276 West, TX 76691 Website: http://assumptionwest.org	Phone calls & annual letter with flier Father David Trahan Phone: 254-826-3705 254-826-3705 ?/19 with letter/flyer
Disabled of all races & Ethnicities	US Department of Veterans Affairs Waco VA Region Office 701 Clay Ave Waco, TX 76799 Website: http://www.benefits.va.gov/waco	Phone calls & annual letter with flier Director: John S. Limpose 800-827-1000 ?/19 with letter/flyer
Asians	Korean Church of Waco 500 Webster Waco, TX 76706 Website: http://www.wacokbc.org	Phone calls & annual letter with flier Pastor Jangho Jo 254-307-8421 ?/19 with letter/flyer

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s)→ Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s)	No paper in West will use Waco paper	Complete population of City of Waco plus surrounding areas.	
Waco Tribune-Herald			
Radio Station(s)			
TV Station(s)			
Electronic Media			
Bulletin Boards			
Brochures, Notices, Flyers	Flyers mailed with letters & placed with local retail stores & organizations		
Flyer			
Other (specify)			

Affirmative Marketing Tool - Updated 02/22/2017

04/13/2018

Census Tract: 48309004202

County McLennan

MSA Waco, TX

Results will not display for any populations representing less than 1% of the total population of the County or MSA. These populations will not be required in your affirmative marketing.

Census Tract vs. MSA

Least Likely to Apply	% Census Tract	% MSA	Tract for Outreach Consideration
Persons with Disabilities	16.10	13.59	48309001400
Black / African American	3.04	15.54	48309001400
Hispanic	8.94	23.42	48309000598
Asian	0.16	1.29	48309003707

[Map Census Tracts](#)

The report above shows the groups to whom you must affirmatively market based on a comparison of your census tract to the applicable County or MSA area as identified in the Rule. You must select these groups on the HUD 935.2A form as groups least likely to apply.

The census tracts provided for outreach consideration represent nearby neighborhoods identified in the U.S. Census as having the greatest number of the groups who are least likely to apply at your development based on its location. The identified neighborhoods may represent a first step for planning meaningful outreach and marketing for your development.



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

Geography: Census Tract 42.02, McLennan County, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	3,690	100.0
Under 5 years	210	5.7
5 to 9 years	220	6.0
10 to 14 years	280	7.6
15 to 19 years	292	7.9
20 to 24 years	185	5.0
25 to 29 years	167	4.5
30 to 34 years	201	5.4
35 to 39 years	236	6.4
40 to 44 years	221	6.0
45 to 49 years	342	9.3
50 to 54 years	343	9.3
55 to 59 years	259	7.0
60 to 64 years	227	6.2
65 to 69 years	197	5.3
70 to 74 years	126	3.4
75 to 79 years	94	2.5
80 to 84 years	48	1.3
85 years and over	42	1.1
Median age (years)	41.2	(X)
16 years and over	2,911	78.9
18 years and over	2,781	75.4
21 years and over	2,647	71.7
62 years and over	639	17.3
65 years and over	507	13.7
Male population		
Under 5 years	112	3.0
5 to 9 years	117	3.2
10 to 14 years	162	4.4
15 to 19 years	168	4.6
20 to 24 years	98	2.7
25 to 29 years	90	2.4
30 to 34 years	112	3.0
35 to 39 years	127	3.4
40 to 44 years	114	3.1
45 to 49 years	178	4.8
50 to 54 years	174	4.7
55 to 59 years	130	3.5
60 to 64 years	122	3.3

Subject	Number	Percent
65 to 69 years	104	2.8
70 to 74 years	64	1.7
75 to 79 years	50	1.4
80 to 84 years	26	0.7
85 years and over	13	0.4
Median age (years)	39.8	(X)
16 years and over	1,530	41.5
18 years and over	1,450	39.3
21 years and over	1,377	37.3
62 years and over	321	8.7
65 years and over	257	7.0
Female population	1,729	46.9
Under 5 years	98	2.7
5 to 9 years	103	2.8
10 to 14 years	118	3.2
15 to 19 years	124	3.4
20 to 24 years	87	2.4
25 to 29 years	77	2.1
30 to 34 years	89	2.4
35 to 39 years	109	3.0
40 to 44 years	107	2.9
45 to 49 years	164	4.4
50 to 54 years	169	4.6
55 to 59 years	129	3.5
60 to 64 years	105	2.8
65 to 69 years	93	2.5
70 to 74 years	62	1.7
75 to 79 years	44	1.2
80 to 84 years	22	0.6
85 years and over	29	0.8
Median age (years)	43.0	(X)
16 years and over	1,381	37.4
18 years and over	1,331	36.1
21 years and over	1,270	34.4
62 years and over	318	8.6
65 years and over	250	6.8
RACE		
Total population	3,690	100.0
One Race	3,642	98.7
White	3,426	92.8
Black or African American	112	3.0
American Indian and Alaska Native	22	0.6
Asian	6	0.2
Asian Indian	2	0.1
Chinese	0	0.0
Filipino	3	0.1
Japanese	0	0.0
Korean	0	0.0
Vietnamese	1	0.0
Other Asian [1]	0	0.0
Native Hawaiian and Other Pacific Islander	2	0.1
Native Hawaiian	0	0.0
Guamanian or Chamorro	0	0.0
Samoa	0	0.0

Subject	Number	Percent
Other Pacific Islander [2]	2	0.1
Some Other Race	74	2.0
Two or More Races	48	1.3
White; American Indian and Alaska Native [3]	20	0.5
White; Asian [3]	7	0.2
White; Black or African American [3]	7	0.2
White; Some Other Race [3]	11	0.3
Race alone or in combination with one or more other races: [4]		
White	3,472	94.1
Black or African American	120	3.3
American Indian and Alaska Native	43	1.2
Asian	14	0.4
Native Hawaiian and Other Pacific Islander	5	0.1
Some Other Race	85	2.3
HISPANIC OR LATINO		
Total population	3,690	100.0
Hispanic or Latino (of any race)	330	8.9
Mexican	276	7.5
Puerto Rican	4	0.1
Cuban	0	0.0
Other Hispanic or Latino [5]	50	1.4
Not Hispanic or Latino	3,360	91.1
HISPANIC OR LATINO AND RACE		
Total population	3,690	100.0
Hispanic or Latino	330	8.9
White alone	230	6.2
Black or African American alone	5	0.1
American Indian and Alaska Native alone	5	0.1
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	71	1.9
Two or More Races	16	0.4
Not Hispanic or Latino	3,360	91.1
White alone	3,196	86.6
Black or African American alone	107	2.9
American Indian and Alaska Native alone	17	0.5
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	2	0.1
Some Other Race alone	3	0.1
Two or More Races	32	0.9
RELATIONSHIP		
Total population	3,690	100.0
In households	3,583	97.1
Householder	1,367	37.0
Spouse [6]	876	23.7
Child	1,021	27.7
Own child under 18 years	748	20.3
Other relatives	197	5.3
Under 18 years	88	2.4
65 years and over	27	0.7
Nonrelatives	122	3.3
Under 18 years	20	0.5
65 years and over	11	0.3
Unmarried partner	65	1.8
In group quarters	107	2.9

Subject	Number	Percent
Institutionalized population	53	1.4
Male	53	1.4
Female	0	0.0
Noninstitutionalized population	54	1.5
Male	51	1.4
Female	3	0.1
HOUSEHOLDS BY TYPE		
Total households	1,367	100.0
Family households (families) [7]	1,044	76.4
With own children under 18 years	408	29.8
Husband-wife family	876	64.1
With own children under 18 years	321	23.5
Male householder, no wife present	57	4.2
With own children under 18 years	28	2.0
Female householder, no husband present	111	8.1
With own children under 18 years	59	4.3
Nonfamily households [7]	323	23.6
Householder living alone	279	20.4
Male	162	11.9
65 years and over	42	3.1
Female	117	8.6
65 years and over	58	4.2
Households with individuals under 18 years	464	33.9
Households with individuals 65 years and over	356	26.0
Average household size	2.62	(X)
Average family size [7]	3.01	(X)
HOUSING OCCUPANCY		
Total housing units	1,485	100.0
Occupied housing units	1,367	92.1
Vacant housing units	118	7.9
For rent	30	2.0
Rented, not occupied	2	0.1
For sale only	10	0.7
Sold, not occupied	4	0.3
For seasonal, recreational, or occasional use	16	1.1
All other vacants	56	3.8
Homeowner vacancy rate (percent) [8]	0.9	(X)
Rental vacancy rate (percent) [9]	10.5	(X)
HOUSING TENURE		
Occupied housing units	1,367	100.0
Owner-occupied housing units	1,112	81.3
Population in owner-occupied housing units	2,904	(X)
Average household size of owner-occupied units	2.61	(X)
Renter-occupied housing units	255	18.7
Population in renter-occupied housing units	679	(X)
Average household size of renter-occupied units	2.66	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.



QT-P21

Disability Status by Sex: 2000

Census 2000 Summary File 3 (SF 3) - Sample Data

NOTE: Data based on a sample except in P3, P4, H3, and H4. For information on confidentiality protection, sampling error, nonsampling error, definitions, and count corrections see <http://www.census.gov/prod/cen2000/doc/sf3.pdf>

Disability status of the civilian noninstitutional population	Census Tract 42.02, McLennan County, Texas		
	Both sexes	Male	Female
Population 5 years and over	3,136	1,593	1,543
With a disability	593	326	267
Percent with a disability	18.9	20.5	17.3
Population 5 to 15 years	578	318	260
With a disability	26	25	1
Percent with a disability	4.5	7.9	0.4
Sensory	5	5	0
Physical	4	4	0
Mental	25	24	1
Self-care	0	0	0
Population 16 to 64 years	2,204	1,101	1,103
With a disability	419	248	171
Percent with a disability	19.0	22.5	15.5
Sensory	31	27	4
Physical	159	115	44
Mental	60	40	20
Self-care	27	18	9
Going outside the home	114	64	50
Employment disability	290	156	134
Population 65 years and over	354	174	180
With a disability	148	53	95
Percent with a disability	41.8	30.5	52.8
Sensory	67	36	31
Physical	121	44	77
Mental	71	29	42
Self-care	52	17	35
Going outside the home	85	38	47
Population 18 to 34 years	620	333	287
With a disability	112	81	31
Percent enrolled in college or graduate school	17.9	21.0	9.7
Percent not enrolled and with a bachelor's degree or higher	3.6	2.5	6.5
No disability	508	252	256
Percent enrolled in college or graduate school	14.8	15.5	14.1
Percent not enrolled and with a bachelor's degree or higher	10.6	7.9	13.3
Population 21 to 64 years	1,894	945	949
With a disability	390	223	167
Percent employed	60.5	50.7	73.7
No disability	1,504	722	782
Percent employed	82.2	91.8	73.4

total
2204
354
2558
16-64
65 Plus
total

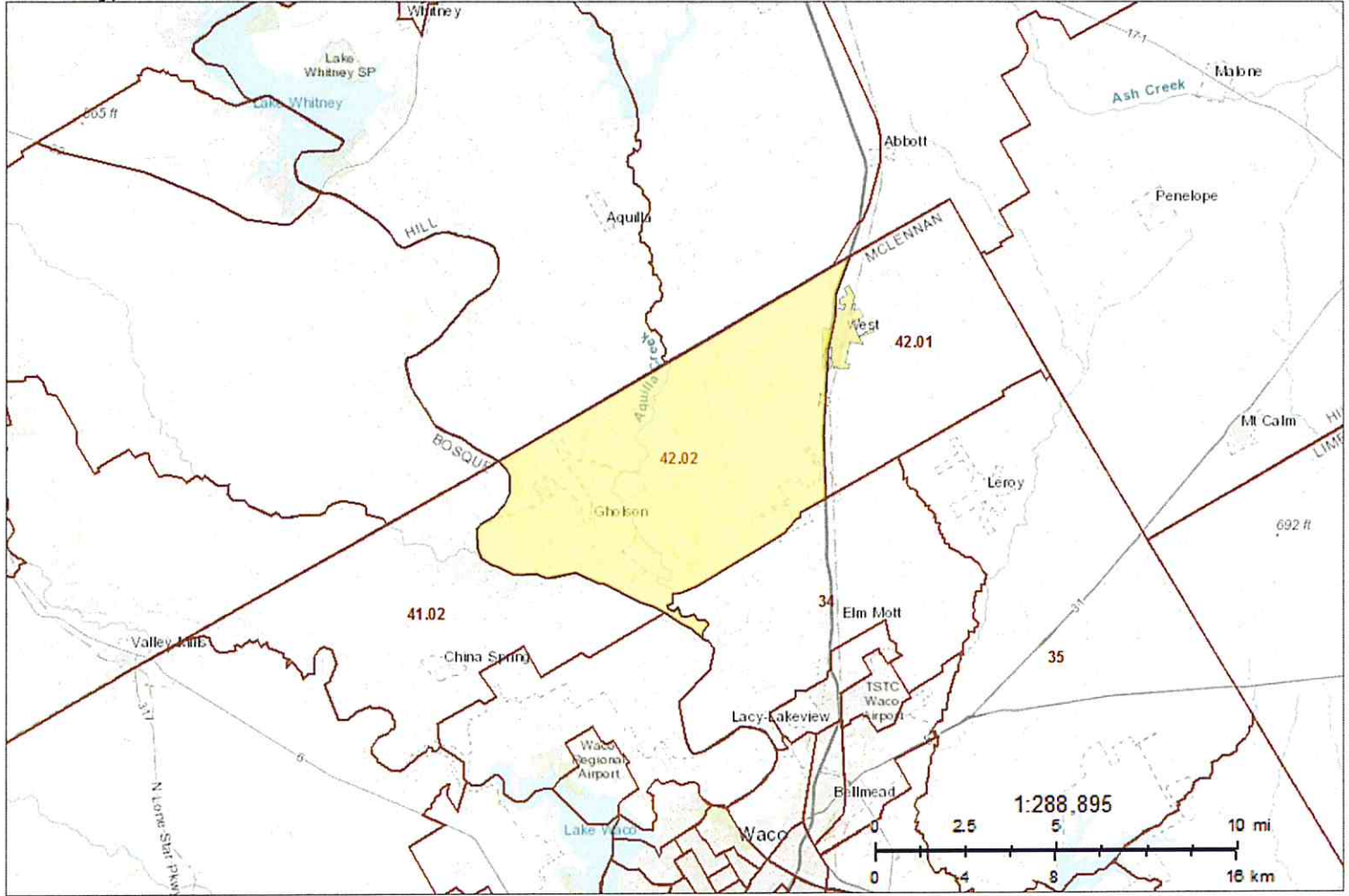
Disabled
419
148
567
16-64
65 Plus

22%
↑
567 ÷ 2558

(X) Not applicable.

Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrices P42, PCT26, PCT27, PCT28, PCT29, PCT30, PCT31, PCT32, and PCT33.

West City, Texas



Legend

Your Selections

- 2016 boundaries were used to map 'Your Selections'

Selection Results

No Legend

Boundaries

No Legend



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/dpsf.pdf>.

Geography: West city, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	2,807	100.0
Under 5 years	161	5.7
5 to 9 years	206	7.3
10 to 14 years	217	7.7
15 to 19 years	214	7.6
20 to 24 years	145	5.2
25 to 29 years	156	5.6
30 to 34 years	178	6.3
35 to 39 years	155	5.5
40 to 44 years	165	5.9
45 to 49 years	205	7.3
50 to 54 years	171	6.1
55 to 59 years	135	4.8
60 to 64 years	109	3.9
65 to 69 years	98	3.5
70 to 74 years	100	3.6
75 to 79 years	122	4.3
80 to 84 years	117	4.2
85 years and over	153	5.5
Median age (years)	38.9	(X)
16 years and over	2,170	77.3
18 years and over	2,077	74.0
21 years and over	1,988	70.8
62 years and over	642	22.9
65 years and over	590	21.0
Male population		
Under 5 years	93	3.3
5 to 9 years	105	3.7
10 to 14 years	116	4.1
15 to 19 years	122	4.3
20 to 24 years	74	2.6
25 to 29 years	77	2.7
30 to 34 years	82	2.9
35 to 39 years	71	2.5
40 to 44 years	86	3.1
45 to 49 years	101	3.6
50 to 54 years	88	3.1
55 to 59 years	63	2.2
60 to 64 years	42	1.5

Subject	Number	Percent
65 to 69 years	34	1.2
70 to 74 years	47	1.7
75 to 79 years	42	1.5
80 to 84 years	41	1.5
85 years and over	36	1.3
Median age (years)	34.5	(X)
16 years and over	975	34.7
18 years and over	921	32.8
21 years and over	875	31.2
62 years and over	217	7.7
65 years and over	200	7.1
Female population	1,487	53.0
Under 5 years	68	2.4
5 to 9 years	101	3.6
10 to 14 years	101	3.6
15 to 19 years	92	3.3
20 to 24 years	71	2.5
25 to 29 years	79	2.8
30 to 34 years	96	3.4
35 to 39 years	84	3.0
40 to 44 years	79	2.8
45 to 49 years	104	3.7
50 to 54 years	83	3.0
55 to 59 years	72	2.6
60 to 64 years	67	2.4
65 to 69 years	64	2.3
70 to 74 years	53	1.9
75 to 79 years	80	2.9
80 to 84 years	76	2.7
85 years and over	117	4.2
Median age (years)	43.0	(X)
16 years and over	1,195	42.6
18 years and over	1,156	41.2
21 years and over	1,113	39.7
62 years and over	425	15.1
65 years and over	390	13.9
RACE		
Total population	2,807	100.0
One Race	2,748	97.9
White	2,442	87.0
Black or African American	99	3.5
American Indian and Alaska Native	9	0.3
Asian	4	0.1
Asian Indian	1	0.0
Chinese	0	0.0
Filipino	1	0.0
Japanese	0	0.0
Korean	0	0.0
Vietnamese	0	0.0
Other Asian [1]	2	0.1
Native Hawaiian and Other Pacific Islander	0	0.0
Native Hawaiian	0	0.0
Guamanian or Chamorro	0	0.0
Samoan	0	0.0

Subject	Number	Percent
Other Pacific Islander [2]	0	0.0
Some Other Race	194	6.9
Two or More Races	59	2.1
White; American Indian and Alaska Native [3]	15	0.5
White; Asian [3]	2	0.1
White; Black or African American [3]	9	0.3
White; Some Other Race [3]	30	1.1
Race alone or in combination with one or more other races: [4]		
White	2,499	89.0
Black or African American	110	3.9
American Indian and Alaska Native	24	0.9
Asian	6	0.2
Native Hawaiian and Other Pacific Islander	1	0.0
Some Other Race	226	8.1
HISPANIC OR LATINO		
Total population	2,807	100.0
Hispanic or Latino (of any race)	387	13.8
Mexican	368	13.1
Puerto Rican	1	0.0
Cuban	0	0.0
Other Hispanic or Latino [5]	18	0.6
Not Hispanic or Latino	2,420	86.2
HISPANIC OR LATINO AND RACE		
Total population	2,807	100.0
Hispanic or Latino	387	13.8
White alone	157	5.6
Black or African American alone	4	0.1
American Indian and Alaska Native alone	2	0.1
Asian alone	1	0.0
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	194	6.9
Two or More Races	29	1.0
Not Hispanic or Latino	2,420	86.2
White alone	2,285	81.4
Black or African American alone	95	3.4
American Indian and Alaska Native alone	7	0.2
Asian alone	3	0.1
Native Hawaiian and Other Pacific Islander alone	0	0.0
Some Other Race alone	0	0.0
Two or More Races	30	1.1
RELATIONSHIP		
Total population	2,807	100.0
In households	2,670	95.1
Householder	1,090	38.8
Spouse [6]	497	17.7
Child	853	30.4
Own child under 18 years	650	23.2
Other relatives	143	5.1
Under 18 years	72	2.6
65 years and over	14	0.5
Nonrelatives	87	3.1
Under 18 years	8	0.3
65 years and over	2	0.1
Unmarried partner	53	1.9
In group quarters	137	4.9

Subject	Number	Percent
Institutionalized population	137	4.9
Male	28	1.0
Female	109	3.9
Noninstitutionalized population	0	0.0
Male	0	0.0
Female	0	0.0
HOUSEHOLDS BY TYPE		
Total households	1,090	100.0
Family households (families) [7]	710	65.1
With own children under 18 years	351	32.2
Husband-wife family	497	45.6
With own children under 18 years	226	20.7
Male householder, no wife present	49	4.5
With own children under 18 years	27	2.5
Female householder, no husband present	164	15.0
With own children under 18 years	98	9.0
Nonfamily households [7]	380	34.9
Householder living alone	346	31.7
Male	125	11.5
65 years and over	48	4.4
Female	221	20.3
65 years and over	138	12.7
Households with individuals under 18 years	388	35.6
Households with individuals 65 years and over	360	33.0
Average household size	2.45	(X)
Average family size [7]	3.10	(X)
HOUSING OCCUPANCY		
Total housing units	1,219	100.0
Occupied housing units	1,090	89.4
Vacant housing units	129	10.6
For rent	23	1.9
Rented, not occupied	3	0.2
For sale only	20	1.6
Sold, not occupied	7	0.6
For seasonal, recreational, or occasional use	11	0.9
All other vacants	65	5.3
Homeowner vacancy rate (percent) [8]	2.7	(X)
Rental vacancy rate (percent) [9]	5.6	(X)
HOUSING TENURE		
Occupied housing units	1,090	100.0
Owner-occupied housing units	705	64.7
Population in owner-occupied housing units	1,775	(X)
Average household size of owner-occupied units	2.52	(X)
Renter-occupied housing units	385	35.3
Population in renter-occupied housing units	895	(X)
Average household size of renter-occupied units	2.32	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six

percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.



QT-P21

Disability Status by Sex: 2000

Census 2000 Summary File 3 (SF 3) - Sample Data

NOTE: Data based on a sample except in P3, P4, H3, and H4. For information on confidentiality protection, sampling error, nonsampling error, definitions, and count corrections see <http://www.census.gov/prod/cen2000/doc/sf3.pdf>

Disability status of the civilian noninstitutional population	West city, Texas		
	Both sexes	Male	Female
Population 5 years and over	2,397	1,141	1,256
With a disability	522	237	285
Percent with a disability	21.8	20.8	22.7
Population 5 to 15 years	436	240	196
With a disability	12	12	0
Percent with a disability	2.8	5.0	0.0
Sensory	0	0	0
Physical	0	0	0
Mental	12	12	0
Self-care	0	0	0
Population 16 to 64 years	1,451	725	726
With a disability	287	133	154
Percent with a disability	19.8	18.3	21.2
Sensory	40	15	25
Physical	52	25	27
Mental	34	11	23
Self-care	18	10	8
Going outside the home	97	31	66
Employment disability	227	103	124
Population 65 years and over	510	176	334
With a disability	223	92	131
Percent with a disability	43.7	52.3	39.2
Sensory	64	19	45
Physical	106	37	69
Mental	52	7	45
Self-care	39	6	33
Going outside the home	142	47	95
Population 18 to 34 years	547	251	296
With a disability	119	42	77
Percent enrolled in college or graduate school	23.5	31.0	19.5
Percent not enrolled and with a bachelor's degree or higher	7.6	0.0	11.7
No disability	428	209	219
Percent enrolled in college or graduate school	16.4	13.4	19.2
Percent not enrolled and with a bachelor's degree or higher	21.5	21.1	21.9
Population 21 to 64 years	1,287	635	652
With a disability	261	125	136
Percent employed	60.5	52.8	67.6
No disability	1,026	510	516
Percent employed	83.7	92.5	75.0

1451
510

1961

287
223

510

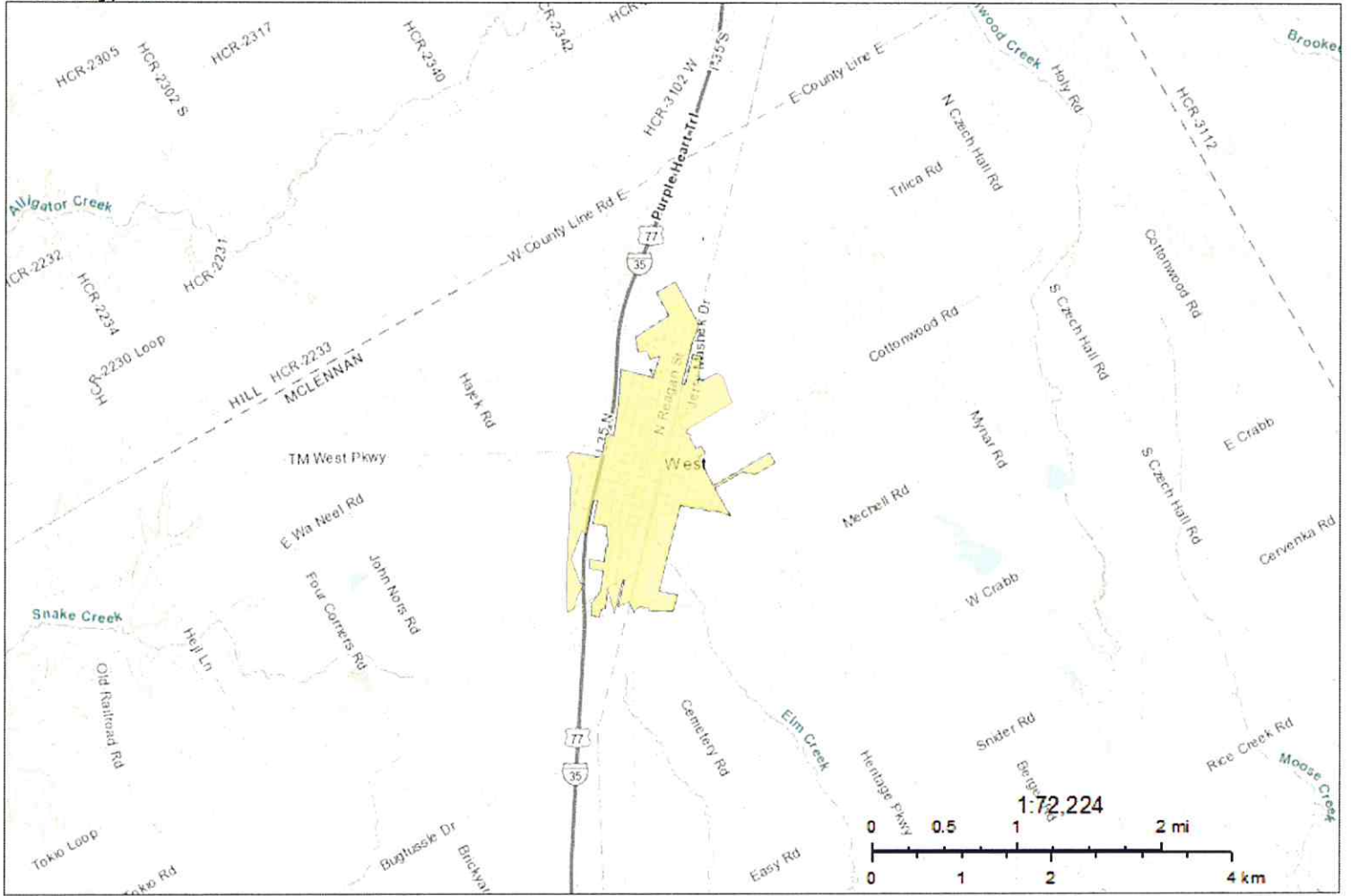
510 ÷ 1961

.26

(X) Not applicable.

Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrices P42, PCT26, PCT27, PCT28, PCT29, PCT30, PCT31, PCT32, and PCT33.

West City, Texas



Legend

Your Selections

- 2016 boundaries were used to map 'Your Selections'

Selection Results

No Legend

Boundaries

No Legend



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

Geography: McLennan County, Texas

Subject	Number	Percent
SEX AND AGE		
Total population	234,906	100.0
Under 5 years	16,642	7.1
5 to 9 years	16,483	7.0
10 to 14 years	16,275	6.9
15 to 19 years	20,604	8.8
20 to 24 years	23,223	9.9
25 to 29 years	16,186	6.9
30 to 34 years	14,193	6.0
35 to 39 years	13,469	5.7
40 to 44 years	13,346	5.7
45 to 49 years	15,128	6.4
50 to 54 years	15,077	6.4
55 to 59 years	13,690	5.8
60 to 64 years	11,331	4.8
65 to 69 years	8,452	3.6
70 to 74 years	6,736	2.9
75 to 79 years	5,521	2.4
80 to 84 years	4,363	1.9
85 years and over	4,187	1.8
Median age (years)	32.7	(X)
16 years and over	182,087	77.5
18 years and over	175,161	74.6
21 years and over	159,341	67.8
62 years and over	35,702	15.2
65 years and over	29,259	12.5
Male population	114,169	48.6
Under 5 years	8,657	3.7
5 to 9 years	8,296	3.5
10 to 14 years	8,425	3.6
15 to 19 years	10,386	4.4
20 to 24 years	11,172	4.8
25 to 29 years	8,107	3.5
30 to 34 years	6,989	3.0
35 to 39 years	6,506	2.8
40 to 44 years	6,442	2.7
45 to 49 years	7,439	3.2
50 to 54 years	7,365	3.1
55 to 59 years	6,522	2.8
60 to 64 years	5,444	2.3

Subject	Number	Percent
65 to 69 years	3,912	1.7
70 to 74 years	3,069	1.3
75 to 79 years	2,392	1.0
80 to 84 years	1,716	0.7
85 years and over	1,330	0.6
Median age (years)	31.4	(X)
16 years and over	86,982	37.0
18 years and over	83,358	35.5
21 years and over	75,808	32.3
62 years and over	15,470	6.6
65 years and over	12,419	5.3
Female population	120,737	51.4
Under 5 years	7,985	3.4
5 to 9 years	8,187	3.5
10 to 14 years	7,850	3.3
15 to 19 years	10,218	4.3
20 to 24 years	12,051	5.1
25 to 29 years	8,079	3.4
30 to 34 years	7,204	3.1
35 to 39 years	6,963	3.0
40 to 44 years	6,904	2.9
45 to 49 years	7,689	3.3
50 to 54 years	7,712	3.3
55 to 59 years	7,168	3.1
60 to 64 years	5,887	2.5
65 to 69 years	4,540	1.9
70 to 74 years	3,667	1.6
75 to 79 years	3,129	1.3
80 to 84 years	2,647	1.1
85 years and over	2,857	1.2
Median age (years)	34.1	(X)
16 years and over	95,105	40.5
18 years and over	91,803	39.1
21 years and over	83,533	35.6
62 years and over	20,232	8.6
65 years and over	16,840	7.2
RACE		
Total population	234,906	100.0
One Race	229,101	97.5
White	164,037	69.8
Black or African American	34,767	14.8
American Indian and Alaska Native	1,473	0.6
Asian	3,220	1.4
Asian Indian	697	0.3
Chinese	610	0.3
Filipino	377	0.2
Japanese	95	0.0
Korean	413	0.2
Vietnamese	501	0.2
Other Asian [1]	527	0.2
Native Hawaiian and Other Pacific Islander	107	0.0
Native Hawaiian	35	0.0
Guamanian or Chamorro	31	0.0
Samoan	11	0.0

Subject	Number	Percent
Other Pacific Islander [2]	30	0.0
Some Other Race	25,497	10.9
Two or More Races	5,805	2.5
White; American Indian and Alaska Native [3]	812	0.3
White; Asian [3]	655	0.3
White; Black or African American [3]	1,373	0.6
White; Some Other Race [3]	1,797	0.8
Race alone or in combination with one or more other races: [4]		
White	168,987	71.9
Black or African American	36,894	15.7
American Indian and Alaska Native	2,708	1.2
Asian	4,169	1.8
Native Hawaiian and Other Pacific Islander	280	0.1
Some Other Race	27,975	11.9
HISPANIC OR LATINO		
Total population	234,906	100.0
Hispanic or Latino (of any race)	55,471	23.6
Mexican	49,376	21.0
Puerto Rican	969	0.4
Cuban	177	0.1
Other Hispanic or Latino [5]	4,949	2.1
Not Hispanic or Latino	179,435	76.4
HISPANIC OR LATINO AND RACE		
Total population	234,906	100.0
Hispanic or Latino	55,471	23.6
White alone	25,742	11.0
Black or African American alone	875	0.4
American Indian and Alaska Native alone	769	0.3
Asian alone	92	0.0
Native Hawaiian and Other Pacific Islander alone	23	0.0
Some Other Race alone	25,262	10.8
Two or More Races	2,708	1.2
Not Hispanic or Latino	179,435	76.4
White alone	138,295	58.9
Black or African American alone	33,892	14.4
American Indian and Alaska Native alone	704	0.3
Asian alone	3,128	1.3
Native Hawaiian and Other Pacific Islander alone	84	0.0
Some Other Race alone	235	0.1
Two or More Races	3,097	1.3
RELATIONSHIP		
Total population	234,906	100.0
In households	225,821	96.1
Householder	86,892	37.0
Spouse [6]	40,562	17.3
Child	67,145	28.6
Own child under 18 years	50,334	21.4
Other relatives	16,514	7.0
Under 18 years	7,695	3.3
65 years and over	1,634	0.7
Nonrelatives	14,708	6.3
Under 18 years	905	0.4
65 years and over	409	0.2
Unmarried partner	4,963	2.1
In group quarters	9,085	3.9

Subject	Number	Percent
Institutionalized population	3,960	1.7
Male	2,365	1.0
Female	1,595	0.7
Noninstitutionalized population	5,125	2.2
Male	2,369	1.0
Female	2,756	1.2
HOUSEHOLDS BY TYPE		
Total households	86,892	100.0
Family households (families) [7]	57,663	66.4
With own children under 18 years	26,117	30.1
Husband-wife family	40,562	46.7
With own children under 18 years	16,730	19.3
Male householder, no wife present	4,313	5.0
With own children under 18 years	2,102	2.4
Female householder, no husband present	12,788	14.7
With own children under 18 years	7,285	8.4
Nonfamily households [7]	29,229	33.6
Householder living alone	22,763	26.2
Male	10,059	11.6
65 years and over	2,219	2.6
Female	12,704	14.6
65 years and over	5,646	6.5
Households with individuals under 18 years	30,062	34.6
Households with individuals 65 years and over	20,744	23.9
Average household size	2.60	(X)
Average family size [7]	3.15	(X)
HOUSING OCCUPANCY		
Total housing units	95,124	100.0
Occupied housing units	86,892	91.3
Vacant housing units	8,232	8.7
For rent	3,519	3.7
Rented, not occupied	78	0.1
For sale only	1,092	1.1
Sold, not occupied	390	0.4
For seasonal, recreational, or occasional use	458	0.5
All other vacants	2,695	2.8
Homeowner vacancy rate (percent) [8]	2.0	(X)
Rental vacancy rate (percent) [9]	9.2	(X)
HOUSING TENURE		
Occupied housing units	86,892	100.0
Owner-occupied housing units	52,244	60.1
Population in owner-occupied housing units	141,237	(X)
Average household size of owner-occupied units	2.70	(X)
Renter-occupied housing units	34,648	39.9
Population in renter-occupied housing units	84,584	(X)
Average household size of renter-occupied units	2.44	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.



QT-P21

Disability Status by Sex: 2000

Census 2000 Summary File 3 (SF 3) - Sample Data

NOTE: Data based on a sample except in P3, P4, H3, and H4. For information on confidentiality protection, sampling error, nonsampling error, definitions, and count corrections see <http://www.census.gov/prod/cen2000/doc/sf3.pdf>

Disability status of the civilian noninstitutional population	McLennan County, Texas		
	Both sexes	Male	Female
Population 5 years and over	194,004	93,137	100,867
With a disability	40,554	19,914	20,640
Percent with a disability	20.9	21.4	20.5
Population 5 to 15 years	34,821	17,889	16,932
With a disability	1,978	1,267	711
Percent with a disability	5.7	7.1	4.2
Sensory	374	186	188
Physical	295	191	104
Mental	1,577	1,031	546
Self-care	233	158	75
Population 16 to 64 years	133,491	64,880	68,611
With a disability	26,724	14,061	12,663
Percent with a disability	20.0	21.7	18.5
Sensory	3,643	2,031	1,612
Physical	8,929	4,389	4,540
Mental	5,471	2,800	2,671
Self-care	2,607	1,211	1,396
Going outside the home	9,118	4,472	4,646
Employment disability	16,459	9,073	7,386
Population 65 years and over	25,692	10,368	15,324
With a disability	11,852	4,586	7,266
Percent with a disability	46.1	44.2	47.4
Sensory	3,902	1,782	2,120
Physical	8,396	3,116	5,280
Mental	3,013	1,101	1,912
Self-care	2,894	932	1,962
Going outside the home	6,002	1,785	4,217
Population 18 to 34 years	56,472	27,635	28,837
With a disability	7,896	4,264	3,632
Percent enrolled in college or graduate school	22.3	24.0	20.3
Percent not enrolled and with a bachelor's degree or higher	4.2	4.8	3.6
No disability	48,576	23,371	25,205
Percent enrolled in college or graduate school	37.2	37.4	37.0
Percent not enrolled and with a bachelor's degree or higher	9.3	8.1	10.5
Population 21 to 64 years	111,691	54,397	57,294
With a disability	24,060	12,721	11,339
Percent employed	58.4	61.9	54.5
No disability	87,631	41,676	45,955
Percent employed	75.9	83.3	69.2

133491
25692

159183

26724
11852

38576

(X) Not applicable.

Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrices P42, PCT26, PCT27, PCT28, PCT29, PCT30, PCT31, PCT32, and PCT33.



HAMILTON PROPERTIES CORPORATION
PO BOX 162358
FORT WORTH, TX 76161
817-514-6767

RELAY: 611

FAX: 817-514-6768

Sample

Heart of Texas Regional MHMR Center
Executive Director
Barbara Tate
PO Box 890
110 W. 12th St.
Waco, TX 76703

February 1, 2019

Dear Ms. Tate,

Golden Trails is a 45-Unit senior apartment community in West, Texas. We currently are pre-renting our newly constructed apartment community. These apartment homes are one and two bedroom units, and are available to citizens that are in the very low to low income brackets. The residents will need to be of legal age, handicapped, disabled, and older than 55 years of age. We have handicapped accessible units available and all areas are accessible to the handicapped and disabled. This newly constructed apartment community has an exercise room, computer room, laundry room, community room and community garden. Please see the attached document for additional amenities.

According to the Affirmative Fair Housing Marketing Plan, we are informing you of these apartments. Please inform any interested citizens in your community of these apartments.

If you should have any additional questions or concerns, please feel free to contact the Manager: *(To be determined)* at (254) ???-?????. The TDD number for the hearing impaired is # 711. Para solicitar un apartamento favor llama a *(To be determined)*, al siguiente numero (254) ???-?????. Thank you for your time and assistance with this matter.

Sincerely,

Tina Anderson
District Manager/Chief Accountant



This institution is an equal opportunity provider, and employer





GOLDEN TRAIL APARTMENTS
???? MELODIE DRIVE
WEST, TEXAS 76691

Sample

1 AND 2 BEDROOM APARTMENTS AVAILABLE

APARTAMENTOS DE 1 O 2 DORMITORIOS DISPONIBLES

**HANDICAPPED ACCESSIBLE UNITS
FOR ANYONE 55 YEARS OF AGE OR OLDER**

**UNIDADES ACCESIBLES DISCAPACITADAS PARA CUALQUIER PERSONA DE 55 AÑOS DE
EDAD O MAYOR**

**CENTRAL HEAT AND AIR CONDITIONING,
CARPETED, STOVE, REFRIGERATOR, MICROWAVE IN-UNIT,
WASHER AND DRYER CONNECTIONS, DISHWASHER**

**CALEFACCIÓN CENTRAL Y AIRE ACONDICIONADO, ALFOMBRAS, ESTUFA,
REFRIGERADOR, MICROONDAS EN LA UNIDAD, CONEXIONES DE LA LAVADORA Y
SECADORA, LAVAVAJILLAS**

LAUNDRY ROOM and COMMUNITY ROOM

LAVANDERÍA Y SALA COMUNITARIA

**To be determined, MANAGER (ADMINISTRADORA)
OFFICE: (254)???-???? Relay Number: 711**

EQUAL HOUSING OPPORTUNITY

OPORTUNIDAD DE VIVIENDAS IGUALITARIAS

**MANAGED BY: HAMILTON PROPERTIES CORPORATION
ADMINISTRADO POR: CORPORACION HAMILTON PROPIEDADES
(817) 514-6767 (817) 514-6768 FAX**

**This institution is an equal opportunity
provider, and employer.**

Esta institucion es un proveedor y empleador de igualdad de oportunidades.



2018 HTC Full Application

Part 5 Tab 45

Credit Limit Documentation

Applicant Credit Limit Documentation and Certification (Competitive HTC Only)

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of Competitive Housing Tax Credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor (unless the Guarantor is also the General Contractor, and is not a Principal of the Applicant, Developer, or Affiliate of the Development Owner). All Applications must be identified herein to ensure that the Department is advised of all Applications, Applicants, Affiliates, Developers, General Partners or Guarantors involved to avoid any statutory violation of Texas Government Code, §2306.6711(b).

Instructions:

Complete Part I of this form. For each person or entity in Part I that answers "Yes" to Part I b., a Part II form must be submitted (i.e. if 4 persons/entities answer "Yes" to Part I b., then 4 separate Part II forms must be provided).

Part I. Applicant Credit Limit Documentation

a. Applicant, Developers, Affiliates, and Guarantors - List below all entities or Persons meeting the definition of Applicant, Affiliate, Developer or Guarantor.	b. Person/entity has at least one other application in the current Application Round.	
1. NA		
2.		
3.		
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29.		
30.		

Individually, or as the General Partner(s) of officer(s) of the Applicant entity, I (we) certify that we are submitting behind this tab one signed Credit Limit Certification form for each person and/or entity that answered "Yes" to Part b. above.

By: _____ Its: _____
Signature of Applicant
Date

2018 HTC Full Application

Part 7 Tab 46

Community Input Scoring Items

NA

Community Input Scoring Items

TDHCA#:

1. Local Government Support - §11.9(d)(1)

- Resolution(s) of either "no objection" or "support" is included behind this tab.**
** Note that resolutions are due March 1, 2018

2. Community Support from State Representative - §11.9(d)(5)

- Letter of either "support" or "opposition" is included behind this tab.**
** Note that letters are due March 1, 2018

3. Input from Community Organizations - §11.9(d)(6)

- Applicant has included one or more letters of support or opposition behind this tab.

List information for each of the letters below:

A. NA

Name of Community Organization

Contact Name

Support

Opposition

B.

Name of Community Organization

Contact Name

Support

Opposition

C.

Name of Community Organization

Contact Name

Support

Opposition

D.

Name of Community Organization

Contact Name

Support

Opposition

E.

Name of Community Organization

Contact Name

Support

Opposition

F.

Name of Community Organization

Contact Name

Support

Opposition

2018 HTC Full Application

Part 7 Tab 46

Local Government Support
and
Support from State
Representative

NA

2018 HTC Full Application

Part 6 Tab 47

Third Party Reports

Required Third Party Reports

Be advised that all third party reports will be posted on the Department's website along with the Application.

Complete the information below as applicable [§10.205].

1. Environmental Site Assessment (ESA) (All Multifamily Applications)

Prepared by: Phase Engineering

Date of Report: 2/2/2018

Report recommends further studies or establishes environmental hazards that currently exist on the Property or off-site with the potential to affect the Property.


If the above box is checked, a statement is provided behind this tab signed by the Development Owner, that certifies the Development Owner will comply with any and all recommendations made by the ESA preparer.

Development is funded by USDA and is not required to supply an ESA.


2. Environmental Clearance (Section 811 PRA and Direct Loan applications only)

All Applications selecting Points for Section 811 PRA Program participation under the Competitive Housing Tax Credit program or Direct Loans must review the Environmental Requirements and Environmental Assurance section of the Section 811 PRA Program Guidelines (§PRA.215) and provide adequate material to meet the tenets. A Phase I Environmental Site Assessment (ESA) will not satisfy the environmental clearance required for use of the Section 811 PRA Program.

All Applications for Direct Loans by the Department must complete an environmental clearance process in accordance with 24 CFR Parts 50 and 58 prior to engaging in choice limiting activities such as closing on land, loans, beginning demolition or construction activities, or entering into construction contracts. A Phase I Environmental Site Assessment (ESA) will not satisfy the environmental clearance required for use of Multifamily Direct Loan funds.

Application selected points for the Section 811 PRA Program and includes documentation for the project participating in the Section 811 PRA Program that the project meets the tenets of HUD environmental policy and the requirements of applicable statutes and authorities. 

Applicant has submitted an environmental packet to TDHCA and determination is pending.

Applicant has reviewed the Environmental Requirements and Environmental Assurance section of the Section 811 PRA Program Guidelines (§PRA.215) and understands that a determination must be received prior to signing the Rental Assistance Contract. 

MFDL Development has already received Environmental Clearance from HUD under 24 CFR Parts 50 or 58.

Documentation of HUD Environmental Clearance is included behind this tab.

Applicant has submitted an environmental packet to TDHCA and clearance is pending. 

Applicant has reviewed the environmental clearance materials available on the Department's website and understands that clearance must be received prior to closing on the loan.

<http://www.tdhca.state.tx.us/program-services/environmental/index.htm>

A Third Party will aid in the completion of the environmental clearance process. If checked, complete the following:

Name of Firm: NA

Contact Person: _____

Contact Telephone: _____

Email: _____

3. Primary Market Area Map

Primary Market Area (PMA) map with definition of PMA is included behind this tab.

Prepared by: Affordable Housing Analysts

Date of Report: 2/9/2017

4. Property Condition Assessment (PCA)

Prepared by: NA

Date of Report: _____

5. Appraisal

Prepared by: NA

Date of Report: _____

6. Site Design and Development Feasibility Report

Prepared by: Adams Engineering & applicant

Date of Report: 2/27/17

**Authority to Use
Grant Funds**

U.S. Department of Housing
and Urban Development
Office of Community
Planning and Development

To: (name and address of Grant Recipient and name/title of Chief Executive Officer)
Homero V. Cabello Jr., Director of Single Family Operation
TDHCA, Program Services
221 East 11th Street
Austin TX 78701

Copy To: (name and address of Subrecipient)

We received your Request for Release of Funds and Certification, form HUD-7015.15, on

11/9/2017

Your Request was for HUD/State Identification Number(s)

M-16-SG-48-0100

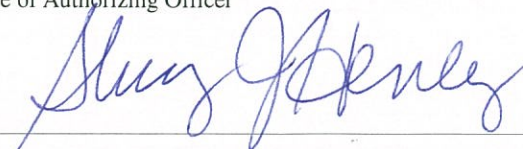
All objections, if received, have been considered, and the minimum waiting period has transpired. You are hereby authorized to use funds provided to you under the above HUD/State Identification Number. File this form for proper record keeping, audit, and inspection purposes.

Multifamily Development/Golden Trails at West

South of Melodie Drive and west of Interstate Highway 35, West, McLennan County, Texas 76691

West Texas Golden Trails LP is proposing to acquire approximately 4.0 acres of undeveloped land and construct a new 45-unit multifamily complex for seniors within the city of West, Texas. The new complex will consist of a single three-story building which will include all of the residential units and leasing and community amenities. Community amenities will include a fitness center, a business center with computers, leasing office, a laundry room, a community room with a kitchen and a garden area. No mitigation measures or permits are required. The project will utilize approximately \$2,100,000 of either HOME or NSP funds, the total estimated cost of the project is approximately \$7,5000,000.

#448

Typed Name of Authorizing Officer Shirley J. Henley	Signature of Authorizing Officer 	Date (mm/dd/yyyy) 11/27/2017
Title of Authorizing Officer CPD Director		


2018 HTC Full Application

Part 6 Tab 47

ESA Statement

**Golden Trails
Additional ESA Certification**

Per the ESA prepared for Golden Trails, West Texas Golden Trails, LP certifies that it will comply with any and all recommendations made by the ESA provider.



J. Ryan Hamilton

11/2/18

Date

2018 HTC Full Application

Part 6 Tab 47

Market Study Map and
Definition

Market Study submitted with HTC Application

2018 HTC Full Application

Part 8

TDHCA Review Tabs

Multifamily Finance Division staff will place scanned copies of deficiency documents behind this tab in the application .pdf

Golden Trails #18506

Multifamily Direct Loan Application Deficiency Response 12/18/2018

Title Commitment/Policy (10.204(12))

The updated Title Policy is attached.

TAB 26: Annual Operating Expenses

The Annual Operating Expenses tab was a single page and was included in the application, also enclosed here.

Please see the enclosed proforma signed by International Bank of Commerce who is the lender and syndicator on the project.

Tab 28. Offsite Costs Breakdown§10.204(8)(E)(ii)

The offsite costs listed in Column D on the form signed by the engineer does match the offsite costs listed in the Development Cost Schedule. The architectural/engineering costs listed in column F of the engineer signed form were included as a soft cost in the Development Cost Schedule. Therefore, the total activity costs listed in column G does not match up to total offsite costs listed in the Development Cost Schedule. No offsite costs are included in eligible basis.

TAB 29:Site Work Cost Breakdown§10.204(8)(E)(ii)

Please see the enclosed site work form signed by the engineer. Site work costs do not exceed \$15,000 per unit.

Tab 31. Financing Narrative and Summary of Sources and Uses of Funds

Please see the enclosed Sources and Uses signed by International Bank of Commerce who is the lender and syndicator on the project.

Tab 33. Matching Funds (Direct Loan Only)

Please see the enclosed evidence of Matching Funds.

Tab 35. Supporting Documentation

Please see the enclosed Construction Loan Agreement which was signed by both parties. It is currently anticipated that construction will be complete in October 2019.

MF Received 12/18/18/cs
10:47 am

**OWNER'S POLICY OF TITLE INSURANCE
ISSUED BY
STEWART TITLE GUARANTY COMPANY**

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS


SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
 - (a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
 - (d) Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or materials having its inception on or before Date of Policy.
3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.

Covered Risks continued on next page.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Countersigned by:



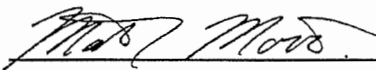
 Authorized Signature

 Stewart Title Guaranty Company
 Company
 Austin TX

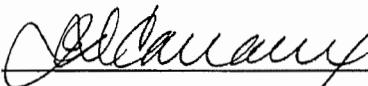
 City, State

stewart
title guaranty company





 Matt Morris
 President and CEO



 Denise Carraux
 Secretary

Policy Serial No. **O-5966-000192172**

COVERED RISKS (continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- (a) the occupancy, use or enjoyment of the Land;
- (b) the character, dimensions or location of any improvement erected on the Land;
- (c) subdivision of land; or
- (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.

8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

9. Title being vested other than as stated in Schedule A or being defective:

- (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or
- (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.

10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- (i) the occupancy, use, or enjoyment of the Land;
- (ii) the character, dimensions or location of any improvement erected on the Land;
- (iii) subdivision of land; or
- (iv) environmental protection;

or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims or other matters:

- (a) created, suffered, assumed or agreed to by the Insured Claimant;
- (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:

- (a) a fraudulent conveyance or fraudulent transfer; or
- (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.

5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

6. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

CONDITIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.

(d) "Insured": the Insured named in Schedule A.

(i) The term "Insured" also includes:

- (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives or next of kin;

CONDITIONS (continued)

(B) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;

(C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title;

(1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) If the grantee wholly owns the named Insured,

(3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) If the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C) and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": an Insured claiming loss or damage.

(f) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": the estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

When, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall

notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefore, issue to the Insured Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend,

CONDITIONS (continued)

prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.
 - (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
 - (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay. Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of:
 - (i) the Amount of Insurance; or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title, as insured,
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance

with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY.

- (a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE.

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS.

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION.

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under

CONDITIONS (continued)

the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim, shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

16. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT.

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at P.O. Box 2029, Houston, TX 77252-2029.

stewart

title guaranty company

ESTABLISHED 1893

INCORPORATED 1908

A NAME

RECOGNIZED NATIONALLY
AS BEING
SYNONYMOUS WITH

QUALITY

stewart

title guaranty company

stewart
title guaranty company

P. O. Box 2029
Houston, Texas 77252

POLICY
OF
TITLE
INSURANCE

STEWART TITLE GUARANTY COMPANY
OWNER'S POLICY OF TITLE INSURANCE T-1
SCHEDULE A

Name and Address of Title Insurance Company:
Stewart Title Guaranty Company
P.O. Box 2029
Houston, TX 77252-9770

File No.: 14701-18-02162 Policy No.: O-5966-000192172
Address for Reference only: Melodie Lane, West, TX 76691
Amount of Insurance: \$9,000,000.00 Premium: 32,596.00
Date of Policy: July 23, 2018 at 04:28 PM

1. Name of Insured:
West Texas Golden Trails, LP
2. The estate or interest in the Land that is insured by this policy is:
Fee Simple as to Tract 1
Easement Estate as to Tract 2, Tract 3 and Tract 4
3. Title is insured as vested in:
West Texas Golden Trails, LP
4. The Land referred to in this policy is described as follows:

TRACT 1:

A 4.00 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called 4.00 acres of land in deed to West Texas Golden Trails, LP, of record as Instrument Number 2017039838 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,
- 2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and northeast corner of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

TRACT 2:

A 0.447 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "C" (0.447 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.447 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres described in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 389.87 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence N 11degrees 11minutes 13seconds E 50.01 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 389.12 feet to a ½ inch iron rod with cap stamped M&A placed for the northeast corner of the herein described parcel of land,

Thence 50.02 feet along a curve to the left having a Radius of 12,275.00 feet and Chord Bearing S 10degrees 19minutes 26seconds W 50.02 feet to the Point of Beginning.

TRACT 3:

A 0.837 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "B" (0.837 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.837 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8 inch iron rod with cap stamped Roden found in the east line of Melodie Drive, 60 foot right-of-way, at the southwest corner of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021528 in the said Official Public Records of McLennan County for the northeast corner of the herein described parcel of land,

Thence 187.74 feet along a curve to the left having a Radius of 542.00 feet and Chord Bearing S 02degrees 16minutes 38seconds W 186.80 feet to a 1½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 198.40 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing S 01degrees 47minutes 44seconds W 197.50 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve and being in the west line of Interstate Highway No. 35 as described in Instrument 2012012324 of the said Official Public Records, from said placed iron a 4 inch Aluminum Disc TxDOT right of way monument bears 131.84 feet along a curve to the right having a Radius of 12,215.00 feet and Chord Bearing N 11degrees 32minutes 46seconds E 131.84 feet,

SCHEDULE A

(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

Thence 221.48 feet along the west line of Interstate Highway No. 35 a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 10degrees 43minutes 03seconds W 221.48 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land, from said placed iron a 4 inch Aluminum Disc TxDOT monument found at the end of the said curve to the left bears S 09degrees 51minutes 05seconds W 147.71 feet,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence 220.58 feet along a line 60 feet westerly of and parallel to the west line of Interstate Highway No. 35, a curve to the right having a Radius of 12,275.00 feet and Chord Bearing N 10degrees 43minutes 19seconds E 220.58 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the right and being at the beginning of a curve to the left,

Thence 178.62 feet along the said curve to the left having a Radius of 542.00 feet and Chord Bearing N 01degrees 47minutes 44seconds E 177.81 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 208.52 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing N 02degrees 16minutes 38seconds E 207.48 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve the southeast corner of Lot 9, Block 1 of the Czech Heritage Addition according to the plat of record as Instrument 2010021531 in the said Official Public Records and being the southwest corner of the current end of Melodie Drive for the northwest corner of the herein described parcel of land.

Thence S 77 degrees 47 minutes 59 seconds E 60.00 feet along the end of Melodie Drive to the POINT OF BEGINNING.

TRACT 4:

A 0.230 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "D" (0.230 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas. Said 0.230 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8-inch iron rod with cap stamped Roden found at the southwest corner of Lot 9, Block 1 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021531 in the Official Public Records of McLennan County, Texas, for the northwest corner of this:

Thence South 77 Degrees 53 Minutes 29 Seconds East a distance of 20.00 feet to a ½ inch iron rod with cap stamped M&A placed in the southwest line of said Lot 9 for the northeast corner of this;

Thence South 12 Degrees 12 Minutes 37 Seconds West a distance of 499.98 feet to a ½ inch iron rod with cap stamped M&A placed in the northeast line of Lot 1, Block 1, West Village Addition to the City of

SCHEDULE A
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas for the southeast corner of this;

Thence North 77 Degrees 54 Minutes 09 Seconds West a distance of 20.00 feet along the northeast line of said Lot 1 to a ½ inch iron rod with cap stamped M&A placed at the southwest corner of this;

Thence North 12 Degrees 12 Minutes 37 Seconds East a distance of 499.99 feet to the Point of Beginning.

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description as to the area or quantity of land is not a representation that such area or quantity is correct, but is made solely for informational and/or identification purposes and does not override the exception contained in Schedule B Item 2 herein.

Stewart Title Guaranty Company

By:  _____
Authorized Officer or Agent

SCHEDULE B

File No.: 14701-18-02162

Policy No.: O-5966-000192172

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A, and the following matters:

1. The following restrictive covenants of record itemized below:

Instrument Nos. 2017039838 (affects Tract 1 only); 2018002401 (affects Tracts 1, 2 and 3 only), 2018025714 (affects Tracts 1, 2, 3 and 4) Official Public Records, McLennan County, Texas.

(Note: To the extent that these restrictions violate 42 USC 3604(c) by indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, such restrictions are hereby omitted.)
2. Shortages in area.
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities,
 - (a) to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - (b) to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - (c) to filled-in lands, or artificial islands, or
 - (d) to statutory water rights, including riparian rights, or
 - (e) to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year 2018, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception).
 - a. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

SCHEDULE B
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

- b. Mineral and/or royalty interest in all of the oil, gas, and other minerals and/or other substances in and under the subject property, including royalties, bonuses, rentals, ingress/egress and all other rights as set out in the Special Warranty Deed from NationsBank of Texas, National Association, as Trustee of Testamentary Trust created in the Will of Floyd Casey, Deceased, Lois Smith f/k/a Lois Murry by and through her duly appointed and authorized attorney-in-fact, Lowell C. Douglas, Floyd C. Smith, and William Casey Winkelman to Jerrel Bolton, dated October 6, 1993, recorded on October 12, 1993 in Volume 1792, Page 281, Official Public Records, McLennan County, Texas, together with all rights, express or implied, in and to the subject property, arising out of or connected with said interest, reference to which instrument is here made for all purposes. Title to said interest has not been investigated subsequent to the date of the aforesaid instrument. The Company makes no representation to the present ownership of this interest.
- c. Terms, conditions and provisions of that certain non-exclusive Easement Agreement by and between Bolton Body Shop Ltd. and West Texas Golden Trails, LP, dated November 25, 2017, recorded December 5, 2017 in Instrument No. 2017039839, Official Public Records, McLennan County, Texas, as affected by First Amendment to Easement Agreement recorded June 27, 2018 in instrument No. 2018021420, Official Public Records McLennan County, Texas.
- d. Any and all liens arising by reason of unpaid bills or claims for work performed or material furnished in connection with improvements placed, or to be placed, upon the subject land. However, the Company does insure the Insured against loss, if any, sustained by the Insured under this Policy if such liens have been filed with the County Clerk of McLennan County, Texas, prior to the date hereof.

Liability hereunder at the date hereof is limited to \$1,670,123.07. Liability shall increase as contemplated improvements are made, so that any loss payable hereunder shall be limited to said sum plus the amount actually expended by the Insured in improvements at the time the loss occurs. Any expenditures made for improvements, subsequent to the date of this policy, will be deemed made as of the date of this policy. In no event shall the liability of the Company hereunder exceed the face amount of this policy. Nothing contained in this paragraph shall be construed as limiting any exception or any printed provision of this policy. (Owner Policy)
- e. Section 14 of the Conditions of this policy is hereby deleted. (Owner Policy)
- f. No liability is assumed for loss, claim or damage arising by virtue of the following, as reflected on survey dated 02/12/2018, prepared by Robert E. Mitchell, RPLS No.5801, Mitchell & Associates, Inc. No. 17-09-10657: fences across easements.
- g. Terms, conditions and provisions of that certain Land Use Restriction Agreement by and between West Texas Golden Trails, LP and Texas Department of Housing and Community Affairs dated July 12, 2018, recorded July 23, 2018 in Instrument No. 2018025714, Official Public Records, McLennan County, Texas.

SCHEDULE B
(Continued)

File No.: 14701-18-02162

Policy No.: O-5966-000192172

- h. Deed of Trust dated July 20, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025715 of the Official Public Records of McLennan County, Texas, from West Texas Golden Trails, LP to Al Villarreal, Trustee(s), securing the payment of one certain promissory note of even date therewith in the principal amount of \$4,000,000.00, payable to the order of International Bank of Commerce.
Collateral Assignment of Leases, Rents and Income from West Texas Golden Trails, LP to International Bank of Commerce dated July 20, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025716 of the Official Public Records of McLennan County, Texas
- i. Deed of Trust dated July 12, 2018 filed on July 23, 2018 recorded in Instrument No. 2018025717 of the Official Public Records of McLennan County, Texas to Timothy K. Irvine of Travis County, Texas, Trustee(s), securing the payment of one certain promissory note of even date therewith in the principal amount of \$2,055,000.00, payable to the order of Texas Department of Housing and Community Affairs.
UCC Financing Statement by and between West Texas Golden Trails, LP (Debtor) and Texas Department of Housing and Community Affairs (Secured Party) filed on July 23, 2018 recorded in Instrument No. 2018025718 of the Official Public Records of McLennan County, Texas

Office File No.	Policy Jacket No.	Date of Endorsement	Amount of Insurance	Type	Premium	Code	Rule
14701-18-02162	O-5966-000192172	July 23, 2018	\$9,000,000.00	EN	\$3,914.10	0895	R-29D

**RESTRICTIONS, ENCROACHMENTS, MINERALS ENDORSEMENT
OWNER'S POLICY (FORM T-19.1)**

Attached to Policy No. O-5966-000192172

Issued by

STEWART TITLE GUARANTY COMPANY

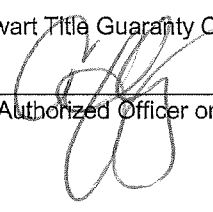
1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. "Improvement" means a building, structure, road, walkway, driveway, or curb, affixed to either the Land or adjoining land and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
 - c. "Private Right" means (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - b. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
 - c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or
 - d. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy based on a transfer of Title on or before Date of Policy that causes a loss of the Insured's Title.
4. The Company insures against loss or damage sustained by reason of:
 - a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policy unless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or

- b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Paragraph 3.c, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances; or
 - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence.
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By:  _____
Authorized Officer or Agent

1	Office File No.	2	Policy Jacket No.	3	Date of Endorsement	4	Amount of Insurance	5	Type	6	Premium	9	Code	Rule
	14701-18-02162		O-5966-000192172		July 23, 2018		\$9,000,000.00		EN		\$50.00		0801	R-29.1

MINERALS AND SURFACE DAMAGE ENDORSEMENT T-19.2

Attached to Policy No. O-5966-000192172

Issued by

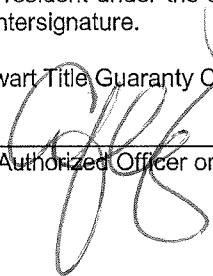
STEWART TITLE GUARANTY COMPANY

The Company insures the insured against loss which the insured shall sustain by reason of damage to improvements (excluding lawns, shrubbery, or trees) located on the Land on or after Date of Policy resulting from the future exercise of any right existing at Date of Policy to use the surface of the Land for the extraction or development of coal, lignite, oil, gas or other minerals excepted or excluded on Schedule A, Item 2 or excepted in Schedule B. This endorsement does not insure against loss resulting from subsidence.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By: 

Authorized Officer or Agent

Office File No.	Policy Jacket No.	Date of Endorsement	Amount of Insurance	Type	Premium	Code	Rule
14701-18-02162	O-5966-000192172	July 23, 2018	\$9,000,000.00	EN	\$100.00	0890	R-30

ACCESS ENDORSEMENT T-23

Attached to Policy No. O-5966-000192172

Issued by

STEWART TITLE GUARANTY COMPANY

The Company insures against loss or damage sustained by the insured if, at Date of Policy: (i) the land does not abut and have both actual vehicular and pedestrian access to and from Melodie Lane via the easement or (ii) the street is not physically open.

This endorsement is made a part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Stewart Title Guaranty Company has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only with it bears an authorized countersignature.

Stewart Title Guaranty Company

By: 
Authorized Officer or Agent

Privacy Policy

Rev. 05/22/2018

North American Title Group Family of Companies

FACTS	WHAT DOES NORTH AMERICAN TITLE GROUP, LLC FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?	
	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number and income • Transaction history and payment history • Purchase history and account balances 	
	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons North American Title Group, LLC Family of Companies ("NATG") chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information	Does NATG share?	Can you limit this sharing?
For our everyday business purposes Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes To offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes Information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes Information about your creditworthiness	No	We don't share
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	No	We don't share
	<ul style="list-style-type: none"> • Visit the following webpage for full instructions and a link to the Opt Out process via our NATTRACK system: www.nat.com/Opt-Out OR • Mail the form below Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	
	Call 1 (844) 654-5408	

Mail-in Form	
If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me.	Mark any/all you want to limit: <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.
	Name
	Address
	City, State, Zip
	Account #

Mail To: North American Title Group, LLC Family of Companies
 ATTN: General Counsel
 760 Northwest 107th Avenue, Suite 400
 Miami, FL 33172

Who we are	
Who is providing this notice?	North American Title Group, LLC Family of Companies (identified below), which offers title insurance and settlement services and property and casualty insurance
What we do	
How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does NATG collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Our affiliates include companies with a Lennar name; financial companies such as Eagle Home Mortgage, Eagle Home Mortgage of California, CalAtlantic Mortgage, Inc., and Rialto Capital Management; and nonfinancial companies, such as Lennar Corporation, Lennar Multifamily Companies, Lennar Commercial, Lennar Homes USA, Lennar Family of Builders, CalAtlantic Homes, Lennar Sales Corp., SPH Title, Inc., Sunstreet Energy Group, Five Point Communities, WCI Communities, LLC, Watermark Realty Referral, Inc., and WCI Realty, Inc.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our behalf, and consumer reporting agencies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> • NATG doesn't jointly market.

The North American Title Group, LLC Family of Companies consists of the following entities:

- | | |
|--|--|
| North American Title Company | North American Abstract Agency |
| North American Title Company, Inc. | NASSA, LLC |
| North American Title Company of Colorado | North American Title, LLC |
| North American Title Insurance Company | North American Advantage Insurance Services, LLC |
| North American Services, LLC | North American National Title Solutions, LLC |
| North American Title Agency, Inc. | North American Title Agency, LLC |
| CalAtlantic Title, Inc. | CalAtlantic Title Atlanta, LLC |
| CalAtlantic Title of Maryland, Inc. | CalAtlantic Title Charleston, LLC |

STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business - to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes - to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes - to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes - information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

Sharing practices

How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • request insurance-related services • provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact Us

If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

Form T-7 Commitment of Title Insurance (Rev. 1/3/14)

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

COMMITMENT FOR TITLE INSURANCE
Issued by
STEWART TITLE GUARANTY COMPANY

We, STEWART TITLE GUARANTY COMPANY, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

In witness whereof, the Company has caused this commitment to be signed and sealed as of the effective date of commitment as shown in Schedule A, the commitment to become valid and binding only when countersigned by an authorized signatory.

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stewart
title guaranty company



Matt Morris

Matt Morris
President and CEO

Denise Carraux

Denise Carraux
Secretary

Form T-7 Commitment of Title Insurance (Rev. 1/3/14)

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.

<p style="text-align: center;">IMPORTANT INFORMATION</p> <p style="text-align: center;">FOR INFORMATION, OR TO MAKE A COMPLAINT CALL OUR TOLL-FREE TELE- PHONE NUMBER</p> <p style="text-align: center;">1-800-729-1902</p> <p style="text-align: center;">ALSO YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT</p> <p style="text-align: center;">1-800-252-3439</p> <p>to obtain information on:</p> <ol style="list-style-type: none">1. filing a complaint against an insurance company or agent,2. whether an insurance company or agent is licensed,3. complaints received against an insurance company or agent.4. policyholder rights, and5. a list of consumer publications and services available through the Department. <p style="text-align: center;">YOU MAY ALSO WRITE TO THE TEXAS DEPARTMENT OF INSURANCE P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 490-1007</p>	<p style="text-align: center;">AVISO IMPORTANTE</p> <p style="text-align: center;">PARA INFORMACION, O PARA SOMETER UNA QUEJA LLAME AL NUMERO GRATIS</p> <p style="text-align: center;">1-800-729-1902</p> <p style="text-align: center;">TAMBIEN PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL</p> <p style="text-align: center;">1-800-252-3439</p> <p>para obtener informacion sobre:</p> <ol style="list-style-type: none">1. como someter una queja en contra de una compania de seguros o agente de seguros,2. si una compania de seguros o agente de seguros tiene licencia,3. quejas recibidas en contra de una compania de seguros o agente de seguros,4. los derechos del asegurado, y5. una lista de publicaciones y servicios para consumidores disponibles a traves del Departamento. <p style="text-align: center;">TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 490-1007</p>
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TEXAS TITLE INSURANCE INFORMATION

<p>Title insurance insures you against loss resulting from certain risks to your title.</p> <p>The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.</p>	<p>El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.</p> <p>El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transaccion.</p>
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Your commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the title insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.
- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.
- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-729-1902 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.
- Allow the Company to add an exception to "rights of parties in possession". If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

SCHEDULE A

Continued

SCHEDULE A

Coifficed

4. Leff decriio of

RC 1

4.00 acre tract in the R.R. Marble tract in McLe... Co... be... called 4.00 acre deed to ... record ... 20170-98-8 in the Official Public Record of McLe... Co... Block 1 ... addition to the City of ... McLe... Co... recorded under ... 2018002401 of the Official Public Record of McLe... Co... 4.00 acre be... more ... described ... Co... 8.

COMM... 4 ... Di... DO... Mo... in the ... 5 ... described in deed to ... 20120124 ... Official Public Record ... 4.688 acre in the deed to ... 2010021528 in the Official Public Record

... 4.688 acre ... the ...

- 1. 12 de... 05 mi... 5 ... 125.72 ... 4 ... Di... DO... mo...
2. 02 de... 49 mi... 17 ... 122.64 ... 4 ... Di... DO... mo...
5 ... 12 215.00 ... Cord Be... 11 de... 01 mi... 6 ... 5 ... i... rod ... M... dced

... 77 de... 54 mi... 09 ... 449.90 ... 4.688 acre to ... i... rod ... M... dced in the ... 4.00 acre

... 11 de... 11 mi... 1 ... 100.01 ... i... rod ... M... dced for the ... 0 ... dced

... 11 de... 11 mi... 1 ... 425.00 ... i... rod ... M... dced for the ... dced

... 77 de... 54 mi... 09 ... 410.00 ... i... rod ... M... dced for the ... dced

... 11 de... 11 mi... 1 ... 425.00 ... i... rod ... M... dced for the ... dced

... 77 de... 54 mi... 09 ... 410.00 ... Be...

RC 2

0.447 acre tract in the R.R. Marble tract in McLe... Co... be... called ... "C" 0.447 acre described in ... Bol... Bod... L... record ... 20170-98-9 in the Official Public Record of McLe... Co... Block 1 ... addition to the City of ... McLe... Co... recorded under ... 2018002401 of the Official Public Record of McLe... Co... 0.447 acre be... more ... described

SCHEDULE A

Continued

Parcel 12 Degree 12 Minute 07 Second E 1/4 of Section 499.98 ...

Parcel 77 Degree 54 Minute 09 Second E 1/4 of Section 20.00 ...

Parcel 12 Degree 12 Minute 07 Second ...

The Commission is prohibited from issuing the ...

SCHEDULE B

Continued

i. All liability arising from or out of any bill or claim for or performed or matter... recorded in connection with improvement placed or to be placed on the subject...

mediation procedure shall proceed on the lot recorded by the lien instrument for... order of the Board of Public Works or the Board of Public Works...

All liability arising from or out of any bill or claim for or performed or matter... recorded in connection with improvement placed or to be placed on the subject...

Liability hereunder shall be limited to the amount of the liability. Liability shall increase... contemplated improvement are made to the subject property...

Section 14 of the Conditions of Sale is hereby deleted. Order of the Board of Public Works

No liability is assumed for loss of claim or damage arising from or out of the following reflected on... recorded 02/12/2018 recorded M 10 2018 recorded by Robert M. Mitchell R/L 0.5801 Mitchell & Associates LLC, Co. 17-09-10657 Reference to Section 2 of the 4.

Section 1 of the Conditions of Sale is hereby deleted. Order of the Board of Public Works

Term condition of the property is hereby deleted. The Restriction of the same shall be... of the same shall be deleted. Deed recorded 2018 in the name of... --Official Public Record of the Board of Public Works

SCHEDULE C

Coiffed

- 9. 02/12/2018 Rober. MicellRL o.5801 Micell societe co. 17-09-10657 received to receive dled ree

NORTH AMERICAN TITLE COMPANY

Charles Budgett

Authorized Director

SCHEDULE D

Continued

If the same person who is both full-time employee of the life insurance company and receives... for the life insurance premium or service performed on behalf of the life insurance company...

For purposes of this paragraph 2, "having, owning or controlling" includes the right to receipt of a percentage of the income or profit from the operation of the business...

Who are entitled to receive advance disclosure of estimated charges in connection with the proposed transaction to which this commitment relates. Such advance disclosure will be made to you...

You are further advised of the estimated life premium:

Owner's Policy	\$	32,596.00
Loan Policy	\$	100.00
Loan Policy	\$	100.00
Endorsement Charges	\$	12,049.35
Total	\$	44,845.35

Of the total amount of \$44,845.35 will be paid to the policyholder life insurance company. The remainder of the estimated premium will be paid to other parties as follows:

Amount	To whom	for service
\$5	Home Bancorp Life Company	life insurance

The estimated premium is based on information provided to us on the date of this Commitment for life insurance. Final determination of the amount of the premium will be made according to the Rule and Regulations adopted by the Commissioner of Insurance.

This commitment is valid only if the information provided is correct and the Board of Directors is satisfied.

DELETION OF ARBITRATION PROVISION

Not applicable to the Real Estate Order Policy

Commitment No. 14701-18-02162

Form No. 14701-18-02162

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute than our state Insurance Company's policyholder's right to arbitrate the dispute. The state Insurance Company's policyholder's right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Whether the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration or to the state Insurance Arbitration Rules of the American Land Title Association ("Rules") as provided in the Rules shall be to bind or consolidate any claim or controversy between the Company and the Insured arising out of or related to this policy or service in connection with its issuance or the breach of this policy or to any other controversy or claim arising out of the relationship between the Insured and the Company. All arbitrable matters under the policy shall be arbitrated unless either the Company or the Insured elects the Insured in its individual capacity and disinterested from all parties. All arbitrable matters under the policy shall be arbitrated unless either the Company or the Insured elects to bind both the Company and the Insured. Arbitration proceedings shall be conducted under the Rules and shall be binding upon the parties and the award rendered by the arbitrator shall be entered in any court of competent jurisdiction."

Policyholder

Date

STG Privacy Notice Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Under our applicable state law and regulations, we reserve the right to limit some business purposes for which we collect your personal information. Under our applicable state law and regulations, we may require you to tell us how we collect your personal information. Please read this notice carefully to understand how we use your personal information and what choices you have. This notice is distributed to you by the applicable Stewart Title Company and is filed with the applicable state or other regulatory authority.

We use your personal information to collect and delete data on the product or service you use. We use your personal information to collect social security numbers and driver license numbers.

All financial companies we use to provide our services are required to share your personal information to run their everyday business—to process transactions and manage customer accounts. In the section below, we list the reasons we share your personal information with other financial companies to provide our services to you.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes — to process your transactions and manage your accounts. This may include routing the bill to you and managing customer accounts. We process your personal information to manage our business and to provide services to you.	<input type="checkbox"/>	<input type="checkbox"/>
For our marketing purposes — to offer our products and services to you.	<input type="checkbox"/>	<input type="checkbox"/>
For joint marketing with other financial companies	<input type="checkbox"/>	<input type="checkbox"/> I do not want to share
For our affiliates' everyday business purposes — information about your transactions and experience. This information is shared with companies that are affiliated with us, such as Stewart Title Company. Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company.	<input type="checkbox"/>	<input type="checkbox"/>
For our affiliates' everyday business purposes — information about your creditworthiness.	<input type="checkbox"/>	<input type="checkbox"/> I do not want to share
For our affiliates to market to you — for our advertising and promotional purposes. We may use your personal information to contact you by email, text, or other means. We may use your personal information to contact you by email, text, or other means. We may use your personal information to contact you by email, text, or other means.	<input type="checkbox"/>	<input type="checkbox"/> I do not want to share
For non-affiliates to market to you. Our affiliates may share your personal information with other companies that are affiliated with us, such as Stewart Title Company. Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company.	<input type="checkbox"/>	<input type="checkbox"/> I do not want to share

We may disclose your personal information to our affiliates or to our agents or other companies that we have hired to help us. We may also disclose your personal information to other companies that we have hired to help us. We may also disclose your personal information to other companies that we have hired to help us. We may also disclose your personal information to other companies that we have hired to help us.

SHARING PRACTICES

How often do the Stewart Title companies notify me about their practices?	We notify you about our practices when we collect your personal information.
How do the Stewart Title Companies protect my personal information?	We protect your personal information from unauthorized access and use. We use physical, technical, and administrative safeguards to protect your personal information. We use physical, technical, and administrative safeguards to protect your personal information.
How do the Stewart Title Companies collect my personal information?	We collect your personal information from the following sources: <ul style="list-style-type: none"> • information you provide to us • information we collect from other sources, such as the red e-ink screen or other information provided to us by the red e-ink screen or other information provided to us by the red e-ink screen or other information provided to us by the red e-ink screen.
What sharing can I limit?	You may limit the sharing of your personal information with our affiliates and other companies. You may limit the sharing of your personal information with our affiliates and other companies.

Contact us: If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

Privacy Policy

Rev. 05/22/2018

North American Title Group Family of Companies

FACTS	WHAT DOES NORTH AMERICAN TITLE GROUP, LLC FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> Social Security number and income Transaction history and payment history Purchase history and account balances 	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons North American Title Group, LLC Family of Companies ("NATG") chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information		Does NATG share?
For our everyday business purposes Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes
For our marketing purposes To offer our products and services to you		Yes
For joint marketing with other financial companies		No
For our affiliates' everyday business purposes Information about your transactions and experiences		No
For our affiliates' everyday business purposes Information about your creditworthiness		Yes
For our affiliates to market to you		No
For nonaffiliates to market to you		Yes
To limit our sharing	<ul style="list-style-type: none"> Visit the following webpage for full instructions and a link to the Opt Out process via our NATTRACK system: www.nat.com/Opt-Out OR Mail the form below Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	
Questions?	Call 1 (844) 654-5408	

Mail-in Form	
If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me.	Mark any/all you want to limit: <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.
	Name
	Address
	City, State, Zip
	Account #

Mail To:
North American Title Group, LLC Family of Companies
ATTN: General Counsel
760 Northwest 107th Avenue, Suite 400
Miami, FL 33172

DELETION OF ARBITRATION PROVISION
 [Co[icced]

Page 2

Who we are	
Who is providing this notice?	North American Title Group, LLC Family of Companies (identified below), which offers title insurance and settlement services and property and casualty insurance
What we do	
How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does NATG collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Our affiliates include companies with a Lennar name; financial companies such as Eagle Home Mortgage, Eagle Home Mortgage of California, CalAtlantic Mortgage, Inc., and Rialto Capital Management; and nonfinancial companies, such as Lennar Corporation, Lennar Multifamily Companies, Lennar Commercial, Lennar Homes USA, Lennar Family of Builders, CalAtlantic Homes, Lennar Sales Corp., SPH Title, Inc., Sunstreet Energy Group, Five Point Communities, WCI Communities, LLC, Watermark Realty Referral, Inc., and WCI Realty, Inc.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our behalf, and consumer reporting agencies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> • NATG doesn't jointly market.

The North American Title Group, LLC Family of Companies consists of the following entities:

- | | |
|--|--|
| North American Title Company | North American Abstract Agency |
| North American Title Company, Inc. | NASSA, LLC |
| North American Title Company of Colorado | North American Title, LLC |
| North American Title Insurance Company | North American Advantage Insurance Services, LLC |
| North American Services, LLC | North American National Title Solutions, LLC |
| North American Title Agency, Inc. | North American Title Agency, LLC |
| CalAtlantic Title, Inc. | CalAtlantic Title Atlanta, LLC |
| CalAtlantic Title of Maryland, Inc. | CalAtlantic Title Charleston, LLC |

LEGAL DESCRIPTION

Continued

Commitment Number 14701-18-02162

McLe... Co... der recorded under Instrument Number 2018002401 of the Official Public Record of McLe... Co... 0.447 acre being more specifically described as follows...

COMM... 4 i... D... M... in the... 0.5 ... 4.688 ... 20120124 ... 4.688 ... 2010021528 ...

... 4.688 ... 0.5 ... 12 ... 05 ... 125.72 ... 4 ... 02 ... 49 ... 17 ... 122.64 ... 4 ... 0.5 ... 12 ... 215.00 ... 11 ... 01 ... 5 ... 1 ...

... 77 ... 54 ... 09 ... 60.0 ... 4.688 ... 11 ... 11 ... 50.01 ... 77 ... 54 ... 09 ... 89.12 ... 10 ... 19 ... 26 ... 50.02 ...

REC...

0.87 acre ... R.R. Marble ... McLe... Co... 0.87 acre ... 20170989 ... 0.87 acre ...

Being ... 8 i... Rode ... Melodie Drive ... 60 ... 2010021528 ...

LEGAL DESCRIPTION

Continued

Commitment Number 14701-18-02162

Acres 187.74 less 0.00 acre to the land of R.D. 542.00 less Cord Be... 02 degree 16 minutes 08 seconds 186.80 less 0.12 acre road... 0.00 less 0.00 acre to the land of...

Acres 198.40 less 0.00 acre to the land of R.D. 602.00 less Cord Be... 01 degree 47 minutes 44 seconds 197.50 less 0.00 acre road... 0.00 less 0.00 acre to the land of... 05 as described in... 20120124 of the said Official Public Record... 4 acre... 11 degree 02 minutes 46 seconds 118.84 less 0.00 acre to the land of R.D. 12215.00 less Cord Be... 11 degree 02 minutes 46 seconds 118.84 less 0.00 acre to the land of...

Acres 221.48 less 0.00 acre to the land of R.D. 12215.00 less Cord Be... 10 degree 04 minutes 00 seconds 221.48 less 0.00 acre road... 0.00 less 0.00 acre to the land of... 09 degree 51 minutes 05 seconds 147.71 less 0.00 acre to the land of...

Acres 77 degree 54 minutes 09 seconds 60.00 less 0.00 acre to the land of... 04 degree 51 minutes 05 seconds 147.71 less 0.00 acre to the land of...

Acres 220.58 less 0.00 acre to the land of R.D. 12275.00 less Cord Be... 10 degree 04 minutes 19 seconds 220.58 less 0.00 acre road... 0.00 less 0.00 acre to the land of... 09 degree 51 minutes 05 seconds 147.71 less 0.00 acre to the land of...

Acres 178.62 less 0.00 acre to the land of R.D. 542.00 less Cord Be... 01 degree 47 minutes 44 seconds 177.81 less 0.00 acre road... 0.00 less 0.00 acre to the land of...

Acres 208.52 less 0.00 acre to the land of R.D. 602.00 less Cord Be... 02 degree 16 minutes 08 seconds 207.48 less 0.00 acre road... 0.00 less 0.00 acre to the land of... 05 as described in... 20100215 of the said Official Public Record... 0.00 less 0.00 acre to the land of... 09 degree 51 minutes 05 seconds 147.71 less 0.00 acre to the land of...

Acres 77 degree 47 minutes 59 seconds 60.00 less 0.00 acre to the land of Melodie Drive to the O.I. O. B. 0.00 less 0.00 acre to the land of...

TRACT 4:

0.20 acre... R.R. Marble... McLe... Co... 0.20 acre... Bol... Bod... Ltd. ... 0.20 acre... 20170989 in the Official Public Record... 0.20 acre... 08...

Be... 8-i... rod... Rode... 0... 0... 0...

LEGAL DESCRIPTION

Continued

Commitment Number 14701-18-02162

Lot 9 Block 1 of the C&C Series Addition to the City of McMinn County Tennessee according to the said addition recorded under Instrument 20100215 in the Official Public Record of McMinn County Tennessee for the Recorder's Office

acre or less 77 Degree 5 Minute 29 second of arc distance of 20.00 feet to the intersection of the said

acre or less 12 Degree 12 Minute 07 second of arc distance of 499.98 feet to the intersection of the said

acre or less 77 Degree 54 Minute 09 second of arc distance of 20.00 feet to the corner of Lot 1 to the intersection of the

acre or less 12 Degree 12 Minute 07 second of arc distance of 499.99 feet to the Point B

Notice: Commitment prohibited from issuing the deed or instrument of the land described herein. Any instrument in the above land description as to the deed or instrument of the land described herein or any instrument in correction of the deed or instrument of the land described herein or identification of the land described herein or identification of the land described herein shall not be effective if it does not comply with the provisions of the applicable law.

ANNUAL OPERATING EXPENSES

General & Administrative Expenses				
Accounting	\$	6,800		
Advertising	\$	1,550		
Legal fees	\$	900		
Leased equipment	\$			
Postage & office supplies	\$	1,400		
Telephone	\$	1,400		
Other	\$	900		
Other	\$	<i>describe</i>		
Total General & Administrative Expenses:			\$	12,950
Management Fee:	Percent of Effective Gross Income:	5.00%	\$	14,550
Payroll, Payroll Tax & Employee Benefits				
Management	\$	23,400		
Maintenance	\$	16,500		
Other	\$	<i>describe</i>		
Other	\$	<i>describe</i>		
Total Payroll, Payroll Tax & Employee Benefits:			\$	39,900
Repairs & Maintenance				
Elevator	\$	2,000		
Exterminating	\$	2,800		
Grounds	\$	8,000		
Make-ready	\$	5,700		
Repairs	\$	9,600		
Pool	\$			
Other	\$	<i>describe</i>		
Other	\$	<i>describe</i>		
Total Repairs & Maintenance:			\$	28,100
Utilities (Enter Only Property Paid Expense)				
Electric	\$	8,200		
Natural gas	\$			
Trash	\$	8,500		
Water/Sewer	\$	10,200		
Other	\$	<i>describe</i>		
Other	\$	<i>describe</i>		
Total Utilities:			\$	26,900
Annual Property Insurance:	Rate per net rentable square foot:	\$ 0.37	\$	13,469
Property Taxes:				
Published Capitalization Rate:	9.00%	Source:	McLennan	
Annual Property Taxes	\$	17,929		
Payments in Lieu of Taxes	\$			
Total Property Taxes:			\$	17,929
Reserve for Replacements:	Annual reserves per unit:	\$ 250	\$	11,250
Other Expenses				
Cable TV	\$			
Supportive Services (Staffing/Contracted Services)	\$			
TDHCA Compliance fees	\$	2,582		
TDHCA Bond Administration Fees (TDHCA as Bond Issuer <u>Only</u>)	\$			
Security	\$			
Other	\$	<i>describe</i>		
Other	\$	<i>describe</i>		
Total Other Expenses:			\$	2,582
TOTAL ANNUAL EXPENSES		Expense per unit:	\$ 3725	\$ 167,630
		Expense to Income Ratio:	57.61%	
NET OPERATING INCOME (before debt service)			\$	123,368
Annual Debt Service				
	\$	107,173		
	\$			
	\$			
	\$			
TOTAL ANNUAL DEBT SERVICE			\$	107,173
		Debt Coverage Ratio:	1.15	
NET CASH FLOW			\$	16,195

If a revised form is submitted, date of submission: _____

15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$308,112	\$314,274	\$320,560	\$326,971	\$333,510	\$368,222	\$406,547
Secondary Income	\$ 6,480	\$ 6,610	\$ 6,742	\$ 6,877	\$ 7,014	\$ 7,744	\$ 8,550
POTENTIAL GROSS ANNUAL INCOME	\$314,592	\$320,884	\$327,302	\$333,848	\$340,524	\$375,967	\$415,097
Provision for Vacancy & Collection Loss	(\$23,594)	(\$24,066)	(\$24,548)	(\$25,039)	(\$25,539)	(\$28,197)	(\$31,132)
Rental Concessions	\$0						
EFFECTIVE GROSS ANNUAL INCOME	\$290,998	\$296,818	\$302,754	\$308,809	\$314,985	\$347,769	\$383,965
EXPENSES							
General & Administrative Expenses	\$12,950	\$13,339	\$13,739	\$14,151	\$14,575	\$16,897	\$19,588
Management Fee	\$ 14,550	\$ 14,841	\$ 15,138	\$ 15,441	\$ 15,749	\$ 17,389	\$ 19,198
Payroll, Payroll Tax & Employee Benefits	\$ 39,900	\$ 41,097	\$ 42,330	\$ 43,600	\$ 44,908	\$ 52,060	\$ 60,352
Repairs & Maintenance	\$ 28,100	\$ 28,943	\$ 29,811	\$ 30,706	\$ 31,627	\$ 36,664	\$ 42,504
Electric & Gas Utilities	\$ 8,200	\$ 8,446	\$ 8,699	\$ 8,960	\$ 9,229	\$ 10,699	\$ 12,403
Water, Sewer & Trash Utilities	\$ 18,700	\$ 19,261	\$ 19,839	\$ 20,434	\$ 21,047	\$ 24,399	\$ 28,285
Annual Property Insurance Premiums	\$ 13,469	\$ 13,873	\$ 14,289	\$ 14,718	\$ 15,159	\$ 17,574	\$ 20,373
Property Tax	\$ 17,929	\$ 18,467	\$ 19,021	\$ 19,592	\$ 20,179	\$ 23,393	\$ 27,119
Reserve for Replacements	\$ 11,250	\$ 11,588	\$ 11,935	\$ 12,293	\$ 12,662	\$ 14,679	\$ 17,017
Other Expenses	\$ 2,582	\$ 2,659	\$ 2,739	\$ 2,821	\$ 2,906	\$ 3,369	\$ 3,906
TOTAL ANNUAL EXPENSES	\$167,630	\$172,513	\$177,540	\$182,715	\$188,042	\$217,123	\$250,746
NET OPERATING INCOME	\$123,368	\$124,304	\$125,214	\$126,094	\$126,943	\$130,646	\$133,220
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173	\$107,173
Second Deed of Trust Annual Loan Payment							
Third Deed of Trust Annual Loan Payment							
Other Annual Required Payment							
Other Annual Required Payment							
ANNUAL NET CASH FLOW	\$16,195	\$17,131	\$18,040	\$18,921	\$19,770	\$23,473	\$26,046
CUMULATIVE NET CASH FLOW	\$16,195	\$33,326	\$51,366	\$70,287	\$90,057	\$198,163	\$321,961
Debt Coverage Ratio	1.15	1.16	1.17	1.18	1.18	1.22	1.24
Other (Describe)							
Other (Describe)							

By signing below I (we) are certifying that the above 15 Year pro forma, is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. (Signature only required if using this pro forma for points under §11.9(e)(1) relating to Financial Feasibility)



 Signature, Authorized Representative, Construction or
 Permanent Lender

Lee Reed

 Printed Name
 12/17/2018

 Date

Phone: 956-547-1029
 Email: lreed@ibc.com

 Signature, Authorized Representative, Syndicator

 Printed Name

 Date

If a revised form is submitted, date of submission: _____

Site Work Cost Breakdown

This form must be submitted with the Development Cost Schedule as justification of Site Work costs.

Column A: The Site Work activity reflected here must match the Site Work activity reflected in the Development Cost Schedule.

Columns B and C: In determining actual construction cost, two different methods may be used:

The construction costs may be broken into labor (Column B) and materials (Column C) for the activity; **OR**

The use of unit price (Column B) and the number of units (Column C) data for the activity.

Column D: To arrive at total construction costs in Column D:

If based on labor and materials, add Column B and Column C together to arrive at total construction costs.

If based on unit price measures, Column B is multiplied by Column C to arrive at total construction costs.

Column E: Any proposed activity involving the acquisition of real property, easements, rights-of-way, etc., must have the projected costs of this acquisition for the activity.

Column F: Engineering/architectural costs must be broken out by the Site Work activity.

Column G: Figures for Column G, Total Activity Cost, are obtained by adding together Columns D, E, and F to get the total costs.

****This form must be completed by a Third-Party engineer licensed to practice in the State of Texas. His or her signature and registration seal must be on the form.****

For Site Work costs that exceed \$15,000 per Unit and are included in Eligible Basis, a CPA letter allocating which portions of those site costs should be included in Eligible Basis and which ones may be ineligible must be submitted behind this tab.

A.	B.	C.	D.	E.	F.	G.
Activity	Labor or Unit Price	Materials or # of Units	Total Construction Costs	Acquisition Costs	Engineering / Architectural Costs	Total Activity Costs
Rough Grading			\$110,000			\$110,000
On-site Paving			\$137,228			\$137,228
On-site Utilities			\$239,034			\$239,034
Termite Treatment; Moisture Inject			\$ 26,362			\$ 26,362
Total			\$512,624			\$ 512,624 -

Signature of Registered Engineer
December 18, 2018

Date

Justin Paris

Printed Name

Seal

If a revised form is submitted, date of submission: _____

JULIAN CONCRETE CONSTRUCTION

P.O. Box 72
GREENFIELD, MISSOURI 65661

Jeffery R. Julian
417-637-2130

Fax 417-637-2664

Cell 417-839-7840

December 3, 2018

TDHCA
Sharon Gamble
221 East 11th Street
Austin, TX 78701

RE: Golden Trails 17290

Dear Ms. Gamble:

In accordance with the HOME program rules regarding the value of donated services counted as match for a TDHCA HOME award, Julian Concrete Construction agrees to donate services and building materials valued at \$31,000.00 to the Golden Trails project in West, Texas. These materials may include lumber, equipment, concrete, metal and other building materials typically provided by our company. If awarded HOME funds, we will develop a formal agreement that outlines in detail the scope of work to be performed by our company and the value of these materials.

If you have any questions or require clarification, please let me know.

Sincerely,



Jeffrey R. Julian, President



December 14, 2018

TDHCA
Sharon Gamble
221 East 11th Street
Austin, TX 78701

RE: Golden Trials 17290

Dear Ms. Gamble:

In accordance with the HOME program rules regarding the value of donated services counted as match for a TDHCA HOME award, Springfield Roofing Systems agrees to donate services and building materials valued at \$96,500.00 to the Golden Trails project in West, Texas. These materials may include lumber, fasteners, roofing materials, and other building materials typically provided by our company. If awarded HOME funds, we will develop a formal agreement that outlines in detail the scope of work to be performed by our company and the value of these materials.

If you have any questions or require clarification, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "BK", is written over a horizontal line.

Brad Kiser
General Manager

INSTRUCTIONS: Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/explain replacement reserves. Finally, describe/explain operating items. The narrative must include rents, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

Construction financing will be provided by International Bank of Commerce in the form of a Construction Loan in the amount of \$4,000,000. The Construction Loan will be priced at 5.00%. The term of the Construction Loan will be 24 months and will be interest only. Construction and Permanent financing will be provided by TDHCA in the form of a HOME loan in the amount of \$2,500,000. The HOME loan requested is at an interest rate of 1.75% and will amortize over 30 years with a 30 year term. International Bank of Commerce will be providing the equity based on an estimated Tax Credit allocation of \$520,840 per anum. Gardner Capital is proposing pricing of \$0.90 per LIHTC to purchase a 99.99% interest in the LLC that will own and operate the Property which amounts to total capital contributions of \$4,687,091. International Bank of Commerce will provide 10% of the total equity during construction, or \$468,709. It is currently estimated that \$263,984 of

Describe the replacement reserves:

Replacement Reserves of \$250 per unit per year and Operating Reserves of \$83,192 are included.

Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments:

The project will not have any operating subsidies, rental assistance or project based vouchers.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

	Lee Reed	12/17/2018
_____ Signature, Authorized Representative, Construction or Permanent Lender	_____ Printed Name	_____ Date

Telephone: 956-547-1029
 Email address: lreed@ibc.com

If a revised form is submitted, date of submission: _____

CONSTRUCTION LOAN AGREEMENT

THIS CONSTRUCTION LOAN AGREEMENT (this "Loan Agreement"), dated July 20, 2018, is made by and between INTERNATIONAL BANK OF COMMERCE, a Texas state banking corporation ("Lender"), whose mailing address is 1600 Ruben Torres Blvd., Brownsville, Texas 78526, and WEST TEXAS GOLDEN TRAILS, LP, a Texas limited partnership (the "Borrower"), and JOSEPH RYAN HAMILTON, JOHN DOUGLAS HAMILTON, MICHAEL KENNETH HAMRA, RITA YAGHI BARON, and FOUR CORNERS DEVELOPMENT, LLC, a Missouri limited liability company (collectively, the "Guarantors"), Borrower and Guarantors having a collective mailing address of 3556 S. Culpepper Circle, Suite 4, Springfield, Missouri 65804, with respect to a construction loan (the "Loan") in the principal sum of FOUR MILLION AND NO/100 DOLLARS (\$4,000,000.00).

NOW, THEREFORE, in consideration of the extension of financial and credit accommodations by Lender to the Borrower evidenced by the Loan, and the agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Guarantors, and Lender agree as follows:

ARTICLE 1 - DEFINITIONS

For purposes of this Loan Agreement, the following terms shall have the respective meanings assigned to them.

1.1 ADA.

The term ADA shall mean the Americans with Disabilities Act of 1990, as amended.

1.2 Advance.

The term "Advance" shall mean a disbursement by Lender of any of the proceeds of the Loan.

1.3 Application for Advance.

The term "Application for Advance" shall mean a written application (on a form approved by Lender) by Borrower (and such other parties as Lender may require) to Lender specifying by name, current address, and amount all parties to whom Borrower is obligated for labor, materials, or services supplied for the construction of the Improvements and all other expenses incidental to the Loan, the Property, and the construction of the Improvements, whether or not specified in the Approved Budget, requesting an Advance for the payment of such items, containing, if requested by Lender, an Affidavit of Borrower, accompanied by such schedules, affidavits, releases, waivers, statements, invoices, bills, and other documents as Lender may reasonably request.

1.4 Appraisal.

The term "Appraisal" shall mean an appraisal of the Property and Improvements, prepared in a form and content satisfactory to Lender and in compliance with all applicable laws and regulations which shows a fair market value for the Property and Improvements as built in an amount approved by Lender in its sole and absolute discretion. Lender shall require the Appraisal prior to closing and may require an updated, recertified or new Appraisal from time to time but no more often than once per year.

1.5 Approved Budget.

The term "Approved Budget" shall mean a budget or cost itemization prepared by Borrower specifying the cost by item of (a) all labor, materials, and services necessary for the construction of the Improvements in accordance with the Plans and all Governmental Requirements, and (b) all other expenses anticipated by Borrower incident to the Loan, the Property, and the construction of Improvements. The Approved Budget is attached hereto as Exhibit "C" and incorporated herein by reference.

1.6 Architect.

The term "Architect" shall mean the Architect named on Exhibit "D," attached hereto and incorporated herein by reference.

1.7 Architectural Contract.

The term "Architectural Contract" shall mean a written agreement between Borrower and Architect for architectural services pertaining to construction of the Improvements.

1.8 Borrower.

The term "Borrower" shall mean West Texas Golden Trails, LP, a Texas limited partnership.

1.9 Borrower GP.

The term "Borrower GP" shall mean the general partner of the Borrower, West Texas Golden Trails GP, LLC, a Texas limited liability company.

1.10 Borrower GP Security Agreement.

The term "Borrower GP Security Agreement" shall mean that certain Assignment and Security Agreement for Membership Interest as Collateral for Indebtedness executed by 4C Development – Texas, LLC, a Texas limited liability company, and Janna Cormier Development Consulting, LLC, a Texas limited liability company, pledging all of their interests in the Borrower GP to further secure the Loan.

1.11 Code.

The term "Code" shall mean the Uniform Commercial Code as in force in the state in which the Property is located and, if different, the state of the Borrower's residence.

1.12 Collateral Assignment of Leases, Rents and Income.

The term "Collateral Assignment of Leases, Rents and Income" shall mean that certain Collateral Assignment of Leases, Rents and Income executed by Borrower for the benefit of Lender, securing the Note, and assigning all real property leases covering the Property to Lender.

1.13 Completion Date.

The term "Completion Date" shall mean the date for the completion of the construction of the Improvements to the Property, which is October, 31, 2019.

1.14 Construction Contract.

The term "Construction Contract" shall mean that certain AIA Document A102 - 2017 Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated June 18, 2018 executed by Borrower for the construction of the Improvements between Borrower, as Owner, and Hamilton Builders, LLC, as Contractor.

1.15 Construction Phase.

The term "Construction Phase" shall mean the period of time from the date hereof to the Completion Date unless extended otherwise in writing by Lender in its sole discretion.

1.16 Contractor.

The term "Contractor" shall mean the Contractor named on Exhibit "D," attached hereto and incorporated herein for all purposes. There shall be no change to the Contractor without the prior written consent of Lender, and any attempted change in the Contractor without Lender's prior written consent is deemed void.

1.17 Debtor Relief Laws.

The term "Debtor Relief Laws" shall mean any applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.

1.18 Deed of Trust.

The term "Deed of Trust" shall mean that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement executed by Borrower securing the payment of the

Note and the payment and performance of all obligations specified in the Deed of Trust and this Loan Agreement, and evidencing a valid and enforceable first and senior lien covering the Property.

1.19 Developer.

The term "Developer" shall mean 4C Development – Texas, LLC, a Texas limited liability company.

1.20 Developer Fee.

The term "Developer Fee" shall refer to the fee in the amount of \$878,441.00 to be earned by the Developer pursuant to the terms of the Development Agreement subject to the terms of this Loan Agreement.

1.21 Developer Fee Assignment.

The term "Developer Fee Assignment" shall mean that certain Collateral Assignment of Agreement of the Development Agreement, executed by Developer in favor of Lender to secure the Loan.

1.22 Developer Fee Security Agreement.

The term "Developer Fee Security Agreement" shall mean that certain Security Agreement in favor of Lender to secure the Loan, executed by Developer granting to Lender a security interest in the Developer Fee from Developer.

1.23 Development Agreement.

The term "Development Agreement" shall mean that certain Development Agreement dated July 20, 2018, by and between the Developer and Borrower which provides for payment to the Developer of the Development Fee in consideration of costs incurred and services rendered by the Developer to Borrower in the construction of the Improvements on the Property.

1.24 Event of Default.

The term "Event of Default" shall mean the occurrence of any one of the following after the expiration of the Grace and Curative Period:

(a) Any indebtedness evidenced, governed or secured by any of the Loan Instruments is not paid when due, whether by acceleration or otherwise.

(b) Any covenant in this Loan Agreement or any of the other Loan Instruments is not fully and timely performed, or the occurrence of any default thereunder.

(c) Any statement, representation or warranty in the Loan Instruments, any Financial Statements or any other writing delivered to Lender in connection with the Loan is false, misleading or erroneous in any material respect.

(d) Prior to Substantial Completion, the cessation of the construction of the Improvements for more than thirty (30) days without the written consent of Lender.

(e) Failure of the construction of the Improvements or any materials for which an Advance has been requested to materially comply with the Plans, any Governmental Requirements or the requirements of any lessee, if applicable.

(f) Failure of Borrower to satisfy any condition specified herein as a condition precedent to the obligation of Lender to make an Advance after an Application for Advance has been submitted by Borrower to Lender.

(g) A reasonable determination by Lender that construction of the Improvements will not be completed by the Completion Date or that Borrower will fail to satisfy the conditions to the Final Advance (defined in Section 2.6) on or before the Completion Date.

(h) Borrower, the Guarantors and/or any general or limited partner of Borrower, including without limitation, the Borrower GP and Investor:

(1) does not pay its debts as they become due or admits in writing its inability to pay its debts or makes a general assignment for the benefit of creditors; or

(2) commences any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any Debtor Relief Laws; or

(3) in any involuntary case, proceeding or other action commenced against it which seeks to have an order for relief entered against it, as debtor, or seeks reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, (i) fails to obtain a dismissal of such case, proceeding or other action within sixty (60) days of its commencement, or (ii) converts the case from one chapter of the Federal Bankruptcy Code to another chapter, or (iii) is the subject of an order for relief; or

(4) conceals, removes, or permits to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of them, or makes or suffers a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or makes any transfer of its property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or suffers or permits while insolvent, any creditor to

obtain a lien upon any of its property through legal proceedings which is not vacated within sixty (60) days from the date thereof; or

(5) has a trustee, receiver, custodian or other similar official appointed for or take possession of all or any part of the Property or any other of its property or has any court take jurisdiction of any other of its property which remains undismissed for a period of sixty (60) days [except where a shorter period is specified in the immediately following subparagraph (6)]; or

(6) fails to have discharged within a period of thirty (30) days any attachment, sequestration, or similar writ levied upon any property of such person; or

(7) fails to pay immediately any final money judgment against such person.

(i) Title to all or any part of the Property (other than obsolete or worn personal property replaced by adequate substitutes of equal or greater value than the replaced items when new) shall become vested in any party other than the Borrower, whether by operation of law or otherwise, without the consent of Lender. Lender may, in its sole and absolute discretion, waive this Event of Default, but it shall have no obligation to do so, and any waiver may be conditioned upon such one or more of the following as Lender may require: the grantee's integrity, reputation, character, credit worthiness and management ability being satisfactory to Lender in its sole judgment, the grantee executing, prior to such sale or transfer, a written assumption agreement containing such terms as Lender may require, a principal pay-down on the Note, an increase in the rate of interest payable under the Note, a transfer fee, and any other modification of the Loan Instruments which Lender may require.

(j) SAVE AND EXCEPT as to the Restrictive Covenants, without the prior written consent of Lender, Borrower, grants any easement or dedication, files any plat, condominium declaration, or restriction, or otherwise encumbers the Property,

(k) Borrower abandons any portion of the Property, except for demolition of structures, which were in existence as of the date of this Loan Agreement, and were anticipated by the Plans.

(l) The holder of any lien, security interest or assignment on the Property institutes foreclosure or other proceedings or takes other action for the enforcement of its remedies thereunder.

(m) The liquidation, termination or dissolution of Borrower.

(n) The sale, lease, transfer or other disposition of all or any substantial part [i.e., ten percent (10%) or more in any fiscal year] of the assets of Borrower (now or hereafter acquired) except that Borrower may sell non-material assets no longer used or

useful in their business and Borrower may sell or lease other assets in the ordinary course of business as presently conducted, provided that such sale or lease shall not be for less than the fair market value of such assets or be on terms which are not commercially reasonable, and provided further that such sale or lease shall not constitute or give rise to a default under any agreement to which Borrower is a party or by which Borrower is bound.

(o) The pledging, mortgaging, granting of a lien on or security interest in, or other hypothecation or encumbrance of all or any substantial part [i.e., ten percent (10%) or more (based on fair market value) in any fiscal year] of Borrower's assets (now or hereafter acquired) except in the ordinary course of business or to secure indebtedness to Lender.

(p) The assignment of any interest in Borrower or the Borrower GP to any party without Lender's prior written consent except as expressly permitted herein.

(q) Failure to use the proceeds of the Loan or any capital contribution of the Investor in accordance with the Partnership Agreement for any use other than costs of labor, materials and services supplied for the construction of the Improvements and the other items shown in the Approved Budget and for the pay down of the Loan unless otherwise approved by Lender in its sole discretion.

(r) Failure of Investor to make any capital contribution in accordance with the terms of the Partnership Agreement due to Borrower's failure to comply with the Partnership Agreement.

(s) Default or breach by any of the parties to the Partnership Agreement subject to any applicable notice and cure periods in the Partnership Agreement.

(t) Any violation or breach or default of the Restrictive Covenants.

(u) Any default or nonperformance of the Construction Contract subject to all applicable notice and cure periods.

(v) Investor requires Borrower GP to repurchase the limited partnership interest of Investor in the Borrower pursuant to the terms of Section 4.8 of the Partnership Agreement.

(w) The TDHCA or other applicable Governmental Authority has not issued an IRS Form 8609 for the Project on or before December 31, 2019.

(x) The Second Capital Contributions (defined below) is not used to pay pay off the Note in full.

(y) Default of the Permanent Loan and/or any and all documents or agreements in connection with and/or securing the Permanent Loan (collectively, the "Permanent Loan Documents").

Any cure of an Event of Default hereunder made or tendered by one or more of the Guarantors or one or more of Borrower's limited partners shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made or tendered by Borrower. After an Event of Default occurs, at Lender's option, Borrower shall deliver all books, records, statements, schedules, and reports regarding the Property and its operations in its possession to Lender.

Lender shall use commercially reasonable efforts to provide copies of all notices of default sent to Borrower hereunder to Investor at 2660 Eastchase Lane, Suite 100, Montgomery, Alabama 36117-7024, with copy to 42 Equity Partners, LLC, c/o Matt Aiken, Maynard Cooper, 1901 Sixth Avenue North, Suite 2400, Birmingham, AL 35203-4642.

1.25 Financial Statements.

The term "Financial Statements" shall mean financial statements of the Borrower, the Borrower GP, and the Guarantors, which shall consist of such balance sheets, cash flow and income statements and listing of contingent liabilities, and other financial information of Borrower, Borrower GP, and Guarantors as shall be reasonably required by Lender, from time to time, which statements shall be certified as true and correct by the party submitting such statements and personal financial statements of the Borrower, the Borrower GP, and the Guarantors as of the date delivered.

1.26 Financing Statements.

The term "Financing Statements" shall mean the Form UCC-1 financing statements perfecting the security interests securing the Loan, to be filed with the appropriate offices for the perfection of a security interest in any of the Property.

1.27 Foundation Survey.

The term "Foundation Survey," if required by Lender, shall mean a survey of the Property locating the foundation, prepared within ten (10) days of the laying of the foundation for the Improvements, showing no encroachment of the Improvements on any boundary line, easement, building setback line or other restricted area.

1.28 Governmental Authority.

The term "Governmental Authority" shall mean the United States, the State, the Parish, the City or any other political subdivision in which the Property is located, and any other political subdivision, agency, or instrumentality exercising jurisdiction over Borrower, or the Property.

1.29 Governmental Requirements.

The term "Governmental Requirements" shall mean all laws, ordinances, rules and regulations of any Governmental Authority applicable to Borrower, or the Property.

1.30 Grace and Curative Period.

The term "Grace and Curative Period" shall mean (A) as to any default involving (i) the payment of money to Lender, or (ii) the payment of insurance and/or ad valorem taxes and other assessments on the Property as and when due pursuant to the Loan Instruments [(A)(i) and (A)(ii) being collectively referred to herein as a "Monetary Default"], a period of sixty (60) days following written notice of a Monetary Default to Borrower and the Guarantors to cure such Monetary Default, and the failure of Borrower (or the Guarantors) to cure such Monetary Default within such sixty (60) day period; and (B) as to any other default, a period of ninety (90) days following written notice from Lender to Borrower and the Guarantors to cure such default, and the failure of Borrower (or the Guarantors) to cure such default within such ninety (90) day period.

1.31 Guarantors.

The term "Guarantors" shall mean the persons so named on Exhibit "D," attached hereto. However, in the event that one or more of the Guarantors breaches one or more of its covenants under the Loan Instruments, including without limitation, the Guaranty Agreement, Borrower shall have a period of ten (10) days following written notice from Lender of a breach by Guarantor of the Loan Instruments to offer a replacement Guarantor for Lender's consideration before Lender may declare an Event of Default of the Loan. It is understood and agreed that the replacement of the breaching Guarantor with another Guarantor selected by Borrower shall be in Lender's sole and absolute discretion. Furthermore, the replacement Guarantor to be considered by Lender must have a higher net worth and better financial credit standing than the breaching Guarantor.

1.32 Guaranty Agreement.

The term "Guaranty Agreement" shall mean a Guaranty Agreement executed by the Guarantors in favor of the Lender upon the terms as set forth therein.

1.33 Hazardous Materials.

The term "Hazardous Materials" shall mean (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. section 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; (c) asbestos; (d) polychlorinated biphenyls; (e) underground storage tanks, whether empty, filled or partially filled with any substance; (f) any substance the presence of which on the Property is prohibited by any Governmental Requirements; and (g) any other substance which by any Governmental Requirements requires special handling or notification of any federal, state or local governmental entity in its collection, storage, treatment or disposal.

1.34 Hazardous Materials Contamination.

The term "Hazardous Materials Contamination" shall mean the contamination (whether presently existing or hereafter occurring) of the Improvements, facilities, soil, groundwater, air or other elements on or of the Property by Hazardous Materials, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on or of any other property as a result of Hazardous Materials at any time (whether before or after the date of this Loan Agreement) emanating from the Property.

1.35 IBC Account.

The term "IBC Account" shall mean a new International Bank of Commerce checking account in the name of the Borrower, into which Loan funds for the construction of the Improvements shall be deposited. Advancements of the Loan by Lender to Borrower are to be used as provided herein. No deposits in the IBC Account may be withdrawn by Borrower without the prior written approval of Lender.

1.36 IBC Account Assignment.

The term "IBC Account Assignment" shall mean any and all Assignments of Deposit Account (Security Agreement) executed by Borrower granting to Lender a security interest in the IBC Account and such other accounts as required by Lender and consistent with this Agreement.

1.37 Improvements.

The term "Improvements" shall mean the Improvements identified on Exhibit "D," attached hereto and incorporated herein for all purposes.

1.38 Inspecting Architects/Engineers.

The term "Inspecting Architects/Engineers" shall mean such employees, representatives and agents of Lender or third parties, including without limitation, AECC, Inc. who may, from time to time conduct inspections of the Property or offer other services related thereto as required by Lender in its sole discretion, and Borrower shall be responsible for all cost and charges in connection therewith.

1.39 Insurance Policies.

The term "Insurance Policies" shall mean:

- (a) Builders' risk insurance in an amount equal to 100% of the completed cost of the Improvements, providing all risk coverage on the improvements and materials stored on the Property and elsewhere, and including the perils of collapse, damage resulting from error in design or faulty workmanship or materials, water damage, and shall provide, at a minimum, a ten (10) year warranty for defects in the construction of the Improvements

showing Lender as an additional insured, and, if requested by Lender, flood, earthquake, business interruption, permission to occupy, interest costs and other risks;

(b) All risk property insurance after the completion of the construction of the Improvements, as determined by Lender, in the amount of at least 100% of the replacement cost of such Improvements or in such additional amounts as Lender may require, providing all risk coverage on the Improvements, and, if requested by Lender, to include the perils of flood, earthquake, business interruption and other risks;

(c) Commercial general liability insurance for owners and contractors, including blanket contractual liability, products and completed operations, personal injury (including employees), independent contractors, explosion, collapse and underground hazards for not less than \$500,000 arising out of any one occurrence or in any increased amount required by Lender;

(d) Comprehensive automobile liability insurance for contractors for not less than \$500,000 for bodily injury and \$100,000 for property damage arising out of any one occurrence or in any increased amount required by Lender;

(e) Workers' compensation insurance for contractors for statutory limits;

(f) Such other insurance as Lender may reasonably require; and

(g) At the option of Lender in its sole discretion, windstorm and flood insurance upon terms approved by Lender in its sole discretion.

All Insurance Policies or Certificates thereof, shall be issued on forms and by companies reasonably satisfactory to Lender and shall be delivered to Lender. All Insurance Policies shall have loss made payable to Lender as mortgagee, together with the standard mortgagee clause, and all Insurance Policies shall have a provision giving Lender a thirty (30) days' prior notice of cancellation or material change of the coverage.

Borrower shall also obtain such other insurance customary for similar type properties as Lender may reasonably require upon thirty (30) days prior written notice.

1.40 Investor.

The term "Investor" shall mean 42EP IBC Fund II, LP, whose mailing address is 2660 Eastchase Lane, Suite 100, Montgomery, Alabama 36117-7024, which is a limited partner of the Borrower.

1.41 Investor Equity.

The term "Investor Equity" shall mean the sum of money invested by Investor – 42 in the Project in a form and amount satisfactory to Lender, totaling not less than \$4,648,032.00, for the payment of the costs of labor, materials, and services required for the construction of the

Improvements, other costs and expenses specified in the Approved Budget, and other costs and expenses required to be paid in connection with the construction of the Improvements in accordance with the Plans and any Governmental Requirements. The Investor Equity shall be delivered through a series of capital contributions as described more particularly in Article 3 below and in Section 4.2 of the Partnership Agreement.

1.42 Lender.

The term "Lender" shall mean the International Bank of Commerce.

1.43 Loan.

The term "Loan" shall mean the Loan by Lender to Borrower, in the amount set forth in the first paragraph of this Loan Agreement, not to exceed, in the aggregate, payment of the costs of labor, materials, and services supplied for the construction on the Improvements and all other expenses incidental to the construction of the Improvements on the Property.

1.44 Loan Finance Charge.

The term "Loan Finance Charge" shall mean the sum of \$40,000.00 to be paid to Lender by Borrower on the Closing Date.

1.45 Loan Instruments.

The term "Loan Instruments" shall collectively mean this Loan Agreement, the Deed of Trust, the Note, the Manager's Consent, the Security Agreement, the Collateral Assignment of Leases, Rents, and Income, the Guaranty Agreements, the Financing Statements, the Developer Fee Assignment, the Developer Fee Security Agreement, the IBC Account Assignment, the Borrower GP Security Agreement, and any and all other instruments and documents evidencing, securing, or pertaining to the Loan as shall, from time to time, be executed and delivered by Borrower, Guarantors, or any other party to Lender pursuant to this Loan Agreement, including, without limitation, each Application for Advance, the Approved Budget, the Contractor's Consent and Agreement, and the Architect's Consent and Certificate.

1.46 Management Agreement.

The term "Management Agreement" shall mean an agreement between Manager and Borrower for the management of the Property and the Improvements.

1.47 Manager.

The term "Manager" shall mean the entity named on Exhibit "D," attached hereto. There shall be no change to the Manager without the prior written consent of Lender and any attempted change in the Manager without Lender's prior written consent is deemed void, which shall not be unreasonably withheld, conditioned, or delayed.

1.48 Manager's Consent.

The term "Manager's Consent" shall mean that certain Manager's Consent and Subordination executed by the Manager to the Lender consenting to an assignment of the Management Agreement to Lender and a subordination of the Management Agreement to the Loan.

1.49 Note.

The term "Note" shall mean that certain the Real Estate Lien Note in the original principal sum of \$4,000,000.00, executed by Borrower and payable to the order of Lender of even date herewith evidencing the Loan.

1.50 Obligor.

The term "Obligor" shall collectively mean Borrower and Guarantors.

1.51 Partnership Agreement.

The term "Partnership Agreement" shall mean that certain Amended and Restated Limited Partnership Agreement of Borrower dated July 20, 2018, by and among the Borrower GP, as general partner, and Investor, et al., as the limited partner, to be approved by Lender in its sole and absolute discretion.

1.52 Permanent Lender.

The term "Permanent Lender" shall mean the entity identified on Exhibit "D," attached hereto.

1.53 Permanent Loan.

The term "Permanent Loan" shall mean that certain second lien mortgage loan in the original principal amount of \$2,055,000.00 dated effective July 20, 2018 from the Permanent Lender to Borrower as more particularly described and discussed in the Permanent Loan Documents, said Permanent Loan having been obtained under the HOME Investment Partnerships Program awarded by the U. S. Department of Housing and Urban Development, for a term of thirty (30) years, an amortization period of thirty (30) years, with an interest rate not to exceed two percent (2%) per annum, as more particularly described in that certain letter dated August 17, 2017 signed by the TDHCA and accepted by Borrower. Any Permanent Loan Documents securing the Permanent Loan, including without limitation, a deed of trust lien, shall be junior and inferior to the Loan Instruments, including without limitation, the Deed of Trust.

1.54 Plans.

The term "Plans" shall mean the final working drawings and specifications for the construction of the Improvements.

1.55 Project.

The term "Project" shall mean that certain 45 unit senior housing complex located at the Property called "Golden Trails Apartments," to be refurbished/built according to the Plans using the proceeds of the Loan to finance same, a portion of which units shall be rented to persons of low income, as provided in Internal Revenue Code of 1986, Section 42(g).

1.56 Property.

The term "Property" shall mean the real or immovable property described in Exhibit "A," attached hereto and incorporated herein by reference, together with the Improvements and all other property constituting the "Property," as described in the Deed of Trust, and the collateral described in the Security Agreement.

1.57 Restrictive Covenants.

The term "Restrictive Covenants" shall mean that certain Low Income Housing Tax Credit Program Declaration of Land Use Restrictive Covenants executed by Borrower and the TDHCA to be recorded in the Real Property Records of McLennan County, Texas, covering the Property, and placing certain restrictions thereon regarding the use of the Property which shall run with the land, and which must first be approved by Lender in its sole discretion.

1.58 Security Agreement.

The term "Security Agreement" shall mean all security agreements executed by Borrower granting to Lender a security interest in any and all of the personal or movable property that cannot be secured by the Deed of Trust, and any other security agreement executed by a pledgor or Guarantor covering the collateral described therein to secure the Loan.

1.59 Substantial Completion.

The term "Substantial Completion" shall mean a certification from Borrower's architect of substantial completion in accordance with the Plans, certifying that the work performed by the Contractor under the Construction Contract is fully complete, including all punch-list items except those punch-list items specified by the Inspecting Architects/Engineers as incomplete and as to which up to 150% of the funds reasonably necessary to pay the costs of completion, as determined by the Inspecting Architects/Engineers, have been escrowed with Lender.

1.60 Survey.

The term "Survey" shall mean a current ALTA certified survey of the Property, in a form satisfactory to Lender.

1.61 Tax Credits.

The term "Tax Credits" shall mean those certain tax credits allocated to Borrower pursuant to Section 42 of the Internal Revenue Code by the TDHCA in the aggregate amount of \$5,208,400.00.

1.62 TDHCA.

The term "TDHCA" shall mean the Texas Department of Housing and Community Affairs.

1.63 Title Company.

The term "Title Company" shall mean the Title Company named on Exhibit "D," attached hereto.

1.64 Title Insurance.

The term "Title Insurance" shall mean a Lender Policy of Title Insurance, in the amount of the Loan, insuring or committing to insure that the Deed of Trust constitutes a valid lien covering the Property in the first lien position for the fee estate and subject only to those exceptions and encumbrances which Lender may approve and as set forth therein, issued by the Title Company.

ARTICLE 2 - ADVANCES OF THE LOAN

2.1 Commitment of Lender.

Subject to the conditions hereof, and provided that an Event of Default has not occurred, and been uncured, Lender will make Advances to Borrower in accordance with this Loan Agreement. Unless otherwise determined by Lender in its sole discretion, all approved Advances shall be deposited by Borrower in the IBC Account.

2.2 Interest on the Loan.

Interest on the Loan, at the rate or rates specified in the Note, shall be computed on the unpaid principal balance that exists from time to time and shall be computed with respect to each Advance only from the date of such Advance.

2.3 Advances.

Advances shall be made by Lender to Borrower for solely the payment of costs of labor, materials and services supplied for the construction of the Improvements and the other items

shown in the Approved Budget not more frequently than specified on Exhibit "D" attached hereto, upon compliance by Borrower with this Loan Agreement, after actual commencement of construction of the Improvements, for work actually done during the preceding period. Lender may require an inspection of and acceptable report on the Improvements by the Inspecting Architects/Engineers prior to making any Advance. Advances to Borrower shall be solely for payment of costs of construction of the Improvements and the other items shown in the Approved Budget and shall be limited to the amounts shown in the Approved Budget and not exceed the aggregate of (a) the costs of labor, materials and services incorporated into the Improvements in a manner acceptable to Lender, plus (b) if approved by Lender, the purchase price of all uninstalled materials to be utilized in the construction of the Improvements stored on the Property or elsewhere with the written consent of, and in a manner acceptable to, Lender, less (c) retainage, if any, as set forth on Exhibit "D" attached hereto, and less (d) all prior Advances to Borrower for payment of costs of labor, materials and services for the construction of the Improvements. Each Application for Advance shall be submitted by Borrower to Lender a reasonable time [but not less than five (5) days] prior to the date on which an Advance is desired by Borrower.

Lender shall have the right, but not the obligation, to disburse and directly apply any proceeds of an advance of the Note to the satisfaction of any of the obligations of Borrower and the amount of any future advance to which Borrower would thereafter be entitled under the Note shall be correspondingly reduced. Any advance by Lender for such purpose shall constitute a part of the Loan and shall be secured by the Loan Instruments.

2.4 Conditions to the First Advance.

As a condition precedent to the first Advance (the "First Advance") hereunder: Borrower must satisfy the conditions required hereby and execute and deliver to, procure for and deposit with, and pay to Lender and, if appropriate, record in the proper records, with all filing and recording fees paid, the documents, certificates and other items that are noted by (x) described in Exhibit "B," attached hereto and incorporated herein by reference, together with such other documents, instruments and certificates as Lender may reasonably require.

2.5 Conditions to Subsequent Advances.

As a condition precedent to each Advance, other than the First Advance, in addition to all other requirements herein, Borrower must satisfy the following requirements and, if required by Lender, deliver to Lender evidence of such satisfaction:

- (a) All conditions precedent to the First Advance shall have been satisfied;
- (b) There shall then exist no uncured Event of Default;
- (c) A Foundation Survey shall have been furnished to Lender within ten (10) days after laying of the foundation of the Improvements, showing no encroachment of the Improvements on any boundary line, easement, building setback line, or other restricted area;

(d) The representations and warranties made in this Loan Agreement shall be true and correct on and as of the date of each Advance, with the same effect as if made on that date;

(e) Borrower will procure and deliver to Lender, either (i) releases or waivers of mechanic's liens and receipted bills showing payment of all parties who have furnished materials or services or performed labor of any kind in connection with the construction of any of the Improvements, or (ii) as to any unresolved lien claims, evidence satisfactory to Lender that such lien claims have been bonded with 150% of the amount of the lien claim in a manner approved in advance by Lender in its sole discretion;

(f) The Title Insurance shall be endorsed and extended, if available under local rules, to cover each Advance, with no additional title exceptions objectionable to Lender;

(g) Approval of the Inspecting Architect/Engineers that construction of the Improvements is proceeding as required and in accordance with the Approved Budget; and

(h) Any and all other terms as Lender may reasonably require.

2.6 Final Advance.

The final Advance (the "Final Advance") shall be made on or thirty (30) days following the satisfaction of the following conditions to the Final Advance. The Final Advance, including all retainage, will not be made until the Lender has received the following: (1) a completion certificate from the Inspecting Architects/Engineers, if any, (2) evidence that all Governmental Requirements have been reasonably satisfied, including, but not limited to, delivery to Lender of Certificates of Occupancy permitting the Improvements to be legally occupied, (3) evidence that no mechanic's or materialman's liens or other encumbrances have been filed and remain in effect against the Property, unless same have been bonded around in a manner approved in advance by Lender in its reasonable discretion, (4) final lien releases or waivers by Architect, Contractor, and all subcontractors, materialmen, and other parties who have supplied labor, materials or services for the construction of the Improvements, or who otherwise might be entitled to claim a contractual, statutory, or constitutional lien against the Property or as to any unresolved lien claims, evidence satisfactory to Lender that such lien claims have been bonded with 150% of the amount of the lien claim in a manner approved in advance by Lender in its sole discretion, (5) the Appraisal shall be recertified or updated in form reasonably satisfactory to Lender, (6) if available under local rules, the Title Insurance shall be endorsed and extended to acknowledge completion of construction of the Improvements without any encroachment and in compliance with all applicable matters of public record and Governmental Requirements, with no additional exception objectionable to Lender, and (7) Borrower will procure such approvals of the Improvements and other required approvals of the Permanent Lender if any are required by Permanent Lender.

2.7 Reallocation of Approved Budget.

Lender reserves the right to make Advances that are allocated to any of the designated items in the Approved Budget for such other purposes or in such different proportions as Lender

may, in its sole discretion, deem necessary or advisable. Borrower may not change the Approved Budget without the prior written consent of Lender, which shall not be unreasonably withheld, conditioned, or delayed; however, Borrower may reallocate items of cost within the Approved Budget without Lender's consent.

2.8 No Waiver.

No Advance shall constitute a waiver of any condition precedent to the obligation of Lender to make any further Advance or preclude Lender from thereafter declaring the failure of Borrower to satisfy such condition precedent to be an Event of Default.

2.9 Conditions Precedent for the Benefit of Lender.

All conditions precedent to the obligation of Lender to make any Advance are imposed hereby solely for the benefit of Lender, and no other party may require satisfaction of any such condition precedent or be entitled to assume that Lender will refuse to make any Advance in the absence of strict compliance with such conditions precedent. All requirements of this Loan Agreement may be waived by Lender, in whole or in part, at any time.

2.10 Subordinations, Approvals, and Inspections.

Lender shall not be obligated to make, nor shall Borrower be entitled to, any Advance until such time as Lender shall have received, to the extent requested by Lender, subordination agreements from Architect, and Contractor, for the design or construction of the Improvements, subordinating to the provisions of the Deed of Trust, as applicable, any lien, claim or charge they may have against Borrower or the Property, and inspection reports from the Inspecting Architects/Engineers. Furthermore, until after all proceeds of the First Capital Contribution (defined below) have been made, Lender shall not be obligated to make, nor shall Borrower be entitled to, any Advance.

2.11 Additional Borrower's Equity.

If, at any time prior to funding or during the term of the Loan, Lender determines, in its sole judgment, that the portion of the Loan then undisbursed, is insufficient to fully complete the construction of the Improvements and to pay all costs of construction thereto, including all interest and all other charges to be incurred on the Loan, including without limitation, the fees of the Architect and Contractor, then Borrower shall, upon the demand of Lender, and within ten (10) days thereafter, deposit, in cash, such funds as Lender determines will be necessary for such purposes in excess of the undisbursed portion of the Loan, (as specifically allocated for such purposes) as an additional equity contribution of Borrower. No interest will accrue on such funds but the same will be maintained by Lender in the IBC Account and held for the performance of Borrower's obligations hereunder.

2.12 Extra Work.

No extra work nor change in the approved Plans or supplements thereto which involves an expenditure in an amount exceeding Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) shall be permitted or authorized by Borrower without first obtaining the prior written approval of Lender, which shall not be unreasonably withheld, subject to such terms as Lender may reasonably require. Before Lender shall be required to consider any such change in Plans, firm bids, and other information or documentation, the proposed alteration, additional extra work or change and the approval of Contractor shall be furnished by Borrower to Lender, and it shall be within the reasonable discretion of Lender to determine if such extra work, change, addition or alteration shall be approved. If Lender approves any proposed extra work, change or alteration or addition, and if Lender deems the same necessary, Borrower shall immediately deposit with Lender in the IBC Account the full cost of such extra work, change, alteration and addition as estimated by Lender, and the sum of money shall be held and disbursed by Lender upon the same terms and conditions as provided herein with respect to other payments from the Advances discussed in this Article 2. No material shall be purchased or work or labor performed in connection with the extra work, change, alteration or addition until the full cost thereof has been paid to Lender and deposited in the IBC Account by Borrower as required hereunder.

ARTICLE 3 – INVESTOR EQUITY, ADDITIONAL FUNDS, AND EXTRA WORK

3.1 The Investor Equity.

As provided in Exhibit "B," before any Advance is made of the Loan, Borrower must provide Lender with written evidence that is acceptable to Lender that Investor has delivered to Borrower the sum of \$464,803.00 (the "First Capital Contribution"). Thereafter, Borrower covenants and agrees that it shall ensure that Investor shall provide advances to Borrower, through a series of capital contributions pursuant to the terms of Section 4.2(b) of the Partnership Agreement, including without limitation, that certain second capital contribution in the amount of \$3,898,229.00 (the "Second Capital Contribution"), which is due when the Funding Conditions for the Second Capital Contribution are completed pursuant to Section 4.2(b) of the Partnership Agreement. The total amount of Investor's Equity contribution for this Project shall be \$4,648,032.00. Borrower covenants and agrees that upon completion of all requirements of the TDHCA, Borrower shall be allocated by the TDHCA the Tax Credits in an amount totaling \$5,208,400.00 per the Partnership Agreement, of which, it is projected in 2019, \$108,991.00 of the Tax Credits will be distributed to Borrower, for 2020 through 2028, it is projected that \$520,840.00 of the Tax Credits will be distributed to Borrower each year, and it is projected in 2029, \$411,849.00 of the Tax Credits will be distributed to Borrower. Borrower covenants and agrees that Lender has the sole security interest in the Tax Credits allocated to Borrower by the TDHCA.

3.2 Additional Investor Covenants.

In the event that Investor defaults in the payment of a capital contribution, Borrower covenants and agrees to obtain a subsequent investment partner to take the place of Investor as a limited partner of Borrower pursuant to the terms of the Partnership Agreement. As to any

subsequent investor partner that Borrower finds to take the place of Investor, Borrower covenants and agrees that it shall not permit such subsequent investor partner to replace Investor for less than an amount approved by Lender in advance and in writing. Furthermore, Lender, or the Lender Affiliate (defined in Section 5.18 below) has the option to become the subsequent investor replacing Investor as a limited partner of Borrower as discussed more particularly in Section 4 of the Partnership Agreement. In the event that Lender, or Lender Affiliate, becomes the subsequent investor replacing Investor as limited partner of Borrower, Lender acknowledges and agrees that (i) it will continue to make all remaining capital contributions in a timely manner pursuant to Section 4 of the Partnership Agreement, and (ii) the default, if any, under Section 1.27 (r) of this Loan Agreement for Investor's failure to make a capital contribution shall be waived.

Borrower covenants and agrees that the proceeds of the First Capital Contribution will be spent and used first before any proceeds of the Loan.

If Investor does not contribute the Investor Equity to the Borrower for the Improvements, Lender (or the Lender Affiliate) may assume sole ownership and possession of the Tax Credits pursuant to Section 4 of the Partnership Agreement. If Lender (or the Lender Affiliate) elects to become the subsequent limited partner of Borrower replacing Investor because of Investor's default under the Partnership Agreement and/or because Investor does not contribute the Investor Equity to the Borrower for the Improvements, all expenses of Lender in becoming the subsequent limited partner in Borrower, including without limitation, Lender's legal expenses resulting from any litigation, if any, shall be reimbursed by Developer to Lender from the Developer Fee.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower hereby represents and warrants as follows:

4.1 Financial Statements.

The Financial Statements are true, correct and complete as of the dates specified therein and fully and accurately present the financial condition of Borrower, Borrower GP, Developer, and Guarantors and, if required, as of the dates specified. No material adverse change has occurred in the financial condition of Borrower, Borrower GP, Developer, or the Guarantors since the dates of the Financial Statements.

4.2 Suits, Actions, Etc.

There are no material actions, suits or proceedings pending or to the knowledge of Borrower threatened in any court or before or by any Governmental Authority against or affecting Borrower, Guarantors or the Property, or involving the validity, enforceability, or priority of any of the Loan Instruments, at law or in equity. The consummation of the transactions contemplated hereby, and the performance of any of the terms and conditions hereof and of the other Loan Instruments, will not result in a breach of, or constitute a default in, any deed of trust, lease, promissory note, loan agreement, credit agreement, partnership agreement, or other agreement to which Borrower or Guarantors is a party or by which Borrower and Guarantors may be bound or

affected. Borrower and Guarantors are not in default of any order of any court or any requirement of any Governmental Authority.

4.3 Valid and Binding Obligations.

All of the Loan Instruments, and all other documents referred to herein to which Borrower is a party, upon execution and delivery, will constitute valid and binding obligations of Borrower, enforceable in accordance with their terms, except as limited by Debtor Relief Laws.

4.4 Title to the Property.

The Borrower holds full legal and equitable title to the Property, subject only to title exceptions set forth in the Title Insurance.

4.5 Commencement of Construction.

Prior to the recordation of the Deed of Trust, no work of any kind (including the destruction or removal of any existing improvements, site work, clearing, grubbing, draining, or fencing of the Property) shall have commenced or shall have been performed on the Property, no equipment or material shall have been delivered to or upon the Property for any purpose whatsoever, and no contract (or memorandum or affidavit thereof) for the supplying of labor, materials or services for the construction of the Improvements shall have been recorded in the mechanic's lien or other appropriate records in the county where the Property is located.

4.6 Disclosure.

There is no fact that Borrower has not disclosed to Lender in writing that could materially or adversely affect the business or financial condition of Borrower, Guarantors or the Property.

4.7 Compliance with Environmental Requirements; No Hazardous Materials.

(a) To the knowledge of Borrower, no Hazardous Materials are located on the Property or have been released into the environment, or deposited, discharged, placed or disposed of at, on, under or near the Property. No portion of the Property is being used or, to the knowledge of Borrower, has been used at any previous time for the disposal, storage, treatment, processing or other handling of Hazardous Materials nor is the Property affected by any Hazardous Materials Contamination.

(b) To the best of Borrower's knowledge, no Hazardous Materials are located in the vicinity of the Property, no property adjoining the Property is being used, or has ever been used at any previous time, for the disposal, storage, treatment, processing or other handling of Hazardous Materials, nor is any other property adjoining the Property affected by Hazardous Materials Contamination.

(c) To the best of Borrower's knowledge, no polychlorinated biphenyls are located on or in the Property, in the form of electrical transformers, fluorescent light fixtures with ballasts, cooling oils, or any other device or form.

(d) To the best of Borrower's knowledge, no investigation, administrative order, consent order and agreement, litigation or settlement with respect to Hazardous Materials or Hazardous Materials Contamination is proposed, threatened, anticipated or in existence with respect to the Property. The Property and its existing and prior uses comply and at all times have complied with any applicable Governmental Requirements relating to environmental matters or Hazardous Materials. There is no known condition on the Property that is in violation of any applicable Governmental Requirements relating to Hazardous Materials, and Borrower has received no communication from or on behalf of any Governmental Authority that any such condition exists. The Property is not currently on and, to Borrower's knowledge after diligent investigation and inquiry, has never been on any federal or state "Superfund" or "Superlien" list.

(e) All representations and warranties contained in this Section shall survive the consummation of the transactions contemplated in this Loan Agreement.

4.8 System Compliance.

The storm and sanitary sewer system, water system, all mechanical systems of the Property and other parts of the Improvements do (or when constructed will) comply with all applicable environmental, pollution control and ecological laws, ordinances, rules and regulations, and all Governmental Authorities having jurisdiction of the Property have issued all necessary permits, licenses or other authorizations for the construction, occupancy, operation, and use of the Improvements (specifically including the named systems).

4.9 Submittals.

The Loan Instruments and all Financial Statements, Plans, budgets, schedules, opinions, certificates, confirmations, Contractor's statements, applications, affidavits, agreements, Construction Contract, Architectural Contract and other materials submitted to the Lender in connection with or in furtherance of the Loan Instruments by or on behalf of the Borrower fully and fairly state the matters with which they purport to deal, and neither misstate any material fact, nor, separately or in the aggregate, fail to state any material fact necessary to make the statements made not misleading.

4.10 Utility Availability.

Subject only to payment of fees to be paid from the Approved Budget, all utility and municipal services required for the construction, occupancy and operation of the Improvements, including, but not limited to, water supply, storm and sanitary sewer systems, gas, electric and telephone facilities, are available for use and tap-in at the boundaries of the Property and will be available in sufficient amounts for the normal and intended use of the Improvements, and written

permission has been or will be obtained from the applicable utility companies or municipalities to connect the Improvements into each of said services.

4.11 Inducement to Lender.

The representations and warranties contained in the Loan Instruments are made by Borrower as an inducement to Lender to make the Loan, and Borrower understands that Lender is relying on such representations and warranties and that such representations and warranties shall survive any (a) bankruptcy proceedings involving Borrower, any general or limited partner of Borrower, or the Property, or (b) foreclosure of the Deed of Trust. Acceptance of each Advance constitutes reaffirmation, as of the date of such acceptance, of the representations and warranties of Borrower in the Loan Instruments, on which Lender shall rely in making such Advance.

4.12 IBC Account.

Borrower shall maintain the IBC Account with Lender, into which all Advances shall be deposited by Borrower, and against which checks shall be drawn for the payment of (a) costs of labor, materials and services supplied for the construction of the Improvements specified in the Approved Budget, and (b) other costs and expenses incident to the Loan, the Property and the construction of the Improvements specified in the Approved Budget. No withdrawals may be made from the IBC Account without the prior written consent of Lender.

ARTICLE 5 - COVENANTS AND AGREEMENTS OF BORROWER

Borrower hereby covenants and agrees as follows:

5.1 Compliance with Governmental Requirements.

Borrower shall timely comply with all Governmental Requirements and deliver to Lender evidence thereof. Borrower assumes full responsibility for the compliance of the Plans and the Property with all Governmental Requirements and with sound building and engineering practices, and, notwithstanding any approvals by Lender, Lender shall have no obligation or responsibility whatsoever for the Plans or any other matter incident to the Property or the construction of the Improvements. Immediately upon Borrower's receipt of any notice from a Governmental Authority of noncompliance with any Governmental Requirements, Borrower shall provide Lender with written notice thereof.

5.2 Compliance with Management Agreement.

Borrower shall timely comply with all requirements of the Management Agreement and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Management Agreement. Lender shall have no obligation or responsibility whatsoever for the Management Agreement, or any other matter incident to the Management Agreement. Immediately upon Borrower's receipt of any notice from the Manager of noncompliance with any requirements of the Management Agreement, Borrower shall provide Lender with written notice thereof.

5.3 Compliance with Permanent Loan.

Borrower shall timely comply with all requirements of the Permanent Lender and the Permanent Loan Documents, and deliver to Lender evidence thereof. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Permanent Lender and the Permanent Loan Documents. Lender shall have no obligation or responsibility whatsoever for the Permanent Lender and/or the Permanent Loan Documents, or any other matter incident to the Permanent Lender and the Permanent Loan Documents. Immediately upon Borrower's receipt of any notice from the Permanent Lender of noncompliance with any requirements of the Permanent Lender or the Permanent Loan Documents, such as a default of the Permanent Loan and/or the Permanent Loan Documents, Borrower shall provide Lender with written notice thereof within three (3) days of the receipt of such notice by Borrower.

5.4 Construction Contract.

Borrower shall become party to no contract, including the Construction Contract, for the performance of any work on the Property or for the supplying of any labor, materials or services for the construction of the Improvements, except upon such terms and with such parties as shall be reasonably approved in writing by Lender. The Construction Contract shall provide that all liens of the Contractor are subordinate to the Deed of Trust and that the Contractor waives any right to remove removable improvements and shall require all subcontracts and purchase orders to contain a provision subordinating the subcontractors' and materialmen's liens to the Deed of Trust and waiving any right to remove removable improvements. The Construction Contract shall also provide that no change orders in excess of \$25,000.00 shall be effective without the prior written approval of Lender. No approval by Lender of any Construction Contract or change order shall make Lender responsible for the adequacy, form or content of such Construction Contract change order. The form of the Construction Contract and any amendments thereto are subject to the approval of Lender in its sole discretion.

5.5 Construction of the Improvements.

Borrower will commence construction of the Improvements within thirty (30) days from the date of issuance of the building permit, and the construction of the Improvements shall be prosecuted with diligence and continuity, in a good and workmanlike manner, and in accordance with sound building and engineering practices, all applicable Governmental Requirements and the Plans. Prior to Substantial Completion, Borrower shall not permit cessation of work for a period in excess of thirty (30) days without the prior written consent of Lender, and shall complete construction of the Improvements on or before the Completion Date, free and clear of all liens (except those as to which Borrower has furnished a bond or other security acceptable to Lender and otherwise complied with the requirements of this Loan Agreement).

5.6 Correction of Defects.

Borrower shall correct or cause to be corrected (a) any material defect in the Improvements, (b) any material departure in the construction of the Improvements from the Plans and/or

Governmental Requirements, or (c) any encroachment by any part of the Improvements, or any structure located on the Property, on any easement, property line, or restricted area, or any encroachment by any such structure on any building line.

5.7 Storage of Materials.

Borrower shall cause all materials supplied for, or intended to be utilized in, the construction of the Improvements, but not affixed to or incorporated into the Improvements or the Property, to be stored on the Property or at such other location as may be reasonably approved by Lender in writing, with adequate safeguards, as required by Lender, to prevent loss, theft, damage, or commingling with other materials or projects.

5.8 Inspection of the Property.

Borrower shall permit Lender, any Governmental Authority, and their agents and representatives, including without limitation, the Inspecting Architects/Engineers, to enter upon the Property and any location where materials intended to be utilized in the construction of the Improvements are stored, for the purpose of inspection of the Property and such materials at all reasonable times.

5.9 Notices by Governmental Authority, Casualty, Condemnation.

Borrower shall timely comply with and promptly furnish to Lender true and complete copies of any official notice or claim by any Governmental Authority pertaining to the Property. Borrower shall promptly notify Lender of any fire or other casualty or any notice of taking or eminent domain action or proceeding affecting the Property, or the threat of any such action or proceeding of which Borrower becomes aware.

5.10 Application of Advances.

Borrower shall disburse all Advances for the payment of costs and expenses specified in the Approved Budget or as otherwise approved in advance in writing by Lender, and for no other purpose.

5.11 Direct Disbursement and Application by Lender.

Lender shall have the right, but not the obligation, to disburse and directly apply the proceeds of any Advance under the Loan and other funds of Borrower required by Lender, to the satisfaction of any of Borrower's obligations hereunder or under any of the other Loan Instruments. Any Advance by Lender for such purpose shall be part of the Loan and shall be secured by the Loan Instruments. Lender may advance and incur such expenses as Lender deems necessary for the completion of construction of the Improvements and to preserve the Property and any other security for the Loan, and such expenses, even though in excess of the amount of the Loan, shall be secured by the Loan Instruments and payable to Lender. Lender may disburse any portion of any Advance at any time, and from time to time, to persons other than Borrower for the purposes

specified in this Loan Agreement, and the amount of Advances to which Borrower shall thereafter be entitled shall be correspondingly reduced.

5.12 Costs and Expenses.

Borrower shall pay when due all costs and expenses required by this Loan Agreement, including, without limitation, (a) all taxes and assessments applicable to the Property, (b) all fees for filing or recording the Loan Instruments, (c) all fees and commissions lawfully due to brokers, salesmen, and agents in connection with the Loan or the Property, (d) all reasonable fees and expenses of counsel to Lender, (e) all title insurance and title examination charges, including premiums for the Title Insurance, (f) all survey costs and expenses, including the cost of the Survey, the Foundation Survey, (g) all premiums for the Insurance Policies, and (h) all other reasonable costs and expenses payable to third parties incurred by Lender in connection with the consummation of the transactions contemplated by this Loan Agreement.

5.13 Additional Documents.

Borrower and Guarantors shall execute and deliver to Lender, from time to time as requested by Lender, such other documents as shall reasonably be necessary to provide the rights and remedies to Lender granted or provided for by the Loan Instruments on or before ten (10) days after such request is made to Borrower and/or Guarantors.

5.14 Inspection of Books and Records.

Borrower shall permit Lender, at all reasonable times, to examine and copy the books and records of Borrower and Guarantors pertaining to the Loan and the Property, and all contracts, statements, invoices, bills, and claims for labor, materials, and services supplied for the construction of the Improvements.

5.15 No Liability of Lender.

Lender shall have no liability, obligation or responsibility whatsoever with respect to the construction of the Improvements, except to advance the Loan pursuant to this Loan Agreement. Lender shall not be obligated to inspect the Property or the construction of the Improvements, nor be liable or responsible for any defect in the Property or the Improvements by reason of inspecting same, nor be liable for the performance or default of Borrower, Architect, the Inspecting Architects/Engineers, Contractor, or any other party, or for any failure to construct, complete, protect, or insure the Improvements, or for the payment of costs of labor, materials or services supplied for the construction of the Improvements, or for the performance of any obligation of Borrower whatsoever. Nothing, including, without limitation, any Advance or acceptance of any document or instrument, shall be construed as a representation or warranty, express or implied, to any party by Lender.

5.16 No Conditional Sale Contracts, Etc.

No materials, equipment or fixtures shall be supplied, purchased or installed for the construction or operation of the Improvements pursuant to security agreements, conditional sale contracts, lease agreements, or other arrangements or understandings whereby a security interest or title is retained by any party or the right is reserved or accrues to any party to remove or repossess any materials, equipment or fixtures intended to be utilized in the construction or operation of the Improvements.

5.17 Defense of Actions.

Lender may (but shall not be obligated to) commence, appear in, or defend any action or proceeding purporting to affect the Loan, the Property or the respective rights and obligations of Lender and Borrower pursuant to this Loan Agreement. Lender may (but shall not be obligated to) pay all necessary expenses, including reasonable attorneys' fees and expenses incurred in connection with such proceedings or actions, which Borrower agrees to repay to Lender.

5.18 Prohibition on Assignment of Borrower's Interest.

Borrower shall not encumber or assign any interest of Borrower hereunder without the prior written consent of Lender. Borrower shall not assign any interest of Borrower hereunder, including without limitation, any interest of the Borrower GP, except as approved in advance in writing by Lender in its sole discretion or as provided below.

In the event that the Borrower GP defaults under the terms of the Partnership Agreement under Section 9.6 thereof, after applicable notice and cure periods provided in the Partnership Agreement (a "Removal Event"), the Borrower GP may be removed and substituted with a new general partner according to the following terms:

(i) a wholly owned affiliate of Investor, without Lender consent, or a non-profit corporation proposed by Investor and approved by Lender in its sole and absolute discretion (collectively, the "Replacement GP") shall have the first option to remove, replace and substitute the Borrower GP so long as the Replacement GP cures the default of the Partnership Agreement by the Borrower GP with written notice thereof to Lender and the owner of the shares/interests of the Replacement GP pledges all of the shares/interests of the Replacement GP to Lender using a form approved by Lender to secure the Loan; or

(ii) Lender or a wholly owned affiliate of Lender (the "Lender Affiliate") shall have a second option to remove and substitute the Borrower GP upon such terms and conditions as Lender may require with no time limit for same.

It is understood and agreed that Investor shall have first Borrower GP substitution rights, to be exercised within ten (10) days after a Removal Event whereby the Borrower GP will be substituted with the Replacement GP. If Investor fails to substitute the Borrower GP with the Replacement GP within ten (10) days after a Removal Event, then, after an

additional ten (10) days prior written notice from Lender and opportunity by the Investor to substitute the Borrower GP with the Replacement GP, Lender then has the option to replace the Borrower GP with either Lender or the Lender Affiliate pursuant to the terms herein.

It is understood and agreed that if the Lender or Lender Affiliate becomes the new owner of the general partner of Borrower pursuant to the exercise of its option above, Borrower and Guarantors covenant and agree the Lender or the Lender Affiliate may not be removed as the general partner of Borrower under the terms of the Partnership Agreement except upon such terms as approved in advance by Lender.

5.19 Payment of Claims.

Borrower shall promptly pay or cause to be paid when due all costs and expenses incurred in connection with the Property and the construction of the Improvements, and Borrower shall keep the Property free and clear of any lien, charge, or claim other than the encumbrances of the Deed of Trust and other liens approved in writing by Lender. Notwithstanding anything to the contrary contained in this Loan Agreement, Borrower (a) may contest the validity or amount of any claim of any contractor, consultant, architect, or other person providing labor, materials or services with respect to the Property, (b) may contest any tax or special assessments levied by any Governmental Authority, and (c) may contest the enforcement of or compliance with any Governmental Requirements, and such contest on the part of Borrower shall not be a default hereunder and shall not release Lender from its obligations to make Advances hereunder; provided, however, that during the pendency of any such contest, Borrower shall furnish to Lender and Title Company an indemnity bond with corporate surety reasonably satisfactory to Lender and Title Company or other security acceptable to them in an amount equal to the amount being contested plus a reasonable additional sum to cover possible costs, interest, and penalties, and provided, further, that Borrower shall pay any amount adjudged by a court of competent jurisdiction to be due, with all costs, interest and penalties thereon, before such judgment becomes a lien on the Property.

5.20 Restrictions and Annexation.

Other than the recording of the Restrictive Covenants in the Real Property Records of McLennan County, Texas, Borrower shall not impose any restrictive covenants, easements, or servitudes other than those to provide utilities to the Property and Improvements, or other encumbrances upon the Property, execute or file any subdivision plat affecting the Property, or consent to the annexation of the Property to any city without the prior written consent of Lender.

5.21 Advertising by Lender.

Borrower agrees that, during the term of this Loan, Lender may erect and maintain on the Property one or more advertising signs indicating that the construction financing for the Property has been provided by Lender.

5.22 Compliance with Restrictive Covenants.

Borrower shall timely comply with all requirements of the Restrictive Covenants and deliver to Lender evidence thereof. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Restrictive Covenants. Lender shall have no obligation or responsibility whatsoever for the Restrictive Covenants, or any other matter incident to the Restrictive Covenants. Immediately upon Borrower's receipt of any material notice regarding the Restrictive Covenants, such as a default of the Restrictive Covenants, Borrower shall provide Lender with written notice thereof within five (5) days of the date of the receipt of such notice by Borrower. Furthermore, Borrower covenants and agrees that the Restrictive Covenants shall be filed in the real property records of McLennan County, Texas on or before December 31, 2019.

5.23 Compliance with Leases Covering the Property.

Borrower shall timely comply with all requirements of all leases covering rentable space located on the Property (collectively, the "Leases"). Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Leases. Lender shall have no obligation or responsibility whatsoever for the Leases, or any other matter incident to the Leases. Lender shall have the right to review and approve the standard form of such Leases, such approval not to be unreasonably withheld, conditioned, or delayed. Borrower shall pay all costs of Lender, including without limitation, Lender's legal fees, in reviewing the standard form of the Leases.

5.24 Compliance with Development Agreement.

Borrower shall timely comply with all requirements of the Development Agreement and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Development Agreement. Lender shall have no obligation or responsibility whatsoever for the Development Agreement, or any other matter incident to the Development Agreement. Immediately upon Borrower's receipt of any notice from the Developer of noncompliance with any requirements of the Development Agreement, Borrower shall provide Lender with written notice thereof.

5.25 Withdrawal of Capital Prohibited.

Obligor understands and agrees that all contributed or internally generated capital must remain in the Project until the Loan is converted to permanent financing or it is paid in full. Obligor shall not withdraw any existing capital contribution from the Project, or any capital subsequently generated from the Project, prior to the occurrence of any of the following events:

- (i) The Loan is converted to permanent financing satisfactory to Lender in Lender's sole and absolute discretion;
- (ii) The Project is sold and the Loan is paid in full; or
- (iii) The Loan is otherwise paid in full.

5.26 Compliance with Construction Contract.

Obligor covenants and agrees that Borrower shall timely comply with all requirements of Borrower under the Construction Contract and deliver to Lender evidence thereof as requested by Lender. Borrower assumes full responsibility for the satisfaction of the terms and conditions of the Construction Contract to be performed by Borrower. Lender shall have no obligation or responsibility whatsoever for the Construction Contract, or any other matter incident to the Construction Contract. Immediately upon Obligor's receipt of any notice of either noncompliance and/or nonperformance with any requirements of the Construction Contract by Borrower or Contractor, Obligor shall provide Lender with written notice thereof.

ARTICLE 6 - ASSIGNMENTS OF RIGHTS

6.1 Assignment of Construction Contract.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's rights and interest, but not its obligations, in, under and to the Construction Contract upon the following terms and conditions:

(a) Borrower represents and warrants that the copy of the Construction Contract furnished to Lender are a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(b) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Construction Contract, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Construction Contract. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(c) Lender shall have the right at any time (but shall have no obligation) to take, in its name or in the name of Borrower, such action as Lender may at any time determine to be necessary or advisable to cure any default under the Construction Contract or to protect the rights of Borrower or Lender thereunder. Lender shall incur no liability if any action so taken by it or in its behalf shall prove to be inadequate or invalid, and Borrower agrees to hold Lender free and harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees) incurred in connection with any such action.

(d) Borrower hereby irrevocably constitutes and appoints Lender as Borrower's attorney-in-fact, in Borrower's name or in Lender's name, to enforce all rights of Borrower under the Construction Contract.

(e) Prior to an Event of Default, Borrower shall have the right to exercise its rights as Owner under the Construction Contract, provided that Borrower shall not cancel

or amend the Construction Contract, or do or suffer to be done any act which would impair the security constituted by this assignment without the prior written consent of Lender.

(f) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

6.2 Assignment of Architectural Contract and Plans.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's right, title and interest in and to the Architectural Contract and Plans and hereby represents and warrants to and agrees with Lender as follows:

(a) The schedule of the Plans delivered to Lender is a complete and accurate description of the Plans.

(b) The Plans are complete and adequate for the construction of the Improvements and there have been no modifications thereof except as described in such schedule. The Plans shall not be modified without the prior written consent of Lender in one amendment or in the aggregate.

(c) Lender may use the Plans for any purpose relating to the Improvements, including, but not limited to, inspections of construction and the completion of the Improvements.

(d) Borrower represents and warrants that the copy of any Architectural Contract it has furnished to Lender is a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(e) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Architectural Contract, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Architectural Contract. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(f) Lender's acceptance of this assignment shall not constitute approval of the Plans by Lender. Lender has no liability or obligation whatsoever in connection with the Plans and no responsibility for the adequacy thereof or for the construction of the Improvements contemplated by the Plans. Lender has no duty to inspect the Improvements, and, if Lender should inspect the Improvements, Lender shall have no liability or obligation to Borrower arising out of such inspection. No such inspection nor any failure by Lender to make objections after any such inspection shall constitute a

representation by Lender that the Improvements are in accordance with the Plans or constitute a waiver of Lender's right thereafter to insist that the Improvements be constructed in accordance with the Plans.

(g) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

6.3 Assignment of Management Agreement.

As additional security for the payment of the Loan, Borrower hereby transfers and assigns to Lender all of Borrower's rights and interest, but not its obligations, in, under and to the Management Agreement, upon the following terms and conditions:

(a) Borrower represents and warrants that the copy of the Management Agreement it has furnished or shall furnish to Lender is or will be a true and complete copy thereof and that Borrower's interest therein is not subject to any claim, setoff or encumbrance.

(b) Neither this assignment nor any action by Lender shall constitute an assumption by Lender of any obligation under the Management Agreement, and Borrower shall continue to be liable for all obligations of Borrower thereunder, Borrower hereby agreeing to perform all of its obligations under the Management Agreement. Borrower indemnifies and holds Lender harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and expenses) resulting from any failure of Borrower to so perform.

(c) Lender shall have the right at any time (but shall have no obligation) to take, in its name or in the name of Borrower, such action as Lender may at any time determine to be necessary or advisable to cure any default under the Management Agreement or to protect the rights of Borrower or Lender thereunder. Lender shall incur no liability if any action so taken by it or in its behalf shall prove to be inadequate or invalid, and Borrower agrees to hold Lender free and harmless against and from any loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees) incurred in connection with any such action.

(d) Borrower hereby irrevocably constitutes and appoints Lender as Borrower's attorney-in-fact, in Borrower's name or in Lender's name, to enforce all rights of Borrower under the Management Agreement.

(e) Prior to an Event of Default, Borrower shall have the right to exercise its rights as Owner under the Management Agreement, provided that Borrower shall not cancel or materially (including term and compensation) amend the Management

Agreement or do or suffer to be done any act which would impair the security constituted by this assignment without the prior written consent of Lender.

(f) This assignment shall inure to the benefit of Lender, its successors and assigns, including without limitation, any purchaser of the fee estate of the Property upon foreclosure of the Deed of Trust, any receiver in possession of the Property, and any corporation formed by or on behalf of Lender which assumes Lender's rights and obligations under this Loan Agreement.

ARTICLE 7 - CONTINUING COVENANTS AND OPERATIONS

7.1 Completion Conditions.

Borrower agrees to achieve Substantial Completion of the construction of the Improvements and to satisfy the conditions to the Final Advance on or before the Completion Date.

7.2 Payment of Taxes and Other Indebtedness.

Borrower will pay and discharge (i) all taxes imposed upon it or upon its income or profits, or upon any assets or properties belonging to it, before delinquent, (ii) all lawful claims, including claims for labor, materials and supplies), which, if unpaid, might become a lien upon any of its assets or properties, and (iii) all of its other indebtedness, except as prohibited hereunder; provided, however, that Borrower shall not be required to pay any such tax, if and so long as the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings and appropriate accruals and reserves therefor have been duly and properly established.

7.3 Maintenance of Existence and Rights; Conduct of Business.

Borrower will preserve and maintain its existence and all of its rights and privileges necessary or desirable in the normal conduct of its business, and conduct its business in an orderly and efficient manner consistent with good business practices and in accordance with all valid regulations and orders of any Governmental Authority. Borrower will operate the Property and Improvements in a prudent and business like manner for the leasing of 48 residential units, one hundred percent (100%) of said units to be leased to persons making at or below fifty percent (50%) of adjusted median income, persons making at or below thirty percent (30%) of adjusted median income, and persons making at or below sixty percent (60%) of adjusted median income, all in accordance with the terms of the Loan, the requirements of Lender, the Partnership Agreement, and the requirements of all Governmental Authorities, including without limitation, the TDHCA and the Restrictive Covenants.

7.4 Compliance with Loan Instruments.

Borrower will promptly comply with any and all covenants and provisions of this Loan Agreement, the Note and all of the Loan Instruments to which Borrower is a party.

7.5 Compliance with Material Agreements.

Borrower will comply in all material respects with all material agreements, indentures, mortgages, deeds of trust or documents binding on it or affecting its assets, properties or business.

7.6 Operations and Properties.

Borrower will act prudently and in accordance with customary industry standards in managing or operating its assets, properties, business and investments; Borrower will keep in good working order and condition, ordinary wear and tear excepted, all of its assets and properties which are necessary to the conduct of its business.

7.7 Books and Records; Access.

Upon at least 24 hours prior written notice except in cases of emergency in which case, no notice will be required, Borrower will give any representative of Lender access during all business hours to, and permit such representative to examine, copy or make excerpts from, any and all books, records and documents in the possession of Borrower and relating to its affairs, and to inspect any of the assets or properties of Borrower. Borrower will maintain complete and accurate books and records of its transactions in accordance with good accounting practices.

7.8 Compliance with Law.

Borrower and Guarantors will comply with all applicable laws and all orders of any Governmental Authority applicable to them or any of their assets or properties, business operations or transactions.

7.9 No Occupancy Contrary to Builder's Risk Policy.

The Improvements shall not be occupied until Borrower has obtained and furnished to Lender a "permission to occupy" endorsement to the builder's risk insurance policy, which endorsement is satisfactory to Lender, or Borrower has obtained replacement coverage in the form of an all-risk insurance policy upon the completed Improvements, which policy will not be impaired by the occupancy of the Improvements and is satisfactory to Lender. Immediately upon such coverage becoming available, Borrower shall provide to Lender evidence of casualty and extended coverage insurance in accordance with the Deed of Trust, and as otherwise required by Lender.

7.10 Insurance.

During the term of the Loan, Borrower will maintain the Insurance Policies and any and all other insurance against such casualties, risks and contingencies, and in such types and amounts as are required by the Loan Instruments, including without limitation, this Loan Agreement, and Borrower will purchase such additional insurance as is consistent with customary practices and standards of companies engaged in similar businesses and as may be reasonably required by Lender, showing Lender as an additional insured.

7.11 Current Financial Statements.

Borrower and Guarantors shall (i) on or before the one hundred and twentieth (120th) day following the end of each calendar year, deliver or cause to be delivered to Lender then current Financial Statements of Borrower, the Borrower GP, the Developer, and the Guarantors, (ii) within one hundred twenty (120) days following the end of each calendar year, deliver to the Lender copies of Borrower's tax returns and the tax returns of the Borrower GP and the Guarantors, and (iii) from time to time, as Lender may reasonably request, deliver to Lender additional Financial Statements of Borrower, the Borrower GP, the Developer, and the Guarantors.

7.12 Tax Receipts.

Borrower shall furnish Lender with receipts or tax statements marked "Paid" to evidence the payment of all taxes levied on the Property on or before fifteen (15) days prior to the date such taxes become delinquent.

7.13 Loan Participations.

Borrower and the Guarantors acknowledge and agree that Lender may, from time to time, sell or offer to sell interests in the Loan and the Loan Instruments to one or more participants. Borrower and the Guarantors authorize Lender to disseminate any information it has pertaining to the Loan, including, without limitation, complete and current credit information on Borrower and the Guarantors, or any of its principals, to any such participant or prospective participant.

7.14 Notice of Litigation, Claims and Financial Change.

Borrower shall promptly inform Lender of (a) any litigation against Borrower or affecting the Property, which, if determined adversely, might have a material adverse effect upon the financial condition of Borrower, or upon the Property, or might cause an Event of Default, (b) any claim or controversy which might become the subject of such litigation, and (c) any material adverse change in the financial condition of Borrower. For the purposes hereof, a material adverse change shall be deemed to have occurred when (1) there has been, or there is likely to occur a decline of fifteen percent (15%) or more in the tangible net worth of Borrower as shown on the Financial Statements of Borrower delivered to Lender in connection with the Loan or (2) actual sources and uses of funds for any twelve-month period adversely vary by fifteen percent (15%) or more with the pro forma sources and uses of funds statement submitted for such period.

7.15 Hold Harmless.

Borrower shall defend, at its own cost and expense, and hold Lender harmless from, any proceeding or claim in any way relating to the Property or the Loan Instruments. All costs and expenses incurred by Lender in protecting its interests hereunder, including all court costs and reasonable attorneys' fees and expenses, shall be borne by Borrower. The provisions of this Section shall survive the payment in full of the Loan and all other indebtedness secured by the

Deed of Trust and the release of the Deed of Trust as to events occurring and causes of action arising before such payment and release.

7.16 Hazardous Materials; Indemnification.

(a) Borrower agrees to (i) give notice to Lender immediately upon Borrower's acquiring knowledge of the presence of any Hazardous Materials on the Property or of any Hazardous Materials Contamination with a full description thereof; (ii) promptly, at Borrower's sole cost and expense, comply with any Governmental Requirements requiring the removal, treatment or disposal of such Hazardous Materials or Hazardous Materials Contamination and provide Lender with satisfactory evidence of such compliance; and (iii) provide the Lender, within thirty (30) days after demand by Lender, with a bond, letter of credit or similar financial assurance evidencing to Lender's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any assessments which may be established on the Property as a result thereof.

(b) Borrower shall not cause or suffer any liens to be recorded against the Property as a consequence of, or in any way related to, the presence, remediation or disposal of Hazardous Material in or about the Property, including any state, federal or local so-called "Superfund" lien relating to such matters.

(c) Borrower shall at all times retain any and all liabilities arising from the presence, handling, treatment, storage, transportation, removal or disposal of Hazardous Materials on the Property. Regardless of whether any Event of Default shall have occurred and be continuing or any remedies in respect of the Property are exercised by Lender, Borrower shall defend, indemnify and hold harmless Lender from and against any and all liabilities (including strict liability), suits, actions, claims, demands, penalties, damages (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions), losses, costs or expenses (including, without limitation, attorneys' fees and expenses, and remedial costs) (the foregoing are hereinafter collectively referred to as "Liabilities") which may now or in the future (whether before or after the culmination of the transactions contemplated by this Loan Agreement) incurred or suffered by Lender by reason of, resulting from, in connection with, or arising in any manner whatsoever out of the breach of any warranty or covenant or the inaccuracy of any representation of Borrower contained or referred to in this Section or elsewhere in this Loan Agreement or which may be asserted as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission, or release from the Property of any Hazardous Materials or any Hazardous Materials Contamination or arise out of or result from the environmental condition of the Property or the applicability of any Governmental Requirements relating to Hazardous Materials, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of Lender.

Such Liabilities shall include, without limitation: (i) injury or death to any person; (ii) damage to or loss of the use of any property; (iii) the cost of any demolition and rebuilding of the Improvements, repair or remediation and the preparation of any activity required by

any Governmental Authority; (iv) any lawsuit brought or threatened, good faith settlement reached, or governmental order relating to the presence, disposal, release or threatened release of any Hazardous Material on, from or under the Property; and (v) the imposition of any lien on the Property arising from the activity of Borrower or Borrower's predecessors in interest on the Property or from the existence of Hazardous Materials or Hazardous Materials Contamination upon the Property.

The covenants and agreements contained in this Section shall survive the consummation of the transactions contemplated by this Loan Agreement.

7.17 Assignment of Interests in Borrower.

Except as otherwise permitted under the terms of Section 5.18 of this Loan Agreement, neither Borrower, the Borrower GP, nor any existing limited partner of Borrower, shall assign any limited partnership interest in the Borrower except to Investor, which will not occur unless and until Investor has made the First Capital Contribution to Borrower. Except as to any interest collaterally assigned to Lender, until the Loan is paid in full, no interest in the Borrower GP, may be assigned, pledged or shares transferred thereof except as approved by Lender in writing and in advance.

7.18 Partnership Agreement and Company Agreement of Borrower GP.

Borrower covenants and agrees to comply with all terms and conditions of the Partnership Agreement. The Partnership Agreement is subject to the approval of Lender in Lender's sole discretion, and the Partnership Agreement may not be amended without the prior written approval of Lender. Borrower further covenants and agrees to comply with all terms and conditions of the Company Agreement of Borrower GP. The Company Agreement is subject to the approval of Lender in Lender's sole discretion, and the Company Agreement may not be amended without the prior written approval of Lender.

7.19 Indemnity.

BORROWER COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS, LENDER FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE, INCLUDING BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON THE LENDER, DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO BORROWER'S ACTIVITIES UNDER THIS CONSTRUCTION LOAN AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF BORROWER, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT, BORROWER, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES WHILE IN THE EXERCISE OR PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS CONSTRUCTION LOAN AGREEMENT.

IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF LENDER UNDER THIS CONSTRUCTION LOAN AGREEMENT. THE PROVISIONS OF THIS INDEMNIFICATION AGREEMENT ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. BORROWER SHALL PROMPTLY ADVISE LENDER IN WRITING OF ANY CLAIM OR DEMAND AGAINST THE LENDER OR BORROWER KNOWN TO BORROWER RELATED TO OR ARISING OUT OF BORROWER'S ACTIVITIES UNDER THIS CONSTRUCTION LOAN AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT BORROWER'S COST. LENDER SHALL HAVE THE RIGHT, AT ITS OPTION AND AT ITS OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING BORROWER OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

IT IS THE EXPRESS INTENT OF THE PARTIES TO THIS CONSTRUCTION LOAN AGREEMENT, THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION, IS AN INDEMNITY EXTENDED BY BORROWER TO INDEMNIFY, PROTECT AND HOLD HARMLESS THE LENDER FROM THE CONSEQUENCES OF THE LENDER'S OWN NEGLIGENCE. BORROWER FURTHER AGREES TO DEFEND, AT ITS OWN EXPENSE, AND ON BEHALF OF THE LENDER AND IN THE NAME OF THE LENDER, ANY CLAIM OR LITIGATION BROUGHT AGAINST THE LENDER IN CONNECTION WITH ANY SUCH INJURY, DEATH OR DAMAGE FOR WHICH THIS INDEMNITY SHALL APPLY, AS SET FORTH ABOVE.

7.20 Investor Equity.

Borrower shall provide Lender with any notice in connection with the Investor Equity. Borrower covenants and agrees that the amount of the Investor Equity will be at least \$4,648,032.00.

7.21 Tax Credits.

Borrower hereby agrees to comply with all of the following covenants:

(a) To observe and perform all obligations imposed on Borrower in connection with the Tax Credits, including the obligation to have the Property "placed in service" (within the meaning given in Section 42 of the Internal Revenue Code) in a timely manner; and to operate the residential units of the Property, and to use Borrower's best efforts to cause all appropriate parties to operate the same, in accordance with all Governmental Requirements governing the Tax Credits, including without limitation, Section 42 of the Internal Revenue Code;

(b) To preserve at all times the allocation and availability of the Tax Credits;

(c) Not to release, forego, alter, amend, or modify its rights to the Tax Credits without Lender's prior written consent, which Lender may give or withhold in Lender's sole and absolute discretion;

(d) Not to execute any lease of all or any portion of the Property which does not comply fully with all Governmental Requirements governing the Tax Credits, without Lender's prior written consent, which Lender may give or withhold in Lender's sole and absolute discretion;

(e) To cause to be kept all records, and cause to be made all elections and certifications, pertaining to the number and size of residential units, occupancy thereof by tenants, income level of tenants, set-asides for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits in connection with the low-income occupancy of the Property;

(f) To comply with the appropriate minimum low-income set-aside requirements under the Internal Revenue Code or Governmental Requirements applicable to the creation, maintenance and continued availability of the Tax Credits;

(g) To certify compliance with the set-aside requirements and report the dollar amount of qualified basis and maximum applicable percentage, date of placement in service and any other information required for the Tax Credits at such time periods as required by the Governmental Requirements for such Tax Credits;

(h) To set aside the appropriate number of units for households with incomes meeting the required standards of the median income of the county in which the Property is located to qualify for the Tax Credits (as determined pursuant to Section 42 of the Internal Revenue Code and/or Governmental Requirements), adjusted for family size, and to operate and maintain all such units as "low-income units" qualifying for the Tax Credits under Section 42(i)(3) of the Internal Revenue Code and/or Governmental Requirements;

(i) To exercise good faith in all activities relating to the operation and maintenance of the Property in accordance with the Governmental Requirements; and

(j) To promptly deliver to Lender true and correct copies of all notices or other documents or communications received or given by Borrower with regard to or relating in any way to Borrower's partnership interests and/or the Tax Credits. Immediately upon receipt thereof, Borrower shall deliver to Lender a copy of (i) the basis audit (as required by Section 42 of the Internal Revenue Code) for the Property (including a certificate of Borrower's accountant or attorneys if requested by Lender); (ii) the first annual income certification for all tenants of the Property showing that the tenants are qualified for purposes of Borrower obtaining the Tax Credits, and (iii) the fully-completed Form 8609 (required by the Internal Revenue Code) issued for the Property. Borrower shall deliver promptly to Lender such other certificates, income certificates, reports and information as Lender may reasonably request.

Borrower understands and acknowledges that Lender is making the Loan based, in part, upon the value of the Tax Credits, and the Tax Credits, directly or indirectly, constitute part of Lender's security for the Loan. Borrower agrees to indemnify, defend, and hold Lender harmless for, from, and against any and all actions, suits, claims, demands, liabilities, losses, damages, obligations, and costs or expenses, including litigation costs and reasonable attorneys' fees, arising from or in any way connected with Borrower's failure to comply with one or more of these covenants regarding the Tax Credits.

7.22 Revisions to the Corporate Documents.

Borrower and Guarantors covenant and agree that there will be no revisions, changes or amendments to the corporate documents of Borrower or Guarantors without the prior written consent of Lender.

7.23 Developer's Compliance with Loan Instruments.

Borrower covenants and agrees that Developer will promptly comply with any and all covenants and provisions of the Loan Instruments executed by Developer.

7.24 Guarantors' Compliance with Loan Documents.

Guarantors will promptly comply with any and all covenants and provisions of this Agreement and all of the Loan Instruments executed by Guarantors.

7.25 Guarantors' Operations and Properties.

Guarantors will act prudently and in accordance with customary industry standards in managing or operating their assets, properties, business and investments, and Guarantors will keep in good working order and condition, ordinary wear and tear excepted, all of its assets and properties which are necessary to the conduct of its business.

7.26 Guarantors' Books and Records; Access.

Guarantors will give any representative of Lender access during all business hours to, and permit such representative to examine, copy or make excerpts from, any and all books, records and documents in the possession of Guarantors and relating to its affairs, and to inspect any of the assets or properties of Guarantors. Guarantors will maintain complete and accurate books and records of their transactions in accordance with good accounting practices.

7.27 Guarantors' Notices of Litigation and Claims.

All Guarantors shall promptly inform Lender of (a) any litigation against them, which, if determined adversely, might have a material adverse effect upon the financial condition of such Guarantors as determined by Lender, (b) any claim or controversy which might become the subject of such litigation, and (c) any material adverse change in the financial condition of all Guarantors. For the purposes hereof, a material adverse change shall be deemed to have occurred when (1) there has been a decline of twenty-five percent (25%) or more in the tangible net worth of such Guarantors as shown on the Financial Statements of such Guarantors delivered to Lender, or (2) actual sources and uses of funds of such Guarantors for any twelve-month period adversely vary by twenty-five percent (25%) or more with the pro forma sources and uses of funds statement submitted for such time period.

7.28 Prohibition on assigning or pledging membership interests/shares in Guarantors.

It is understood and agreed that there shall be no assignment or pledge of any and all membership interests or shares in Guarantors without the prior written consent of Lender which may be withheld in Lender's sole discretion.

7.29 Guarantor Insurance.

Guarantors will maintain insurance against such casualties, risks and contingencies, and in such types and amounts as are required by this Agreement or applicable law, and Lender reserves the right to require Guarantors to obtain such other insurance as is consistent with customary practices and standards of companies engaged in similar businesses as determined by Lender in its sole discretion.

7.30 Zoning.

Borrower represents and warrants that the Property is zoned "Commercial" by the City of West, Texas, and Borrower represents and warrants that the Commercial zoning designation permits the construction of the Improvements thereon, and the operation of a multi-family housing project thereon after construction is completed. No change in zoning of the Property is permitted hereunder without the prior written consent of Lender.

7.31 Further Assurances.

Obligor shall execute and deliver all such financing statements, security agreements, and such other instruments and documents as Lender may request in order to perfect Lender's security interests in and upon the collateral securing the Loan. Obligor shall at all times do, make, execute, deliver, record, register or file all such instruments, acts, pledges, assignments and transfers (or cause the same to be done) and shall deliver to Lender such instruments constituting or evidencing the collateral securing the Loan as Lender may request, to better assure Lender with respect to the security interests granted to it under the Loan Instruments.

7.32 ADA.

If all or any portion of the Property ever is not in compliance with the ADA after the completion of the construction of the Improvements, and Borrower receives written notice thereof by the applicable governmental authorities, Borrower shall correct such ADA violations within the cure period established in the written notice.

7.33 USA PATRIOT ACT NOTIFICATION.

The following notification is provided to Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for Borrower: When Borrower opens an account, if Borrower is an individual Lender will ask for Borrower's name, taxpayer identification number, residential address, date of birth, and other information that will allow Lender to identify Borrower, and if Borrower is not an individual, Lender will ask for Borrower's name, taxpayer identification number, business address, and other information that will allow Lender to identify Borrower. Lender may also ask, if Borrower is an individual, to see Borrower's driver's license or other identifying documents, and if Borrower is not an individual to see Borrower's legal organizational documents or other identifying documents.

7.34 Permanent Loan.

Borrower covenants and agrees to follow each of the terms and agreements of the Permanent Loan and Permanent Loan Documents.

ARTICLE 8 - RIGHTS AND REMEDIES OF LENDER

8.1 Rights of Lender.

Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right, in addition to any other right or remedy of Lender, but not the obligation, in its own name or in the name of Borrower, to enter into possession of the Property; to perform all work necessary to complete the construction of the Improvements substantially in accordance with the Plans and the Governmental Requirements; and to employ watchmen and other safeguards to protect the Property. Borrower hereby appoints Lender as the attorney-in-fact of Borrower, with full power of substitution, and in the name of Borrower, if Lender elects to do so, upon the occurrence and during the continuance of an Event of Default, to (a) use such sums as are necessary, including any proceeds of the Loan, make such changes or corrections in the Plans, and employ such architects, engineers and contractors as may be required for the purpose of completing the construction of the Improvements substantially in accordance with the Plans or Governmental Requirements, (b) execute all applications and certificates in the name of Borrower which may be required for completion of construction of the Improvements, (c) endorse the name of Borrower on any checks or drafts representing proceeds of the Insurance Policies, or other checks or instruments payable to Borrower with respect to the Property, (d) do every act with respect to the construction of the Improvements which Borrower may do, and (e) prosecute or defend any action or proceeding incident to the Property. The power of attorney granted hereby is a power coupled with an interest and irrevocable. Lender shall have no obligation to undertake any of the foregoing actions, and, if Lender should to so, it shall have no liability to Borrower for the sufficiency or adequacy of any such actions taken by Lender.

8.2 Acceleration.

Upon the occurrence and during the continuance of an Event of Default, Lender may, at its option, declare the Loan immediately due and payable without notice of any kind (unless notice is required by applicable law). In the event of any conflict between the Loan Instruments and this Loan Agreement, this Loan Agreement shall control.

8.3 Cessation of Advances.

Upon the occurrence and during the continuance of an Event of Default, the obligation of Lender to disburse the Loan and all other obligations of Lender hereunder shall, at Lender's option, immediately terminate.

8.4 Funds of Lender.

Any funds of Lender used for any purpose referred to in this Article 8 shall constitute Advances secured by the Loan Instruments and shall bear interest at the rate specified in the Note to be applicable after default thereunder.

8.5 No Waiver or Exhaustion.

No waiver by Lender of any of its rights or remedies hereunder, in the other Loan Instruments, or otherwise, shall be considered a waiver of any other or subsequent right or remedy of Lender; no delay or omission in the exercise or enforcement by Lender of any rights or remedies shall ever be construed as a waiver of any right or remedy of Lender; and no exercise or enforcement of any such rights or remedies shall ever be held to exhaust any right or remedy of Lender.

8.6 Rights of Set Off.

Upon the occurrence of any Event of Default, Lender is hereby authorized at any time and from time to time, without notice to Obligor (any such notice being expressly waived by Borrower), to set off and apply all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Lender to or for the credit or the account of Obligor against any and all of the obligations of Obligor now or hereafter existing pursuant to the Loan Instruments, provided that the Lender agrees promptly to notify Obligor after any such setoff and application and, provided further, that the failure to give such notice shall not affect the validity of such setoff and application or create any liability on the part of the Lender. The rights of the Lender under this Section are in addition to other rights and remedies (including, without limitation, other rights of setoff) which the Lender may have.

8.7 Preferences.

If, after receipt of any payment of, or proceeds of any collateral applied to the payment of, all or any part of the indebtedness hereunder, Lender is for any reason compelled to surrender such payment, or proceeds to any person or entity because such payment or proceeds is determined to

be void or voidable as a preference, impermissible set-off, or a diversion of trust funds, or for any other reason, then: the indebtedness hereunder or part thereof intended to be satisfied shall be revived and continue as if such payment or proceeds had not been received by Lender; this Loan Agreement shall continue in full force as if such payment or proceeds had not been received; and Obligor shall be liable to, and shall indemnify and hold Lender harmless for, the amount of such payment or proceeds surrendered. The provisions of this Section shall be and remain effective notwithstanding any contrary action which may have been taken by Lender in reliance upon such payment or proceeds, and any such contrary action so taken shall be without prejudice to Lender's rights under this Loan Agreement and shall be deemed to have been conditioned upon such payment or proceeds having become final and irrevocable. The provisions of this Section shall survive the termination of this Loan Agreement.

ARTICLE 9 - GENERAL TERMS AND CONDITIONS

9.1 Notices.

All notices, demands, requests, approvals and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given when presented personally or deposited in a regularly maintained mail receptacle of the United States Postal Service, postage prepaid, registered or certified, return receipt requested, addressed to Borrower, the Guarantors or Lender, as the case may be, at the respective addresses set forth on the first page of this Loan Agreement, or such other address as Borrower, the Guarantors or Lender may from time to time designate by written notice to the other as herein required.

9.2 Entire Agreement and Modifications.

The Loan Instruments constitute the entire understanding and agreement among the undersigned with respect to the transactions arising in connection with the Loan and supersede all prior written or oral understandings and agreements between the undersigned in connection therewith. No provision of this Loan Agreement or the other Loan Instruments may be modified, waived, or terminated except by instrument in writing executed by the party against whom a modification, waiver or termination is sought to be enforced.

9.3 Severability.

In case any of the provisions of this Loan Agreement shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability, shall not affect any other provision hereof, and this Loan Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

9.4 Election of Remedies.

Lender shall have all of the rights and remedies granted in the Loan Instruments and available at law or in equity, and these same rights and remedies shall be cumulative and may be pursued separately, successively or concurrently against Borrower, the Guarantors or any property covered under the Loan Instruments, at the sole discretion of Lender. The exercise or failure to

exercise any of the same shall not constitute a waiver or release thereof or of any other right or remedy, and the same shall be nonexclusive.

9.5 Form and Substance.

All documents, certificates, Insurance Policies, and other items required under this Loan Agreement to be executed and/or delivered to Lender, shall be in form and substance reasonably satisfactory to Lender.

9.6 Limitation on Interest.

All agreements between Borrower and Lender, whether now existing or hereafter arising, and whether written or oral, are hereby limited so that in no contingency, whether by reason of acceleration of the maturity of any indebtedness governed hereby or otherwise, shall the interest contracted for, charged or received by Lender exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lender in excess of the maximum lawful amount, the interest payable to Lender shall be reduced to the maximum amount permitted under applicable law; and, if from any circumstance the Lender shall ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest shall be applied to the reduction of the principal of the Loan and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Loan, such excess shall be refunded to Borrower. All interest paid or agreed to be paid to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal of the Loan (including the period of any renewal or extension thereof), so that interest thereon for such full period shall not exceed the maximum amount permitted by applicable law. This paragraph shall control all agreements between the Borrower and Lender.

9.7 No Third Party Beneficiary.

This Loan Agreement is for the sole benefit of Lender, Borrower and the Guarantors, and is not for the benefit of any third party.

9.8 Borrower in Control.

In no event shall Lender's rights and interests under the Loan Instruments be construed to give Lender the right to, or be deemed to indicate that Lender is in control of the business, management or properties of Borrower, or has power over the daily management functions and operating decisions made by Borrower.

9.9 Number and Gender.

Whenever used herein, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders. The duties, covenants, obligations and warranties of Borrower and the Guarantors in this Loan Agreement shall be joint and several obligations of Borrower and the Guarantors.

9.10 Captions.

The captions, headings and arrangements used in this Loan Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

9.11 Applicable Law.

THIS LOAN AGREEMENT AND THE LOAN INSTRUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES APPLICABLE TO TRANSACTIONS WITHIN SUCH STATE EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN SUCH LOAN INSTRUMENTS.

9.12 ARBITRATION.

**BINDING ARBITRATION AGREEMENT
PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.**

OBLIGOR AND LENDER AGREE TO ARBITRATION AS FOLLOWS (hereinafter referred to as the "Arbitration Provisions"):

I. Special Provisions and Definitions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- a. **Informal Resolution of Customer Concerns.** Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting your account officer, branch manager or by calling the Customer Service Department in your region. The region and numbers are:

1.	Laredo	956-722-7611
2.	Austin	512-397-4506
3.	Brownsville	956-547-1000
4.	Commerce Bank	956-724-1616
5.	Corpus Christi	361-888-4000
6.	Eagle Pass	830-773-2313
7.	Houston	713-526-1211
8.	McAllen	956-686-0263
9.	Oklahoma	405-841-2100
10.	Port Lavaca	361-552-9771
11.	San Antonio	210-518-2500
12.	Zapata	956-765-8361

In the unlikely event that your account officer, branch manager or the customer service department is unable to resolve a complaint to your satisfaction or if the Lender has not been able to resolve a dispute it has with you after attempting to do so informally, you and the Lender agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.

- b. **Sending Notice of Dispute.** If either you or the Lender intend to seek arbitration, then you or the Lender must first send to the other by certified mail, return receipt requested, a written Notice of Dispute. The Notice of Dispute to the Lender should be addressed to: Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 or if by email, ibcchairman@ibc.com. The Notice of Dispute must (a) describe the nature and basis of the claim or dispute; and (b) explain specifically what relief is sought. You may download a copy of the Notice of Dispute at www.ibc.com or you may obtain a copy from your account officer or branch manager.
- c. **If the Dispute is not Informally Resolved.** If you and the Lender do not reach an agreement to resolve the claim or dispute within thirty (30) days after the Notice of Dispute is received, you or the Lender may commence a binding arbitration proceeding. During the binding arbitration proceeding, any settlement offers made by you or the Lender shall not be disclosed to the Arbitrator.
- d. **"DISPUTE(S)."** As used herein, the word "**DISPUTE(S)**" includes any and all controversies or claims between the **PARTIES** of whatever type or manner, including without limitation, any and all claims arising out of or relating to this Loan Agreement, compliance with applicable laws and/or regulations, any and all services or products provided by the Lender, any and all past, present and/or future loans, lines of credit, letters of credit, credit facilities or other form of indebtedness and/or agreements involving the **PARTIES**, any and all transactions between or involving the **PARTIES**, and/or any and all aspects of any past or present relationship of the **PARTIES**, whether banking or otherwise, specifically including but not limited to any claim founded in contract, tort, fraud, fraudulent inducement, misrepresentation or otherwise, whether based on statute, regulation, common law or equity.
- e. **"CONSUMER DISPUTE"** and **"BUSINESS DISPUTE."** As used herein, "**CONSUMER DISPUTE**" means a **DISPUTE** relating to an account (including a deposit account), agreement, extension of credit, loan, service or product provided by the Lender that is primarily for personal, family or household purposes. "**BUSINESS DISPUTE**" means any **DISPUTE** that is not a **CONSUMER DISPUTE**.
- f. **"PARTIES" or "PARTY."** As used in these Arbitration Provisions, the term "**PARTIES**" or "**PARTY**" means Obligor, Lender, and each and all persons and entities signing this Loan Agreement or any other agreements between or among

any of the **PARTIES** as part of this transaction. "**PARTIES**" or "**PARTY**" shall be broadly construed and include individuals, beneficiaries, partners, limited partners, limited liability members, shareholders, subsidiaries, parent companies, affiliates, officers, directors, employees, heirs, agents and/or representatives of any party to such documents, any other person or entity claiming by or through one of the foregoing and/or any person or beneficiary who receives products or services from the Lender and shall include any other owner and holder of this Loan Agreement. Throughout these Arbitration Provisions, the term "**you**" and "**your**" refer to Obligor, and the term "**Arbitrator**" refers to the individual arbitrator or panel of arbitrators, as the case may be, before which the **DISPUTE** is arbitrated.

- g. **BINDING ARBITRATION.** The **PARTIES** agree that any **DISPUTE** between the **PARTIES** shall be resolved by mandatory binding arbitration pursuant to these Arbitration Provisions at the election of either **PARTY**. **BY AGREEING TO RESOLVE A DISPUTE IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL OR TO LITIGATE IN COURT** (except for matters that may be taken to small claims court for a **CONSUMER DISPUTE** as provided below).

- h. **CLASS ACTION WAIVER.** The **PARTIES** agree that (i) no arbitration proceeding hereunder whether a **CONSUMER DISPUTE** or a **BUSINESS DISPUTE** shall be certified as a class action or proceed as a class action, or on a basis involving claims brought in a purported representative capacity on behalf of the general public, other customers or potential customers or persons similarly situated, and (ii) no arbitration proceeding hereunder shall be consolidated with, or joined in any way with, any other arbitration proceeding. **THE PARTIES AGREE TO ARBITRATE A CONSUMER DISPUTE OR BUSINESS DISPUTE ON AN INDIVIDUAL BASIS AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS ACTION.**

- i. **FEDERAL ARBITRATION ACT AND TEXAS LAW.** The **PARTIES** acknowledge that this Loan Agreement evidences a transaction involving interstate commerce. The Federal Arbitration Act shall govern (i) the interpretation and enforcement of these Arbitration Provisions, and (ii) all arbitration proceedings that take place pursuant to these Arbitration Provisions. **THE PARTIES AGREE THAT, EXCEPT AS OTHERWISE EXPRESSLY AGREED TO BY THE PARTIES IN WRITING, OR UNLESS EXPRESSLY PROHIBITED BY LAW, TEXAS SUBSTANTIVE LAW (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) WILL APPLY IN ANY BINDING ARBITRATION PROCEEDING OR SMALL CLAIMS COURT ACTION REGARDLESS OF WHO INITIATES THE PROCEEDING, WHERE YOU RESIDE OR WHERE THE DISPUTE AROSE.**

II. Provisions applicable only to a CONSUMER DISPUTE:

- (a) Any and all **CONSUMER DISPUTES** shall be resolved by arbitration administered by the American Arbitration Association ("AAA") under the Commercial Arbitration Rules and the Supplemental Procedures for Resolution of Consumer Disputes and Consumer Due Process Protocol (which are incorporated herein for all purposes). It is intended by the **PARTIES** that these Arbitration Provisions meet and include all fairness standards and principles of the American Arbitration Association's Consumer Due Process Protocol and due process in predispute arbitration. If a **CONSUMER DISPUTE** is for a claim of actual damages above \$250,000 it shall be administered by the AAA before three neutral arbitrators at the request of any **PARTY**.
- (b) Instead of proceeding in arbitration, any **PARTY** hereto may pursue its claim in your local small claims court, if the **CONSUMER DISPUTE** meets the small claims court's jurisdictional limits. If the small claims court option is chosen, the **PARTY pursuing the claim** must contact the small claims court directly. **The PARTIES agree that the class action waiver provision also applies to any CONSUMER DISPUTE brought in small claims court.**
- (c) For any claim for actual damages that does not exceed \$2,500, the Lender will pay all arbitration fees and costs provided you submitted a Notice of Dispute with regard to the **CONSUMER DISPUTE** prior to initiation of arbitration. For any claim for actual damages that does not exceed \$5,000, the Lender also agrees to pay your reasonable attorney's fees and reasonable expenses your attorney charges you in connection with the arbitration (even if the Arbitrator does not award those to you) plus an additional \$2,500 if you obtain a favorable arbitration award for your actual damages which is greater than any written settlement offer for your actual damages made by the Lender to you prior to the selection of the Arbitrator.
- (d) Under the AAA's Supplemental Procedures for Consumer Disputes, if your claim for actual damages does not exceed \$10,000, you shall only be responsible for paying up to a maximum of \$125 in arbitration fees and costs. If your claim for actual damages exceeds \$10,000 but does not exceed \$75,000, you shall only be responsible for paying up to a maximum of \$375 in arbitration fees and costs. For any claim for actual damages that does not exceed \$75,000, the Lender will pay all other arbitrator's fees and costs imposed by the administrator of the arbitration. With regard to a **CONSUMER DISPUTE** for a claim of actual damages that exceeds \$75,000, or if the claim is a non-monetary claim, the Lender agrees to pay all arbitration fees and costs you would otherwise be responsible for that exceed \$1,000. The fees and costs stated above are subject to any amendments to the fee and cost schedules of the AAA. The fee and cost schedule in effect at the time you submit your claim shall apply. The AAA rules also permit you to request a waiver or deferral of the administrative fees and costs of arbitration if paying them would cause you financial hardship.

- (e) Although under some laws, the Lender may have a right to an award of attorney's fees and expenses if it prevails in arbitration, the Lender agrees that it will not seek such an award in a binding arbitration proceeding with regard to a **CONSUMER DISPUTE** for a claim of actual damages that does not exceed \$75,000.
- (f) To request information on how to submit an arbitration claim, or to request a copy of the AAA rules or fee schedule, you may contact the AAA at 1-800-778-7879 (toll free) or at www.adr.org.

III. Provisions applicable only to a **BUSINESS DISPUTE**:

- (a) Any and all **BUSINESS DISPUTES** between the **PARTIES** shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the AAA in effect at the time of filing, as modified by, and subject to, these Arbitration Provisions. A **BUSINESS DISPUTE** for a claim of actual damages that exceeds \$250,000 shall be administered by AAA before at least three (3) neutral arbitrators at the request of any **PARTY**. In the event the aggregate of all affirmative claims asserted exceeds \$500,000, exclusive of interest and attorney's fees, or upon the written request of any **PARTY**, the arbitration shall be conducted under the AAA Procedures for Large, Complex Commercial Disputes. If the payment of arbitration fees and costs will cause you extreme financial hardship you may request that AAA defer or reduce the administrative fees or request the Lender to cover some of the arbitration fees and costs that would be your responsibility.
- (b) The **PARTIES** shall have the right to (i) invoke self-help remedies (such as setoff, notification of account debtors, seizure and/or foreclosure of collateral, and non-judicial sale of personal property and real property collateral) before, during or after any arbitration, and/or (ii) request ancillary or provisional judicial remedies (such as garnishment, attachment, specific performance, receiver, injunction or restraining order, and sequestration) before or after the commencement of any arbitration proceeding (individually, and not on behalf of a class). The **PARTIES** need not await the outcome of the arbitration proceeding before using self-help remedies. Use of self-help or ancillary and/or provisional judicial remedies shall not operate as a waiver of either **PARTY**'s right to compel arbitration. Any ancillary or provisional judicial remedy which would be available from a court at law shall be available from the Arbitrator. The **PARTIES** agree that the AAA Optional Rules for Emergency Measures of Protection shall apply in an arbitration proceeding where emergency interim relief is requested.
- (c) Except to the extent the recovery of any type or types of damages or penalties may not be waived under applicable law, the Arbitrator shall not have the authority to award either **PARTY** (i) punitive, exemplary, special or indirect damages, (ii) statutory multiple damages, or (iii) penalties, statutory or otherwise.

- (d) The Arbitrator may award attorney's fees and costs including the fees, costs and expenses of arbitration and of the Arbitrator as the Arbitrator deems appropriate to the prevailing **PARTY**. The Arbitrator shall retain jurisdiction over questions of attorney's fees for fourteen (14) days after entry of the decision.

IV. General provisions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) The Arbitrator is bound by the terms of these Arbitration Provisions. The Arbitrator shall have exclusive authority to resolve any **DISPUTES** relating to the scope or enforceability of these Arbitration Provisions, including (i) all arbitrability questions, and (ii) any claim that all or a part of these Arbitration Provisions are void or voidable (including any claims that they are unconscionable in whole or in part).
- (b) **These Arbitration Provisions shall survive any termination, amendment, or expiration of this Loan Agreement, unless all of the PARTIES otherwise expressly agree in writing.**
- (c) If a **PARTY** initiates legal proceedings, the failure of the initiating **PARTY** to request arbitration pursuant to these Arbitration Provisions within 180 days after the filing of the lawsuit shall be deemed a waiver of the initiating **PARTY'S** right to compel arbitration with respect to the claims asserted in the litigation. The failure of the defending **PARTY** in such litigation to request arbitration pursuant to these Arbitration Provisions within 180 days after the defending **PARTY'S** receipt of service of judicial process, shall be deemed a waiver of the right of the defending **PARTY** to compel arbitration with respect to the claims asserted in the litigation. If a counterclaim, cross-claim or third party action is filed and properly served on a **PARTY** in connection with such litigation, the failure of such **PARTY** to request arbitration pursuant to these Arbitration Provisions within ninety (90) days after such **PARTY'S** receipt of service of the counterclaim, cross-claim or third party claim shall be deemed a waiver of such **PARTY'S** right to compel arbitration with respect to the claims asserted therein. The issue of waiver pursuant to these Arbitration Provisions is an arbitrable dispute. Active participation in any pending litigation described above by a **PARTY** shall not in any event be deemed a waiver of such **PARTY'S** right to compel arbitration. All discovery obtained in the pending litigation may be used in any subsequent arbitration proceeding.
- (d) Any **PARTY** seeking to arbitrate shall serve a written notice of intent to any and all opposing **PARTIES** after a **DISPUTE** has arisen. The **PARTIES** agree a timely written notice of intent to arbitrate by either **PARTY** pursuant to these Arbitration Provisions shall stay and/or abate any and all action in a trial court, save and except a hearing on a motion to compel arbitration and/or the entry of an order compelling arbitration and staying and/or abating the litigation pending the filing of the final award of the Arbitrator.

- (e) Any Arbitrator selected shall be knowledgeable in the subject matter of the **DISPUTE** and be licensed to practice law.
- (f) For a one (1) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrator from the AAA neutral list, such that at least one arbitrator remains after the **PARTIES** exercise all of their respective strikes. For a three (3) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrators from the AAA neutral list, such that at least three arbitrators remain after the **PARTIES** exercise all of their respective strikes. After exercising all of their allotted respective strikes, the **PARTIES** shall rank those potential arbitrators remaining numerically in order of preference (with "1" designating the most preferred). The AAA shall review the **PARTIES** rankings and assign a score to each potential arbitrator by adding together the ranking given to such potential arbitrator by each **PARTY**. The arbitrator(s) with the lowest score total(s) will be selected. In the event of a tie or ties for lowest score total and if the selection of both or all of such potential arbitrators is not possible due to the required panel size, the AAA shall select the arbitrator(s) it believes to be best qualified.
- (g) The **PARTIES** and the Arbitrator shall treat all aspects of the arbitration proceedings, including, without limitation, any documents exchanged, testimony and other evidence, briefs and the award, as strictly confidential; provided, however, that a written award or order from the Arbitrator may be filed with any court having jurisdiction to confirm and/or enforce such award or order.
- (h) Any statute of limitation which would otherwise be applicable shall apply to any claim asserted in any arbitration proceeding under these Arbitration Provisions, and the commencement of any arbitration proceeding tolls such statute of limitations.
- (i) If the AAA is unable for any reason to provide arbitration services, then the **PARTIES** agree to select another arbitration service provider that has the ability to arbitrate the **DISPUTE** pursuant to and consistent with these Arbitration Provisions. If the **PARTIES** are unable to agree on another arbitration service provider, any **PARTY** may petition a court of competent jurisdiction to appoint an Arbitrator to administer the arbitration proceeding pursuant to and consistent with these Arbitration Provisions.
- (j) The award of the Arbitrator shall be final and Judgment upon any such award may be entered in any court of competent jurisdiction. The arbitration award shall be in the form of a written reasoned decision and shall be based on and consistent with applicable law.
- (k) Unless the **PARTIES** mutually agree to hold the binding arbitration proceeding elsewhere, venue of any arbitration proceeding under these Arbitration Provisions shall be in the county and state where Lender is located, which is Lender's address set out in the first paragraph on page 1 hereof.

- (l) If any of these Arbitration Provisions are held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

JURY WAIVER: IF A DISPUTE BETWEEN OBLIGOR AND LENDER PROCEEDS IN COURT RATHER THAN THROUGH MANDATORY BINDING ARBITRATION, THEN OBLIGOR AND LENDER BOTH WAIVE THE RIGHT TO A JURY TRIAL, AND SUCH DISPUTE WILL BE TRIED BEFORE A JUDGE ONLY.

9.13 Cross Default.

Any default of any of the Loan Instruments shall constitute a default of all other Loan Instruments.

9.14 Multiple Counterparts.

This instrument may be executed in several original counterparts, all of which are identical. Each of the executed counterparts hereof shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument, and facsimile, PDF/Document Imaging or other electronic signatures shall be just as binding as originals.

9.15 Time.

Time is of the essence as to all provisions of this Loan Agreement.

9.16 Developer Fee Deferment.

The Approved Budget includes the Developer Fee for the construction of the Improvements. Obligor covenants and agrees that the Developer Fee shall be deferred and not paid to Developer until the Loan is paid in full SAVE AND EXCEPT for the amount of (i) \$182,267.00 to be paid at the Closing to Developer, and (ii) the amount of \$60,756.00 to be paid upon the completion of the construction of fifty percent (50%) of the Improvements as determined by Lender.

9.17 Grace and Curative Period.

It is understood and agreed that the Grace and Curative Period, as defined herein, shall apply to any default or Event of Default under the Loan Instruments with the same force and effect as if the Grace and Curative Period was set forth in each of the other Loan Instruments besides this Loan Agreement.

9.18 No Oral Agreements.

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

EXECUTED AND DELIVERED as of the date first recited.

[Signatures are on the following pages.]

**SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

BORROWER:

West Texas Golden Trails, LP,
a Texas limited partnership

By: West Texas Golden Trails GP, LLC,
a Texas limited liability company,
its General Partner

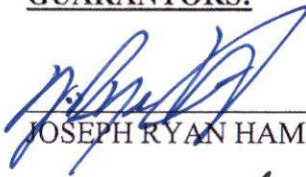
By: 4C Development – Texas, LLC,
a Texas limited liability company,
its Executive Manager

By: 

J. Ryan Hamilton, Manager

SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER

GUARANTORS:



JOSEPH RYAN HAMILTON



JOHN DOUGLAS HAMILTON



MICHAEL KENNETH HAMRA



RITA YAGHI BARON

FOUR CORNERS DEVELOPMENT, LLC,
a Missouri limited liability company

By: 

J. Ryan Hamilton, Presiding Manager

SIGNATURE PAGE
TO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER

LENDER:

INTERNATIONAL BANK OF COMMERCE

By: 

Lee Reed, Executive Vice President

EXHIBIT "A"
THE PROPERTY
ATTACHED TO
AND
INCORPORATED BY REFERENCE
INTO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER

TRACT 1: FEE SIMPLE

A 4.00 Acres of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "A" (4.00 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,
- 2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the **POINT OF BEGINNING** and **northeast corner** of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

Exhibit "A"

TRACT 1:

A 4.00 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called 4.00 acres of land in deed to West Texas Golden Trails, LP, of record as Instrument Number 2017039838 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 4.00 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,
- 2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 449.90 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed in the east line of the herein described 4.00 acres,

Thence N 11degrees 11minutes 13seconds E 100.01 feet to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and northeast corner of the herein described parcel of land,

Thence S 11degrees 11minutes 13seconds W 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 410.00 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land

Thence N 11degrees 11minutes 13seconds E 425.00 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 410.00 feet to the Point of Beginning.

TRACT 2:

A 0.447 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "C" (0.447 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.447 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

COMMENCING at a 4 inch Aluminum Disc TxDOT Monument found in the west line of Interstate Highway No. 35 as described in a deed to the State of Texas of record in Instrument 2012012324 of the said Official Public Records and being the northwest corner of a called 4.688 acres described in the said deed to the State of Texas and being the southeast corner of the residue of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of record as Instrument 2010021528 in the said Official Public Records,

Thence along the west line of the said 4.688 acres and the said highway the following three (3) courses and distances:

- 1.) S 12degrees 05minutes 53seconds W 125.72 feet to a 4 inch Aluminum Disc TxDOT monument,
- 2.) S 02degrees 49minutes 17seconds W 122.64 feet to a 4 inch Aluminum Disc TxDOT monument, and
- 3.) 353.33 feet along a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 11degrees 01minutes 36seconds W 353.31 feet to a ½ inch iron rod with cap stamped M&A Placed,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway and 4.688 acres to a ½ inch iron rod with cap stamped M&A placed for the POINT OF BEGINNING and southeast corner of the herein described parcel of land,

Thence N 77degrees 54minutes 09seconds W 389.87 feet to a ½ inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence N 11degrees 11minutes 13seconds E 50.01 feet to a ½ inch iron rod with cap stamped M&A placed for the northwest corner of the herein described parcel of land,

Thence S 77degrees 54minutes 09seconds E 389.12 feet to a ½ inch iron rod with cap stamped M&A placed for the northeast corner of the herein described parcel of land,

Thence 50.02 feet along a curve to the left having a Radius of 12,275.00 feet and Chord Bearing S 10degrees 19minutes 26seconds W 50.02 feet to the Point of Beginning.

TRACT 3:

A 0.837 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "B" (0.837 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas and being part of Lot 1, Block 1, West Village Addition, to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas. Said 0.837 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8 inch iron rod with cap stamped Roden found in the east line of Melodie Drive, 60 foot right-of-way, at the southwest corner of Lot 2, Block 2 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021528 in the said Official Public Records of McLennan County for the northeast corner of the herein described parcel of land,

Thence 187.74 feet along a curve to the left having a Radius of 542.00 feet and Chord Bearing S 02degrees 16minutes 38seconds W 186.80 feet to a 1/2 inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 198.40 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing S 01degrees 47minutes 44seconds W 197.50 feet to a 1/2 inch iron rod with cap stamped M&A placed at the end of the said curve and being in the west line of Interstate Highway No. 35 as described in Instrument 2012012324 of the said Official Public Records, from said placed iron a 4 inch Aluminum Disc TxDOT right of way monument bears 131.84 feet along a curve to the right having a Radius of 12,215.00 feet and Chord Bearing N 11degrees 32minutes 46seconds E 131.84 feet,

Thence 221.48 feet along the west line of Interstate Highway No. 35 a curve to the left having a Radius of 12,215.00 feet and Chord Bearing S 10degrees 43minutes 03seconds W 221.48 feet to a 1/2 inch iron rod with cap stamped M&A placed for the southeast corner of the herein described parcel of land, from said placed iron a 4 inch Aluminum Disc TxDOT monument found at the end of the said curve to the left bears S 09degrees 51minutes 05seconds W 147.71 feet,

Thence N 77degrees 54minutes 09seconds W 60.03 feet leaving the said line of the highway to a 1/2 inch iron rod with cap stamped M&A placed for the southwest corner of the herein described parcel of land,

Thence 220.58 feet along a line 60 feet westerly of and parallel to the west line of Interstate Highway No. 35, a curve to the right having a Radius of 12,275.00 feet and Chord Bearing N 10degrees 43minutes 19seconds E 220.58 feet to a 1/2 inch iron rod with cap stamped M&A placed at the end of the said curve to the right and being at the beginning of a curve to the left,

Thence 178.62 feet along the said curve to the left having a Radius of 542.00 feet and Chord Bearing N 01degrees 47minutes 44seconds E 177.81 feet to a 1/2 inch iron rod with cap stamped M&A placed at the end of the said curve to the left and being at the beginning of a curve to the right,

Thence 208.52 feet along the said curve to the right having a Radius of 602.00 feet and Chord Bearing N 02degrees 16minutes 38seconds E 207.48 feet to a ½ inch iron rod with cap stamped M&A placed at the end of the said curve the southeast corner of Lot 9, Block 1 of the Czech Heritage Addition according to the plat of record as Instrument 2010021531 in the said Official Public Records and being the southwest corner of the current end of Melodie Drive for the northwest corner of the herein described parcel of land.

Thence S 77 degrees 47 minutes 59 seconds E 60.00 feet along the end of Melodie Drive to the POINT OF BEGINNING.

TRACT 4:

A 0.230 Acres tract of land in the T.E. and R.R. Marable Survey in McLennan County, Texas, being all of that called Exhibit "D" (0.230 acres) described in an easement agreement between Bolton Body Shop, Ltd. (Grantor) and West Texas Golden Trails, LP, (Grantee) of record as Instrument Number 2017039839 in the Official Public Records of McLennan County, Texas. Said 0.230 acres being more particularly described as follows with bearings based on the Texas State Plane Coordinate System, Central Zone, NAD 83.

Beginning at a 3/8-inch iron rod with cap stamped Roden found at the southwest corner of Lot 9, Block 1 of the Czech Heritage Addition to the City of West, McLennan County, Texas according to the plat of the said addition recorded as Instrument 2010021531 in the Official Public Records of McLennan County, Texas, for the northwest corner of this:

Thence South 77 Degrees 53 Minutes 29 Seconds East a distance of 20.00 feet to a ½ inch iron rod with cap stamped M&A placed in the southwest line of said Lot 9 for the northeast corner of this;

Thence South 12 Degrees 12 Minutes 37 Seconds West a distance of 499.98 feet to a ½ inch iron rod with cap stamped M&A placed in the northeast line of Lot 1, Block 1, West Village Addition to the City of West, McLennan County, Texas, as per plat recorded under Instrument Number 2018002401 of the Official Public Records of McLennan County, Texas for the southeast corner of this;

Thence North 77 Degrees 54 Minutes 09 Seconds West a distance of 20.00 feet along the northeast line of said Lot 1 to a ½ inch iron rod with cap stamped M&A placed at the southwest corner of this;

Thence North 12 Degrees 12 Minutes 37 Seconds East a distance of 499.99 feet to the Point of Beginning.

EXHIBIT "B"

CONDITIONS TO FIRST ADVANCE

**ATTACHED TO
AND
INCORPORATED BY REFERENCE
INTO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

-
1. (X) The Appraisal;
 2. (X) The payment of the Loan Finance Charge;
 3. (X) The execution of the Loan Instruments in full;
 4. (X) The Title Insurance;
 5. (X) The Construction Contract;
 6. (X) Consent of Contractor to the assignment of the Construction Contract;
 7. (X) The Architectural Contract;
 8. (X) Consent of Architect to the assignment of the Architectural Contract to Lender;
 9. (X) The Plans;
 10. (X) The Survey;
 11. (X) Financing Statement (Form UCC-1) with respect to the security interests granted in the Loan Instruments, together with evidence of the priority of the respective security interests perfected thereby;
 12. (X) Financial Statements;
 13. (X) Building permit and all other permits required by the Governmental Requirements with respect to the construction of the Improvements to the Property;

Development Budget - Golden Trails

Category	Item	Cost	Cost/Unit	
Land / Acquisition	Land Acquisition & Remediation	566,280	12,584	
	Demolition	-	-	
	Building Acquisition	-	-	
	Closing/Carrying Costs	-	-	
Construction	On-Site Work	490,624	10,903	
	Off-Site Work	128,488	2,855	
	Personal Property	450,000	10,000	
	FF&E	-	-	
	General Requirements	229,229	5,094	
	Residential Hard Costs	2,629,925	58,443	
	Construction Contingency	258,933	5,754	
	Builder Overhead	76,410	1,698	
	Builder Profit	229,229	5,094	
		Additional Hard Costs	-	-
		Builder's Risk Insurance	-	-
	Payment/Performance Bond	-	-	
Professional Fees / 3rd Party Reports	Architect (Design)	170,000	3,776	
	Architect (Supervision)	30,000	667	
	Engineering	49,100	1,091	
	Survey	15,000	333	
	Soils/ Borings	12,450	277	
	Environmental Reports	11,450	254	
	Market Study	8,000	178	
	Appraisal	8,000	178	
	Property Condition Report / PNA	-	-	
	Legal Fees (Developer)	52,500	1,167	
	Accounting (Construction)	15,000	333	
	Cost Certification	-	-	
	Consulting Fees	150,000	3,333	
	Other	-	-	
	Other	-	-	
	Other	-	-	
Property Costs	Impact, Connection & W/S Tap Fees	-	-	
	Permits, Planning & Zoning Fees	55,000	1,222	
	Insurance	16,292	362	
	Real Estate Taxes	12,500	278	
	Tax Abatement Fees	-	-	
	Tenant Relocation	-	-	
	Site Security	-	-	
	Site Utilities	-	-	
	Other	-	-	
Construction Loan	Construction Interest Reserve	150,000	3,333	
	Construction Loan Origination Fees	40,000	889	
	Legal Fees (Construction Lender)	30,000	667	
	Lender's Inspecting Engineer (Draw Review)	10,000	222	
	Title & Recording	39,074	868	
	Other	-	-	
	Other	-	-	
Permanent Loan	Permanent Loan Origination Fee	-	-	
	Legal Fees (Permanent Lender)	-	-	
	Permanent Loan Conversion Fees	-	-	
	Title & Recording	-	-	
	Prepaid MIP	-	-	
	Value of In-Kind HOME	102,750	2,283	
Bond Costs	Letter of Credit (Up Front)	-	-	
Tax Credit	Tax Credit Application Fees	-	-	
	Tax Credit Reservation Fees	28,800	640	
	Tax Credit Monitoring Fee	-	-	
	Legal/Due Diligence Reimbursement	40,000	889	
	Other	-	-	
Other	-	-		
Reserves & Escrows	Marketing/Advertising Reserve	10,000	222	
	Lease-Up Reserve	-	-	
	Operating Reserve	83,192	1,849	
	Debt Service Reserve	-	-	
	Other Reserve/Escrow	-	-	
	Other Reserve/Escrow	-	-	
Development Fee	Other Reserve/Escrow	-	-	
	Development Fee	878,441	19,521	
	Other	-	-	
	Other	-	-	
	Guarantee/Placement Fee	-	-	
	Adjustment for Rounding	-	-	
Soft Cost Contingency	Soft Cost Contingency	-	-	
TOTAL DEVELOPMENT COSTS		7,076,666	157,259	

EXHIBIT "D"

LISTED INFORMATION

**ATTACHED TO
AND
INCORPORATED BY REFERENCE
INTO
CONSTRUCTION LOAN AGREEMENT
DATED JULY 20, 2018
BY AND BETWEEN
INTERNATIONAL BANK OF COMMERCE, AS LENDER
AND
WEST TEXAS GOLDEN TRAILS, LP, AS BORROWER**

1. The Architect: Baron Design & Associates, LLC
1855 S. Ingram Mill Road, Suite 201
Springfield, Missouri 65804
2. The Contractor: Hamilton Builders, LLC
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804
3. The Developer: 4C Development - Texas, LLC
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804
4. The Improvements: Construction of 45 residential units on the Property, in accordance with the Plans presented to Lender.
5. The Guarantors: Joseph Ryan Hamilton
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804

John Douglas Hamilton
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804

Michael Kenneth Hamra
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804

Rita Yaghi Baron
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804

Four Corners Development, LLC
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804

6. The Title Company: North American Title Company
Attn: Lisa Lamb
Saint Ann Court
2501 North Harwood, Suite 1210
Dallas, Texas 75201
7. Retainage to be deducted from Advance: Ten Percent (10%).
8. Frequency of Advances: Monthly
9. Manager: Hamilton Properties Corporation
3556 S. Culpepper Circle, Suite 4
Springfield, Missouri 65804
10. Permanent Lender: Texas Department of Housing and Community Affairs,
a public and official agency of the State of Texas
P.O. Box 13941
Austin, Texas 78711-3941

Meredith Edwards

From: Alyssa Carpenter <ajcarpen@gmail.com>
Sent: Tuesday, December 11, 2018 10:56 AM
To: Sarah Anderson; Meredith Edwards; kit@sarahandersonconsulting.com
Subject: Fwd: Golden Trails Application #18506-- Deficiency Notice - TIME SENSITIVE - Please reply immediately acknowledging receipt.

Regards,

Alyssa Carpenter

Begin forwarded message:

From: Cris Simpkins <cris.simpkins@tdhca.state.tx.us>
Date: December 11, 2018 at 12:47:59 PM EST
To: Alyssa Carpenter <ajcarpen@gmail.com>, "mfogel@4cornersdevelopmentllc.com" <mfogel@4cornersdevelopmentllc.com>, Ryan Hamilton <rhamilton@4cornersdevelopmentllc.com>
Cc: Cris Simpkins <cris.simpkins@tdhca.state.tx.us>, Alena Morgan <alena.morgan@tdhca.state.tx.us>
Subject: Golden Trails Application #18506-- Deficiency Notice - TIME SENSITIVE - Please reply immediately acknowledging receipt.

In the course of the Department's Housing Tax Credit **Eligibility/Selection/Threshold** and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2018 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

Title Commitment/Policy (10.204(12))

*The Title Policy or Title Commitment is dated after July 5, 2017 (or not more than 6 months prior to the submission of Parts 1-4 for 4% HTC). **If dated before July 5, 2017** (or more than 6 months prior to the submission of Parts 1-4 for 4% HTC), a letter from the title company is submitted stating nothing further has transpired.

TAB 26: Annual Operating Expenses

*Please provide all pages of the Annual Operating Expenses
*15 Year Rental Housing Operating Pro Forma provided is not executed

Tab 28. Offsite Costs Breakdown §10.204(8)(E)(ii)

*Off Site Cost amount is not consistent with the Development Cost Schedule, please update to where they do agree along with any/all other affected documents.
*Third Party engineer described the need for off-site improvements, including the requirements of the local jurisdiction with authority over building codes.
*Off-Site Costs included in Eligible Basis require a letter from a CPA allocating the applicable portions of the costs to Eligible Basis; and

*Off-Site costs included in Eligible Basis based on PLR 200916007 require a statement of findings submitted by a CPA describing the relevant facts and certifying that the fact pattern matches the PLR

TAB 29:Site Work Cost Breakdown §10.204(8)(E)(ii)

***ANY** Site Work Costs in the *Development Cost Schedule* require a *Site Work Costs* form signed by a third party engineer (see Tab 37 Org Chart to confirm Third Party) or cost estimator and consistent with the *DCS*

*If Site Work Costs are greater than \$15,000 per Unit and included in Eligible Basis require a CPA letter allocating the applicable parts of the Site Work costs to Eligible Basis

Tab 31. Financing Narrative and Summary of Sources and Uses of Funds

*Summary or Sources and Uses Construction/permanent lender(s) and syndicator signed, dated, and completed the acknowledgement (Mark "N" here if acknowledgement is included in commitment and/or LOI instead). **Please resubmit fully executed form.**

Tab 33. Matching Funds (Direct Loan Only)

*Match is to be documented with:

*Letter(s) from the anticipated provider of Match indicating the provider's willingness and ability to make a financial commitment should the Development receive an award of Direct Loan funds.

*Net present value of the yield foregone for below market interest rate loan (non-federal).

*Waived or reduced fees from the city and/or county.

*Donated land or land sold below market value, as evidenced by a third party appraisal, from unrelated party

Tab 35. Supporting Documentation

*NOTE: July 5, 2017 is the oldest date acceptable for evidence under §10.204 below or no older than 6 months prior to receipt of Parts 1-4 for 4% HTC or Direct Loan applications).

*Construction Loan Agreement **not** executed by Lender (IBC). Please have IBC execute and resubmit. Page 3 of this agreement shows a completion date of October 31 2019 which does not align with timeline.

The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.

All deficiencies must be corrected or otherwise resolved by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm Austin local time on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(B) of the 2018 Uniform Multifamily Rules. Applications with unresolved deficiencies after 5pm Austin local time on the seventh business day may be terminated.

All deficiencies related to the Direct Loan portion of the Application must be resolved to the satisfaction of the Department by 5pm Austin local time on the fifth business day following the date of this deficiency notice. Applications with unresolved deficiencies after 5pm Austin local time on the seventh business day will be suspended from further processing, and the Applicant will be notified to that effect, until the deficiencies are resolved. If, during the period of time when the Application is suspended from review, Direct Loan funds become oversubscribed, the Applicant will be informed that unless the outstanding item(s) are resolved within one business day the Application will be terminated. For purposes of priority under the Direct Loan set-asides, if the outstanding item(s) are resolved within one business day, the date by which the item is submitted shall be

the new received date pursuant to §13.5(c) of the 2018 Multifamily Direct Loan Rule. Applicants should be prepared for additional time needed for completion of staff reviews.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department's Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at liz.cline@tdhca.state.tx.us or by phone at (512)475-3227. You may also contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3986.

All applicants should review §§11.1(b) and 10.2(b) of the 2018 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.

****All deficiencies must be corrected or clarified by 5 pm Austin local time on December 18, 2018. Please respond to this email as confirmation of receipt.****

About TDHCA

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us.

Thank you

Cris Simpkins

Multifamily Program Specialist
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701
Ph: 512.475.3343

Multifamily Finance Division staff will place scanned copies of scoring notices behind this tab in the application .pdf

Multifamily Finance Division staff will place documents related to Requests for Administrative Deficiencies behind this tab in the application .pdf

Real Estate Analysis Division staff will place scanned copies of RFI documents behind this tab in the application .pdf

Multifamily Finance Division staff will place scanned copies of appeal documents behind this tab in the application .pdf

Multifamily Finance Division staff will place scanned copies of public comment received behind this tab in the application .pdf

Multifamily Finance Division staff will place scanned copies of Commitment or Determination Notice documents behind this tab in the application .pdf

Multifamily Finance Division staff will place scanned copies of Direct Loan Program Award Letters behind this tab in the application .pdf

Multifamily Finance Division staff will place scanned copies of Carryover Allocation Agreement documents behind this tab in the application .pdf