

**ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

THIS ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS (as amended, modified and supplemented from time to time, this “Guaranty”) is made as of July 1, 2017, jointly and severally, by **BRADENTON LEASED HOUSING ASSOCIATES III, LLLP**, a Minnesota limited liability limited partnership (the “Owner”), **BRADENTON LEASED HOUSING ASSOCIATES III, LLC**, a Minnesota limited liability company, **BRADENTON LEASED HOUSING DEVELOPMENT III, LLC**, a Minnesota limited liability company, **POLARIS HOLDINGS I, LLC**, a Minnesota limited liability company, **DOMINIUM HOLDINGS I, LLC**, a Minnesota limited liability company, and **DOMINIUM HOLDINGS II, LLC**, a Minnesota limited liability company, (hereinafter referred to each as an “Guarantor” and collectively as the “Guarantors”) to and for the benefit of the **HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA**, a public body corporate and politic under the laws of the State of Florida (the “Issuer” or the “Authority”), its successors and assigns, and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America, acting in its capacity as Fiscal Agent under the hereinafter described Funding Loan Agreement (the “Fiscal Agent”).

RECITALS

A. All capitalized terms in this Guaranty not otherwise defined herein shall have the meanings set forth in the Project Loan Agreement or the Funding Loan Agreement (both as defined herein), as the case may be..

B. The Issuer has been created and organized pursuant to and in accordance with the Act for the purpose, among others, of financing the costs of residential developments that will provide decent, safe and sanitary housing for persons and families of low, moderate and middle income.

C. Pursuant to the Florida Housing Finance Authority Law, Sections 159.601 through 159.623 Part IV, Florida Statutes, as amended, the Board of County Commissioners of Manatee County, Florida (the “Board”), enacted Ordinance No. 79-6 on July 17, 1974, as amended by Ordinance No. 91-40 enacted by the Board on May 7, 1991, a Resolution of the Issuer adopted on June 13, 2017, and other applicable provisions of law (collectively, the “Act”), that certain Project Loan Agreement dated as of June 1, 2017 (the “Project Loan Agreement”), by and among the Issuer, the Owner and the Fiscal Agent and that certain Funding Loan Agreement dated as of June 1, 2017 (the “Funding Loan Agreement”), by and among the Issuer, the Fiscal Agent and JPMorgan Chase Bank, N.A., the initial funding lender (the “Initial Funding Lender”), the Issuer has agreed to issue its Housing Finance Authority of Manatee County, Florida Multifamily Housing Revenue Note (River Trace Project), Series 2017A (the “Series A Note”) in the original aggregate principal amount of \$3,000,000 and its Housing Finance Authority of Manatee County, Florida Taxable Multifamily Housing Revenue Note (River Trace Project), Series 2017B (the “Series B Note” and, collectively with the Series A Note referred to herein as the “Senior Notes”).

D. The Issuer has agreed to use a portion of the proceeds derived from the sale of the Senior Notes to make a project loan with the proceeds of the Series A Note in the aggregate principal amount of \$[_____] (the “Project Loan”) and a bridge loan with the proceeds of the Series B Note in the aggregate principal amount of \$[_____] (the “Bridge Loan”) to the Owner in accordance with the Project Loan Agreement to provide for a portion of the costs of the acquisition and rehabilitation of a 178 unit multifamily rental housing project known as “River Trace Apartments” (the “River Trace Project”) and 40 single family homes to be used for rental purposes and known as “Manatee Pond Single Family Rental Homes” (the “Manatee Pond Project” and, collectively with the River Trace Project referred to herein as the “Project”), the legal description of each is set forth on Exhibit A attached hereto to be occupied or reserved for occupancy by Eligible Persons as defined in the hereinafter described Land Use Restriction Agreement.

E. In addition, the Issuer has agreed to make a loan subordinate to the Project Loan and the Bridge Loan (the “Subordinate Loan” and, collectively referred to with the Project Loan and the Bridge Loan as, the “Loans”) to the Owner pursuant to that certain Subordinate Loan Agreement dated as of June 1, 2017 (the “Subordinate Loan Agreement”), by and between the Issuer and the Owner and to issue and deliver its Subordinate Multifamily Housing Revenue Note (River Trace Project), Series 2017C (the “Subordinate Note” and, collectively referred to with the Senior Notes as, the “Notes”) in the original aggregate principal amount of \$_____, directly to River Oaks Housing Partners, Ltd., a Florida limited partnership (the “Subordinate Lender”) in order to provide purchase money financing for the Owner for a portion of the costs of the acquisition and rehabilitation of the River Trace Project.

F. As a condition to the Issuer making the Loans to Owner, and pursuant to the requirements of the Project Loan Agreement, the Funding Loan Agreement and the Subordinate Loan Agreement, the Issuer, the Fiscal Agent and the Owner have executed a Land Use Restriction Agreement dated as of June 1, 2017 (the “Land Use Restriction Agreement”), the terms of which are incorporated herein by this reference, setting forth certain terms and conditions relating to the rehabilitation, development and operation of the Project and which sets forth various other covenants and agreements that run with the Project.

G. As evidence of the Project Loan and the Bridge Loan, the Owner has executed and delivered to the Issuer a Series A Borrower Note and a Series B Borrower Note each dated June __, 2017 to be assigned to the Fiscal Agent on behalf of the Initial Funding Lender (collectively, the “Senior Borrower Notes”); the terms of each of the Senior Borrower Notes are hereinafter incorporated herein by this reference.

H. As evidence of the Subordinate Loan, the Owner has executed and delivered to the Issuer a Subordinate Promissory Note dated June __, 2017 to be assigned to the Subordinate Lender (the “Subordinate Promissory Note”); the terms of such Subordinate Promissory Note are hereinafter incorporated herein by this reference.

I. The Owner has executed and delivered to the Issuer a first lien Mortgage, Security Agreement and Assignment of Rents, Leases and Profits (Series A) and a second lien Mortgage, Security Agreement and Assignment of Rents, Leases and Profits (Series B), each dated June 1, 2017 (collectively, the “Senior Mortgages”), to be assigned to the Fiscal Agent, which Senior

Mortgages encumber the Project, as security for the Project Loan and the Bridge Loan, respectively. The terms of the Senior Mortgages are hereinafter incorporated by this reference.

J. The Owner has executed and delivered to the Issuer a Subordinate Mortgage, Security Agreement, Fixture Financing Statement and Assignment of Leases and Rents dated as of May 1, 2017 (the “Subordinate Mortgage” and, together with the Senior Mortgage, the “Mortgages”), to be assigned to the Subordinate Lender, which Subordinate Mortgage encumbers the River Trace Project, as security for the Subordinate Loan. The terms of the Subordinate Mortgage are hereinafter incorporated by this reference.

K. The Funding Loan Agreement, the Project Loan Agreement, the Subordinate Loan Agreement, the Notes, the Senior Mortgages, the Senior Borrower Notes, the Subordinate Mortgage, the Subordinate Promissory Note, the Land Use Restriction Agreement are referred to herein as the “Loan Documents”

L. To induce the Issuer to authorize financing for the Project; and to further induce the Issuer to make the Project Loan and the Bridge Loan to the Owner pursuant to the Project Loan Agreement and to make the Subordinate Loan to the Owner pursuant to the Subordinate Loan Agreement; and to further induce the Issuer to accept the Senior Borrower Notes evidencing the Project Loan and the Bridge Loan and the Senior Mortgages securing the Project Loan and the Bridge Loan, respectively and to accept the Senior Borrower Notes, as well as the Subordinate Promissory Note evidencing the Subordinate Loan and the Subordinate Mortgage securing the Subordinate Loan and Subordinate Promissory Note, the Guarantors have agreed to deliver this Guaranty.

M. The Guarantors acknowledge and agree that they will benefit from the financing of the Project.

NOW THEREFORE, for and in consideration of the premises and as part of the consideration for the Project Loan, the Bridge Loan and Subordinate Loan by the Issuer to the Owner and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantors hereby covenant and agree with the Issuer for the benefit of the Issuer and the Fiscal Agent, as follows:

ARTICLE 1. DEFINITIONS

Section 1.1 Definitions. The following terms shall have the meanings ascribed thereto as set forth below:

(a) “Debt Service Coverage Ratio” shall mean the ratio of the Net Operating Income for each month to the monthly payments of principal and interest and recurring fees under the Project Loan Agreement and Subordinate Loan Agreement.

(b) “Default Rate” shall mean the maximum rate allowed by law.

(c) “Development Expenses” shall mean debt service payments (other than debt service payments payable only if there is available cash flow), all cash costs and cash

expenses of every kind and character which the Owner incurs (and which is currently due and payable, excluding any expenses that are payable only if there is available cash flow) in connection with the operation of the Project (excluding those expenses previously accrued and principal and interest and recurring fees, but including without limitation capital expenditures (but not capital expenditures paid from insurance or reserves), amounts expressly stated or otherwise reasonably required by the Issuer to be allocated to any reserve account and all amounts payable pursuant to the Project Loan Agreement and the Senior Borrower Notes), and all operating expenses associated with the Project that must be accrued monthly (including property taxes and insurance premiums and excluding any non-recurring extraordinary expenses and expenses paid from the net cash flow of the Owner to its partners or its affiliates).

(d) “Development Revenues” means all revenues received by the Owner from the ownership and operation of the Development.

(e) “Guaranty Period” shall be the period commencing on the date hereof, and ending on the Development’s achievement of a 1.15 combined Debt Service Coverage Ratio with respect to the Project Loan and the Bridge Loan, as determined by an independent certified public accountant, ninety percent (90%) occupancy, and ninety percent (90%) of the gross potential rental income, for a period equal to twelve (12) consecutive months. Notwithstanding the above, the Guaranty Period shall not terminate earlier than three (3) years following the final certificate of occupancy. Failure to send notice of the expiration of the Guaranty Period shall have no effect on the expiration of the Guaranty Period.

(f) “Net Operating Income” shall mean for any fiscal period, the gross cash receipts of the Owner from the operations of the Development (including business interruption insurance) for such period (other than capital contributions, any extraordinary transactions, the proceeds of the Project Loan and the Bridge Loan, and any casualty insurance proceeds that will be used to repair or replace items within the Development) (“Project Revenues”), less Project Expenses for such period.

(g) “Operating Deficit” shall mean for any fiscal period, the excess of Development Expenses over the Development Revenues for such fiscal period and interest earnings on the funds and accounts under the Funding Loan Agreement available to pay debt service (excluding any non-recurring extraordinary expenses). “Operating Deficit” shall also include any shortfall in regular monthly payments due under the Senior Borrower Notes, excluding amounts which may be due solely by acceleration of the Senior Borrower Notes.

(h) “Project Expenses” shall mean all cash costs and cash expenses of every kind and character which the Owner incurs (and which is currently due and payable) in connection with the operation of the Development (excluding those expenses previously accrued and principal and interest and recurring fees and expenses paid from reserve accounts, but including without limitation capital expenditures and amounts expressly stated or otherwise reasonably required by the Issuer to be allocated to any reserve account), and all operating expenses associated with the Development that must be accrued monthly (including property taxes and insurance premiums and excluding any non-recurring extraordinary expenses).

ARTICLE 2.
REPRESENTATIONS AND WARRANTIES

The Guarantors (each as to itself), jointly and severally make the following representations and warranties which shall be continuing representations and warranties until this Guaranty terminates in accordance with the provisions contained herein:

Section 2.1 Existence and Rights. Each Guarantor is a person of sound mind and body or an entity duly organized under the laws of the state of its existence and is in good standing thereunder. Each entity Guarantor has powers and adequate authority, rights and franchises to own its property and to carry on its business as now owned and carried on, and is duly qualified and in good standing in each jurisdiction in which the property owned by it or the business conducted by it makes such qualification necessary, including without limitation, the State, and each entity Guarantor has the power and adequate authority to make and carry out this Guaranty.

Section 2.2 Guaranty Authorized and Binding. The execution, delivery and performance of this Guaranty are duly authorized, where appropriate, and do not require the consent or approval of any governmental body or other regulatory authority; are not in contravention of, or in conflict with, any law or regulation or any term or provision of the organizational documents of each Guarantor; and this Guaranty is a valid and legally binding obligation of each Guarantor enforceable in accordance with its terms subject to bankruptcy and other similar laws and equitable principles.

Section 2.3 No Conflict. The execution and delivery of this Guaranty are not, and the performance of this Guaranty will not be, in contravention of, or in conflict with, any agreement, indenture or undertaking to which any Guarantor is a party or by which any Guarantor or any of the Guarantor's property is or may be bound or affected and do not, and will not, cause any security interest, lien or other encumbrance to be created or imposed upon any such property.

Section 2.4 Litigation. As of the date of delivery of the Senior Borrower Notes, except as set forth in Exhibit "B" attached hereto, there is no litigation or other proceeding pending (i.e., with respect to which service of process has been made on a Guarantor) or, to the best of each Guarantor's knowledge, threatened against, or affecting, any Guarantor or the Guarantor's properties which, if determined adversely to any Guarantor, would have a materially adverse effect on the financial condition, properties, businesses or operations of any Guarantor, or which prevents or interferes with or adversely affects any Guarantor's entering into this Guaranty or the validity of this Guaranty or the carrying out of the terms hereof, and no Guarantor has been informed that it is in default with respect to any order, writ, injunction, decree or demand of any court or other governmental or regulatory authority which would have a materially adverse effect on the financial condition, properties, businesses or operations of such Guarantor.

Section 2.5 Financial Condition. Each Guarantor's financial statements, which have heretofore been submitted in writing by each Guarantor to the Issuer or the Issuer's agents or consultants in connection herewith, are true and correct in all material respects and fairly present the financial condition of such Guarantor for the period covered thereby. As of the date of

delivery of the Notes, since the date of said financial statements, there has been no materially adverse change in any Guarantor's financial condition. As of the date of delivery of the Notes, the Guarantors have no knowledge of any material liabilities, contingent or otherwise, as of the date of their respective financial statements which are not reflected in said financial statements; and, other than in the ordinary course of any Guarantor's business, the Guarantors have not entered into any material commitments or contracts which are not reflected in their respective financial statements or which may have a materially adverse effect upon any Guarantor's financial condition, operations or business as now conducted.

Section 2.6 Solvency. Each Guarantor is not Insolvent (as defined below) as of the date hereof and the execution and delivery of this Guaranty will not (a) render any Guarantor insolvent under generally accepted accounting principles, (b) leave any Guarantor with remaining assets which constitute unreasonably small capital given the nature of any Guarantor's business, and (c) result in the incurrence of Debts (defined below) beyond any Guarantor's ability to pay them when and as they mature. For the purposes of this Section, "Insolvent" means that the present fair salable value of assets is less than the amount that will be required to pay the probable liability on existing Debts as they become absolute and matured. For the purposes of this Section, "Debts" includes any legal liability for indebtedness, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent.

Section 2.7 Financial or other Benefit or Advantage. Each Guarantor hereby acknowledges and warrants that each Guarantor has derived or expects to derive a financial or other benefit from the Development.

ARTICLE 3. AGREEMENTS

Section 3.1 Guaranteed Obligations. Each Guarantor hereby jointly and severally covenants and agrees to advance or make provisions for such an advance, on the terms set forth below, the funds required to fund Operating Deficits incurred by the Owner during the Guaranty Period (the "Guaranteed Obligations"). Nothing contained in this Agreement shall be deemed to constitute a guarantee by the Guarantors of accelerated principal and interest on the Loan. If the Owner anticipates the need to request the Guarantors to make a payment under this Guaranty to fund an Operating Deficit, the Owner will promptly notify the Guarantors, in writing, with a copy to the Issuer, the Fiscal Agent and the Issuer Servicer of the amount of such Operating Deficit (with sufficient supporting documentation to evidence the need to make a payment under this Guaranty). Unless the Issuer or the Issuer Servicer objects to such request within ten (10) days of receipt of such request and supporting documentation, the Guarantors shall promptly provide the Owner with funds sufficient to pay the amount of such Operating Deficit and promptly upon receipt of such funds, the Owner shall pay the Development Expenses causing such Operating Deficit. Notwithstanding the foregoing, the Issuer, the Issuer Servicer or the Fiscal Agent may submit a request directly to the Guarantors, on behalf of the Owner, to make a payment under this Guaranty upon making a determination of the existence of an Operating Deficit.

Failure of the Owner to provide such a request and/or notice to the Issuer, the Fiscal Agent or the Issuer Servicer or the failure of the Guarantors to pay such Operating Deficit, shall

neither impair nor reduce the Guarantors' obligation to pay any of the Guaranteed Obligations hereunder upon direct written demand by the Issuer, the Fiscal Agent or the Issuer Servicer. Upon payment of such Operating Deficit by the Guarantors, the same shall be credited towards the Guaranteed Obligations.

The Issuer, the Issuer Servicer or the Fiscal Agent shall also be entitled to make a claim under this Guaranty to fund any Guaranteed Obligation during the Guaranty Period (excluding amounts which may be due solely by acceleration of the Note) by submission of a written demand notice to the Guarantors. After termination of this Guaranty as provided herein, neither the Fiscal Agent, the Issuer, the Issuer Servicer nor any other party shall be entitled to make a claim under this Guaranty.

This is a guaranty of payment and not of collection only, and the obligations hereunder shall be absolute, independent and unconditional under any and all circumstances, without regard to the validity or enforceability of the Loan Documents against the Owner. Upon the termination of the Guaranty Period, this Guaranty shall be returned to the Guarantors marked "cancelled."

Section 3.2 Third Party Beneficiary. No person or entity shall be a third party beneficiary of this Guaranty.

Section 3.3 Further Assurances. Each Guarantor will, at its expense, execute, acknowledge and deliver all such further documentation, instruments and assurances and the like and take all such further action as the Issuer or the Fiscal Agent shall reasonably require in order to carry out the intentions or facilitate the provisions of this Guaranty.

Section 3.4 Obligations Absolute. The Guaranteed Obligations shall remain in full force and effect without regard to, and shall not be affected or impaired by the following, any of which may be taken without the consent of, or notice to, the Guarantors, nor shall any of the following give any Guarantor any recourse or right of action against the Issuer or the Fiscal Agent:

(a) Any delay, exercise or non-exercise by the Issuer or the Fiscal Agent of any right or privilege under this Guaranty;

(b) Any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to any Guarantor, the Owner, any partner or member or any other guarantor (which term shall include any other party at any time directly or contingently liable for any of the Guarantors' obligations under this Guaranty, including without limitation, any partner or member or property manager) or any affiliate of the Owner or any Guarantor, or any action taken with respect to this Guaranty by any Fiscal Agent or receiver, or by any court, in any such proceeding, whether or not any Guarantor shall have had notice or knowledge of any of the foregoing;

(c) Any assignment or other transfer of this Guaranty in whole or in part;

(d) Any acceptance of partial funding of the Guaranteed Obligations; and

(e) Any subordination, compromise or release of any or all of the property or other collateral, if any, securing any Guarantor's obligations under this Guaranty, or any substitution with respect thereto.

Actions taken without the consent of, or notice to any guarantor or indemnitor, as set forth in this Section 3.4 are intended to apply to such guarantor or indemnitor in its capacity as such and nothing in this Section 3.4 is intended to constitute a waiver of any notice or consent rights afforded to any guarantor or indemnitor in its capacity as such under the Loan Documents or any other document entered into in connection with the Project Loan and the Bridge Loan.

Section 3.5 Waivers. Each Guarantor unconditionally waives the following defenses to the enforcement of this Guaranty, including, without limitation:

(a) All presentments, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty;

(b) Any right to require the Issuer or the Fiscal Agent to proceed against the Owner or any other guarantor at any time, or to proceed against or exhaust any security held by the Issuer or the Fiscal Agent at any time, or to pursue any other remedy whatsoever at any time;

(c) Any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to the Owner, or any Guarantor or any affiliate of the Owner or the Guarantors or any action taken with respect to this Guaranty by any Fiscal Agent or receiver, or by any court, in any such proceeding, whether or not any Guarantor shall have had notice or knowledge of any of the foregoing;

(d) Any right any Guarantor might have under the laws of the State to revoke this Guaranty, it being the intention of each Guarantor that this Guaranty remain in full force and effect until termination, as provided herein;

(e) Any defense based upon an election of remedies by the Issuer or the Fiscal Agent, including, without limitation, any remedies which destroy or impair the subrogation rights of any Guarantor to proceed against the Owner or any partner for reimbursement or both;

(f) Any duty of the Issuer or the Fiscal Agent to advise any Guarantor of any information known to the Issuer or the Fiscal Agent regarding the financial condition of the Owner or any partner or member and all other circumstances affecting the ability of the Owner or any partner or member to perform its obligations to the Issuer or the Fiscal Agent, it being agreed that each Guarantor assumes the responsibility for being and keeping informed regarding such conditions or any such circumstances; and

(g) Any rights to enforce any remedy which the Issuer or the Fiscal Agent now has or may hereafter have against the Owner, or any partner or member and any benefit of, and any right to participate in, any security now or hereafter held by the Issuer or the Fiscal Agent.

(h) Any defense based upon the unenforceability for any reason of the Loan Documents, or the failure of such documents for any reason to be valid, binding and enforceable obligations of the Owner, other than full performance by the Owner of its obligations thereunder.

With respect to any guarantor or indemnitor, the waivers set forth in this Section 3.5 are intended to apply to such guarantor or indemnitor in its capacity as such and nothing in this Section 3.5 is intended to constitute a waiver of any notice rights afforded to such guarantor under the Loan Documents, or any other document entered into in connection with the Senior Mortgage Loan or the Subordinate Loan.

Section 3.6 Subrogation. Notwithstanding any other provision of this Guaranty to the contrary and until all outstanding obligations of the Guarantors hereunder have been paid in full or terminated in accordance with the terms hereof, each Guarantor hereby defers any claim or other rights which such Guarantors may now have or hereafter acquire against any other guarantor of all or any of the obligations of any Guarantor under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification, any right to participate in any claim or remedy of the Issuer or the Fiscal Agent against the Owner, any partner or member or any Guarantor or any collateral which the Issuer or the Fiscal Agent now has or hereafter acquires, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from the Owner, any partner or member or any Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights, except as otherwise provided in the last sentence of Section 3.10 hereof.

Section 3.7 Additional Waivers. No Guarantor shall be released or discharged, either in whole or in part, by the Issuer's or the Fiscal Agent's failure or delay to (a) perfect or continue the perfection of any lien or security interest in any collateral which secures the obligations of any other guarantor, or (b) protect the property covered by such lien or security interest.

Section 3.8 Dealings with Parties. The Issuer and the Fiscal Agent shall have complete discretion, without giving notice to or obtaining the consent of any Guarantor, the Owner and each other person or entity who now is or after the date hereof becomes liable in any manner for any of the Guarantors' obligations under this Guaranty, in such manner as the Issuer and the Fiscal Agent shall decide, and accordingly each Guarantor grants to the Issuer and the Fiscal Agent full authority, in their sole discretion, whether before or after termination of this Guaranty, to do any and all of the following, without limiting the generality of the foregoing: extend credit, make loans and afford such financial accommodation to the Owner or any partner or member at such times, in such amounts and on such terms as the Issuer may approve; vary the terms or alter, compromise, accelerate and grant extensions or renewals of time or manner of payment of any present or future obligations under this Guaranty, assign or transfer this Guaranty or any other instrument evidencing or securing the obligations under this Guaranty in whole or in part; vary, exchange, release or discharge, wholly or partially, the Owner or any partner or member or any other guarantor or obligor of the obligations under this Guaranty, and compromise or make any settlement or other arrangement with the Owner, any partner or member and/or any other guarantor, and if the obligations under this Guaranty are now or

hereafter secured, exchange, substitute or release in part or in full all of the security given for the payment and performance of any of the Guarantors' obligations under this Guaranty.

With respect to any guarantor or indemnitor, the provisions of this Section 3.8 are intended to apply to such guarantor or indemnitor in its capacity as such and nothing in this Section 3.8 is intended to constitute a waiver of any notice rights afforded to such Guarantor under the Loan Documents, or any other document entered into in connection with the Project Loan and Bridge Loan.

Section 3.9 Bankruptcy No Discharge; Repayments. So long as any of the Guaranteed Obligations shall be owing, no Guarantor shall, without the prior written consent of the Issuer and the Fiscal Agent, as applicable, commence or join with any other party in commencing any bankruptcy, reorganization or insolvency proceedings of or against the Owner or any partner or member. Each Guarantor understands and acknowledges that by virtue of this Guaranty, each Guarantor has specifically assumed any and all risks of a bankruptcy or reorganization case or proceeding with respect to the Owner and any partner or member. As an example and not in any way of limitation, a subsequent modification of the Guaranteed Obligations in any reorganization case concerning the Owner or any partner or member shall not affect the obligation of any Guarantor to pay and perform the Guaranteed Obligations in accordance with their respective original terms. If claim is ever made upon the Issuer or the Fiscal Agent for repayment of any amount or amounts received by the Issuer or the Fiscal Agent in payment of the obligations under this Guaranty (whether or not all or any part of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid by the Issuer or the Fiscal Agent) and the Issuer or the Fiscal Agent repays all or any part of said amount, then, notwithstanding any revocation or termination of this Guaranty or any other instrument evidencing the Guaranteed Obligations, each Guarantor shall be and remain liable to the Issuer or the Fiscal Agent for the amount so repaid by the Issuer or the Fiscal Agent, to the same extent as if such amount had never originally been received by the Issuer or the Fiscal Agent.

Section 3.10 Subordination. So long as any of the obligations of any Guarantor hereunder remain unpaid or undischarged, each Guarantor agrees that any and all claims it may have against the Owner or any partner or member shall be and hereby are subordinated to the Guaranteed Obligations and all other claims of the Issuer or the Fiscal Agent against the Owner or any partner or member. Any indebtedness of the Owner or any partner or member to any Guarantor shall be collected and received by the Guarantors as Fiscal Agent for the Issuer and the Fiscal Agent and be paid over to the Issuer or the Fiscal Agent on account of the indebtedness of the Guarantors to the Issuer and the Fiscal Agent, upon demand by the Issuer or the Fiscal Agent; provided that so long as there is no default existing hereunder or under any of the Loan Documents or Note Documents, the Guarantors shall be entitled to receive and retain payments and distributions described in or paid pursuant to the Owner's partnership agreement.

Section 3.11 Independent and Separate Obligations. The obligations of each Guarantor hereunder are independent of any obligation of the Owner or any partner or member and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against any or all of the Guarantors whether or not such Guarantors are the alter ego of the Owner, any member, or any other guarantor. The Issuer's and the Fiscal Agent's rights

hereunder shall not be exhausted until the conditions to termination in Section 4.6 below have been satisfied.

Section 3.12 Setoff. The Issuer and the Fiscal Agent shall have a right of setoff against, and each Guarantor hereby grants a security interest in, all moneys, securities and other property of such Guarantor now or hereafter in the possession of, or on deposit with the Issuer or the Fiscal Agent in connection with the Loan, whether held in a general or special account or deposit, or for safekeeping or otherwise. Such right is in addition to any right of setoff the Issuer or the Fiscal Agent may have by law. After an event of default hereunder which has not been cured within any applicable grace or cure period, all rights of setoff may be exercised without any further notice or demand to any Guarantor. No right of setoff shall be deemed to have been waived by any act or conduct on the part of the Issuer or the Fiscal Agent, or by any neglect to exercise such right of setoff, or by any delay in doing so. Every right of setoff shall continue in full force and effect until the expiration of this Guaranty.

Section 3.13 Payments. No Guarantor shall be credited for the funding of any of the Guaranteed Obligations unless and until the Owner has delivered either (i) to the Issuer and the Fiscal Agent written acknowledgment of receipt of the required payment in immediately available funds from such Guarantor after a demand has been made by the Issuer or the Fiscal Agent pursuant to this Guaranty or (ii) the required payment to the Fiscal Agent in immediately available funds. Each Guarantor agrees that whenever a Guarantor shall pay any amount to the Issuer or the Fiscal Agent hereunder on account of the liability hereunder, such Guarantor will deliver such payment to the Owner with a copy of such evidence of payment and notice to the Issuer and the Fiscal Agent at the addresses provided in Section 4.1 below. Each Guarantor agrees that whenever a Guarantor shall pay any amount to the Fiscal Agent hereunder upon a request by the Issuer or the Fiscal Agent of a payment with respect to a Guaranteed Obligation, such Guarantor will deliver such payment to the Fiscal Agent with a copy of such evidence of payment and notice to the Issuer and Owner at the address provided in Section 4.1 below. Each Guarantor understands that the Owner and/or each member may have obligations to the Issuer with respect to the Development, and that those obligations are in addition to the Guarantor's obligations under this Guaranty.

Section 3.14 Financial Statements. During the term of this Guaranty, each Guarantor covenants and agrees to provide the Issuer and the Issuer Servicer, on or before the 50th day after the end of the fiscal year of each Guarantor, beginning with each fiscal year ending on or after December 1, 2017 with unaudited financial statements, including a balance sheet, an income statement, a statement of changes in financial position and such other statements as may be reasonably required by the Issuer or the Issuer Servicer, prepared in accordance with generally accepted accounting practices consistently applied and certified as true and complete without qualification by the Guarantor, or with respect to Guarantors other than individuals, an officer of such Guarantor or, if required by the Issuer after an Event of Default, a certified public accountant acceptable to the Issuer. Each Guarantor further covenants and agrees to immediately notify the Issuer of any material adverse change in such Guarantor's financial condition.

Section 3.15 Governing Law/Consent to Jurisdiction. This Guaranty shall be governed by and construed in accordance with the laws of the State of Florida applicable to contracts entered into and entirely to be performed therein. Each Guarantor hereby irrevocably

submits and consents to the jurisdiction of the courts of Manatee County, Florida, the State of Florida and of the United States District Court for the district in which the Project is located in connection with any action, suit or other proceeding arising out of or relating to this Guaranty or any action taken or omitted hereunder. If any Guarantor served in accordance with applicable law should fail to appear or answer within the time prescribed by law, then such Guarantor shall be deemed in default and judgment may be entered against such Guarantor for the amount or other relief as demanded in any summons, complaint or other process so served. Each Guarantor agrees that a final judgment in any such action, suit or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**ARTICLE 4.
MISCELLANEOUS**

Section 4.1 Notices. All notices, requests, demands, consents, and other communications required or permitted to be given or made hereunder shall be in writing and shall be deemed to have been duly given if telecopied or mailed, certified first class mail, allowing 3 days for mail, postage prepaid, return receipt requested, to the party to whom the same is so given or made, at the telecopy number or address of such party as set forth below, which telecopy number or address may be changed by notice to the other parties hereto duly given pursuant hereto:

- (a) The Issuer: Housing Finance Authority of Manatee County, Florida
c/o Angela A. Abbott, Esq.
4420 S. Washington Avenue
Titusville, FL 32780
Telephone: (321) 264-0334
Email: angelaabbott@cfl.rr.com

- (b) If to the Fiscal Agent: U.S. Bank National Association.
Corporate Trust Services
60 Livingston Avenue, 3rd Floor
DP-MN-WS3C
St. Paul, Minnesota 55107-2292
Attention: Dan Sheff
Telephone: (651) 466-6302
Facsimile: (651) 466-7430

- (c) To the Guarantors: Dominion Development and Acquisition, LLC
2905 Northwest Boulevard, Suite 150
Plymouth, MN 55441
Attention: Christopher P. Barnes
Telephone: (763) 354-5610
Facsimile: (763) 354-5632
Email: cbarnes@dominiuminc.com

with a copy to: Winthrop & Weinstine, P.A.
225 South 6th Street, Suite 3500
Minneapolis, MN 55402
Attention: John Stern
Telephone: (612) 604-6588
Facsimile: (612) 604-6988

Section 4.2 Expenses. Each Guarantor agrees to pay all reasonable costs and expenses, including reasonable legal fees, which may be incurred by the Issuer and the Fiscal Agent in any effort to collect or enforce any of the obligations of the Guarantors hereunder, whether or not any lawsuit is filed, including, without limitation, all costs and legal fees incurred by the Issuer and the Fiscal Agent in any bankruptcy proceeding (including, without limitation, any action for relief from the automatic stay of any bankruptcy proceeding) and in any judicial or nonjudicial foreclosure action.

Section 4.3 Amendments; Successors; Remedies. Neither this Guaranty nor any term hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought, subject to the prior written consent of the Issuer. All of the terms of this Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that no Guarantor shall have the right to assign any of such Guarantors' rights or obligations under this Guaranty. All remedies of the Issuer and the Fiscal Agent are cumulative. When the context in which the words are used in this Guaranty indicates that such is the intent, words in the singular number shall include the plural and vice-versa. If any one or more of the provisions of this Guaranty should be determined to be illegal or unenforceable, all other provisions shall remain effective. No delay or failure by the Issuer or the Fiscal Agent to exercise any remedy against any Guarantor will be construed as a waiver of that right or remedy. If any Guarantor hereof consists of more than one person or entity, the obligations hereunder shall be joint and several.

Section 4.4 Assignability by the Issuer. The Issuer or the Fiscal Agent may, at any time and from time to time, assign, conditionally or otherwise, all of their respective rights under this Guaranty, whereupon such assignee shall succeed to all rights of the Issuer or the Fiscal Agent, as applicable, hereunder to the extent that such rights may be assigned to it. The Issuer or the Fiscal Agent may give written notice to the Guarantors of any such assignment, but any failure to give, or delay in giving, such notice shall not affect the validity or enforceability of any such assignment.

Section 4.5 Demands. Each demand by the Issuer or the Fiscal Agent for performance or payment hereunder shall be in writing and shall be made in the manner set forth in Section 4.1 hereof. Interest shall accrue at the Default Rate on all sums not paid by any Guarantor to the Issuer or the Fiscal Agent or the Owner within ten (10) days after demand.

Section 4.6 Term. Subject to Section 3.9 hereof, the obligations of each Guarantor under this Guaranty and any instrument which grants collateral to secure such obligations shall continue in full force and effect until the expiration of the Guaranty Period and the Guarantor has

fully performed all of the Guaranteed Obligations and paid all other amounts payable hereunder in accordance with the terms of this Guaranty.

Section 4.7 Reserved.

Section 4.8 Complete Agreement. This Guaranty supersedes any prior negotiations, discussions or communications between the Guarantors and the Issuer and constitutes the entire agreement between the Issuer, the Fiscal Agent and the Guarantors with respect to the Guaranteed Obligations.

Section 4.9 Counterparts. This Guaranty may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument.

Section 4.10 Advice of Counsel. Each Guarantor represents and acknowledges to the Issuer that each Guarantor has consulted with its attorneys regarding the terms and conditions and waivers set forth in this Guaranty. Each Guarantor's attorneys has advised such Guarantor of the true legal consequences of each waiver set forth in this Guaranty, including the rights each Guarantor would have in the absence of such waivers.

Section 4.11 Waiver of Jury Trial. THE ISSUER, THE FISCAL AGENT AND THE GUARANTORS HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE ISSUER ENTERING INTO THE LOANS AND ACCEPTING THIS GUARANTY.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as date first set forth above.

**BRADENTON LEASED HOUSING
ASSOCIATES III, LLLP**, a Minnesota
limited liability limited partnership

By: **BRADENTON LEASED HOUSING
ASSOCIATES III, LLC**, a
Minnesota limited liability company,
its General Partner

By: _____
Name: Christopher P. Barnes
Title: Vice President

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as of the date first set forth above.

GUARANTOR:

**BRADENTON LEASED HOUSING
ASSOCIATES III, LLC**, a Minnesota limited
liability company

By: _____
Name: Christopher P. Barnes
Title: Vice President

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as of the date first set forth above.

GUARANTOR:

**BRADENTON LEASED HOUSING
DEVELOPMENT III, LLC**, a Minnesota limited
liability company

By: _____
Name: Christopher P. Barnes
Title: Vice President

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as of the date first set forth above.

GUARANTOR:

POLARIS HOLDINGS I, LLC, a Minnesota
limited liability company

By: _____
Name:
Title:

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as of the date set forth above.

GUARANTOR:

DOMINIUM HOLDINGS I, LLC, a Minnesota limited liability company

By: _____
Name:
Title:

**SIGNATURE PAGE TO
ABSOLUTE AND UNCONDITIONAL GUARANTY OF OPERATING DEFICITS
(RIVER TRACE PROJECT)**

IN WITNESS WHEREOF, the Guarantors have caused this Guaranty to be executed as of the date set forth above.

GUARANTOR:

DOMINIUM HOLDINGS II, LLC, a Minnesota
limited liability company

By: _____
Name:
Title:

ASSIGNMENT

The **HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA** (the "Assignor"), a public body corporate and politic, duly created, organized and existing under the laws the State of Florida, hereby conditionally assigns all of its rights regarding enforcement to and under this Absolute and Unconditional Guaranty of Operating Deficits to **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America, as Fiscal Agent (the "Assignee") under the Funding Loan Agreement. If the Assignee fails to enforce such rights for the benefit of the Assignor in a manner deemed timely or appropriate by the Assignor, this Assignment shall terminate upon the Assignor's written statement to such effect.

HOUSING FINANCE AUTHORITY OF
MANATEE COUNTY, FLORIDA

By: _____
Name: James J. Heagerty, Jr.
Title: Chairman

ATTEST:

By: _____
Name: Frank R. Dodson, III
Title: Secretary/Treasurer

EXHIBIT "A"

LEGAL DESCRIPTION

RIVER TRACE PROJECT

All that certain real property situated in Manatee County, Florida, described as follows:

PARCEL 1

LOTS 1, 2 AND 4, OF FAIR OAKS SUBDIVISION, IN SECTION 32, TOWNSHIP 34 SOUTH, RANGE 18 EAST, OF THE TALLAHASSEE MERIDIAN, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 1, PAGE 171, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

LESS: LANDS LYING WITHIN THE FORMER EAST AND WEST RAILWAY RIGHT-OF-WAY DESCRIBED IN DEED BOOK 403, PAGE 217.

PARCEL 2

COMMENCING AT THE NE CORNER OF LOT 3 OF THE SW 1/4 OF THE NW 1/4 OF SECTION 32, TOWNSHIP 34 SOUTH, RANGE 18 EAST OF THE TALLAHASSEE MERIDIAN, OF THE SUBDIVISION OF FAIR OAKS, AS RECORDED IN PLAT BOOK 1, PAGE 171, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, THENCE WESTERLY 322.50 FEET TO THE NE CORNER OF LANDS CONVEYED BY DEED RECORDED IN OFFICIAL RECORDS BOOK 707, PAGE 476, OF SAID PUBLIC RECORDS, THENCE SOUTH 330.00 FEET TO THE SOUTH BOUNDARY LINE OF SAID LOT 3 AND THE SE CORNER OF ABUTTING LANDS CONVEYED TO LAURENCE R. RIDDICK, THENCE EASTERLY 322.50 FEET TO THE SE CORNER OF SAID LOT 3, THENCE NORTHERLY 330.00 FEET TO THE POINT OF BEGINNING.

PARCEL 3

THE SOUTH 165.00 FEET OF THE WEST ONE-HALF OF THE LOT 3 OF THE SW 1/4 OF THE NW 1/4 OF SECTION 32, TOWNSHIP 34 SOUTH, RANGE 18 EAST OF THE TALLAHASSEE MERIDIAN, A SUBDIVISION OF FAIR OAKS AS RECORDED IN PLAT BOOK 1, PAGE 171, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

LESS: RIGHT-OF-WAY OF 27TH STREET EAST DESCRIBED IN ORDER OF TAKING RECORDED IN OFFICIAL RECORDS BOOK 275, PAGE 402.

MANATEE POND PROJECT

All that certain real property situated in Manatee County, Florida, described as follows:

Lots 1 through 32, inclusive, Block A, and Lots 1 through 8, inclusive, Block B, Manatee Pond Subdivision, according to the map or plat thereof, as recorded in Plat Book 29, Pages 98, 99 and 100, of the Public Records of Manatee County, Florida.

BEING THE SAME TRACT OF LAND DESCRIBED IN THE TITLE REPORT ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY - COMMERCIAL, FILE NO. 51580, EFFECTIVE DATE: JUNE 22, 2016.

EXHIBIT “B”

LITIGATION

WPB 383930699v7/016751.015100