

HOUSING TAX CREDIT EXCHANGE PROGRAM

REQUIRED LANGUAGE FOR ALL EXCHANGE SUBAWARD RECIPIENTS

To meet the requirements of the Exchange Written Subaward Agreement a Limited Liability Company must include in their Company Agreement in the membership section language in substance similar to:

TDHCA OPTION REQUIRED PRIOR TO SALE. Prior to any sale of the Company or its assets purchased with Exchange Funds, the Texas Department of Housing and Community Affairs (TDHCA) and the Company have agreed in an option agreement executed by both parties, that the TDHCA is allowed to purchase for \$100 a ____% interest in the Company prior to such sale. Included in any vote by the members to sell the assets or any property of the Company purchased with funds from the Exchange Written Award Agreement, incorporated herein by reference, the members must allow the TDHCA to exercise their option to purchase ____% of the Company. Unless such an option is provided to the TDHCA in writing according to the terms of the Option Agreement at the time of a bona fide contract for sale, any vote on the sale of Company assets or property is void and the transaction may be unwound by TDHCA.

To meet the requirements of the Exchange Written Subaward Agreement a Partnership must include in their Partnership Agreement language in substance similar to:

TDHCA OPTION REQUIRED PRIOR TO SALE. Prior to any sale of the Partnership or its assets purchased with Exchange Funds, the Texas Department of Housing and Community Affairs (TDHCA) and the Partnership have agreed in an Option Agreement executed by both parties, that the TDHCA is allowed to purchase for \$100 a ____% interest in the Partnership prior to such sale. Unless such an option is provided to the TDHCA in writing according to the terms of the Option Agreement at the time of a bona fide contract for sale, any sale of Partnership assets or property is void and the transaction may be unwound by TDHCA at their discretion.