

**THIS INSTRUMENT PREPARED
BY AND RETURN TO:**

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NGN Draft No.4 4/7/2020
1040.01

ABOVE SPACE RESERVED FOR
RECORDING PURPOSES ONLY

LAND USE RESTRICTION AGREEMENT

This Land Use Restriction Agreement (the "Agreement") is made and entered into as of April 1, 2020, by and among the HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (the "Governmental Lender") whose mailing address is 435 12th Street West, Bradenton, Florida 34205, U.S. BANK NATIONAL ASSOCIATION, a national banking association, with a corporate trust office in St. Paul, Minnesota (the "Fiscal Agent"), pursuant to a Funding Loan Agreement (the "Funding Loan Agreement"), dated as of April 1, 2020 by and among TRUIST BANK, a North Carolina banking corporation, as the funding lender (together with its successors and assigns, collectively, the "Funding Lender"), the Governmental Lender and the Fiscal Agent, securing the Governmental Lender's Multifamily Housing Revenue Note, Series 2020 (Reef at Riviera Apartments) (the "Governmental Note"), the Governmental Note being issued in the aggregate principal amount of \$31,000,000, and PALMETTO LEASED HOUSING ASSOCIATES, I, LLLP, a Florida limited liability limited partnership (the "Borrower").

WHEREAS, pursuant to and in accordance with the Act (hereinafter defined), the Governmental Lender has determined to issue its Governmental Note and to lend the proceeds thereof (the "Loan") to the Borrower, for the purpose of providing funds to finance a portion of the acquisition, construction and equipping of a 224-unit multifamily rental housing project in Manatee County, Florida to be known as Reef at Riviera Apartments (the "Project"); and

WHEREAS, as a condition of making the Loan referenced herein and in connection with the issuance of the Governmental Note, the parties hereto have agreed to enter into this Agreement in order to preserve the tax-exempt status of interest on the Governmental Note;

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Governmental Lender, the Fiscal Agent and the Borrower hereby agree as follows:

Section 1. Definitions and Interpretation. All initially capitalized, undefined terms used herein shall have the meanings assigned to such terms in the Funding Loan Agreement and the

Project Loan Agreement, respectively. In addition, the following words and phrases shall have the following meanings:

"Act" means Chapter 159, Part IV, Florida Statutes, Chapter 159, Part II, Florida Statutes, and other applicable provisions of law.

"Affiliated Party" of any person means a person such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code, or (ii) such persons are members of the same controlled group of corporations as defined in Section 1563(a) of the Code, except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein, or (iii) a related person within the meaning of Section 144(a) or 147(a) of the Code.

"Agreement" means this Land Use Restriction Agreement, dated as of April 1, 2020, as the same may be amended, modified, supplemented or restated from time to time.

"Applicable Income Limit" means sixty percent (60%) of Area Median Gross Income (within the meaning of Section 142(d) of the Code) for Manatee County, Florida, Standard Metropolitan Statistical Area, as determined by the Secretary of the United States Department of the Treasury in a manner consistent with determinations of lower income families and area median gross income under Section 8 of the Housing Act of 1937, as amended (or if such program is terminated, under such program as in effect immediately before such termination), including adjustments for family size.

"Area Median Gross Income" means the median gross income for the area in which the Project is located as determined under Section 8 of the Housing Act of 1937 (or, if such program is terminated, under such program as in effect immediately before such termination) and as published annually by HUD.

"Borrower" means Palmetto Leased Housing Associates I, LLLP, a Florida limited liability limited partnership, and its successors and assigns.

"Business Day" means any day other than a Saturday, Sunday or a day when banks are authorized to be closed under the laws of the States of Florida or New York or the New York Stock Exchange is closed.

"Certificate of Continuing Program Compliance" means the certificate required to be delivered by the Borrower to the Governmental Lender pursuant to Section 4(f) hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations thereunder, or any successor statute, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the Treasury Department or Internal Revenue Service of the United States. Any reference to a particular provision of the Code shall be deemed to include (a) any successor provision or any successor Internal Revenue Code and (b) the applicable regulations, whether final, temporary or proposed, under such provision or successor provision.

"County" means Manatee County, Florida.

"Current Annual Family Income" is determined in accordance with Section 8 of the Housing Act of 1937 (the "Housing Act"), as amended (or, if such program is terminated, under such program as in effect immediately before such termination) and includes the forms of income described in the Income Certification as promulgated by the Governmental Lender from time to time in accordance with the Housing Act.

"Eligible Persons" means persons or families determined by the Governmental Lender to be of low, middle or moderate income and "eligible persons" under the Act applicable to the Project, which determination includes, but is not limited to, an income limit which shall not exceed 150% of the median family (family of four) income for the County; provided that persons 65 years of age or older shall be defined as "Eligible Persons" regardless of their incomes.

"Funding Loan Agreement" means the Funding Loan Agreement, dated as of even date herewith, among the Governmental Lender, the Fiscal Agent and the Funding Lender, providing for the issuance of the Governmental Note, as amended and supplemented from time to time.

"Governmental Note" has the meaning provided in the introductory paragraph of this Agreement.

"Income Certification" means the certification required to be obtained from each Lower-Income Tenant by the Borrower pursuant to Section 4(a) hereof.

"Land" means the real property described in Exhibit "A" attached hereto.

"Loan" means the loan in an amount equal to the cumulative amounts drawn under the Governmental Note made by the Governmental Lender to the Borrower from the proceeds of the Governmental Note, as described in this Agreement and secured by the Funding Loan Agreement, Project Loan Agreement and the Project Loan Documents.

"Lower-Income Tenant" means individuals or families whose income does not exceed sixty percent (60%) of the Area Median Gross Income; provided, however, that if all the occupants of a unit are students (as defined in Section 151(c)(4) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code, the occupants of that Unit shall in no event be deemed to be "Lower-Income Tenants". The income of individuals and Area Median Gross Income shall be determined by the Secretary of the Treasury in a manner consistent with determinations of lower income families and Area Median Gross Income under Section 8 (or, if such program is terminated, under such program in effect immediately before such termination). Determinations under the preceding sentence shall include adjustments for family size as prescribed under Section 8, e.g., a family of four generally will qualify if the family has an income of sixty percent (60%) or less of the area median income; a family of three having an income of fifty-four percent (54%) or less generally will qualify; a family of two having an income of forty-eight percent (48%) or less generally will qualify; and a single individual having an income of forty-two percent (42%) or less generally will qualify.

"Mortgage" means the Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture Filing, dated as of April 1, 2020, as the same may be amended, modified, supplemented or restated from time to time, executed by the Borrower and granting a first lien on the Project for the benefit of the Authority and assigned to the Fiscal Agent.

"Note Closing Date" means the date of delivery of the Governmental Note.

"Permitted Encumbrances" shall have the meaning set forth in the Mortgage.

"Project" means the affordable housing development located on the Land.

"Project Loan Agreement" means that certain Project Loan Agreement, dated as of even date herewith, entered into by and between the Borrower, the Fiscal Agent and the Governmental Lender, as amended or supplemented from time to time.

"Qualified Project Period" means the period commencing on the first day on which at least ten percent (10%) of the residential units in the Project are first occupied (as certified in writing by the Borrower to the Governmental Lender) (or, if later, the date on which the Governmental Note is issued) and ending on the latest of the following: (i) the date that is twenty (20) years after the date on which at least fifty percent (50%) of the residential units in the Project are first occupied (as certified in writing by the Borrower to the Governmental Lender); (ii) the first day on which the Governmental Note is no longer outstanding; or (iii) the date on which any assistance provided with respect to the Project under Section 8 terminates (as certified in writing by the Borrower to the Governmental Lender). With respect to (i) above, the period shall be twenty-three (23) years unless the Project is sold by the Borrower and all Lower-Income Tenants in the Project are assured of an ability to remain therein without rental increase for a period of three years after the end of what would otherwise be the Qualified Project Period.

"Qualified Tax Counsel" means an attorney, or firm of attorneys, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds and/or notes issued by states and their political subdivisions, appointed by the Governmental Lender.

"Regulations" means the regulations promulgated by the United States Department of the Treasury pursuant to the Code, as amended from time to time.

"Rental Housing" shall mean a residential rental project within the meaning of Section 1.103-8(b)(4) of the Treasury Regulations under Section 142(d) of the Code. As such, Rental Housing shall consist of a building or structure or proximate buildings or structures, (a) containing one or more similarly constructed residential units which are to be used on other than a transient basis and any facilities which are functionally related and subordinate to such units, and (b) all of the residential units which are rented or available for rental on a continuous basis to members of the general public in accordance with the requirements of Section 142(d) of the Code. Rental Housing consists of similar residential units together with any functionally related and subordinate facilities within the meaning of Section 142(d) of the Code. A building or structure is a discrete edifice or other man-made construction consisting of an independent (i) foundation, (ii) outer walls, and (iii)

roof, and containing one or more similarly constructed residential units. Buildings or structures are proximate if they are all located on a single parcel of land or several parcels of land which are contiguous except for the interposition of a road, street, stream or similar property. Proximate buildings or structures are part of the same project only if owned for federal tax purposes by the same person and if the buildings are financed pursuant to a common plan. In no event shall Rental Housing include a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home, or trailer park or court. Furthermore, Rental Housing shall not include any building or structure which contains fewer than five residential units, one residential unit of which is occupied by an owner of the units or a party related to such owner.

"Section 8" means Section 8 of the United States Housing Act of 1937.

"State" means the State of Florida.

"Term of this Agreement" means the term determined pursuant to Section 7 hereof.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Residential Rental Property. The Governmental Lender and the Borrower hereby declare their understanding and intent that, during the term of this Agreement, the Project is to be owned, managed and operated as a "project for residential rental property" as such phrase is utilized in Section 142(d) of the Code and shall be owned, managed and operated as Rental Housing. The Borrower hereby represents, covenants, warrants and agrees that:

(a) The Project is being acquired and constructed for the purpose of providing a "qualified residential rental project" as such phrase is used in Section 142(d) of the Code, (2) the Borrower shall own the entire Project for federal tax purposes, and (3) the Project shall be owned, managed and operated as a multifamily residential rental property comprised of a building or structure or several proximate buildings or structures containing similarly constructed units, together with any functionally related and subordinate facilities and no other facilities, in accordance with Section 142(d) of the Code and Section 1.103-8(b) of the Regulations, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) The Project is comprised of one or more similarly constructed units, each of which contains separate and complete facilities for living, sleeping, eating, cooking and sanitation for an individual or a family, including a living area, a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a refrigerator and sink.

(c) None of the units in the Project will at any time be (1) utilized on a transient basis, (2) used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, nursing home, hospital, sanitarium, rest home, trailer court or park, or (3) rented for lease periods of less than six (6) months.

(d) All of the units in the Project will be rented or available for rent on a continuous basis to members of the general public, and the Borrower will not give preference to any particular class or group in renting the units in the Project, except to the extent that units are required to be leased or rented to persons aged 65 and older, Lower-Income Tenants or Eligible Persons, and units may be restricted as required pursuant to any restrictive agreement existing or hereafter recorded against the Project in connection with qualifying low-income housing tax credits under Section 42 of the Code. Lower-Income Tenants will have equal access to and enjoyment of all common facilities of the Project.

(e) The Land consists of a parcel of real property or parcels of real property that are contiguous except for the interposition of a road, street, stream or similar property, and the Project comprises buildings, structures and facilities that are geographically contiguous and functionally related.

(f) The Borrower or a related person, as defined in Section 147(a) of the Code, shall not occupy any of the units in the Project; provided, however, that the Borrower or a related person may occupy a unit in a building or structure that contains five or more units if the Borrower or related person is a resident manager or other necessary employee (e.g., maintenance and security personnel).

(g) None of the proceeds of the Governmental Note (including investment earnings) will be used to provide a health club facility, skybox or any other private luxury box, an airplane, or store the principal business of which is the sale of alcoholic beverages for consumption off premises or a facility used primarily for gambling.

(h) The Borrower shall not discriminate in violation of fair housing laws on the basis of race, creed, religion, color, sex, marital status, family status, handicapped status or national origin in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project.

The requirements of this Section 2 shall terminate on the later of (i) the end of the Qualified Project Period or (ii) the end of the remaining term of the Governmental Note, as such requirement is interpreted pursuant to the Code, unless otherwise terminated pursuant to Section 7 hereof.

Section 3. Lower-Income Tenants and Eligible Persons. The Borrower hereby represents, warrants and covenants as follows:

(a) There shall be no default hereunder, during the time the Governmental Note is outstanding, so long as, at all times during the Qualified Project Period, not less than forty percent

(40%) of the completed units in the Project shall be occupied by Lower-Income Tenants, as required by Section 142(d) of the Code.

(b) At all times during which the Governmental Note is outstanding, those units that are not occupied by Lower-Income Tenants and are available for rental to tenants other than Lower-Income Tenants in accordance with Section 3(a) hereof will be rented to or available for rent by Eligible Persons.

(c) At all times until the later of the end of the Qualified Project Period or the date on which the Governmental Note is no longer outstanding, all of the units in the Project will be rented as a residential dwelling, on a continuous basis and may not be used or converted to owner-occupied housing or other residential or business use. For purposes of this requirement, a building or structure will not be deemed to be held for rental use if it contains less than five units, any unit of which is occupied by the owner of the units.

(d) For purposes of paragraphs (a) and (b) of this Section 3, a unit occupied by an individual or family who at the commencement of the occupancy of such unit is a Lower-Income Tenant (or Eligible Person) shall be counted as occupied by a Lower-Income Tenant (or Eligible Person) during such individual's or family's tenancy in such unit, even though such individual or family ceases to be a Lower-Income Tenant (or Eligible Person). However, the preceding sentence shall cease to apply to any Lower-Income Tenant whose income under the most recent determination exceeds one hundred forty percent (140%) of the applicable income limit or to any Eligible Person (other than persons 65 years of age or older) whose income under the most recent determination exceeds one hundred fifty percent (150%) of the applicable area median income if after such determination but before the next determination, any unit of comparable or smaller size in the Project is occupied by a new resident whose income exceeds the applicable income limit. In addition, a unit that was occupied by a Lower-Income Tenant (or Eligible Person) shall be counted as occupied by a Lower-Income Tenant (or Eligible Person) until it is reoccupied other than for a temporary period not exceeding 31 days, at which time the unit shall be considered to be occupied by a Lower-Income Tenant (or Eligible Person) only if the individual or family then occupying the unit satisfies the definition of a Lower-Income Tenant (or Eligible Person).

Section 4. Reporting Requirements, Payment of Governmental Lender's Annual Compliance Fee; Project Amenities and Maintenance.

(a) During the Qualified Project Period, the Borrower shall obtain from each Lower-Income Tenant, at the time of such Lower Income Tenant's initial occupancy in the Project, an Income Certification dated immediately prior to the initial occupancy of such Lower Income Tenant in the Project, in the form and containing the information required by applicable rules, rulings, policies, procedures, Regulations or other official statements now or hereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to obligations issued under Section 142(d) of the Code.

(b) At all times during which the Governmental Note is outstanding, the Borrower shall obtain from each Eligible Person residing in the Project, at the time of such person's or

family's initial occupancy in the Project, an Income Certification in form and content acceptable to the Governmental Lender.

(c) The Borrower shall file with the Governmental Lender and its compliance agent, on or before January 30 of each year, copies of the Income Certifications specified in Sections 4(a) and (b) hereof obtained by the Borrower during the previous calendar year.

(d) At all times during the Qualified Project Period, the Borrower will obtain and maintain on file from each Lower-Income Tenant residing in the Project the information demonstrating each tenant's income eligibility.

(e) The Borrower shall maintain complete and accurate records pertaining to the incomes of and rentals charged to Lower-Income Tenants and Eligible Persons residing in the Project, and shall permit, upon 5 Business Days' notice to the Borrower, any duly authorized representative of the Governmental Lender, the Funding Lender or the Fiscal Agent to inspect the books and records of the Borrower pertaining to the incomes of and rentals charged to all tenants residing in the Project. All tenant lists, applications, and waiting lists relating to the Project shall at all times be kept separate and identifiable from any other business of the Borrower which is unrelated to the Project, and shall be maintained, as required by the Governmental Lender from time to time, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Governmental Lender, the Funding Lender or the Fiscal Agent. Failure to keep such lists and applications or to make them available to the Governmental Lender, the Funding Lender or the Fiscal Agent will be a default hereunder. The Fiscal Agent shall not have any duty to make such inspection or examination.

(f) On or before the tenth day of each month, the Borrower shall prepare and submit to the Governmental Lender and its compliance agent rent rolls and to the Governmental Lender a Certificate of Continuing Program Compliance, in the form attached hereto as Exhibit "B", executed by the Borrower stating (i) the percentage of units that were occupied by Lower-Income Tenants and Eligible Persons, respectively, as of the last day of the previous month, (ii) that at all times during the previous month at least 40% of the units were occupied by Lower-Income Tenants (as determined in accordance with Section 3 of this Agreement), and (iii) that no default has occurred under this Agreement or, if such a default has occurred, the nature of such default and the steps, if any, the Borrower has taken or proposes to take to correct such default.

(g) Commencing on January 1, 2021, and continuing on January 1 of every year thereafter, the Borrower shall submit to the Secretary of the Department of the Treasury (at such time and in such manner as the Secretary shall prescribe) an annual certification as to whether the Project continues to meet the requirements of Section 142(d) of the Code. The Borrower shall simultaneously send copies of such certifications to the Governmental Lender. The Borrower acknowledges that failure to file such certification may subject the Borrower to penalty (presently, though subject to change, one hundred dollars (\$100) per day for every day after the due date that the report is not filed) as provided in Section 6652(j) of the Code.

(h) The Borrower will construct and maintain the Project as described in Exhibit "D" attached hereto, including offering the resident programs referenced therein.

(i) The Borrower shall immediately notify in writing the Fiscal Agent, the Funding Lender and the Governmental Lender of any change in the management of the Project.

(j) The Borrower will keep the buildings, parking areas, roads and walkways, recreational facilities, landscaping and all other improvements of any kind now or hereafter erected as part of the Project, in good condition and repair (normal wear and tear excepted), will not commit or suffer any waste and will not do or suffer to be done anything which would or could increase the risk of fire or other hazard to the Project or any part thereof. In order to ensure the Borrower's compliance with this covenant, the Governmental Lender, the Fiscal Agent and/or representatives of these parties are hereby authorized to enter upon and inspect the Project at any time during normal business hours upon reasonable notice and subject to the rights of tenants. Notwithstanding the foregoing, none of these parties has an affirmative duty to make such inspections.

(k) The Borrower will construct and operate the Project so that it conforms in all material respects with all applicable zoning, planning, building and environmental laws, ordinances and regulations of governmental authorities having jurisdiction over the Project, including, but not limited to, the Americans with Disabilities Act of 1990, as amended.

Section 5. Fair Housing Laws. The Borrower will comply with all fair housing laws, rules, regulations or orders applicable to the Project. All advertising and promotional material used in connection with the Project shall contain the phrase "Fair Housing Opportunity."

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Borrower's interest in the Land and, except as provided in Section 7 hereof, shall pass to and be binding upon the Borrower's assigns and successors interest in the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall automatically and without further action expire. Except as provided in Section 7 hereof, each and every contract, lease or other instrument hereafter executed covering or conveying the Borrower's interest in the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project.

Section 7. Term. This Agreement shall remain in full force and effect until the later of (i) the expiration of the Qualified Project Period and (ii) the date as of which the Governmental Note is no longer outstanding; provided, however, that this Agreement shall terminate in the event of involuntary noncompliance with the provisions of this Agreement caused by fire, seizure, requisition, foreclosure or transfer by deed in lieu of foreclosure, change in a federal law or an action of a federal agency that prevents the Governmental Lender from enforcing the provisions hereof, or condemnation or a similar event (as determined by Qualified Tax Counsel), but only if within a reasonable period thereafter (i) the Governmental Note is retired in full or rendered no longer outstanding by means of foreclosure or a deed in lien of foreclosure or (ii) the proceeds received as a result of such event are used to finance a development that complies with the provisions hereof and

any other applicable requirements of the Code and the Regulations. In such event, upon the request of the Borrower, with the consent of the Governmental Lender which consent shall not be unreasonably withheld or delayed and at the expense of the Borrower, the parties hereto shall execute an appropriate document in recordable form to evidence such automatic termination. In the case of foreclosure or transfer of title by deed in lieu of foreclosure or similar event (as determined by Qualified Tax Counsel), such termination will cease to be in effect if, at any time during the remainder of the Qualified Project Period, the Borrower, or a "related person" to any such person within the meaning of Section 147(a) of the Code, obtains an interest in the Project for federal tax purposes. Once the Governmental Note is no longer outstanding, if this Agreement by its terms will remain in effect, this Agreement shall be deemed automatically amended so that the Fiscal Agent shall no longer be a party hereto or have any obligations or duties hereunder.

Section 8. Correction of Noncompliance. The failure of the Borrower to comply with any of the provisions of Section 2 or 3 of this Agreement shall not be deemed a default hereunder unless such failure has not been corrected within a period of ninety (90) days following the date that Borrower learned of such failure or should have learned of such failure by the exercise of reasonable diligence. Not later than twenty (20) Business Days next succeeding the day on which the Fiscal Agent or the Governmental Lender learns of such failure, the Fiscal Agent or the Governmental Lender shall attempt with reasonable diligence to notify the Borrower of such failure by telephonic communication. In addition, the Fiscal Agent or Governmental Lender, as the case may be, shall send to all parties to this Agreement (including the Borrower) and the Funding Lender written notice of such failure in accordance with Section 18 hereof. The Fiscal Agent shall not be deemed to have learned of such failure unless it has received a written notice from the Borrower or the Governmental Lender to the effect that such failure to comply with Section 2 or 3 hereof has occurred. The Borrower's Investor Limited Partner shall have the right, but not the obligation, to cure an event of default under this Agreement and the parties hereto agree to accept such performance as if it were undertaken by the Borrower itself.

Section 9. Modification and Termination of Tax Covenants. To the extent any amendments, modifications or changes to the Regulations or the Code shall, in the written opinion of Qualified Tax Counsel filed with the Governmental Lender, the Funding Lender, the Borrower and the Fiscal Agent, impose requirements upon the ownership, occupancy or operation of the Project different than those imposed by the Regulations or the Code and stated herein, and the Borrower's failure to comply with such different requirements would produce a material and substantial risk that interest on the Governmental Note will become includable in gross income for federal income tax purposes, then this Agreement shall be amended and modified in accordance with such requirements. The parties hereto agree to execute, deliver and record, if applicable, any and all documents or instruments necessary in the opinion of and in the form approved by Qualified Tax Counsel to effectuate the intent of this Section 9.

Section 10. Burden and Benefit. The Governmental Lender and the Borrower hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Borrower's legal interest in the Land and the Project is rendered less valuable thereby. The Governmental Lender and the Borrower hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and the Project by Lower-Income Tenants and

Eligible Persons, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Governmental Note was issued. The Borrower hereby expressly acknowledges that this Agreement is necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note issued by the Governmental Lender to finance the Loan and covenants and agrees that in connection with the acquisition, construction, ownership and operation of the Project, it shall and shall require any subsequent purchaser of the Project to fully comply with all terms and conditions of this Agreement.

Section 11. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project.

Section 12. Remedies; Enforceability. If a violation of any of the provisions hereof occurs or is attempted which is not cured within the applicable cure period, the Governmental Lender and its successors and assigns may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation, to compel specific performance hereunder. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Borrower or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 13. Indemnification. The Borrower hereby covenants and agrees that it shall indemnify and hold harmless the Governmental Lender, Manatee County, Florida and the Fiscal Agent and their respective officers, directors, officials, employees and agents from and against any and all claims by or on behalf of any person arising from any cause whatsoever in connection with the operation of the Project by the Borrower or the delivery of the Governmental Note to finance the Project, any and all claims arising from any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Project or the delivery of the Governmental Note to finance the Project, and all costs, reasonable counsel fees, expenses or liabilities incurred in connection with any such claim or proceeding brought thereon; except that the Borrower shall not be required to indemnify any person for damages caused by the negligence or willful misconduct or breach of contract of such person or for losses relating to principal and interest. In the event that any action or proceeding is brought against the Governmental Lender, Manatee County, Florida, the Fiscal Agent or any of their respective officers, directors, officials, employees or agents, with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from the indemnified party (which notice shall be given in a timely manner so as not to impair Borrower's rights to defend), shall assume the investigation and defense thereof, including the employment of counsel reasonably acceptable to the indemnified party and the payment of all fees and expenses, including such fees and expenses on appeal and in bankruptcy proceedings, if any. The indemnified party shall have the right to employ separate counsel in any such action or proceedings and to participate in the defense thereof, but, unless such separate counsel is employed with the approval and consent of the Borrower, or because of a conflict of interest between the Borrower and the indemnified party or because the matter may involve a criminal charge, the Borrower shall not be required to pay the fees and expenses of such separate counsel. The Borrower

agrees to execute any additional documents deemed necessary by the Governmental Lender, Manatee County, Florida or the Fiscal Agent to evidence the indemnification provided for in this Section 13. At the request of the Governmental Lender, the Borrower agrees, in addition to the above indemnification, to pay the reasonable costs and expenses of the attorney for the Governmental Lender in connection with the action or proceeding giving rise to the indemnification.

The Borrower hereby further indemnifies, and agrees to defend and hold harmless, the Fiscal Agent, Manatee County, Florida, the Governmental Lender, any member, officer, official or employee of the Fiscal Agent, Manatee County, Florida and the Governmental Lender, and each Person, if any, who controls the Fiscal Agent, Manatee County, Florida and the Governmental Lender, and any official thereof, within the meaning of Section 15 of the Securities Act of 1933, as amended, against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue or misleading statement, or alleged untrue or misleading statement, of a material fact contained in any preliminary official statement, official statement, private placement memorandum, or other offering or disclosure document relating to the Governmental Note ("Disclosure Statement") or the omission or alleged omission of any material fact of any Disclosure Statement, necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, the Borrower shall have no indemnification obligation with respect to any statement or omission for which the indemnified party is responsible.

While the Borrower has possession of the Project, the Borrower also shall pay and discharge and shall indemnify and hold harmless the Governmental Lender and the Fiscal Agent from (a) any lien or charge upon payments by the Borrower to the Governmental Lender and the Fiscal Agent hereunder, and (b) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges other than income and other similar taxes in respect of any portion of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges other than income and other similar taxes, are sought to be imposed, the Governmental Lender or the Fiscal Agent shall give prompt notice to the Borrower and the Borrower shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion. In such instance, the indemnified party shall have the right to employ separate counsel at the expense of the Borrower in any such action as aforesaid.

In addition thereto, the Borrower will pay upon demand all of the reasonable fees and expenses paid, including attorneys fees and expenses, or incurred by the Fiscal Agent, Manatee County, Florida and/or the Governmental Lender in enforcing the provisions hereof, including such fees and expenses on appeal, if any.

This Section 13 shall survive termination of this Agreement, or in the case of the Fiscal Agent, its removal or replacement.

Section 14. Transfer of Project; Covenants to Run with the Land. The Borrower covenants with respect to the Project as follows:

(a) Except as specifically authorized pursuant and subject to the terms and provisions of the Financing Documents, the Borrower shall not (a) sell, lease, exchange, assign, convey, transfer

or otherwise dispose (collectively, a "Disposition") of all or substantially all of the Project or (b) place any mortgage lien, assignment of leases and rents or security interests on or pertaining to the Project, without in each instance the prior written consent of the Governmental Lender. The Governmental Lender shall not unreasonably withhold its written consent to a Disposition, as long as the requirements of this Section 14 are fully satisfied. It is expressly agreed that, in connection with determining whether to grant or withhold such consent, the Governmental Lender may (but is not obligated to), among other things: (i) consider the creditworthiness of the party to whom such Disposition will be made (the "Proposed New Owner") and such party's management ability with respect to the Project; (ii) consider the compliance history of the Proposed New Owner with respect to any other multifamily projects owned by the Proposed New Owner; (iii) consider whether or not the security for repayment of the Project Loan and other payment obligations under the Project Loan Agreement and other Project Loan Documents, and the performance of the covenants and other obligations under this Agreement (without regard to whether the Governmental Note is outstanding) or the Governmental Lender's ability to enforce its rights, remedies and recourses with respect to such security or performance will be impaired in any way or to any degree by the proposed Disposition; (iv) require that the Governmental Lender be reimbursed for all reasonable costs and expenses incurred by the Governmental Lender, to the extent applicable, in connection with investigating the creditworthiness and management ability of the party to whom such impaired by Disposition will be made in determining whether the Governmental Lender's security will be the proposed Disposition; (v) require the payment of all payment obligations of the Borrower under the Project Loan Agreement, including but not limited to accrued obligations not yet payable and, in the event of a Disposition in connection with a redemption of the Governmental Note prior to the termination of the Qualified Project Period, an undertaking by the Proposed New Owner to pay the Governmental Lender Fee for the balance of the Qualified Project Period in the manner and means satisfactory to the Governmental Lender; (vi) require the payment of the Governmental Lender's reasonable attorneys' fees and expenses in connection with such Disposition; (vii) require the express, unconditional assumption of all payment obligations and all performance obligations under this Agreement and to the extent same remain in effect, the Project Loan Agreement and any other document, agreement or instrument evidencing or securing the Borrower's obligations under the Project Loan Agreement by the party to whom such Disposition will be made (with or without the release of the transferor Borrower from liability for such obligations), which assumption shall be in form and substance satisfactory to the Governmental Lender and its counsel, and require the recording of such assumption document; (viii) require the execution of modification agreements, supplemental mortgage documents, financing statements and such other documents, agreements and instruments as the Governmental Lender or its counsel may require, and (ix) require endorsements to any existing Governmental Lender's or Fiscal Agent's title insurance policies insuring the Governmental Lender's or the Funding Lender's liens and security interests covering the Project. The Governmental Lender may in its discretion, release the Borrower from liability under this Agreement without releasing the Borrower from liability under any other agreement relating to the Project and may limit any such release from liability to events and occurrences arising after such Disposition, whether or not the Governmental Lender has knowledge of prior events or occurrences creating such liability at the time of the Disposition.

(b) The restrictions contained in Section 14(a) shall not be applicable to any of the following: (i) any sale, transfer, assignment, encumbrance or addition, deletion or exchange of interests in the Borrower, including, but not limited to, the limited partnership and/or general partner

interests of the Borrower, provided such sale, transfer, assignment, encumbrance or addition does not constitute a change in ownership of the Project for federal income tax purposes which would adversely affect the exclusion from gross income of the Governmental Note, as certified in writing by the Borrower to the Governmental Lender, the Funding Lender and the Fiscal Agent; (ii) grants of utility-related easements and governmental easements, approved by the Governmental Lender and any other construction easement which may be consented to by the Governmental Lender and service-related leases or easements, such as laundry service leases or television cable easements, over portions of the Project, provided, however, the same are granted in the ordinary course of business in connection with the operation of the Project as contemplated by this Agreement; (iii) leases of apartment units to tenants, including Low-Income Tenants and Eligible Persons, in accordance with the requirements of this Agreement; iv) any sale or conveyance to a condemning governmental authority as a direct result of a condemnation or a governmental taking or a threat thereof; (v) the placing of a subordinate mortgage lien, assignment of leases and rents or security interests on or pertaining to the Project if made expressly subject and subordinate to this Agreement and the Project Loan Documents and provided that such subordinate mortgage lien, assignment of leases and rents or security interests is permitted by the Security Instruments; or (vi) any change in allocations or preferred return of capital, depreciation or losses or any final adjustment in capital accounts (all of which may be freely transferred or adjusted by the Borrower pursuant to the Borrower's creation documents), provided that such change does not result in a change in ownership of the Project for federal income tax purposes; provided, however, the Governmental Lender may require the mortgagee or any person acquiring the Project through foreclosure or by deed in lieu of foreclosure to assume expressly and unconditionally all payment obligations (in the same manner as provided in the Project Loan Agreement with respect to the Borrower) and all performance obligations under this Agreement, and the Project Loan Agreement relating to the Project and any other document, agreement or instrument evidencing or securing the Borrower's obligations under the Project Loan Agreement by the mortgagee or person acquiring the Project, which assumption shall be in form and substance satisfactory to the Governmental Lender and its counsel, and require the recording of such assumption document. Any transfer of the limited partner's interest in the Borrower or removal and replacement of the Borrower's general partner pursuant to the Borrower's limited partnership agreement shall not be considered a change in ownership under this section.

(c) The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 6 hereof, shall pass to and be binding upon the Borrower's assigns, and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof, said covenants, reservations and restrictions shall expire. Except as provided in Section 6 hereof, each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Project are conveyed, all such covenants, reservations and restrictions shall run to each portion of the Project.

(d) Any transfer of the limited partner's interest in Borrower or removal and replacement of the Borrower's general partner pursuant to the Borrower's partnership agreement shall not be considered a change in ownership under this Section.

(e) In connection with any Disposition under paragraph (a) above or any transfer or other action addressed in Section 14(b)(i) above other than a transfer of limited partnership interests, in addition to the Governmental Lender, the Fiscal Agent and the Funding Lender shall be entitled to require the Borrower to cause an opinion of Qualified Tax Counsel to be delivered to them to the effect that the proposed transfer of the Project will not adversely affect the exclusion of interest on the Governmental Note from the gross income of the holders thereof for federal income tax purposes.

Section 15. Filing. This Agreement shall be duly recorded in the office of the Clerk of Court for Manatee County within ten days following its execution.

Section 16. Governing Law. This Agreement shall be governed by the laws of the State of Florida, without regard to the principles of conflicts of laws. The venue for any proceeding hereunder shall be a court of appropriate jurisdiction in Manatee County.

Section 17. Amendments.

(a) This Agreement shall not, except as may otherwise occur pursuant to Section 9 hereof, be amended, revised, or terminated except by a written instrument, executed by the parties hereto or their successors in title, and duly recorded in the office of the Clerk of Court of Manatee County. Anything to the contrary notwithstanding, the parties hereby agree to amend this Agreement to the extent required in the opinion of Qualified Tax Counsel, in order for interest on the Governmental Note to remain exempt from federal income taxation under Section 103 of the Code. The Borrower agrees, from time to time, to take such other actions and steps necessary to comply, and to cause the Project to comply, with the requirements of Section 142(d) of the Code and to enter into modifications and amendments to this Agreement to the extent required by any interpretation of federal law, by any amendment to the Code or by any Regulation promulgated thereunder (and the parties hereto agree that this Agreement shall be deemed to be automatically amended to impose such requirements pending execution of any such amendment), in each case so that interest on the Governmental Note remains exempt from federal income taxes. If either the Borrower or the Governmental Lender fails to perform its obligations under this clause (a) within a reasonable period of time after gaining actual knowledge of such failure, the Fiscal Agent shall be authorized by such other parties (and is hereby appointed as their respective true and lawful attorney-in-fact) to execute, deliver and record, on behalf of such other parties, as applicable, any such amendment; provided that the Fiscal Agent shall not take action pursuant to this sentence without first notifying the Borrower and the Governmental Lender in writing of its intention to take such action and without first providing the Borrower or the Governmental Lender, as applicable, an opportunity to comply with the requirements of this clause (a), and the Fiscal Agent is indemnified or provision for indemnity is provided, for any costs or fees incurred by the Fiscal Agent in connection therewith.

(b) Subject in all respects to the other provisions of this Agreement and the Project Loan Agreement, the Governmental Lender, the Fiscal Agent and the Borrower may from time to time enter into one or more amendments or supplements to this Agreement for any of the following purposes:

- (i) To correct or amplify the description of the Project;
- (ii) To evidence the succession of another person or entity to the Governmental Lender, the Fiscal Agent or the Borrower and the agreement by any successor to perform the covenants of their predecessor;
- (iii) To make such changes to the covenants hereof to the extent required by Sections 9 and 17(a) hereof in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Governmental Note;
- (iv) To cure any ambiguities, to correct or supplement any provisions of this Agreement which may be inconsistent with any other provision herein, or to make any other provision with respect to matters or questions arising under this Agreement, which will not be inconsistent with the provisions of this Agreement, provided that such action will not adversely affect the interests of the owners of the Governmental Note; or
- (v) Upon delivery of an opinion of Qualified Tax Counsel to the effect that such amendment or supplement will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Governmental Note, to amend the covenants of the Borrower hereunder to the extent consistent with any applicable amendment to the Code or Regulations.

Section 18. Notice. All notices and other communications required or permitted under this Agreement must be in writing and shall be deemed to have been duly given (i) when delivered, if sent by registered or certified mail (return receipt requested), (ii) when delivered, if delivered personally, (iii) when transmitted, if sent by facsimile if a confirmation of transmission is produced by the sending machine (and a copy of each facsimile promptly shall be sent by first class United States mail, postage fully prepaid) or (iv) on the following Business Day, if sent by overnight mail or overnight courier, in each case to the parties at the following addresses (or at such other addresses that may be specified by like notice):

If to the Borrower: Palmetto Leased Housing Associates I, LLLP
 2001 West Blue Heron Boulevard
 Riviera Beach, Florida 33404
 Attention: Hugh Jacobs
 Email: [hjacobsgotpi.org](mailto:hjacobs@gotpi.org)
 Telephone: (561) 339-3614

with a copy to: Palmetto Leased Housing Associates LP I, LLC
 2905 Northwest Boulevard, Suite 150
 Plymouth, Minnesota 55441
 Attention: Owen Metz
 Email: ometz@dominiuminc.com
 Telephone: (763) 354-5618

with a copy to: Winthrop & Weinstine, P.A.
225 South 6th Street, Suite 3500
Minneapolis, Minnesota 55402
Attention: Jeffrey Drennan
Email: jdrennan@winthrop.com
Telephone: (612) 604-6730

with a copy to: Holland & Knight LLP
10 St. James Avenue
Boston, Massachusetts 02116
Attention: Dayna M. Hutchins, Esq.
Email: dayna.hutchins@hklaw.com
Telephone: (617) 619-9262

with a copy to: STCC Palmetto Leased Housing Associates I, LLC
c/o Truist Community Capital, LLC
303 Peachtree Street, N.E., Suite 2200
Mail Code GA-ATL 0243
Atlanta, Georgia 30308
Attention: Reef at Riviera – Asset Management

If to the Governmental Lender: Housing Finance Authority of Manatee County, Florida
4420 S. Washington Avenue
Titusville, Florida 32780
Attention: Angela A. Abbott, Esq.
Email: angelaabbott@cfl.rr.com
Telephone: (321) 264-0334

If to the Fiscal Agent: U.S. Bank National Association
60 Livingston Avenue
St. Paul, Minnesota 55107
Attention: Dan Sheff, Vice President
Email: dan.sheff@usbank.com
Telephone: (651) 466-6302

If to the Funding Lender: Truist Bank
c/o Attention: Servicing
8330 Boone Boulevard, Suite 700
Vienna, VA 22182
Phone: (703) 848-8001
Fax: (703) 848-8006
Email: jenna.treible@suntrust.com

Any notice to be given to Freddie Mac shall be sent to Freddie Mac at the address set forth below or to such

other address as Freddie Mac may from time to time designate:

Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive, MS B4P
McLean, Virginia 22102
Attention: Multifamily Operations - Loan Accounting
Email: mfla@freddiemac.com
Telephone: (703) 714-4177

with a copy to:

Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive, MS 210
McLean, Virginia 22102
Attention: Managing Associate General Counsel –
Multifamily Legal Division
Email: joshua_schonfeld@freddiemac.com
Telephone: (703) 903 2000

A duplicate copy of each notice, certificate or other communication given hereunder by either the Governmental Lender or the Borrower to the others shall also be given to the Fiscal Agent.

Section 19. Severability. If any provision hereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 20. Reserved.

Section 21. Multiple Counterparts. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 22. Negative Covenants. During the Term of this Agreement, the Borrower shall not:

(a) Except pursuant to the provisions of this Agreement, the Project Loan Agreement and the Mortgage, or except upon a sale or transfer of the Project in accordance with the terms of this Agreement, the Project Loan Agreement and the Mortgage, encumber any of the mortgaged property, including the grant of commercial leases (other than for vending machines, coin operated laundry facilities and similar amenities functionally related and subordinate to the Project and granted in connection with the day to day operation of a multifamily housing facility), or permit the conveyance, transfer or encumbrance of such property (except for such leases and for residential leases) except as otherwise provided herein. Nothing in this paragraph shall prohibit the granting of easements for the purpose of providing utility services (including cable television or private satellite television) to the Project.

(b) Demolish any part of the Project necessary for the operation thereof for its intended purposes or substantially subtract from any real or personal property of the Project; or

(c) Permit the use of the dwelling accommodations of the Project for any purpose except rental residences in compliance with Section 142(d) of the Code.

Section 23. Application of Insurance and Condemnation Proceeds. If during the Term of this Agreement the Project is damaged or destroyed or if all or a portion thereof is taken through eminent domain proceedings, or under threat thereof, proceeds from insurance on the Project or any condemnation awards pertaining to such eminent domain proceedings shall be applied as provided in the Project Loan Agreement, the Funding Loan Agreement, the Continuing Covenant Agreement and the Mortgage.

Section 24. Compliance with the Act, Regulations Thereunder and Governmental Lender Policy. The Borrower will comply with the Act, with any regulations promulgated thereunder and with the policies of the Governmental Lender, of which the Borrower will be notified from time to time.

Section 25. Assignment. The interest of the Governmental Lender in this Agreement shall be assigned to the Fiscal Agent and the rights of the Governmental Lender hereunder shall, if the Fiscal Agent so elects, be enforceable by the Fiscal Agent. Other than in connection with the enforceability of the Governmental Lender's rights by the Fiscal Agent, the Governmental Lender shall, notwithstanding such assignment, continue to provide all approvals, consents and related affirmative actions required of the Governmental Lender hereunder. The Borrower's interest may be assigned as provided in the Project Loan Agreement and the Funding Loan Agreement.

Section 26. Reliance. The Governmental Lender and the Borrower hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons interested in the legality and validity of the Governmental Note and in the exemption from federal income taxation of the interest on the Governmental Note. In performing their duties and obligations hereunder, the Governmental Lender and the Fiscal Agent may rely upon statements and certificates of the Borrower, the Lower-Income Tenants, Eligible Persons and tenants of the Project that are believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of the Borrower pertaining to occupancy of the Project. The Fiscal Agent is not responsible for reviewing any reports or records filed with it by the Borrower.

Section 27. Relationship with Loan Documents. The terms, covenants and restrictions of this Agreement, other than those set forth in Sections 2, 3, 4, 6, 7, 9, 12, 13 and 22 hereof, are and shall at all times hereafter remain subject and subordinate, in all respects, to the liens, rights and interests created under the Project Loan Agreement and the Mortgage. Upon a conveyance or other transfer of title to the Project pursuant to a judicial foreclosure or deed in lieu of foreclosure under the Mortgage, the person who acquires title to the Project pursuant to such foreclosure or deed in lieu of foreclosure (unless such person is the Borrower or an Affiliated Party to the Borrower, in which event this Agreement shall remain in full force and effect) shall acquire such title free and clear of the terms, covenants and restrictions of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, all obligations of the Borrower under this Agreement for the payment of

money and all claims for damages against the Borrower occasioned by breach or alleged breach by the Borrower of its obligations under this Agreement, including indemnification obligations, shall not be a lien on the Project and no person shall have the right to enforce such obligations other than directly against the Borrower as provided in Section 12 hereof. No subsequent owner of the Project shall be liable or obligated for the breach or default of any obligation of any prior owner under this Agreement, including but not limited to any payment or indemnification obligation, if such owner shall have taken title to the Project as a result of a foreclosure or deed in lieu of foreclosure, but such obligations shall be treated as personal to the person who was the owner at the time the default or breach was alleged to have occurred and such person shall remain liable for any and all damages occasioned thereby even after such person ceases to be the owner.

The Borrower warrants that it has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith, subject in all respects to the provisions of this Section 27.

Section 28. Freddie Mac Rider. During any period that Freddie Mac or the Freddie Mac/Seller Servicer is the Funding Lender, the terms and conditions to the Freddie Mac Rider attached as Exhibit C to this Agreement are incorporated herein and made a part of this Agreement and shall control over the provisions of this Agreement to the extent of any inconsistency.

IN WITNESS WHEREOF, the Governmental Lender, the Fiscal Agent and the Borrower have caused this Agreement to be executed by their duly authorized representatives, all as of the date first above written.

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

By: _____
Paul A. Sharff, Chairman

[SEAL]

Attest: _____
Frank Dodson, Secretary/Treasurer

**U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent**

By: _____
Dan Sheff, Vice President

[SIGNATURES CONTINUED ON NEXT PAGE]

**PALMETTO LEASED HOUSING
ASSOCIATES I, LLLP**, a Florida limited liability
limited partnership

By: The Partnership, Inc., a Florida nonprofit
corporation, its general partner

By: _____
Hugh Jacobs, Executive Vice President

Witness: _____
Printed Name: _____

Witness: _____
Printed Name: _____

STATE OF FLORIDA

COUNTY OF MANATEE

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2020 by Paul A. Sharff, Chairman of the HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA, on behalf of the authority. He is personally known to me or has produced _____ as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped): _____
Title or Rank: _____
Serial number (if any): _____

STATE OF FLORIDA

COUNTY OF MANATEE

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2020 by Frank Dodson, Secretary/Treasurer of the HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA, on behalf of the authority. He is personally known to me or has produced _____ as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped): _____
Title or Rank: _____
Serial number (if any): _____

STATE OF _____

COUNTY OF FLORIDA

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2020 by Dan Sheff, Vice President of U.S. BANK NATIONAL ASSOCIATION, on behalf of the association. He/She is personally known to me or has produced _____ as identification.

[Notary Seal]

Signature of person taking acknowledgment

Name (typed, printed or stamped): _____

Title or Rank: _____

Serial number (if any): _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2020 by Hugh Jacobs, Executive Vice President of THE PARTNERSHIP, INC., a Florida nonprofit corporation, the general partner of PALMETTO LEASED HOUSING ASSOCIATES I, LLLP, a Florida limited liability limited partnership, on behalf of the corporation and partnership. He is personally known to me or has produced _____ as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped): _____
Title or Rank: _____
Serial number (if any): _____

EXHIBIT "A"

LEGAL DESCRIPTION

(Reef at Riviera Apartments)

The Land referred to herein below is situated in the County of Manatee, State of Florida, and is described as follows:

PARCEL 1:

COMMENCE AT THE NORTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA; THENCE WEST, ALONG THE NORTH LINE OF SAID WEST 1/2 OF THE SOUTHEAST 1/4, A DISTANCE OF 60 FEET; THENCE SOUTH 0° 12' 15" WEST, PARALLEL WITH THE EAST LINE OF SAID WEST 1/2 OF THE SOUTHEAST 1/4, A DISTANCE OF 1.7 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF U.S. HIGHWAY 301 FOR THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 0° 12' 15" EAST, 1194.22 FEET; THENCE WEST 400 FEET; THENCE NORTH 0° 12' 15" WEST, 393.91 FEET; THENCE EAST 220 FEET; THENCE NORTH 0° 12' 15" WEST, 800.18 FEET TO A POINT ON THE AFOREMENTIONED NORTH LINE OF THE WEST 1/2 OF THE SOUTHEAST 1/4; THENCE CONTINUE NORTH 0° 12' 15" WEST, 13.7 FEET, MORE OR LESS, TO THE AFOREMENTIONED SOUTH RIGHT-OF-WAY LINE OF U.S. HIGHWAY 301; THENCE SOUTHEASTERLY, ALONG SAID RIGHT-OF-WAY LINE 180 FEET, MORE OR LESS, TO THE POINT OF BEGINNING; LESS AND EXCEPT THAT PORTION CONVEYED TO JACK E. MOORHEAD BY WARRANTY DEED RECORDED IN OFFICIAL RECORDS BOOK 1061, PAGE 1421, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, AND LESS AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF PALMETTO BY DEED RECORDED IN OFFICIAL RECORDS BOOK 1144, PAGE 1418, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; LESS AND EXCEPT THAT CERTAIN PARCEL OF LAND BEING 20 FEET IN WIDTH NORTH TO SOUTH LYING SOUTH OF AND ADJACENT TO THE AFOREMENTIONED MOORHEAD PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 1061, PAGE 1421 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA.

PARCEL 2:

THE SOUTH 182 FEET OF THE FOLLOWING DESCRIBED PARCEL:

COMMENCE AT THE NORTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 17 EAST, MANATEE COUNTY, FLORIDA; THENCE WEST ALONG THE NORTH LINE OF SAID SOUTHEAST 1/4, A DISTANCE OF 240.0 FEET FOR THE POINT OF BEGINNING; THENCE NORTH 13.7 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF U.S. 301; THENCE WESTERLY ALONG SAID RIGHT-OF-WAY LINE 20.0 FEET; THENCE SOUTH 14.4 FEET, MORE OR LESS, TO A POINT ON SAID NORTH LINE OF THE SOUTHEAST 1/4, SAID POINT LYING 20 FEET WEST OF THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 400.0 FEET; THENCE WEST PARALLEL WITH SAID NORTH LINE OF THE SOUTHEAST 1/4, A DISTANCE OF 200 FEET TO THE WEST LINE OF THE EAST 460 FEET OF SAID WEST 1/2 OF THE SOUTHEAST 1/4; THENCE SOUTH, ALONG SAID WEST LINE, 400 FEET; THENCE EAST, PARALLEL WITH SAID NORTH LINE OF THE SOUTHEAST 1/4, A DISTANCE OF 220 FEET; THENCE NORTH 800 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

CERTIFICATION OF CONTINUING PROGRAM COMPLIANCE

Witnessed that on this __ day of _____ 20 __ , the undersigned, having borrowed certain funds from the Housing Finance Authority of Manatee County, Florida (the Authority) for the purpose of acquiring and constructing certain apartments, does hereby certify that such multifamily rental housing project is in continuing compliance with the Land Use Restriction Agreement executed by the undersigned and filed in the official public records of Manatee County, Florida (including the requirement that all units be and remain rental units), that Income Certifications have been submitted for each new tenant in such multi-family rental housing project since the filing of the last such certification and that the same are true and correct to the best of the undersigned's knowledge and belief. As of the date of this certificate, the following percentages of completed residential units in the project are occupied by Lower-Income Tenants (as such term is defined in the Land Use Restriction Agreement), Eligible Persons, non-revenue units and vacant units.)

Total number of units available for occupancy as of _____, 20

	<u>Percentage</u>	<u>Number</u>
Lower-Income Tenants		
Eligible Persons		

Palmetto Leased Housing Associates I, LLLP, a
Florida limited liability limited partnership, as Owner

EXHIBIT “C”

FREDDIE MAC RIDER

This Freddie Mac Rider (the “Rider”) is attached to and forms a part of the Land Use Restriction Agreement (the “Regulatory Agreement”), dated as of April 1, 2020, by and among the HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA, (the “Governmental Lender”), U.S. BANK NATIONAL ASSOCIATION, as fiscal agent (together with any successor in such capacity, the “Fiscal Agent”), and PALMETTO LEASED HOUSING ASSOCIATES I, LLLP, a Florida limited liability limited company (together with any successor to its rights, duties and obligations hereunder and as owner of the Project identified herein, the “Borrower”).

1. **Definitions.** Terms used in this Rider as defined terms shall have the meanings given those terms in the Regulatory Agreement and the Funding Loan Agreement. In addition, the following terms shall have the following meanings:

“**Freddie Mac**” means the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise organized and existing under the laws of the United States.

“**Funding Lender**” means the holder of the Governmental Note, initially Truist Bank, as Funding Lender, and on the Freddie Mac Purchase Date, Freddie Mac, and any successors or assigns thereof.

“**Funding Loan Agreement**” means the Funding Loan Agreement dated April 1, 2020 by and among the Governmental Lender, the Funding Lender and the Fiscal Agent, as such Funding Loan Agreement may from time to time be amended or supplemented.

“**Governmental Note**” means the Multifamily Housing Revenue Note (Reef at Riviera Apartments Project), Series 2020 dated April __, 2020 delivered by the Governmental Lender pursuant to the Funding Loan Agreement.

“**Project Loan**” means the loan to the Borrower pursuant to the Project Loan Documents, which Project Loan is to be assigned to the Fiscal Agent.

“**Project Loan Agreement**” means the Project Loan Agreement dated April 1, 2020 among the Borrower, the Governmental Lender and the Fiscal Agent, as such Project Loan Agreement may from time to time be amended or supplemented.

“**Project Loan Documents**” means the Security Instrument, the Project Note, the Project Loan Agreement, the Regulatory Agreement, the Assignment, the Continuing Covenant Agreement, any Subordination Agreement(s) and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Project Loan or any portion thereof.

“**Project Note**” means the Project Note, including applicable addenda, to be executed by the Borrower in favor of the Fiscal Agent, evidencing the Borrower’s financial

obligations under the Project Loan, as the same may be amended, modified, supplemented or restated from time to time.

“Security Instrument” means the Multifamily Mortgage, Assignment of Rents and Security Agreement, together with all riders thereto, securing the Project Note, to be executed by the Borrower with respect to the Project, as it may be amended, modified, supplemented or restated from time to time.

“Servicer” means Truist Bank, or any successor Servicer selected by Freddie Mac.

2. Applicability. The provisions of this Rider shall amend and supplement the provisions of, and in the event of a conflict shall supersede the conflicting provisions of, the Regulatory Agreement.

3. Indemnification. Inasmuch as the covenants, reservations and restrictions of the Regulatory Agreement run with the land, the indemnification obligations of the Borrower contained in the Regulatory Agreement will be deemed applicable to any successor in interest to the Borrower, but, it is acknowledged and agreed, notwithstanding any other provision of the Regulatory Agreement to the contrary, that neither the Funding Lender nor any successor in interest to the Funding Lender will assume or take subject to any liability for the indemnification obligations of the Borrower for acts or omissions of the Borrower prior to any transfer of title to Freddie Mac, whether by foreclosure, deed in lieu of foreclosure or comparable conversion of the Project Loan. The Borrower shall remain liable under the indemnification provisions for its acts and omissions prior to any transfer of title to the Funding Lender. The Funding Lender shall indemnify the Governmental Lender following acquisition of the Project by the Funding Lender, by foreclosure, deed in lieu of foreclosure or comparable conversion of the Project Loan, during, and only during, any ensuing period that the Funding Lender owns and operates the Project, provided that the Funding Lender’s liability shall be strictly limited to acts and omissions of the Funding Lender occurring during the period of ownership and operation of the Project by the Funding Lender. The Funding Lender shall have no indemnification obligations with respect to the Governmental Note or the Project Loan Documents. The Borrower shall remain liable under the Regulatory Agreement for its actions and omissions prior to any transfer of title to the Funding Lender.

4. Sale or Transfer. Restrictions on sale or transfer of the Project or of any interest in the Borrower, the Governmental Lender and/or the Fiscal Agent consents, transferee agreements, transferee criteria and requirements, opinion requirements, assumption fees, transfer fees, penalties and the like shall not apply to any transfer of title to the Project to the Funding Lender or to a third party by foreclosure, deed in lieu of foreclosure or comparable conversion of the Project Loan or to any subsequent transfer by the Funding Lender following foreclosure, deed-in-lieu of foreclosure or comparable conversion of the Project Loan. No transfer of the Project shall operate to release the Borrower from its obligations under the Regulatory Agreement for the period prior to any such transfer. Nothing contained in the Regulatory Agreement shall affect any provision of the Security Instrument or any of the other Project Loan Documents that requires the Borrower to obtain the consent of the Funding Lender as a precondition to sale, transfer or other disposition of, or any direct or indirect interest in, the Project or of any direct or indirect interest in the Borrower, excluding transfers permitted by the Security Instrument. No covenant obligating the Borrower to obtain an agreement from any transferee to abide by all requirements and restrictions of the Regulatory Agreement shall have any applicability to a transfer to the Funding Lender upon foreclosure, deed-

in-lieu of foreclosure or comparable conversion of the Project Loan by the Funding Lender, or to any subsequent transfer by the Funding Lender following foreclosure, deed-in-lieu of foreclosure or comparable conversion of the Project Loan.

5. Enforcement. Notwithstanding anything contained in the Regulatory Agreement to the contrary: (i) the occurrence of an event of default under the Regulatory Agreement shall not, under any circumstances whatsoever, be deemed or constitute a default under the Project Loan Documents, except as may be otherwise specified in the Project Loan Documents; and (ii) the occurrence of an event of default under the Regulatory Agreement shall not impair, defeat or render invalid the lien of the Security Instrument. No person other than the Funding Lender shall have the right to (a) declare the principal balance of the Project Note to be immediately due and payable or (b) commence foreclosure or other like action with respect to the Security Instrument. The Governmental Lender and the Fiscal Agent acknowledge and agree that the exercise of any rights and remedies under the Regulatory Agreement is subject to the provisions of the Project Loan Documents.

6. Notice of Violations. Promptly upon determining that a violation of the Regulatory Agreement has occurred, the Governmental Lender or the Fiscal Agent shall, by notice in writing to the Borrower, the Servicer and the Funding Lender, inform the Borrower, the Servicer and the Funding Lender that such violation has occurred, the nature of the violation and that the violation has been cured or has not been cured, but is curable within a reasonable period of time, or is incurable; notwithstanding the occurrence of such violation, neither the Governmental Lender nor the Fiscal Agent shall have, and each of them acknowledge that they shall not have, any right to cause or direct acceleration of the Project Loan, to enforce the Project Note or to foreclose on the Security Instrument.

7. Amendments. The Regulatory Agreement shall not be amended without the prior written consent of the Funding Lender.

8. Fees; Penalties. The Funding Lender shall not be liable for the payment of any compensation or any accrued unpaid fees, costs, expenses or penalties otherwise owed by the Borrower or any subsequent owner of the Project prior to the date of acquisition of the Project by the Funding Lender, whether such acquisition is by foreclosure, deed-in-lieu of foreclosure or comparable conversion of the Project Loan.

9. Subordination. The terms, covenants and restrictions of the Regulatory Agreement, other than those set forth in Sections 2 and 3 of the Regulatory Agreement, are and shall at all times remain subject and subordinate, in all respects, to the liens, rights and interests created under the Project Loan Documents.

10. Third-Party Beneficiary. The parties to the Regulatory Agreement recognize and agree that the terms of the Regulatory Agreement and the enforcement of those terms are essential to the security of the Funding Lender and are entered into for the benefit of various parties, including the Funding Lender. The Funding Lender shall accordingly have contractual rights in the Regulatory Agreement and shall be entitled (but not obligated) to enforce, separately or jointly with the Governmental Lender and/or the Fiscal Agent, or to cause the Governmental Lender or the Fiscal Agent to enforce, the terms of the Regulatory Agreement. In addition, the Funding Lender is intended to be and shall be a third-party beneficiary of the Regulatory Agreement.

11. Notices. Copies of all notices under the Regulatory Agreement shall be sent to the Servicer at the address set forth below or to such other address as the Servicer may from time to time designate:

Truist Bank
c/o Attention: Servicing
8330 Boone Boulevard, Suite 700
Vienna, VA 22182
Phone: (703) 848-8001
Fax: (703) 848-8006
Email: jenna.treible@suntrust.com

Any notice to be given to Freddie Mac shall be sent to Freddie Mac at the address set forth below or to such other address as Freddie Mac may from time to time designate:

Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive, MS B4P
McLean, Virginia 22102
Attention: Multifamily Operations - Loan Accounting
Email: mfla@freddiemac.com
Telephone: (703) 714-4177

with a copy to:

Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive, MS 210
McLean, Virginia 22102
Attention: Managing Associate General Counsel –
Multifamily Legal Division
Email: joshua_schonfeld@freddiemac.com
Telephone: (703) 903-2000

EXHIBIT "D"

1. Resident programs:

- ☒ **Health Care – Mandatory** - Regularly scheduled visits by health care professionals such as nurses, doctors, or other licensed care providers. At a minimum, the following services must be provided at no cost to the resident: health screening, flu shots, vision and hearing tests. Regularly scheduled is defined as not less often than once each quarter. On-site space must be provided.
- ☒ **Resident Activities – Mandatory** - Regularly scheduled, specified activities, planned, arranged, managed, and paid for by the Borrower or its management agent as an integral part of the management plan. The Borrower must develop and execute a comprehensive plan of varied activities such as holiday or special occasion parties, community picnics or cookouts, newsletters, children’s special functions, etc., to bring the resident together, foster a sense of community, and encourage community pride.
- ☒ **Resident Assurance Check-In Program – Mandatory** – The Borrower must provide and use an established system for checking in with each resident on a predetermined basis not less than once per day. Residents may opt out of this program with a written certification that they chose not to participate.
- ☒ **Daily Activities – Mandatory** – The Borrower or its Management Agent must provide supervised, structured activities at least five days per week. Activities must be on-site and at no charge to the residents.

2. Design and amenity features to be provided are:

a. **In addition to meeting all building code, Fair Housing Act, and Americans with Disabilities Act Requirements, the following items are required:**

□

- **Air conditioning** (window units are not allowed), in all units
- **Dishwasher**, in all new construction units
- **Garbage Disposal**, in all new construction units
- **Cable TV Hook-Up**, in all units
- **At least two full bathrooms** in all **3 bedroom or larger** new construction units
- **At least 1 and ½ bathrooms** (one full bath and one with at least a toilet and sink) in all new construction **2 bedroom units**, and no more than 10% of the units shall be **3 bedroom units**
- **Minimum square footage requirements** for all new construction units of 600 square feet (one bedroom), 850 square feet (two bedroom), 1050 square feet (three bedroom), and 1200 square feet (four bedroom or greater)
- **Full sized appliances** in all units
- **Bathtub** in at least one bathroom in new construction non-elderly units

- **Exterior Lighting** for all buildings and parking areas
- **Window Treatments** (mini-blinds, curtains, vertical blinds) inside each unit-
Identify treatment:

b. Additional amenities:

- Gated community with “carded” entry or security guard, of if mid-or-high-rise; “carded” secure entry to building
- Microwave Oven
- Marble Windowsills
- Fire Sprinklers in All Units
- Steel entry door frames
- Termite prevention/detection system
- Exterior lighting
- Double compartment kitchen sink

c. Elderly amenities:

- Hairdresser Shop or Barber Shop on site
- Public transportation within 150 feet of property
- Exercise room with appropriate equipment
- Community center or clubhouse
- Swimming pool
- Covered picnic area with at least three permanent picnic tables and a permanent outdoor grill
- Outside recreation facility (such as shuffleboard court, putting green, tennis court). Identify facility: _____
- Craft Room

d. Energy Conservation Features:

- Energy Star qualified refrigerator;

- Energy Star qualified dishwasher;
- Energy Star qualified washing machine;
- Minimum SEER of 15 for unit air conditioners (excluding buildings with a central chiller system);
- Caulk, weather strips, seal holes, cracks, etc. (Rehab developments)
- Sealed and insulated heating and cooling system ducts (Rehab developments)
- Low-VOC paint for all interior walls (50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint);
- Low-flow water fixtures in bathrooms- -WaterSense labeled products or the following specifications:
 - o Toilets: 1.6 gallons/flush or less
 - o Faucets: 1.5 gallons/minute or less
 - o Showerheads: 2.2 gallons/minute or less.
- Programmable thermostat in each unit
- Energy Star ceiling fans in all bedrooms and living areas
- Energy Star exhaust fans in bathrooms
- Energy Star rating for all windows
- Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings
- FL Yards and Neighborhoods certification on all landscaping
- Eco-friendly flooring – Carpet and Rug Institute Green Label certified carpet and pad, bamboo, cork, recycled content tile, and/or natural linoleum
- Eco-friendly cabinets – formaldehyde free, material certified by the Forest Stewardship Council