

TAX CREDIT EXCHANGE PROGRAM

ASSISTANCE AGREEMENT

This Tax Credit Exchange Program Assistance Agreement (“Agreement”) is entered into as of _____, 200__, between _____, a _____ (the “Owner”) and the **KENTUCKY HOUSING CORPORATION**, a de jure municipal corporation and political subdivision of the Commonwealth of Kentucky, 1231 Louisville Road, Frankfort, Kentucky 40601 (“KHC”).

WITNESSETH:

WHEREAS, the Owner successfully applied to KHC for Low Income Housing Tax Credits for the purpose of constructing or acquiring and rehabilitating rental dwellings (hereinafter “Project”) in _____, Kentucky on certain property (hereinafter “Property”) described in Exhibit A, which is attached hereto and incorporated by reference herein; and

WHEREAS, Section 1602 of the American Recovery and Reinvestment Tax Act of 2009 (hereinafter “Act”) created the Housing Credit Exchange Program (hereinafter “Exchange Program”) and with regard to any appropriations thereunder (hereinafter the “Exchange Programs Funds”) that allows allocating agencies to exchange a portion of their tax credit authority for money to fund construction or acquisition and rehabilitation of qualified low-income housing as that term is defined in Section 42 of the Internal Revenue Code of 1986, as amended (“Section 42 of the Code”); and

WHEREAS, the obligations, rules, and requirements of the Act and Section 42 of the Code are applicable to Exchange Program Funds; and

WHEREAS, KHC is the housing credit agency which administers the Low Income Housing Tax Credit program and the Exchange Program for the Commonwealth of Kentucky; and

WHEREAS, current financial markets, including the current and expected future volatility of the Low Income Housing Tax Credit market, has reduced the overall amount of private investment available for projects with an award of Low Income Housing Tax Credits; and

WHEREAS, Owner has undertaken a good faith effort to obtain private investment for the Project; and

WHEREAS, KHC has determined that use of Exchange Program Funds in lieu of Low Income Housing Tax Credits will increase the total funds available to the Commonwealth of Kentucky for the construction and/or rehabilitation of affordable rental housing.

NOW, THEREFORE, in consideration of the premises and the promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and KHC agree as follows:

1. **Commitment of Exchange Program Funds.** Subject to the availability and appropriation of the Exchange Program Funds under the Act, and subject to the terms and conditions set forth in this Agreement, the Exhibits to this Agreement, the application for Low Income Housing Tax Credits (the “Application”), which is incorporated herein by reference including any representations, covenants, certifications and exhibits attached thereto, Section

42 of Code, and Section 1602 of the Act, KHC agrees to make Exchange Program Funds available to the Owner in the form of a loan (the "Loan"), in an amount not to exceed \$ _____ (the "Loan Proceeds") for the purpose provided in Paragraph 3. Payment on such Loan shall be required as provided in the Note. In the case of a conflict or inconsistency between this Agreement, the Application, the Commitment Letter, Section 42 of the Code, the Act, or the Loan Documents (hereinafter defined), KHC shall have the right in its sole discretion to elect which of such provisions shall govern.

2. Loan Documents. In connection with the Loan contemplated herein, the Owner shall execute a Note, secured by a Mortgage, an Assignment of Rents and Leases, a Security Agreement and related Financing Statements, a certificate evidencing the Owner's good faith effort to obtain private equity, a Guarantee and such other documents, instruments and/or agreements deemed necessary by KHC (together with this Agreement, collectively hereinafter referred to as the "Loan Documents"), each of which shall be in the form and substance satisfactory to KHC. Owner shall also execute a Declaration of Land Use Restrictive Covenants for Low-Income Housing Tax Credits and Subordination Agreement that contains provisions sufficient to maintain the Property as affordable housing pursuant to the requirements of KHC and the Act.

3. Acquisition, Construction, Installation, Equipment and Improvement. The Owner shall acquire the Property and so much of the Project now existing and construct, improve and equip the Project and the Property with all reasonable diligence and in accordance with the plans and specifications which have been filed with KHC (the "Plans and Specifications"). The Owner may revise the Plans and Specifications from time to time, provided that no revision shall be made which would (i) change the Project purposes to any other purposes beyond that which is permitted by Section 1602 of the Act, Section 42 of the Code and the Declaration of Land Use Restrictive Covenants for Low Income Housing Tax Credits and Subordination Agreement, (ii) deviate from the amenities pledged in the Application, or (iii) increase the cost of the Project without evidence satisfactory to KHC that moneys are available to meet such increased costs.

No material revision of the Plans and Specifications shall be made unless the Owner has first obtained the written consent from KHC to make such revisions and after (i) delivering to KHC a narrative description of the proposed revision accompanied by a certificate of an independent architect certifying the change in Project costs resulting from the revision and that all the sources of funds to the Project will be sufficient to pay in full the Project costs including the change in Project costs resulting from such revision, and (ii) obtaining any necessary building and zoning permits approving or authorizing the work contemplated by the revision in the Plans and Specifications.

4. Disbursement of Loan Proceeds.

- (a) The Loan may be disbursed by KHC in one lump sum or in multiple advances as KHC may determine in its sole discretion;
- (b) Loan Proceeds will be provided only for costs and reimbursement items identified in the financial spreadsheet attached hereto and incorporated herein as Exhibit B;
- (c) Disbursement of Loan Proceeds to the Owner shall be made by KHC within 30 days after invoices are received and approved for payment for services, fees and costs incurred by Owner. Reimbursement by KHC does not imply acceptance of the work or

concurrence in the eligibility of such reimbursement by KHC and KHC reserves the right to disallow payment of any item of cost or expense at any time upon later review and upon Owner's final submission of cost certification items to KHC;

(d) Requests for payment shall be in writing on a form provided by KHC. These forms and draw requirements may be amended at any time to comply with KHC's policies and procedures. In order to receive payment under this Agreement, Owner shall submit requests for payment based upon actual expenditures. KHC may set a minimum payment level or amount for each request for payment. Funds will NOT be provided in advance for any costs or expenses. KHC will not provide Loan Proceeds to Owner in advance of need. Any disbursement in violation of this section shall be subject to immediate repayment to KHC by the Owner;

(e) Draws must be submitted to KHC with all required signatures. If Owner has other funding sources, all disbursements must be made in accordance with a disbursement agreement signed by all parties in form and substance acceptable to KHC. KHC will not disburse any Loan Proceeds to Owner if at any time there are not sufficient funds available from all funding sources to support the construction and/or rehabilitation of the Project;

(f) The Owner must fully account for all costs and expenses involved in the Project to satisfy KHC close out requirements at the end of the construction or rehabilitation of the Project ("Cost Certification") and throughout the disbursement period as necessary to meet all applicable Tax Credit Program Requirements. KHC may establish separate reserves during the disbursement process to provide funds it deems necessary to ensure completion of the Project, including contractor holdbacks for work completed and hold back of earned but unpaid Developer fees;

(g) KHC will only disburse funds it receives from the United States Department of Treasury ("Treasury") pursuant to the Exchange Program. Nothing herein shall be construed as an assurance that funds will be available to the Project from the Treasury and Owner waives and holds KHC harmless from any delay or failure to fund for circumstances beyond KHC's control;

(h) Time is of the essence and Owner hereby covenants to complete thirty percent (30%) (the "Initial Completion Requirement") of the Project as described in the Plans and Specifications prior to November 1, 2010 and submit all draw requests and supporting documentation required to evidence the attainment of the Initial Completion Requirement to KHC no later than November 15, 2010. No later than November 15, 2010, KHC may grant one thirty (30) day extension if the Owner demonstrates that at least thirty percent (30%) of the Project will be completed by December 15, 2010. Failure to complete thirty percent (30%) of the Project prior to November 1, 2010 or to demonstrate that thirty percent (30%) of the Project will be completed by December 30, 2010 shall constitute an event of default; and

(i) Provided that the Owner meets the deadlines provided in Paragraph 4(h) above, the Owner may continue to expend Loan Proceeds after July 1, 2010, except that, the Exchange Program prohibits KHC from disbursing Loan Proceeds after December 31, 2011. The Project must be completed and each building in the Project placed in service no later than November 15, 2011.

5. **Title.** Owner understands and acknowledges that disbursement of the Loan Proceeds is conditioned upon and subject to Owner having fee simple marketable title to the Project free of any lien or encumbrance, except as expressly authorized in writing by KHC.

6. **Insurance.** Owner shall keep the improvements now existing or hereafter erected on the Property insured against fire and "all risk" perils in an amount equal to the full replacement value of the Property and Owner shall maintain General Liability, Builders Risk (if applicable), Flood (if applicable) and Workers' Compensation insurance in such amounts and written on such companies acceptable to KHC in its sole discretion. KHC shall be named as an additional insured or loss payee as appropriate on all such insurance policies and such policies must contain a provision that they can only be modified or cancelled upon thirty (30) days notice to KHC.

7. **Taxes, Utilities, and Impositions.** Owner shall pay, or cause to be paid and discharged, all taxes and utilities on the Property and any assessments and payments, usual or unusual, which shall be imposed upon or become due and payable or become a lien upon the Property.

8. **Maintenance, Repairs, and Alterations.** Owner shall keep the Property, or cause the same to be kept, in good condition and repair and fully protected from the elements to the complete satisfaction of KHC. Owner shall not commit or permit any waste thereon. Except as approved in the Application, Owner shall not remove, demolish, or structurally alter any part of the Property (except such alterations as may be required by laws, ordinances, or regulations) without the prior written permission of KHC. Owner shall complete promptly and in a good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any improvement which may be damaged or destroyed thereon and will pay when due all claims for labor performed and materials furnished therefore. Owner shall use and operate, and will require its lessees or licensees to use or operate, the Property in compliance with all applicable laws, ordinances, regulations, covenants, conditions, and restrictions.

9. **Liens.** Owner shall pay and promptly discharge, at Owner's cost and expense, all liens, encumbrances, and charges upon the Property or any part thereof or interest therein except those shown in KHC's title insurance policy and acceptable to KHC. Notwithstanding the preceding sentence, Owner shall have the right to contest in good faith the validity of any such lien, encumbrance, or charge, provided that Owner shall thereafter diligently proceed to cause such lien, encumbrance, or charge to be removed and discharged. Owner will not create, assume, or suffer to exist in respect to the Property, any mortgage or lien other than as security for the Loan unless Owner, prior to the time such mortgage becomes a lien on the Property or any part thereof, shall receive the written permission of KHC.

10. **Fees.** KHC may collect reasonable fees from Owner to cover expenses associated with performance of its Compliance and Asset Management duties under Section 1602(c)(3) of the Act.

11. **Reporting.** Periodic reports are required by Treasury. KHC must provide a financial status report and a Project performance report on a quarterly basis, due 10 working days after the end of the quarter. Quarters end on March 31, June 30, September 30, and December 31. To allow the completion of these reports in a timely manner, KHC will require Owner to provide all necessary reports and data five (5) calendar days following the end of each quarter. KHC may issue periodic guidance pertaining to the reporting requirements and deadlines, and Owner shall adhere to all KHC requirements and deadlines.

- (a) The performance report must have at least the following elements:
- (i) Name of Owner;
 - (ii) Name of Project;
 - (iii) Brief description of Project;
 - (iv) Location of Project; city/county, State, zip code;
 - (v) Number of construction jobs created;
 - (vi) Number of construction jobs retained;
 - (vii) Number of non-construction jobs created;
 - (viii) Number of non-construction jobs retained;
 - (ix) Number of total housing units newly constructed;
 - (x) Number of total housing units rehabilitated;
 - (xi) Number of low-income housing units newly constructed
 - (xii) Number of low-income housing units rehabilitated;
 - (xiii) Project Occupancy Report;
 - (xiv) Quarterly Project Financial Operating Report; and
 - (xv) Number and types of persons employed full time and part time by the Project;

(b) The Owner shall submit any other reports that Treasury or KHC deem necessary. OWNER ACKNOWLEDGES THAT THE REPORTING AND RECORD KEEPING REQUIREMENTS CONTAINED IN THIS AGREEMENT AND THE LOAN DOCUMENTS MAY BE SUPPLEMENTED AND AMENDED FROM TIME TO TIME AND OWNER AGREES TO ABIDE BY ANY AMENDMENTS MADE TO THE ACT IN THE FUTURE WHEN COMMUNICATED BY KHC. FAILURE TO PROVIDE REPORTS REQUIRED BY THIS SECTION IN THE TIMEFRAME SET BY KHC MAY RESULT IN SUSPENSION OR RECAPTURE OF ANY ONGOING DISBURSEMENT OF LOAN PROCEEDS AND MAY RESULT IN TERMINATION OF THIS AGREEMENT; and

(c) Owner must provide quarterly financial reports on the Project operation in accordance with KHC guidelines, as well as provide any other report as periodically requested by KHC.

12. Assurance of Completion. Owner shall provide an acceptable assurance of completion to be kept in place during the entire period of construction or rehabilitation of the Project. Assurance of completion may take one of the forms as outlined below.

- (a) Payment and Performance Bond or similar security instrument that meets or exceeds 100% of the acquisition and rehabilitation or construction contract amount. Owner shall provide KHC evidence of such bond or instrument and list KHC as a payee; or
- (b) Irrevocable On-Sight Demand Letter of Credit by the general contractor for 30 percent of the KHC resources awarded to the project. Owner shall provide KHC evidence of such bond or instrument and list KHC as a payee; or
- (c) Agreement to a 20 percent retainage of KHC resources and a hold on all developer fees until project is complete. At project completion, up to 10 percent of the retainage will be released and up to 50 percent of the developer fees will be released.

The determination of adequacy and sufficiency of assurances of completion shall rest solely with KHC.

13. **Minimum Standards.** All buildings comprising the Project must comply with all state and local building codes including accessibility standards, applicable federal accessibility laws (including Fair Housing Accessibility Guidelines) and the Americans with Disabilities Act Accessibility Guidelines. All new construction projects must implement KHC's Universal and Minimum Design Standards to ensure energy-efficient design. Rehabilitation projects are encouraged to incorporate KHC's universal design standards when it is feasible. In addition to KHC's Universal and Minimum Design Standards, the Project must incorporate Energy Star features and green construction techniques.

14. **Reserve Requirements; Audited Financial Statements.** Owner agrees to establish and maintain the following escrows and reserves:

(a) **Operating Reserve Account:**

Funding: Upon closing any permanent financing, the balance in the Operating Reserve Account shall be at least \$_____. The required minimum balance is \$_____ or such other amount as determined by KHC in its sole discretion for two (2) years from the date of the first mortgage payment or Reserve for Replacement payment.

Use/Disbursement: Funds in the Operating Reserve Account may only be used by Owner to cover the Project's operating deficits. KHC's prior written consent is required for any disbursements (i) if the balance in the Operating Reserve Account is below the Required Minimum Balance; or (ii) if the disbursement would cause the balance of the Operating Reserve Account to fall below the Required Minimum Balance. If KHC's approval is required for such disbursement, then Owner shall make written request for such approval, in form acceptable to KHC. Any such withdrawal approval request shall specifically itemize the operating expense(s) which the disbursement is expected to fund and shall include supporting documentation evidencing the Owner's actual cost for each such operating expense(s). KHC shall approve disbursement to Owner of such sums from the Operating Reserve Account to cover those operating expenses approved by KHC, in its sole discretion.

Replenishment: If at any time the balance in the Operating Reserve Account is less than the Required Minimum Balance, then Owner shall make deposits to replenish the Operating Reserve Account to the Required Minimum Balance as cash flow permits, but at no time may replenishment take more than three months. Notwithstanding any other definition of "cash flow" used herein or used by Owner, Owner shall replenish the Operating Reserve Account (or any other Account required to be replenished) prior to making disbursements or any other payments to Owner, its partners, members or shareholders or to any other affiliate of Owner, its partners, members or shareholders or to any party related to Owner, its partners, members, shareholders or affiliated parties.

(b) **Replacement Reserve Account:**

Funding: If applicable, an initial deposit to the replacement reserve of \$_____ shall be made upon the closing and funding of any permanent funding source. Each year during the term of the Loan, Owner shall deposit into the Replacement Reserve Account the "Annual Replacement Reserve Deposit" as defined herein. The "Annual Replacement Reserve Deposit" is \$_____ per unit for the first year and shall be increased by three percent (3%) annually each year thereafter. The Annual Replacement Reserve Deposit

shall be paid in monthly installments equal to one-twelfth (1/12) of the sum necessary for Owner to reach the Annual Replacement Reserve Deposit requirement.

Use/Disbursement: Funds in the Replacement Reserve Account may only be used as needed to cover the Project's capital improvement needs. KHC's prior written approval is required before any disbursement from the Replacement Reserve Account. Owner shall make written request for such approval, in form acceptable to KHC. Any such withdrawal approval request shall specifically itemize the capital improvements needed and shall include supporting documentation evidencing the Owner's actual cost for each such capital need. KHC shall approve disbursement to Owner of such sums from the Replacement Reserve Account for such capital improvement(s) approved by KHC, in its sole discretion. At KHC's request, Owner shall obtain lien waivers and/or releases from any contractor providing labor and/or materials to the Project for which a disbursement has been or will be made.

(c) **KHC Asset Management, Compliance and Guarantee Funding Account:**

Funding: The establishment of an Asset Management Funding Account will be required to be funded at closing. Owner shall deposit into the Asset Management Funding Account the amount of \$_____. This account will be controlled by KHC or its designee for fifteen years. These funds will be used by KHC to pay or reimburse costs associated with annual asset management responsibilities of KHC or its designee and the annual monitoring costs imposed by KHC as provided in KHC's Asset Management and Compliance Monitoring guidance. In the event there is an issue of non-compliance that triggers a repayment of Exchange Program Funds to Treasury, funds from the Asset Management Funding Account will be applied to that recapture amount. If the Project meets the affordability and compliance requirements required by the Act and KHC, then any remaining balance in the Asset Management Funding Account will be applied in the following order: first, to any outstanding TCAP loan on the Property; second, deposited into the Replacement Reserve Account, and, third, returned to the Owner at the end of the fifteen year compliance period.

Remedies for Default: If Owner defaults under the terms of this Agreement or any Loan Document, then (i) KHC shall not allow or approve any disbursement from the Accounts so long as such default continues to exist except for payment of asset management costs and compliance monitoring fees; and (ii) if such default continues after any applicable notice and opportunity to cure, KHC may, in its sole discretion, use any or all funds held by KHC on Owner's account for any lawful purpose, including but not limited to the repayment of the indebtedness evidenced by the Note or reimbursement to the KHC for all losses, fees, costs and expenses suffered by KHC as a result of such default or otherwise expended by KHC on Owner's behalf as set forth in the Loan Documents.

General Requirements: All Accounts shall be held by KHC or a third party (such as a federally insured bank) approved or required by KHC. Unless otherwise specified herein or approved by KHC in writing, Accounts shall be interest-bearing and all interest earned will accrue in such Account for the benefit of the Project. At any time during the term of the Loan, Owner shall, upon request, provide KHC with evidence of the existence of and amounts deposited in any or all such Accounts. Owner shall not withdraw any funds from an Account without the prior written approval of the KHC and only for the purposes for which such Account was specifically established. At KHC's request, Owner shall furnish KHC with an accounting of any disbursements made from an Account. Any funds remaining in any Account at the end of the Loan term must be used for Project

maintenance costs approved by KHC or applied against the outstanding balance of the Loan, at KHC's discretion.

15. **Developer Fees.** Subject to the Owner's election to defer development fees, the following schedule shall apply to the payment of development fees as approved in the financial spreadsheet attached hereto as Exhibit B:

- (a) 25 percent of total development fees at closing;
- (b) 25 percent at construction completion (as approved by KHC);
- (c) 25 percent upon qualified occupancy for 85% of the units for three months; and
- (d) 25 percent upon achievement of two (2) successive years of continued 95% occupancy.

If developer fee will be used as part of the Assurances of Completion, 50 percent of the developer fee will be held until project completion, as approved by KHC.

KHC may require that such fees be requested and paid out to the Owner for deposit into an escrow fund to be held by KHC in accordance with the schedule set forth above.

KHC may require in its sole discretion additional retention of the Developer's fee or deposit of additional security in a pledged account, or financial guaranty from a qualified guarantor to ensure fiscal and physical compliance with the long term affordability period for the Project.

16. **Affordability; Extended Use Commitment.** The Owner shall maintain continued compliance with the Declaration of Land Use Restrictive Covenants for Low Income Housing Tax Credits and Subordination Agreement for a period of thirty (30) years. Owner hereby waives any rights it may have under the qualified contract process provided under Section 42 of the Code (if such process is applicable).

17. **Owner Representations and Warranties.** The Owner represents and warrants that:

- (a) Owner is duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky and has the necessary power, authority and licenses to operate its properties and transact its business;
- (b) Owner has the full power and authority to borrow money and to undertake the other obligations as contemplated by this Agreement, to execute and deliver the Loan Documents and to encumber the Project. The execution and delivery of the Loan Documents will be duly authorized by all necessary corporate action on the part of Owner, its partners, members, officers, and/or directors, as applicable, and the Loan Documents will be valid, binding and enforceable obligations of the Owner;
- (c) There is no action, suit or proceeding at law or in equity, or by or before any governmental instrumentality or KHC, or to the knowledge of the Owner, threatened against or affecting it or any Guarantor, which, if adversely determined, would materially impair its or the Guarantor's right or ability to carry on its business substantially as now conducted, or as contemplated to be conducted under this Agreement, or that would materially adversely affect Owner's or Guarantor's financial condition;
- (d) To the best of Owner's knowledge, the Loan Documents and the transactions contemplated therein will not cause a default under any other agreement and will not

conflict with or violate any organizational document or agreement to which Owner is a party or by which Owner is bound;

(e) The Project has been designed and will be constructed in compliance with all federal, state and local laws and ordinances, including rules and regulations, relating to zoning, building, safety, fair housing accessibility and environmental quality. Owner will keep the Property and improvements free from all liens for services, labor and materials until the Loan has been paid in full;

(f) Owner shall not sell, transfer, exchange or otherwise convey the Property, or any interest in the Property, nor shall Owner permit a change in control of the Project or the Owner, or any of its partners, shareholders, members or owners (as defined by HUD regulations for transfer of physical asset applications);

(g) To the best of Owner's knowledge, Owner has not executed and will not execute any agreements with provisions contradictory to, or in opposition to, the provisions of this Agreement or the Loan Documents;

(h) All information given to KHC is and will be accurate and will not omit any material facts;

(i) Owner certifies that it has made a good faith effort to secure necessary equity and investors in an amount sufficient for the consummation of the Project and has agreed that it is otherwise able and willing to meet all Low Income Housing Tax Credit Program requirements and obligations on a going forward basis;

(j) Owner will hold harmless and indemnify KHC from any and all claims, including reasonable attorney's fees actually incurred, for injury or damage to persons or property which may arise in connection with work performed under this Agreement and the Loan Documents; and

(k) Pursuant to federal regulations under the Americans with Disabilities Act, 28 C.F.R. Section 35.101 *et seq.*, Owner agrees that no individual with a disability shall, on the basis of the disability, be denied or excluded from Participation under this Agreement or in the Program, or from activities provided for under this Agreement. As a condition of accepting the Loan Proceeds, Owner agrees to comply with the "General Prohibitions Against Discrimination", 28 C.F.R. Section 35.130 and all other regulations promulgated now or in the future under Title II of the Americans with Disabilities Act, which are applicable to the benefits, services, programs or activities provided by KHC through agreements with third parties.

18. Covenants of the Owner. The Owner hereby covenants and agrees that it shall at all times throughout the Project term:

(a) Immediately report to KHC any indication of fraud, waste, abuse, or potential criminal activity associated with the Project and the use of the Loan Proceeds;

(b) Comply, at all times, with the terms of the Agreement, the Loan Documents and all federal, state and local laws, regulations and requirements applicable to the Project;

(c) Promptly pay any and all additional funds necessary to complete the Project if the Loan Proceeds and all other identified sources in the financial spreadsheet set forth

herein as Exhibit B are not sufficient to complete the Project or if KHC reasonably determines that costs for which advances of Loan Proceeds are sought are not qualified costs and expenditures under the Tax Credit Program Requirements or its funding guidelines;

(d) Promptly cause any mechanic's lien or other lien claim against the Project to be discharged or bonded over;

(e) Indemnify, defend and hold harmless KHC from any and all liabilities, claims, damages, injuries, costs, expenses, and losses, of every kind whatsoever, that are paid incurred, suffered by or asserted against KHC, as a direct or indirect result of the Loan;

(f) At all times during the operation of the Project, employ qualified staff to provide management services for the Project; and

(g) Meet all timeframes, deadlines and requirements of Section 1602 of the Act and Section 42 of the Code.

19. Additional Federal Program Requirements. Owner acknowledges that KHC must perform asset and financial management functions so as to ensure compliance with Section 42 of the Code and the regulations thereunder (including Title 26 Code of Federal Regulations Section 1.42.9), and the long-term viability of the buildings funded by any assistance under the Act in accordance with Section 1602(c)(3) of the Act. Owner covenants to assist KHC in fulfilling its obligations to perform such functions under the Act. Such functions will include but not be limited to the following:

(a) **Asset Management:**

Submittal of periodic occupancy and financial reports in the format as required by KHC; the submittal of annual audited financial statements; the submittal of annual Project budgets; conducting periodic on-site management reviews focusing on the overall management practices and policies of the Project; and conducting periodic on-site monitoring reviews to ensure ongoing compliance with Section 42 of the Code and the Act. Additional definitions and guidance regarding Asset Management may be applicable to the Project as it becomes available from Treasury; and

(b) **Financial Management:**

(i) Owner shall at all times expend and account for the Loan Proceeds and any funds provided to it under this Agreement in accordance with federal and state laws and procedures for expending and accounting to permit preparation of required reports and to support the application of funding expenditures adequate to establish that such Loan Proceeds have not been used in violation of the restrictions and prohibitions of applicable statutes. Effective control and accountability must be maintained for all assistance provided under this Agreement.

(ii) Owner shall at all times maintain program, financial, and accounting records sufficient to demonstrate that any assistance was used in accordance with the Exchange Program and the terms and conditions of this Agreement.

20. Information Availability.

(a) In addition to KHC and representatives of the Commonwealth of Kentucky, Owner acknowledges that Treasury, the Treasury inspector general, and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to the Project and to any pertinent books, documents, papers, or other records (electronic and otherwise) of Owner, at such times and intervals as KHC may determine in its sole discretion, which are pertinent to this Agreement, in order to make audits, examinations, excerpts, and transcripts;

(b) Owner shall preserve all books, records, and documents related to this Agreement until the later of three (3) years after any applicable affordability or compliance period of the Project or as required by applicable federal laws and regulations. If this Agreement is terminated before the time periods in the preceding sentence, such records shall be preserved and made available for a period of five (5) years from the date of termination; and

(c) Owner acknowledges that certain information provided by or concerning the Project, Owner, the Loan or the Application is subject to the requirements of the Kentucky's Open Records law.

21. Events of Default. The occurrence of any one or more of the following shall constitute an event of default under this Agreement ("Event of Default"):

(a) failure to (i) fully fund and maintain the Accounts, (ii) use the funds in any Account in accordance with the Loan Documents, the Exchange Program requirements, or KHC's policies and guidelines, or (iii) obtain any required approval for withdrawals from KHC;

(b) Owner fails to observe or perform any term, covenant, condition, undertaking or agreement contained in the Application or Loan Documents or uses the Loan or Accounts for any purpose other than as authorized, and such breach or failure continues after the expiration of any applicable cure period as described therein;

(c) a default under the Promissory Note, Mortgage or any other Loan Document, or any credit or loan obligation that is secured by a mortgage or other security agreement having a lien upon the Project, and such default is not cured within any applicable grace period provided for in the Loan Documents evidencing such obligation;

(d) the sale, transfer or further encumbrance of all or part of the Property, Project or Owner's interest therein, whether by conveyance, operation of law or otherwise, whether voluntary or involuntary, without KHC's prior written consent; provided, however, that this restriction shall not be deemed to preclude the leasing of residential units in the Project in the ordinary course of business;

(e) the dissolution, merger, consolidation or termination of existence of Owner or the transfer of any beneficial interest in Owner, or a change in control of the Project or the Owner, or any of its partners, shareholders, members or owners (as defined by HUD regulations for transfer of physical asset applications) without KHC's prior written consent; or abandonment of the Project for more than thirty (30) days;

- (f) the appointment of a receiver for Owner or Guarantor or any general partner or member or manager thereof; or the filing of a petition under any provisions of the Bankruptcy Code by Owner or Guarantor or any general partner or member or manager thereof; or the filing of a petition under any provisions of the Bankruptcy Code against Owner or Guarantor or any general partner or member or manager thereof which is not dismissed within sixty (60) days; or the filing of an answer in an involuntary proceeding by Owner or Guarantor or any general partner or member or manager thereof admitting insolvency or inability to pay debts; or any assignment for the benefit of creditors by or against Owner or Guarantor or any general partner or member or manager thereof; or the attachment, execution or other judicial seizure of any portion of Owner's or Guarantor's assets which is not discharged within thirty (30) days;
- (g) the substantial destruction of the Project by an uninsured casualty;
- (h) failure to maintain the units developed with the Loan as decent, safe and sanitary units as required under applicable local housing codes;
- (i) failure to provide supportive services or comply with the targeting plan, if any, promised in Owner's Application;
- (j) forfeiture of any Loan funds to Treasury in the event the Loan funds are not disbursed by December 31, 2011;
- (k) failure to place the Project in service by December 31, 2011;
- (l) failure to provide information on the Project as KHC may reasonably require from time to time;
- (m) failure to submit ARRA quarterly reports as required by KHC so that it may meet the ARRA reporting deadline of the 10th day of the month following the end of each quarter will result in all funds being frozen until receipt of the required report.;
- (o) failure to deliver to KHC any audits, reports or other information required to be provided to KHC or Owner fails to establish and maintain an acceptable financial management system;
- (p) any judgment against Owner, or any attachment against any property of Owner for any amount which is entered and is not paid, stayed on appeal, discharged, bonded or disposed within sixty (60) days after the entering of such judgment or filing of such attachment, except any judgment or attachment resulting from a liability fully payable from the proceeds of any insurance policy maintained by Owner;
- (q) a default by Owner under any other indebtedness, liability or obligation to KHC whether direct, contingent, absolute, joint or several, or heretofore or hereafter incurred, and whether or not the incurrence of same was reasonable foreseeable;
- (r) a default of any affordability requirement or restrictions imposed upon the Project or Owner; or
- (s) a substantial adverse change in the financial position of the Project, Owner or any Guarantor or if, in the opinion of KHC, there is any material decline in the value of the Project.

22. Notice and Cure. KHC shall give Owner written notice of default. However, no notice to Owner is required in event of a payment default under the Note or if Owner knew or reasonably should have known of such Event(s) of Default. If the default is one which can be remedied, the Owner shall have thirty (30) days to remedy the Event(s) of Default (absent a contrary grace or cure period in the Loan Documents); provided, however, that if Owner knew or reasonably should have known of such Event(s) of Default prior to notification by KHC to Owner thereof, then Owner shall have thirty (30) days from the date the Event(s) of Default became known or should have become known to Owner in which to remedy such default, and written notice by KHC shall not be a condition to the commencement of such cure period.

23. Recapture Provision; Action and Remedies upon an Event of Default. OWNER ACKNOWLEDGES THAT FAILURE TO COMPLY WITH THE LOAN DOCUMENTS, SECTION 1602 OF THE ACT, SECTION 42 OF THE CODE AND OTHER LOW INCOME HOUSING TAX CREDIT PROGRAM REQUIREMENTS MAY TRIGGER THE RECAPTURE OF THE LOAN PROCEEDS AND ANY DEBT DETERMINED TO BE SUBJECT TO SUCH RECAPTURE WILL BE A DEBT OWED TO THE UNITED STATES PAYABLE TO THE GENERAL FUND OF THE TREASURY AND ENFORCEABLE BY ALL AVAILABLE MEANS AGAINST ANY ASSETS OF THE OWNER.

Upon the occurrence of an Event of Default and the giving of notice, if required, KHC shall have the right to exercise concurrently or successively any one or more of the following rights or remedies:

- (a) KHC may suspend Owner's authority to draw Loan Proceeds, effective immediately upon notice to the Owner of such action. At KHC's sole discretion, such suspension shall remain in place throughout any applicable cure period;
- (b) If a Default continues after the applicable cure period expires, KHC may terminate the Loan in whole or in part by delivery of notice that the Loan is so terminated for failure to cure a Default. In the event of a termination, the Owner's authority to draw Loan Proceeds and/or on Accounts will terminate at the date of the notice of termination, and Owner shall have no right, title or interest in or to any remaining Loan Proceeds or Accounts;
- (c) If this Loan is terminated, KHC may recover or recapture any funds previously paid to Owner;
- (d) KHC may disallow all or part of the cost of any noncompliant activity;
- (e) KHC may exercise any and all additional rights KHC may have in law or equity; and/or
- (f) KHC may exercise any and all additional rights and remedies under the Note, Mortgage or other loan and affordability documents.

In the event KHC terminates the Loan, all finished or unfinished contracts, documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by Owner pursuant to this Agreement or the Loan Documents shall become the property of KHC.

No failure of KHC to enforce its rights, remedies or options shall be inferred to be a waiver of any other of its rights, remedies or options hereunder or at law or equity. KHC may, at any time, enforce any or all of its rights, remedies, and options. The rights and remedies of

KHC shall be deemed to be cumulative and shall be in addition to the rights afforded KHC in law or equity. Any election of any right or remedy will not be deemed to be an election of that right or remedy to the exclusion of any other. The rights and remedies available to KHC in the event of a suspension or termination of the Loan will survive such suspension or termination. Any purported waiver by KHC shall not be valid unless in a writing executed by a duly authorized officer of KHC, and no such consent or waiver shall extend beyond the particular case and purpose involved.

24. Tax Credit Compliance. The provisions of this Agreement are intended to comply with Section 42 of the Code, as well as Section 1602 of the Act, as the same may be amended or interpreted from time to time by regulation or public pronouncement issued by the Internal Revenue Service. If any provision of this Agreement is inconsistent with any provisions of Section 42 of the Code, Section 1602 of the Act, or official IRS interpretations thereof, then such inconsistent provision(s) shall be construed and applied in a manner so as to comply with the Code and the Act.

25. Annual Audit. Owner and any entity Guarantor will submit to KHC a copy of its audited fiscal year end financial statement and tax return by the first day of April (or 90 days after the fiscal year end) for each year during the term of the Loan. The financial statement and tax returns must be in a form approved by the KHC and performed in accordance with GAAP (hereinafter defined). Individual Guarantors will be required to submit a copy of their personal financial statement updated annually from the statement previously provided to KHC and a complete copy of each individual Guarantors personal tax return within 30 days of filing.

26. Owner Integrity/Prohibited Activities. Definitions for this section are as follows:

(a) “Confidential information” means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth of Kentucky and/or KHC;

(b) “Consent” means written permission signed by a duly authorized officer or employee of the Commonwealth of Kentucky and/or KHC, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth of Kentucky and/or KHC shall be deemed to have consented by virtue of execution of this Agreement;

(c) “Owner” means the individual or entity that has entered into this Agreement with KHC, including directors, officers, general partners, managers, and key employees;

(d) “Financial interest” means ownership of more than a five percent (5%) interest in any business or holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management; and

(e) “Gratuity” means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, and advances, deposits of money, services, employment, or agreements of any kind.

In fulfilling its obligations and responsibilities under this Agreement the Owner shall:

(i) Maintain the highest standards of integrity in the performance of this Agreement and shall take no action in violation of state or federal laws,

- regulations, or other requirements that govern contracting with the Commonwealth of Kentucky or an instrumentality thereof including but not limited to KHC;
- (ii) Not disclose to others any confidential information gained by virtue of this Agreement;
 - (iii) Not, in connection with this or any other Agreement with the Commonwealth of Kentucky and/or KHC, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth of Kentucky or an instrumentality thereof including but not limited to KHC;
 - (iv) Not, in connection with this or any other Agreement with the Commonwealth of Kentucky and/or KHC, directly or indirectly offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth of Kentucky or an instrumentality thereof including but not limited to KHC;
 - (v) Not for itself nor any related party accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the Loan or other assistance under this Agreement except as provided therein;
 - (vi) Except with the consent of the Commonwealth of Kentucky and/or KHC, not have a financial interest in any other contractor, subcontractor or supplier providing services, labor or material on the Project;
 - (vii) Upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify KHC in writing;
 - (viii) By execution of this Agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that it has not violated any of these provisions;
 - (ix) Upon request of KHC's Internal Auditor or other state or federal Auditor, reasonably and promptly make available to that office and its representatives, for inspection and copying, all business and financial records of Owner or the Project, concerning this Agreement, or which are otherwise relevant to the enforcement of these provisions;
 - (x) Not use the Loan Proceeds or other funds provided under the Exchange Program for any partisan political activity, or to further the election or defeat of any candidate for public office;
 - (xi) Not allow any religious instruction to be conducted in connection with the Loan or other funds provided under the Program; and
 - (xii) Not discriminate against any person employed by it, or against any applicant for housing assisted with the Loan, because of race, sex, age, creed, color, disability, family status, or national origin. Owner will ensure that applicants are processed and employees are treated during employment, without regard to race, sex, age, creed, color, disability, family status or national origin.

For violation of any of the above provisions KHC may terminate this and any other Agreement with Owner, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another contractor to complete performance hereunder, and debar and suspend the Owner from doing business with KHC. These rights and remedies are cumulative, and the use or nonuse of

any one shall not preclude the use of all or any other. These rights and remedies are in addition to those KHC may have under this Agreement, law, statute, regulation or otherwise.

27. Owner Responsibility.

(a) Owner certifies that it is not currently under suspension or debarment or a threat thereof by the Commonwealth of Kentucky, any other state, or the federal government, and if the Owner cannot so certify, then it agrees to submit a written explanation of why such certification cannot be made;

(b) Owner shall not enter into any contract, subcontract or employment arrangements under this Agreement with any contractors, subcontractors or individuals who are currently suspended or debarred, or threatened with such action, by the Commonwealth of Kentucky, or any other state, or the federal government or who become suspended or debarred by the Commonwealth of Kentucky, any other state, or federal government during the term of this Agreement or any extensions or renewals thereof; and

(c) Owner agrees to reimburse KHC for the reasonable costs of investigation of Owner compliance with the terms of this or any other agreement between Owner, KHC and the Commonwealth of Kentucky which result in the suspension or debarment of Owner. Such costs shall include, but not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. Owner shall not be responsible for investigative costs for investigations which do not result in the Owner's suspension or debarment.

28. Outreach Programs. During the term of this Agreement, Owner agrees to develop and implement an outreach program for minority and women business enterprises. Furthermore, the Owner will maintain the records of such outreach program, including the data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more, as well as additional details regarding the amount of the contract, subcontract, and documentation of Owner's steps to assure that minority business and women's business enterprises have an equal opportunity to compete for contracts and subcontracts as sources of supplies, equipment, construction and services.

29. Conflict of Interest. Owner must maintain a written conflict of interest policy governing the performance of all persons engaged in the award and administration of contracts. No person, employee, agent, consultant, officer, director or elected official or appointed official of Owner who exercises or has exercised any function or responsibilities with respect to activities assisted with the Loan or who is in a position to participate in a decision-making process or to gain inside information with regard to these activities, may obtain a financial interest or benefit from the Loan, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter. Upon written request, KHC may grant an exception to the provisions of this Section on a case-by-case basis when it determines that the exception will serve to further the purposes of the Exchange Program and the effective and efficient administration of the Owner's eligible Exchange Program activities. Owner must provide a copy of its written conflict of interest policy upon KHC's request

30. **Non-Discrimination and Fair Housing Rules.** The Project and all contractors and major subcontractors engaged in connection therewith shall comply with all fair housing and non-discrimination statutes and regulations as they are amended from time to time, which include but are not limited to the following, each of which is hereby incorporated by reference into this Commitment:

Fair Housing Act (Title VIII of the Civil Rights Act of 1968);
Title VI of the Civil Rights Act of 1964;
Section 504 of the Rehabilitation Act of 1973; and
Age Discrimination Act of 1975.

31. **Affirmative Marketing.** If the Project consists of five (5) or more units Owner must develop and adhere to a written Affirmative Fair Housing Marketing Plan which complies with the requirements of 24 C.F.R. § 92.351 and it shall be made available to KHC for review upon request.

32. **Lead Based Paint Rules.** Any Loan proceeds used for the rehabilitation of residential structures shall provide for the abatement of any lead based paint hazards found to exist. The Project must comply with all requirements regarding lead exposure as they are amended from time to time, which include but are not limited to the following, each of which is hereby incorporated by reference into this Agreement:

Lead-Based Paint Poisoning Prevention Act;
Residential Lead-Based Paint Hazard Reduction Act of 1992;
24 C.F.R. pt. 35 – Lead-Based Paint Poisoning Prevention in Certain Residential Structures;
Subpart A - Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards upon Sale or Lease of Residential Property;
Subpart B - General Lead-Based Paint Requirements and Definitions for All Programs;
Subpart J – Rehabilitation;
Subpart K – Acquisition, Leasing, Support Services, or Operation;
Subpart M – Tenant Based Rental Assistance; and
Subpart R – Methods and Standards for Lead-Paint Hazard Evaluation and Hazard Reduction Activities.

33. **Miscellaneous.**

(a) **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior agreements or understandings of any kind.

(b) **No Waiver.** The waiver of any particular provision of this Agreement does not constitute a waiver of the entire Agreement, nor does the waiver of any particular provision in a specific instance guarantee future waivers of the same or similar provision.

(c) **Modification.** No change or modification of this Agreement will be valid unless it is in writing and signed by both parties; provided, however, that KHC reserves the right to add or delete terms and conditions of this Agreement as are required by revisions, additions to or changes in the requirements, regulations, and laws governing KHC and the Exchange Program.

(d) **Successors and Assigns.** This Agreement will inure to the benefit of and be binding upon the respective parties and their successors and assigns.

(e) **Expenses.** Except as otherwise provided in this Agreement, Owner will be responsible and bear all of the respective fees (including legal and other professional fees) and expenses incurred in connection with the preparation, negotiation, execution and performance of this Agreement by both parties and the contemplated transactions, including all fees and expenses of their representatives.

(f) **Notices.** All notices, consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when (i) delivered to the appropriate last known address by hand or by nationally recognized overnight courier service (costs prepaid); (ii) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; or (iii) received or rejected by the addressee, if sent by certified mail, return receipt requested.

(g) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

(h) **Severability; Survivability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. The terms of this Agreement shall survive the closing of the Loan contemplated by this Agreement.

(i) **Governing Law.** Except to the extent superseded by federal law, this Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Kentucky without regard to conflicts of laws principles that would require the application of any other law.

(j) **Jurisdiction; Service of Process; Waiver Of Jury Trial.** Any proceeding arising out of or relating to this Agreement or any contemplated transaction shall be brought in the courts of the Commonwealth of Kentucky, County of Franklin, or at KHC's sole discretion, the county where the Project is located, or if it has or can acquire jurisdiction, in the United States District Court for the Eastern District of Kentucky, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the proceeding shall be heard and determined only in any such court and agrees not to bring any proceeding arising out of or relating to this Agreement or any transaction contemplated hereby in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained-for agreement between the parties irrevocably to waive any objection to venue or to convenience of forum. Process in any proceeding referred to in the first sentence of this Sub-section may be served on any party anywhere in the world. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY

COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

(k) **Disclaimer of Relationships.** Owner acknowledges that nothing contained in this Agreement or arising from any act of Treasury or of KHC shall be deemed or construed to create any relationship of third-party beneficiary, or principal and agent, or limited or general partnership, or joint venture or of any association or relationship involving KHC other than as debtor and creditor.

(l) **Further Actions.** Each party agrees to perform any and all further acts and to execute and deliver any and all additional documents that may be reasonably necessary to carry out the terms of this Agreement.

(m) **Assignment.** KHC may freely assign this Agreement, but neither this Agreement, nor any right, benefit or advantage inuring to Owner under this Agreement and no obligation imposed on the Owner hereunder may be assigned without the prior written approval of KHC.

(n) **Promotional Materials and Signs.** Any public announcement, press release or similar publicity with respect to this Agreement or the contemplated transactions will be issued, if at all, at such time and in such matter as KHC, in its sole discretion, may determine. Owner agrees that all promotional materials, publications and communications to the media related to the Project shall contain an appropriate acknowledgment of KHC's participation. When applicable, a construction sign in compliance with KHC's published guidelines will be displayed prominently at the site acknowledging KHC's financial assistance to the Project.

(o) **Construction.** The headings of articles and sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Articles," "Sections," "Sub-sections," "Exhibits" and "Schedules" refer to the corresponding articles, sections, sub-sections, exhibits and schedules of this Agreement. Unless otherwise specified in this Agreement, all accounting terms used in this Agreement or the exhibits and schedules shall be interpreted and all accounting determinations in this Agreement or the Schedules shall be made in accordance with generally accepted accounting principles for financial reporting in the United States, applied on a basis consistent with the basis on which the historical financial statements of the Owner, or if applicable, the Guarantor were prepared ("GAAP").

(p) **Time of Essence.** With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

(q) **Availability of Funds.** None of the rights, duties, and obligations described in this Agreement shall be binding on either party until such time as funds have been made available and are forthcoming from Treasury.

IN WITNESS WHEREOF, the signatory below is provided by a duly authorized person with full and complete authority to bind the party noted below, its successors and assigns on the date indicated below.

OWNER

KENTUCKY HOUSING CORPORATION

By: _____
Name:

By: _____
Name:

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED FOR FORM AND LEGALITY

By: _____
Lisa A. Beran, General Counsel
Kentucky Housing Corporation