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A SPECIAL ORDINANCE AUTHORIZING THE CITY OF FORT WAYNE, INDIANA, TO ISSUE ONE OR MORE SERIES OF ITS CITY OF FORT WAYNE, INDIANA MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2017 (CAMBRIDGE SQUARE PROJECT) (WITH SUCH FURTHER SERIES OR OTHER DESIGNATION AS DETERMINED TO BE NECESSARY, DESIRABLE OR APPROPRIATE), IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS (\$8,200,000), AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO.

**WHEREAS**, Indiana Code Title 36, Article 7, Chapters 11.9 and 12 (collectively, the "Act") declares that the financing and refinancing of economic development facilities constitutes a public purpose; and

**WHEREAS**, pursuant to the Act, the City of Fort Wayne, Indiana (the "Issuer" or "City") is authorized to issue revenue bonds for the purpose of financing, reimbursing or refinancing the costs of acquisition, construction, renovation, installation and equipping of economic development facilities in order to foster diversification of economic development and creation or retention of opportunities for gainful employment in or near the Issuer; and

**WHEREAS**, Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership (the "Developer") desires to finance a portion of the costs of acquisition, design, construction, renovation, improvement and/or equipping of the existing multifamily housing facility located in the City of Fort Wayne, Indiana, currently known as the Cambridge Square Apartments, located at 7600 Cold Springs Boulevard, Fort Wayne, Indiana, containing approximately 200 affordable living units including certain functionally-related improvements (the "Project"); and

**WHEREAS**, the Developer has advised the Fort Wayne Economic Development Commission (the "Commission") and the Issuer concerning the Project, and has requested that the Issuer issue, pursuant to the Act, one or more

1 series of its taxable or tax-exempt Multifamily Housing Revenue Bonds, Series 2017  
2 (Cambridge Square Project) (with such further or different series designation as may  
3 be necessary, desirable or appropriate, including such series designation to indicate  
4 the year in which the bonds are issued)(the "Bonds"), in an aggregate principal  
5 amount not to exceed Eight Million Two Hundred Thousand Dollars (\$8,200,000),  
6 for the purpose of providing funds for paying all or a portion of the costs of the  
7 Project including but not limited to paying all incidental expenses incurred on  
8 account of the issuance of the Bonds; and

9 **WHEREAS**, the Commission has rendered its report (the "Report")  
10 concerning the proposed financing for the Developer and the Plan Commission has  
11 been given the opportunity to comment thereon; and

12 **WHEREAS**, the Commission and this Common Council of the City of Fort  
13 Wayne, Indiana (the "Council") each have studied the Project and the proposed  
14 financing of the Project and its effects on the health and general welfare of the Issuer  
15 and its citizens; and

16 **WHEREAS**, the creation or retention of opportunities for gainful  
17 employment and the provision of quality, affordable, multifamily housing to be  
18 achieved by the acquisition, renovation and equipping of the Project will be of public  
19 benefit to the health, safety and general welfare of the Issuer and its citizens; and

20 **WHEREAS**, pursuant to and in accordance with the Act, the Issuer desires to  
21 provide funds necessary to finance all or a portion of the Project by issuing the  
22 Bonds; and

23 **WHEREAS**, the Act provides that such revenue bonds may be secured by  
24 and issued pursuant to the terms of a trust indenture between an issuer and a  
25 corporate trustee; and

26 **WHEREAS**, pursuant to and in accordance with the Act, the Issuer desires to  
27 provide funds to finance the Project by issuing the Bonds in an original aggregate  
28 principal amount not to exceed \$8,200,000; and

1           **WHEREAS**, the Issuer intends to issue the Bonds pursuant to a Trust  
2 Indenture, to be dated the first day of the month in which the Bonds are sold or  
3 delivered (or such other date as the officers of the Issuer may hereafter approve) (the  
4 “Indenture”), by and between the Issuer and The Huntington National Bank, as  
5 trustee (the “Trustee”), in order to obtain funds necessary to provide for the  
6 financing of all or a portion of the Project in accordance with the terms of a Loan  
7 Agreement to be dated as of the first day of the month in which the Bonds are sold or  
8 delivered (or such other date as the officers of the Issuer may hereafter approve) (the  
9 “Loan Agreement”), by and between the Issuer and the Developer with respect to the  
10 Bonds and the Project; and

11           **WHEREAS**, pursuant to the Loan Agreement, the Developer will make  
12 separate representations, warranties and commitments with respect to the Project and  
13 the use of the proceeds of the Bonds and the Developer will agree to make payments  
14 sufficient to pay the principal and interest on the Bonds as the same become due and  
15 payable and to pay administrative expenses in connection with the Bonds in  
16 accordance with the terms thereof; and

17           **WHEREAS**, there has been submitted to this Council for approval  
18 substantially final forms of the Indenture, Loan Agreement, Regulatory Agreement  
19 and Declaration of Restrictive Covenants among the Issuer, the Trustee and the  
20 Developer, form of the Bonds (hereinafter referred to collectively as the “Financing  
21 Documents”), and the proposed form of ordinance (the “Ordinance”) which are by  
22 this reference incorporated herein; and

23           **WHEREAS**, pursuant to Indiana Code 36-7-12-24, as amended, and Section  
24 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the  
25 Commission published notice of a public hearing (the “Public Hearing”) on the  
26 proposed issuance of the Bonds to finance all or a portion of the Project, and on  
27 December 15, 2016 the Commission held the Public Hearing for the purpose of  
28 receiving evidence and testimony on the Project and matters related to the proposed  
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1 financing thereof and heard all persons interested in the proceedings and considered  
2 written remonstrances and objections, if any; and

3 **WHEREAS**, following such Public Hearing, the Commission approved a  
4 report (the "Report") and adopted a resolution (the "EDC Resolution") making  
5 findings that the financing of the Project complies with the purposes and provisions  
6 of the Act and that such financing will be of benefit to the health and welfare of the  
7 Issuer, and that the Project will not have an adverse competitive effect or impact on  
8 any similar facility already constructed or operating in the same market area or in or  
9 about Allen County, Indiana; and

10 **WHEREAS**, no member of this Council has any pecuniary interest in any  
11 employment, Financing Documents or other contract made under the provisions of  
12 the Act and related to the Bonds authorized herein, which pecuniary interest has not  
13 been fully disclosed to this Council and no such member has voted on any such  
14 matter, all in accordance with the provisions of Indiana Code 36-7-12-16; and

15 **WHEREAS**, there has been submitted to the Commission for its approval the  
16 forms of the Financing Documents, and a form of this proposed Ordinance, which  
17 were incorporated by reference in the Commission's Resolution adopted on June 15,  
18 2017, which Resolution has been transmitted hereto; and

19 **WHEREAS**, the Issuer expects to pay for certain costs of the Bonds or costs  
20 related to the Project (collectively, the "Expenditures") prior to the issuance of the  
21 Bonds, and to reimburse the Expenditures with proceeds received by the City upon  
22 the issuance of the Bonds; and

23 **WHEREAS**, the Common Council desires to reaffirm its intent to reimburse  
24 the Expenditures pursuant to Treas. Reg. §1.150-2 and Indiana Code §5-1-14-6(c);  
25 and  
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28

1           **WHEREAS**, based upon the Report and EDC Resolution, the Common  
2 Council hereby finds and determines that the funding approved by the Commission  
3 for all or a portion of the Project will be of benefit to the health and general welfare  
4 of the citizens of the City, complies with the provisions of the Act and the amount  
5 necessary to finance all or a portion of the costs of the Project, together with  
6 incidental expenses incurred in connection therewith, will require the issuance, sale  
7 and delivery of one or more series of revenue bonds in an aggregate combined  
8 principal amount not to exceed Eight Million Two Hundred Thousand Dollars  
9 (\$8,200,000).

10           **NOW, THEREFORE, BE IT RESOLVED BY THE COMMON**  
11 **COUNCIL OF THE CITY OF FORT WAYNE AND OF ALLEN COUNTY AS**  
12 **FOLLOWS:**

13           **SECTION 1.** After considering the evidence presented in the findings of  
14 fact set forth in the Report, this Council hereby finds, determines, ratifies and  
15 confirms that the financing of the economic development facilities referred to in the  
16 Financing Documents consisting of the Project, the issuance and sale of the Bonds,  
17 and the use of the net proceeds thereof by the Developer to finance all or a portion of  
18 the Project will: (i) promote a substantial likelihood of the diversification of industry,  
19 the creation or retention of business opportunities, the creation or retention of  
20 opportunities for gainful employment and the provision of quality, affordable,  
21 multifamily rental housing within the jurisdiction of the Issuer; (ii) serve a public  
22 purpose, and will be of benefit to the health and general welfare of the Issuer; (iii)  
23 comply with the purposes and provisions of the Act and it is in the public interest  
24 that the Issuer take such lawful action as determined to be necessary or desirable to  
25 encourage the diversification of industry, the creation or retention of business  
26 opportunities, and the creation or retention of opportunities for gainful employment  
27 and the provision of quality, affordable, multifamily rental housing within the  
28 jurisdiction of the Issuer and (iv) not have a material adverse competitive effect on  
29 any similar facilities already constructed or operating in or near Allen County,  
30 Indiana.

1                   **SECTION 2.**    The forms of the Financing Documents presented herewith  
2 are hereby approved, with any and all such changes as may be deemed necessary,  
3 desirable or appropriate by the Mayor and the Clerk of the Council (the "Clerk"). In  
4 compliance with Indiana Code Title 36, Article 1, Chapter 5, Section 4, two (2)  
5 copies of the Financing Documents are on file in the office of the City Clerk for  
6 public inspection.

7                   **SECTION 3.**    The Issuer is authorized to issue the Bonds, in one or more  
8 series, with a maximum aggregate principal amount not to exceed Eight Million Two  
9 Hundred Thousand Dollars (\$8,200,000), with a maximum term not to exceed four  
10 (4) years and with a maximum interest rate not to exceed three percent (3.0%) per  
11 annum, for the purpose of procuring funds to pay all or a portion of the costs of the  
12 Project by making a portion of the proceeds of such Bonds available as set forth in  
13 the Financing Documents and pay all incidental expenses incurred on account of the  
14 issuance of the Bonds. The Bonds shall be payable as to principal and interest upon  
15 such terms and conditions as otherwise provided in the Financing Documents and the  
16 Ordinance. The mandatory tender of the Bonds within three (3) years of the date of  
17 issuance thereof at a price of one hundred percent (100%) of the principal amount  
18 thereof is also approved. The Bonds shall never constitute a general obligation of,  
19 moral obligation of, an indebtedness of, or charge against the general credit of the  
20 City or a pledge of the full faith or credit of the City within the purview of any  
21 constitutional or statutory limitation or provision.

22                   **SECTION 4.**    The Mayor and the Controller are authorized and directed  
23 to sell the Bonds to the purchaser or purchasers thereof at a price not less than  
24 ninety-eight and one-half percent (98.5%) of the aggregate principal amount thereof  
25 plus accrued interest, if any, at a rate of interest not to exceed three percent (3.0%)  
26 per annum, and with a final maturity date no later than four (4) years from the date of  
27 the issuance of any series of the Bonds. A bond purchase agreement, in form and  
28 substance acceptable to the Mayor and the Controller (collectively, the "Purchase  
29 Agreements"), is hereby authorized and approved, and the Mayor and the Controller  
30 are hereby authorized and directed to execute and deliver the Purchase Agreements

1 in form and substance acceptable to them and consistent with the terms and  
2 conditions set forth in this Ordinance, with such to be conclusively evidenced by  
3 their execution thereof. If necessary or desirable in connection with the sale of the  
4 Bonds, the Mayor, the Clerk and any other officer of the City are authorized to enter  
5 into one or more continuing disclosure undertaking agreements, in compliance with  
6 Rule 15c2-12 of the Securities and Exchange Commission, which will be in such a  
7 form as may be deemed necessary, appropriate or desirable by the Mayor, the Clerk  
8 and any other officer of the City, with such to be conclusively evidenced by their  
9 execution thereof.

10 **SECTION 5.** The Mayor and the Clerk are authorized and directed to  
11 execute the Financing Documents, and the Mayor, the Controller, the Clerk and any  
12 other officer of the City are authorized and directed to execute such other documents  
13 approved or authorized herein and any other document which may be necessary,  
14 appropriate or desirable to consummate the transaction contemplated by the  
15 Financing Documents and this Ordinance, and their execution is hereby confirmed  
16 on behalf of the City. The signatures of the Mayor and the Clerk on the Bonds and  
17 any other documents which may be necessary or desirable to consummate the  
18 transaction are hereby confirmed on behalf of the City. The signatures of the  
19 Mayor and the Clerk on the Bonds may be facsimile signatures. The Mayor, the  
20 Clerk, the Controller and any other officer of the City are authorized to arrange for  
21 the delivery of the Bonds to the purchaser, payment for which will be made in the  
22 manner set forth in the Financing Documents. The Mayor and the Clerk may, by  
23 their execution of the Financing Documents requiring their signatures and imprinting  
24 of their facsimile signatures thereon, approve any and all such changes therein and  
25 also in those Financing Documents which do not require the signature of the Mayor  
26 or the Clerk without further approval of this Common Council or the Commission if  
27 such changes do not affect terms set forth in Sections 27(a)(1) through and including  
28 (a)(10) of the Act.

29 **SECTION 6.** The provisions of this Ordinance and the Financing  
30 Documents shall constitute a contract binding between the City and the holder or

1 holders of the Bonds and after the issuance of said Bonds, this Ordinance shall not be  
2 repealed or amended in any respect which would adversely affect the right of such  
3 holder or holders so long as said Bonds or the interest thereon remains unpaid.

4           **SECTION 7.** Subject to the provisions of Sections 5 and 13 of this  
5 Ordinance, if necessary or desirable, a Preliminary Official Statement of the City  
6 relating to the Bonds (the "Preliminary Official Statement"), in a form acceptable to  
7 the Mayor, is hereby (a) authorized and approved, together with such changes in  
8 form and substance as may be deemed necessary or appropriate by the Mayor  
9 pursuant to Sections 5 and 13 of this Ordinance, (b) authorized and approved, as the  
10 same may be appropriately confirmed, modified and amended pursuant hereto, for  
11 distribution as the Preliminary Official Statement of the City, (c) authorized to be  
12 deemed and determined by the Mayor on behalf of the City, as of its date, to  
13 constitute the "final" official statement of the City with respect to the Bonds to be  
14 offered thereby, subject to completion as permitted by and otherwise pursuant to the  
15 provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC  
16 Rule"), and (d) authorized and approved, consistent with the provisions of any  
17 Purchase Agreement and the SEC Rule, to be placed into final form and distributed  
18 and delivered to purchasers and potential purchasers of the Bonds offered thereby as  
19 the final official statement of the City, as of the date thereof, with respect to the  
20 Bonds (the "Official Statement").

21           **SECTION 8.** Subject to the obligations of the Developer set forth in the  
22 Financing Documents and/or the certificates or agreements of such Developer to be  
23 executed upon the issuance of the Bonds, if any of the Bonds are issued on a tax-  
24 exempt basis for purposes of federal income taxation, the City will use its best efforts  
25 to restrict the use of the proceeds of the Bonds in such a manner and to expectations  
26 at the time the Bonds are delivered to the purchasers thereof, so that they will not  
27 constitute "arbitrage bonds" under Section 148 of the Code and the regulations  
28 promulgated thereunder, or to preserve any other desired tax status under the Code.  
29 The Mayor, the Controller and the Clerk, or any other officer having responsibility  
30 with respect to the issuance of the Bonds, are authorized and directed, alone or in

1 conjunction with any of the foregoing, or with any other officer, employee,  
2 consultant or agent of the City, to deliver a certificate for inclusion in the transcript  
3 of proceedings for the Bonds, setting forth the facts, estimates and circumstances and  
4 reasonable expectations pertaining to the use of the Bond proceeds as of the date of  
5 issuance thereof.

6           **SECTION 9.** No recourse under or upon any obligation, covenant,  
7 acceptance or agreement contained in this Ordinance, the Financing Documents or  
8 under any judgment obtained against the City, including without limitation its  
9 Economic Development Commission, or by the enforcement of any assessment or by  
10 any legal or equitable proceeding by virtue of any constitution or statute or  
11 otherwise, or under any circumstances, under or independent of the Financing  
12 Documents, shall be had against any member, director, or officer or attorney, as  
13 such, past, present, or future, of the City, including without limitation its Economic  
14 Development Commission, either directly or through the City, or otherwise, for the  
15 payment for or to the City or any receiver thereof or for or to any holder of the  
16 Bonds secured thereby, or otherwise, of any sum that may remain due and unpaid by  
17 the City upon any of the Bonds. Any and all personal liability of every nature,  
18 whether at common law or in equity, or by statute or by constitution or otherwise, of  
19 any such member, director, or officer or attorney, as such, to respond by reason of  
20 any act or omission on his or her part or otherwise for, directly or indirectly, the  
21 payment for or to the City or any receiver thereof, or for or to any owner or holder of  
22 the Bonds, or otherwise, of any sum that may remain due and unpaid upon the Bonds  
23 hereby secured or any at them, shall be expressly waived and released as a condition  
24 of and consideration for the execution and delivery of the Financing Documents and  
25 the issuance, sale and delivery of the Bonds.

26           **SECTION 10.** If any section, paragraph or provision of this Ordinance  
27 shall be held to be invalid or unenforceable for any reason, the invalidity or  
28 unenforceability of such section, paragraph or provision shall not affect any of the  
29 remaining provisions of this Ordinance.  
30

1           **SECTION 11.** All ordinances, resolutions and orders or parts thereof, in  
2 conflict with the provisions of this Ordinance are, to the extent of such conflict,  
3 hereby repealed.

4           **SECTION 12.** It is hereby determined that all formal actions of this  
5 Council relating to the adoption of this Ordinance were taken in one or more open  
6 meetings of the Council, that all deliberations of this Council and of its committees,  
7 if any, which resulted in formal action, were in meetings open to the public, and that  
8 all such meetings were convened, held and conducted in compliance with applicable  
9 legal requirements, including Indiana Code 5-14-1.5, as amended.

10           **SECTION 13.** The Mayor, the Controller, the Clerk and any other officer  
11 of the City are hereby authorized and directed, in the name and on behalf of the City,  
12 to execute, attest and deliver such further instruments and documents, and to take  
13 such further actions, in the name of the City as in their judgment shall be necessary  
14 or advisable in order fully to consummate the transactions described herein and carry  
15 out the purposes of this Ordinance, and any such documents heretofore executed and  
16 delivered and any such actions heretofore taken, be, and hereby are, ratified and  
17 approved.

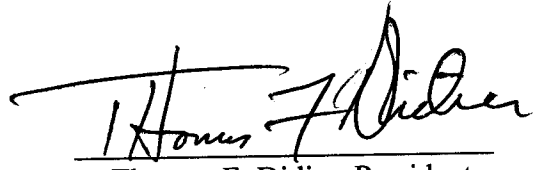
18           **SECTION 14.** This Council hereby declares its official intent, to the extent  
19 permitted by law, to issue the Bonds in one or more series or issues, not to exceed  
20 the maximum aggregate principal amount authorized herein, and to reimburse costs  
21 of the Project consisting of the Expenditures from proceeds of the sale of the Bonds.

22           **SECTION 15.** This Council finds and determines that the amount of tax  
23 credits to be allocated to the Project under Section 42 of the Internal Revenue Code  
24 of 1986, as amended, does not exceed the amount necessary for the financial  
25 feasibility of the Project and its viability as a qualified housing project throughout  
26 the credit period for the Project. In making the foregoing determination, this Council  
27 has relied upon representations of the Developer. The foregoing determination shall  
28 not be construed to be a representation or warranty by this Council as to the  
29 feasibility or viability of the Project. In reliance upon the representations of the  
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Developer, it is hereby found and determined that the Project satisfies the requirements for the allocation of a housing credit dollar amount under the Indiana Housing and Community Development Authority's qualified allocation plan.

**SECTION 16.** This ordinance shall be in full force and effect immediately upon passage by this Council and signing by the President of this Council and by the Mayor.

  
Thomas F. Didier, President

APPROVED AS TO FORM AND LEGALITY:

  
Carol Helton, City Attorney

**LOAN AGREEMENT**

between

**CITY OF FORT WAYNE, INDIANA**

and

**GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP**

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**\$8,200,000**  
**City of Fort Wayne, Indiana**  
**Multifamily Housing Revenue Bonds, Series 2017**  
**(Cambridge Square Project)**

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Dated

as of

July 1, 2017

**Krieg DeVault LLP**  
**Bond Counsel**

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(This Index is not a part of the Agreement  
but rather is for convenience of reference only.)

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## LOAN AGREEMENT

This **LOAN AGREEMENT** is made and entered into as of July 1, 2017 between the **CITY OF FORT WAYNE, INDIANA**, a municipal corporation duly organized and validly existing under the laws of the State of Indiana (the "*Issuer*"), and **GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP**, a limited partnership duly organized and validly existing under the laws of the State of Indiana (the "*Borrower*"), under the following circumstances summarized in the following recitals (the capitalized terms not defined in the recitals being used therein as defined in Article I hereof):

A. Pursuant to the Act, the Issuer has determined to issue, sell and deliver its Bonds and to loan the proceeds derived from the sale thereof to the Borrower to assist in the financing of the Project to be undertaken by the Borrower.

B. The Borrower and the Issuer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the Issuer and the Borrower agree as follows (provided that any obligation of the Issuer created by or arising out of this Agreement shall never constitute a general debt of the Issuer or give rise to any pecuniary liability of the Issuer but shall be payable solely from the Trust Estate):

ARTICLE I  
DEFINITIONS

Section 1.1. Use of Defined Terms. In addition to the words and terms defined elsewhere in this Agreement, the words and terms in this Agreement shall have the meanings set forth in the Trust Indenture (the “*Indenture*”), dated as of the date of this Agreement between the Issuer and The Huntington National Bank, as Trustee.

Section 1.2. Interpretation. Any reference herein to the Issuer, to its Economic Development Commission or its Common Council or to any member or officer of any of them includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Indiana Code or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee or the Borrower under this Agreement.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms “hereof”, “hereby”, “herein”, “hereto”, “hereunder” and similar terms refer to this Agreement; and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of the Bonds. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.3. Captions and Headings. The captions and headings in this Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

(End of Article I)

## ARTICLE II

### REPRESENTATIONS

Section 2.1. Representations of the Issuer. The Issuer represents and warrants and agrees that:

(a) It is a municipal corporation of the State of Indiana (the "State") organized and validly existing and, pursuant to the Act, has full legal right, power and authority (i) to enter into this Agreement; (ii) to adopt the Bond Legislation and cause the delivery of the Bonds pursuant to the Bond Legislation and this Agreement as provided herein; (iii) to loan the proceeds of the Bonds to the Borrower for the purpose set forth in this Agreement; and (iv) to carry out and consummate the transactions contemplated by this Agreement, the Indenture and the Regulatory Agreement (collectively, the "*Issuer Documents*");

(b) The Issuer, with respect to the Bonds, as advised by Bond Counsel, has complied, and will at the Closing Date be in compliance in all material respects with the Issuer Documents and the relevant laws of the State;

(c) (i) On or prior to the Closing Date, the Issuer will have taken all action required to be taken by it to authorize the issuance and sale of the Bonds and the performance of its obligations hereunder; (ii) the Issuer has full legal right, power and authority to enter into this Agreement and the Issuer Documents, will have full legal right, power and authority to deliver the Bonds to the Original Purchaser and to perform its obligations hereunder as provided in this Agreement, the Bonds and the Issuer Documents, and all other documents to be executed by the Issuer in accordance with the issuance of the Bonds, and to carry out and effectuate the transactions contemplated by this Agreement and the Issuer Documents; (iii) on or prior to the Closing Date, the execution and delivery of, and the performance by the Issuer of the obligations contained in the Bonds, this Agreement and the Issuer Documents shall have been duly authorized, and when executed this Agreement and the Issuer Documents will constitute valid and legally binding limited obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights generally and the application of equitable principles where equitable remedies are sought and limitations on the enforcement of judgments against public bodies; (iv) the Issuer has duly authorized the consummation by it of all transactions contemplated by this Agreement; and (v) the Issuer Documents have been duly and validly adopted by the Issuer and are at the time of acceptance hereof in full force and effect;

(d) The Issuer, with respect to the Bonds, has not received notice that it is in material breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or the United States or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject; and the adoption of the Bond Legislation and the execution and delivery of this Agreement, the Bonds, the other Issuer Documents and all other documents to be executed by the Issuer in connection with the issuance of the Bonds, and compliance with the provisions of each thereof do not, to the Issuer's knowledge, conflict with or constitute a material breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or the United States or any applicable judgment or decree, or any loan agreement, note,

resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject;

(e) All approvals, consents, and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Issuer, of its obligations hereunder and under the Bond Legislation, the Issuer Documents and the Bonds and all other documents to be executed by the Issuer in connection with the issuance of the Bonds have been obtained;

(f) The Issuer will not take or omit to take any action, which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds under the Code;

(g) The Bonds, when delivered and sold to the Original Purchaser as provided herein, will have been duly authorized and executed and will constitute validly issued and binding limited obligations of the Issuer in conformity with, and entitled to the benefit and security of, the Act and the Issuer Documents;

(h) The Issuer agrees that all representations, warranties and covenants made by it herein, and in certificates, agreements or other instruments delivered pursuant hereto or in connection herewith, shall be deemed to have been relied upon by the Holders, and that all representations, warranties and covenants made by the Issuer herein and therein and all the Holders' rights hereunder and thereunder shall survive the delivery of the Bonds;

(i) The Issuer covenants that it will not pledge the amounts derived from this Agreement other than as contemplated by the Indenture;

(j) The Issuer hereby finds and determines that financing the Project by the issuance of the Bonds will further the public purposes of the Act;

(k) To the best of its knowledge, no member or director of the Issuer, nor any other official or employee of the Issuer, has any interest, financial employment or other, in the Borrower, the Project or the transactions contemplated hereby;

(l) There is no action, suit, proceeding, inquiry or investigation pending or, to the knowledge of the Issuer, threatened against the Issuer or its Economic Development Commission by or before any court, governmental agency or public board or body, which (i) affects or questions the existence or the title to office of any member of the Issuer or its Economic Development Commission; (ii) affects or seeks to prohibit, restrain or enjoy the execution and delivery of any of the Issuer Documents, or the issuance, execution or delivery of the Bonds; (iii) affects or questions the validity or enforceability of any of the Issuer Documents or the Bonds; (iv) questions the exclusion from gross income for federal income taxation of interest on the Bonds; or (v) questions the power or authority of the Issuer to perform its obligations under any of the Issuer Documents or the Bonds or to carry out the transactions contemplated by any of the Issuer Documents or the Bonds; and

(m) THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, THAT THE PROCEEDS OF THE BONDS WILL BE SUFFICIENT TO

FINANCE THE REHABILITATION AND EQUIPPING OF THE PROJECT OR THAT THE PROJECT WILL BE ADEQUATE OR SUFFICIENT FOR THE BORROWER'S INTENDED PURPOSES. FURTHER, THE ISSUER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY AS TO THE PROJECT OR THE CONDITION THEREOF, OR THAT THE PROJECT WILL BE SUITABLE FOR THE PURPOSES OR NEEDS OF THE BORROWER. THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY THAT THE BORROWER WILL HAVE QUIET AND PEACEFUL POSSESSION OF THE PROJECT. THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY WITH RESPECT TO THE MERCHANTABILITY, CONDITION OR WORKMANSHIP OF ANY PART OF THE PROJECT OR ITS SUITABILITY FOR THE BORROWER'S PURPOSES.

Section 2.2. Representations and Covenants of the Borrower. The Borrower represents, covenants and warrants that:

(a) It is a limited partnership duly formed and validly existing under the laws of the State, is in good standing and duly authorized to conduct its business in the State.

(b) It has full power and authority to execute, deliver and perform this Agreement, the Note and the Regulatory Agreement and to enter into and carry out the transactions contemplated by those documents. That execution, delivery and performance do not, and will not, violate any provision of law applicable to the Borrower and do not, and will not, conflict with or result in a default under any agreement or instrument to which the Borrower is a party or by which it is bound. This Agreement, the Note and the Regulatory Agreement have, by proper action, been duly authorized, executed and delivered by the Borrower and all steps necessary have been taken to constitute this Agreement, the Note and the Regulatory Agreement valid and binding obligations of the Borrower.

(c) The provision of financial assistance to be made available to it under this Agreement and the commitments therefor made by the Issuer have induced the Borrower to undertake the transactions contemplated by this Agreement.

(d) It presently intends to use or operate the Project in a manner consistent with the Act and in accordance with the Regulatory Agreement for the life of the Bonds, or for such longer period as may be required by the Regulatory Agreement, and knows of no reason why the Project will not be so operated. If, in the future, while the Bonds are outstanding, there is a cessation of that operation, it will use its best efforts to resume that operation or accomplish an alternate use by the Borrower or others approved by the Issuer which will be consistent with the Act and the Regulatory Agreement.

(e) The Project will be completed in accordance with the Plans and Specifications and the portion of the Project funded with the proceeds of the Bonds

will constitute a qualified residential rental project within the meaning of Section 142(d) of the Code and will be operated and maintained in such manner as to conform in all material respects with all applicable zoning, planning, building, environmental and other applicable governmental regulations and as to be consistent with the Act.

(f) The Project will be located entirely within the boundaries of the Issuer.

(g) At least 95% of the net proceeds of the Bonds (as defined in Section 150 of the Code) will be used to provide a qualified residential rental project (as defined in Section 142(d) of the Code), and the Borrower will not request or authorize any disbursement pursuant to Section 3.4 hereof, which, if paid, would result in less than 95% of the net proceeds of the Bonds being so used.

(h) The costs of issuance financed by the Bonds will not exceed 2% of the proceeds of the Bonds (within the meaning of Section 147(g) of the Code), and the Borrower will not request or authorize any disbursement pursuant to Section 3.4 hereof or otherwise, which, if paid, would result in more than 2% of the proceeds of the Bonds being so used.

(i) At least 95% of the proceeds of the Bonds shall be used or deemed used exclusively to pay costs that are (A) capital expenditures (as defined in Section 1.150-1(a) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code.

(j) The proceeds of the Bonds shall be used or deemed used exclusively to pay costs that are made exclusively with respect to a "qualified residential rental project" within the meaning of Section 142(d) of the Code and that for the greatest number of buildings the proceeds of the Bonds shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or event of default under this Agreement or the Indenture.

(k) The Borrower has received and reviewed a copy of the Indenture and approves the terms and conditions thereof and agrees to the terms thereof.

(l) Neither the Borrower nor any related Person thereto shall acquire any Bonds in any amount.

(m) The Borrower understands the nature and structure of the transactions relating to the financing of the Project; it is familiar with the provisions of all of the documents and instruments relating to such financing to which it, the Senior Lender, the Issuer or the Trustee is a party or of which it is a beneficiary; it understands the risks inherent in such transactions, including, without limitation, the risk of loss of the Project; and it has not relied on the Senior Lender, the Issuer, the Trustee or their counsel for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by this Agreement and the Indenture or otherwise relied on the Senior Lender, the Issuer, the Trustee or their counsel in any manner.

(n) The Project is, as of the Closing Date, in compliance with all requirements of the Regulatory Agreement, including all applicable requirements of the Act and Code. The residential units in the Project are to and will be rented or available for rental on a basis which satisfies the requirements of the Regulatory Agreement, including all applicable requirements of the Act and the Code. All current leases comply, and all future leases will comply, with all applicable laws and the Regulatory Agreement. The Project meets the requirements of this Agreement, the Regulatory Agreement, the Act and the Code with respect to multifamily rental housing.

(o) The Borrower will cause the Indenture, and any financing statements, related instruments or documents relating to any assignment made by the Issuer under the Indenture to secure the Bonds, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee under the Indenture.

The Borrower acknowledges that the representations and covenants herein made by the Borrower have been expressly and specifically relied upon by the Issuer in determining to make the Loan to the Borrower and the Loan would not have been made but for such representations and covenants.

(End of Article II)

## ARTICLE III

### COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

#### Section 3.1. Acquisition, Rehabilitation, Installation, Equipment and Improvement.

The Borrower (a) has acquired or will acquire the Project site and shall construct, improve and equip the Project with all reasonable dispatch and in accordance with the Plans and Specifications, (b) shall pay when due all fees, costs and expenses incurred in connection with that acquisition, rehabilitation, installation, equipment and improvement from funds made available therefor in accordance with this Agreement or otherwise, except to the extent being contested in good faith, and (c) shall ask, demand, sue for, levy, seek to recover and seek to receive all those sums of money, debts and other demands whatsoever which may be due, owing and payable under the terms of any contract, order, receipt, writing and instruction in connection with the acquisition, rehabilitation, improvement and equipping of the Project, and shall enforce the provisions of any contract, agreement, obligation, bond or other performance security with respect thereto, it being understood that the Borrower shall not be required to take any of the foregoing actions if it would be commercially unreasonable to do so. It is understood that the Project will be owned by the Borrower and any contracts made by the Borrower with respect thereto, whether acquisition contracts, construction contracts or otherwise, or any work to be done by the Borrower on the Project are made or done by the Borrower in its own behalf and not as agent or contractor for the Issuer and each such contract shall so state. The Borrower agrees that it will compensate all workers employed in the rehabilitation, equipping and improvement of the Project as required by law.

Section 3.2. Plans and Specifications. The Plans and Specifications have been or, upon request, shall be filed with the Issuer. The Borrower may revise the Plans and Specifications from time to time, provided that no revision shall be made which would change the Project Purposes to other than purposes permitted by the Act, the Code and the Regulatory Agreement. The sources and uses contemplated by the plan of financing for the Project, together with the anticipated construction draw schedule, are set forth in Exhibit B hereto, and at or prior to the execution and delivery of this Agreement, the Borrower shall provide to the Issuer evidence acceptable to the Issuer, in its sole discretion, of the availability of all financing contemplated by the plan of financing for the Project including, without limitation (and without regard to whether the immediate availability of such financing is a condition to undertaking the Project), the equity portion of the financing and all other public and private financing and any interim or bridge financing to be provided in anticipation of the closing of any of the foregoing aspects of the financing therefor, the execution and delivery hereof by the Issuer to conclusively evidence the acceptability thereof. Any material changes in the plan of financing or to any information contained in Exhibit B shall be communicated promptly to the Issuer. Copies of all documents evidencing that financing, and the security therefor, all in form reasonably acceptable to the Issuer, shall have been provided to the Issuer.

No material revision of the Plans and Specifications shall be made unless the Borrower has first delivered to the Issuer a narrative description of the proposed revision accompanied by a certificate of the Authorized Borrower Representative certifying the change in Project Costs resulting from the revision and that the moneys then on deposit in the Project Fund

together with investment earnings thereon at the rate of return stated in the certificate together with other identified available moneys will be sufficient to pay in full the Project Costs including the change in Project Costs resulting from such revision, and a certificate that such change will not change the Project Purposes to other than purposes permitted by the Act, the Code and the Regulatory Agreement.

Section 3.3. Issuance of the Bonds; Application of Proceeds. To provide funds to make the Loan for purposes of assisting in paying the Project Costs, the Issuer will issue, sell and deliver the Bonds to the Original Purchaser at a price equal to ~~INSURE~~ being par plus accrued interest. The Original Purchaser shall also pay the negative arbitrage deposit on behalf of the Borrower. The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, will bear interest and will mature as set forth therein. The Borrower hereby approves the terms and conditions of the Indenture and the Bonds, and of the terms and conditions under which the Bonds will be issued, sold and delivered.

The proceeds from the sale of the Bonds shall be loaned to the Borrower and paid over to the Trustee for the benefit of the Borrower and the Holders of the Bonds and deposited as follows: (a) a sum equal to any accrued interest and negative arbitrage deposit paid by the Original Purchaser shall be deposited in the Bond Fund, and (b) the balance of the proceeds shall be deposited in the Project Fund. Pending disbursement pursuant to Section 3.4 hereof, the proceeds so deposited in the Project Fund, together with any investment earnings thereon, shall constitute a part of the Pledged Revenues assigned by the Issuer to the Trustee as security for the payment of Bond Service Charges as provided in the Indenture.

Section 3.4. Disbursements from the Project Fund. Subject to the disbursement requirements of HUD and so long as no Event of Default hereunder has occurred and is continuing for which the principal amount of the Bonds has been declared to be immediately due and payable pursuant to Section 7.2 hereof and Section 7.03 of the Indenture, disbursements from the Project Fund shall be made upon the receipt by the Trustee of (i) a written request from the Borrower, approved in writing by the Investor Limited Partner, in substantially the form of the request attached hereto as Exhibit D and (ii) Collateral Funds in the amount of the disbursement request. Upon receipt of the Collateral Funds, the Trustee shall transfer funds as set forth in Section 5.03 of the Indenture. Proceeds of the Bonds disbursed pursuant to the provisions of this Agreement may only be used to fund the HUD insured mortgage loan made by Senior Lender to the Borrower in the principal amount of \$~~INSURE~~ to pay those Project Costs identified in the Sources and Uses of Funds attached hereto as Exhibit B, as it may be amended pursuant to the agreement of HUD, the Senior Lender and the Borrower.

The Borrower acknowledges that all Collateral Funds requested shall be wired by Merchants Bank of Indiana at the direction of the Senior Lender for the benefit of the Borrower to the Trustee and disbursed and invested and applied by the Trustee in accordance with the provisions of Section 5.03 of the Indenture; provided, however, that if an Event of Default occurs that results in an acceleration of the Bonds, any Collateral Funds to be provided after the Bonds have been paid in full shall be wired directly to the Borrower.

Any disbursement for any item that is not described in, or the cost for which item is other than as described in, the information statement filed by the Issuer in connection with the

issuance of the Bonds as required by Section 149(e) of the Code, if any, or in the Notice of Public Hearing pertaining to the Bonds, shall be accompanied by an Opinion of Bond Counsel to the effect that such disbursement will not cause the interest on the Bonds to be included in the gross income of the owners thereof for federal income tax purposes.

Any moneys in the Project Fund remaining after the Completion Date and payment, or provision for payment, in full of the Project Costs, promptly shall be paid into the Bond Fund for payment of Bond Service Charges, and the Borrower shall have no residual interest in any amounts on deposit in the Project Fund; provided, however, that if an Event of Default occurs that results in acceleration of the Bonds, Collateral Funds shall be wired directly to the Borrower.

Section 3.5. Borrower Required to Pay Costs in Event Project Fund Insufficient. If moneys in the Project Fund are not sufficient to pay all Project Costs, the Borrower, nonetheless, will complete the Project in accordance with the Plans and Specifications and shall pay all such additional Project Costs from its own funds. The Borrower shall pay all costs of issuing the Bonds in excess of the amount permitted by paragraph (h) of Section 2.2 hereof. The Borrower shall not be entitled to any reimbursement for any such additional Project Costs or payment of issuance costs from the Issuer, the Trustee or any Holder; nor shall it be entitled to any abatement, diminution or postponement of the Loan Payments.

Section 3.6. Completion Date. The Borrower shall notify the Issuer and the Trustee of the Completion Date by the delivery of a Completion Certificate signed by the Authorized Borrower Representative substantially in the form of Exhibit C attached hereto. The Completion Certificate shall be delivered as promptly as practicable after the occurrence of the events and conditions referred to in the Completion Certificate.

Section 3.7. Investment of Fund Moneys. Any moneys held as part of the Bond Fund, the Project Fund, the Assignment Fund and the Rebate Fund shall be invested or reinvested by the Trustee in Eligible Investments as provided in the Indenture. The Issuer shall not direct the Trustee to invest or reinvest in investments other than Eligible Investments, and the Borrower covenants that it will restrict that investment and reinvestment and the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of delivery of and payment for the Bonds or subsequent intentional acts, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. No provision of this Agreement shall be construed to impose upon the Trustee any obligation or responsibility for compliance with arbitrage regulations except as provided for in the Indenture.

The Borrower shall provide the Issuer with, and the Issuer may base its certifications as authorized by the Bond Legislation on, a certificate of an appropriate officer, employee or agent of or consultant to the Borrower for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the Borrower on the date of delivery of and payment for the Bonds regarding the amount and use of the proceeds of the Bonds and the facts, estimates and circumstances on which those expectations are based.

Section 3.8. Rebate Fund. The Borrower agrees to make such payments to the Trustee as are required of it under Section 5.10 of the Indenture as well as to pay the expenses of

any Independent certified public accounting firm or qualified rebate analyst engaged by the Borrower in accordance with that Section, or if the Borrower fails to so engage such firm or analyst, the Trustee shall engage such firm or analyst. The obligation of the Borrower to make such payments shall remain in effect and be binding upon the Borrower notwithstanding the release and discharge of the Indenture.

Section 3.9 Remarketing of Bonds. The Authorized Borrower Representative, with the written consent of the Remarketing Agent is hereby granted the right to (a) request a remarketing of the Bonds in the manner and to the extent set forth in Section 4.01 of the Indenture and (ii) designate the length of the Remarketing Period and the related Mandatory Tender Date in the manner and to the extent set forth in Sections 4.01 and 4.03 of the Indenture.

(End of Article III)

## ARTICLE IV

### LOAN BY ISSUER; REPAYMENT OF THE LOAN; LOAN PAYMENTS AND ADDITIONAL PAYMENTS

Section 4.1. Loan Repayment; Delivery of Note. Upon the terms and conditions of this Agreement, the Issuer will make the Loan to the Borrower. In consideration of and in repayment of the Loan, the Borrower shall deliver or cause to be delivered to the Trustee on or before each Loan Payment Date, Loan Payments, equal to the amount necessary to pay interest on and principal of the Bonds due on the next Interest Payment Date. All such Loan Payments shall be paid to the Trustee in accordance with the terms of the Note for the account of the Issuer and shall be held and disbursed in accordance with the provisions of the Indenture and this Agreement.

To the extent that amounts are in the Assignment Fund and the Bond Fund for the payment of all Bond Service Charges on the Bonds, the Borrower shall be entitled to a credit against the Loan Payments required to be made with respect to the Bonds on any date equal to the amount withdrawn from the Assignment Fund for the payment of Bond Service Charges on the Bonds on that date.

To secure the Borrower's performance of its obligations under this Agreement, the Borrower shall execute and deliver, concurrently with the issuance and delivery of the Bonds, the Note and the Regulatory Agreement.

Upon payment in full, in accordance with the Indenture, of the Bond Service Charges on any or all Bonds, whether at maturity or otherwise, or upon provision for the payment thereof having been made in accordance with the provisions of the Indenture, (i) the Note shall be deemed fully paid, the obligations of the Borrower thereunder shall be terminated, and the Note shall be surrendered by the Trustee to the Borrower, and shall be canceled by the Borrower, or (ii) an appropriate notation shall be endorsed thereon evidencing the date and amount of the principal payment (or prepayment) equal to the Bonds so paid, or with respect to which provision for payment has been made, and the Note shall be surrendered by the Trustee to the Borrower for cancellation if all Bonds shall have been paid (or provision made therefor) and canceled as aforesaid. Unless the Borrower is entitled to a credit under express terms of this Agreement or the Note, all payments on the Note shall be in the full amount required thereunder.

The Borrower and the Issuer each acknowledge that neither the Borrower nor the Issuer has any interest in the Bond Fund or the Assignment Fund and any moneys deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Holders.

Section 4.2. Additional Payments. The Borrower shall pay to the Issuer or the Trustee, as the case may be, as Additional Payments hereunder the following:

(a) To the Issuer or the Trustee, as the case may be, whether or not an Event of Default has occurred hereunder, as payment for or reimbursement or prepayment of any and all costs, expenses, and liabilities (including but not limited to attorneys' fees and expenses) (i) incurred or paid by the Issuer or the Trustee, as the case may be, in satisfaction of any obligations of the Borrower hereunder not performed by the Borrower in accordance with the

provisions hereof, or (ii) incurred as a result of a request by the Borrower or of a requirement of this Agreement or the Indenture and not otherwise required to be paid by the Borrower under this Agreement, or (iii) incurred in the defense of any action or proceeding with respect to the Project or this Agreement, or in enforcing this Agreement, or arising out of or based upon any other document related to the issuance of the Bonds; and

(b) To the applicable party, as payment for or reimbursement or prepayment of any Ordinary Services and Ordinary Expenses and Extraordinary Services and Extraordinary Expenses of the Trustee as Trustee, Registrar, Authenticating Agent and Paying Agent, and of any other paying agent, authenticating agent, and registrar on the Bonds under the Indenture, all as provided in the Indenture, as and when the same become due; provided that the Borrower may, without creating an Event of Default hereunder, contest in good faith the necessity for any Extraordinary Services and Extraordinary Expenses and the amount of any such Ordinary Services, Ordinary Expenses, Extraordinary Services or Extraordinary Expenses; provided that fees for Ordinary Services provided for by the respective letter agreements agreed to by the Borrower and the Trustee, the Registrar, and any Paying Agents and Authenticating Agents, respectively, shall be considered to be customary.

(c) To the applicable party, all Extension Payments and other sums required under Section 4.01 of the Indenture in order to revise or extend the Mandatory Tender Date or remarket the Bonds, and the Borrower further agrees to execute any and all certificates required by the Issuer, the Trustee or the Remarketing Agent in order to effectuate such revision, extension or remarketing.

Upon the payment, prepayment, or incurrence of any such cost, expense, or liability described in this Section by any such party, the Additional Payments in respect thereof shall be payable upon written demand to the Borrower, which demand shall be accompanied by invoices or other appropriate documentation concerning the nature, amount and incurrence of such cost, expense or liability. If the Additional Payments payable under this Section are not paid upon such demand, such Additional Payments shall bear interest from the date of such payment or the incurrence thereof at the Interest Rate for Advances until the amount due shall have been fully paid. The Borrower shall not make Additional Payments from any amounts on deposit in the Project Fund or the Assignment Fund except pursuant to Section 8.2 hereof or Section 5.09 of the Indenture.

Section 4.3. Place of Payments. The Borrower shall make all Loan Payments directly to the Trustee at its designated corporate trust office. Additional Payments shall be made directly to the person or entity to whom or to which they are due.

Section 4.4. Obligations Unconditional. The obligations of the Borrower to make Loan Payments, Additional Payments and any payments required of the Borrower under Sections 5.10 and 6.03 of the Indenture shall be absolute and unconditional, and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense (other than actual payment or performance), set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other Person. Notwithstanding the foregoing, the Borrower may contest or dispute the amount of any such obligation arising under Section 4.2 hereof or

Section 6.03 of the Indenture so long as such dispute or contest does not result in an Event of Default under the Indenture.

Section 4.5. Assignment of Agreement and Pledged Revenues. To secure the payment of Bond Service Charges, the Issuer shall assign to the Trustee, by the Indenture, its rights under and interest in this Agreement (except for the Unassigned Issuer's Rights) and the Note. The Borrower hereby agrees and consents to those assignments. The Issuer shall not attempt to further assign, transfer or convey its interest in the Pledged Revenues or this Agreement or create any pledge or Lien of any form or nature with respect to the Pledged Revenues or Loan Payments hereunder. The Borrower herewith consents to such assignment and pledge and will make payments directly to the Trustee without defense or set-off by reason of any dispute between the Borrower and the Issuer or Trustee, and hereby agrees that its obligation to make payments hereunder and to perform its other agreements contained herein are absolute and unconditional. Until the principal of and interest on the Bonds shall have been fully paid or provision for the payment of the Bonds made in accordance with the Indenture, the Borrower (a) will not suspend or discontinue any payments provided for in this Agreement, (b) will perform all its other duties and responsibilities called for by this Agreement, and (c) will not terminate this Agreement for any cause including any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the laws of the United States or of the State or any political subdivision of either or any failure of the Issuer to perform any of its agreements, whether express or implied, or any duty, liability or obligation arising from or connected with this Loan.

(End of Article IV)

## ARTICLE V

### ADDITIONAL AGREEMENTS AND COVENANTS

Section 5.1. Right of Inspection. At all reasonable times and upon reasonable notice, the Borrower shall allow any duly authorized representative of the Issuer or the Trustee to visit and inspect the Project, to examine and make copies of and from its books of record and account, and to discuss its affairs, finances, and accounts with its officers, and shall furnish to the Issuer and the Trustee any information reasonably required regarding its business affairs and financial condition within a reasonable time after receipt of written request therefor.

Section 5.2. Borrower to Maintain its Existence; Sales of Assets or Mergers. The Borrower shall maintain its existence, not dissolve or sell, transfer or otherwise dispose of all or substantially all of its assets and not consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it; provided, that it may do so if the surviving, resulting or transferee entity is other than the Borrower, it assumes in writing all of the obligations of the Borrower under this Agreement and the Regulatory Agreement and it has a net worth equal to or greater than that of the Borrower immediately prior to such consolidation, merger, sale or transfer. The Borrower shall not permit one or more other entities to consolidate with or merge into it, without the prior written consent of the Trustee and the Issuer; or take any action or allow any action to be taken to terminate the existence of the Borrower except as provided herein.

Section 5.3. Indemnification. The Borrower releases the Issuer and the Trustee from, agrees that the Issuer and the Trustee shall not be liable for, and indemnifies, defends and holds the Issuer and the Trustee harmless against, all liabilities, claims, costs and expenses and attorneys' fees imposed upon or incurred or asserted against the Issuer or the Trustee on account of: (i) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the acquisition, financing, rehabilitation, occupation, possession, management, equipping, furnishing, maintenance, operation and use of the Project or from any work or thing done in or about the Project site, or any sidewalks, passageways, driveways, curbs, vaults and vault space, streets or parking areas on the Project site or adjacent thereto; (ii) any breach or default on the part of the Borrower in the performance of any covenant or agreement of the Borrower under this Agreement, the Regulatory Agreement or any related document, or arising from any act or failure to act by the Borrower, or any of its agents, contractors, servants, employees or licensees; (iii) the Borrower's failure to comply with any of the covenants contained in this Agreement, including, without limitation, the covenant in Section 5.4 hereof, and in the Continuing Disclosure Agreement; (iv) any action taken or omitted to be taken by the Issuer or the Trustee at the request of or with the consent of the Borrower including, without limitation, filing any required forms with the IRS or other governmental agencies; (v) the issuance, sale or delivery of the Bonds and the Borrower's furnishing information concerning the Project, the Borrower, its financial status or other matters relating to the Borrower, including but not limited to a violation of any law, ordinance, rule, regulation or court order relating to the sale of the Bonds or the use of the Official Statement (or other disclosure document) related thereto and any statement or information concerning the Borrower, any of its officers and partners, its operations or financial condition generally or the Project, contained in the Official Statement or supplement or amendment thereto furnished to the Issuer

or the purchaser of any Bonds, that is untrue or incorrect in any material respect, and any omission from such official statement or any statement or information which should be contained therein for the purpose for which the same is to be used or which is necessary to make the statements therein concerning the Borrower, any of its officers and partners and the Project not misleading in any material respect, provided that such official statement or supplement or amendment has been approved by the Borrower; and (vi) any claim, action or proceeding brought with respect to any matter set forth in clause (i), (ii), (iii), (iv) or (v) above; provided, however, that the indemnification provided in this Section shall not apply with regard to the Trustee to any matter arising or resulting from the gross negligence or willful misconduct of the Trustee or to any information provided by the Trustee in writing for use in connection with the offering and sale of the Bonds and shall be limited to Surplus Cash (as defined in the HUD Regulatory Agreement).

The Borrower agrees to indemnify the Trustee for and to hold it harmless against all liabilities, claims, costs and expenses incurred without negligence or willful misconduct on the part of the Trustee, on account of any action taken or omitted to be taken by the Trustee in accordance with the terms of this Agreement, the Bonds, the Regulatory Agreement, the Note or the Indenture or any action taken at the request of or with the consent of the Borrower, including the costs and expenses of the Trustee in defending itself against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Agreement, the Bonds, the Indenture, the Regulatory Agreement or the Note.

In case any action or proceeding is brought against the Issuer or the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the Borrower, and the Borrower upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give that notice shall not relieve the Borrower from any of its obligations under this Section unless that failure materially prejudices the defense of the action or proceeding by the Borrower. At the Borrower's expense, an indemnified party may employ separate counsel and participate in the defense if the interests of the indemnified parties are not aligned with those of the Borrower; provided, however, that the indemnified parties, as a group, may only retain one separate counsel in any action or proceeding (or series of related actions or proceedings) at the expense of the Borrower. The Borrower shall not be liable for any settlement made without its consent, which consent shall not be unreasonably conditioned, withheld or delayed. Any provision of this Agreement or any other instrument or document executed and delivered in connection therewith to the contrary notwithstanding, the Issuer retains the right to (i) enforce any applicable federal or State law or regulation, ordinance or resolution of the Issuer; and (ii) enforce any rights accorded to the Issuer by federal or State law or policy or procedure of the Issuer, and nothing in this Agreement shall be construed as an express or implied waiver thereof.

The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers, agents and employees of the Issuer and the Trustee, respectively. That indemnification is intended to and shall be enforceable by the Issuer and the Trustee, respectively, to the full extent permitted by law.

Section 5.4. Borrower Not to Adversely Affect Exclusion from Gross Income of Interest on Bonds. The Borrower hereby represents that it has taken or caused to be taken, and covenants that it will take or cause to be taken, all actions that may be required of it, alone or in conjunction with the Issuer, for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes, and represents that it has not taken or permitted to be taken on its behalf, and covenants that it will not take or permit to be taken on its behalf, any actions that would adversely affect such exclusion under the provisions of the Code.

Section 5.5. Affirmative Covenants. Unless the Trustee (and, where applicable, the Issuer) otherwise consents in writing:

(a) Maintenance of Properties. The Borrower shall maintain and preserve in good working order and condition, ordinary wear and tear excepted, all of its properties which are necessary in the proper conduct of its business, and shall from time to time make all necessary repairs, renewals, replacements, additions and improvements to said properties. All damage to apartment units shall be repaired promptly and apartment units shall be maintained so as to be available at all times for habitation.

(b) Keeping of Records and Books of Account. The Borrower shall keep adequate records and books of account in which complete entries will be made in accordance with GAAP or indicating deviations therefrom, reflecting all financial transactions.

(c) Payment of Taxes, Etc. The Borrower shall promptly pay and discharge: all taxes, assessments, fees, and other Governmental charges or levies or imposed upon it or upon any of its properties, income or profits, before the same shall become delinquent; all lawful claims of materialmen, mechanics, carriers, warehousemen, landlords and other similar Persons for labor, materials, supplies and rentals, which if unpaid might by law become a Lien upon its properties; any Indebtedness heretofore or hereafter incurred by it when due, and discharge, perform and observe covenants, provisions and conditions to be discharged, performed and observed by it in connection therewith, or in connection with any agreement or other instrument relating thereto or in connection with any Lien existing at any time upon any of its properties; provided, however, that the Borrower shall not be required to pay any of the foregoing if (i) the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings, (ii) the Borrower shall have, in the opinion of an Independent certified public accounting firm or accountant, set aside on its books adequate reserves with respect thereto and (iii) the title of the Borrower to, and its right to use, its properties is not materially and adversely affected thereby.

(d) Insurance. The Borrower shall at all times:

(i) Maintain or cause to be maintained insurance of such types and in such amounts (including without limitation, builder's risk insurance and insurance against loss by fire, hazards included within the term "extended

coverage,” and such other hazards, contingencies or casualties and liabilities on the Project, liability insurance with respect to the Project, and flood insurance on any portion of the Project which lies in a federally identified flood hazard zone) upon its property with responsible and reputable insurers with an “A.M. Best” rating of not less than A- and of such character, as are usually maintained by Persons engaged in a like business under similar circumstances, and, with respect to casualty insurance on the Project equal to the original amount of the Loan and with an insurer with an “A.M. Best” rating of not less than A- and qualified to write such insurance in the State, subject to ordinary and reasonable deductibles.

(ii) Furnish to the Trustee, upon request, certified copies of its insurance policies or certificates of insurance showing its insurance coverage.

(iii) Require each policy of insurance covering the Project to contain a provision whereby it cannot be canceled or substantially modified except after not less than 30 days’ written notice to the Trustee.

(iv) Require each policy of insurance covering the Project to include as additional insured both the Issuer and the Trustee, as their interests may appear.

(e) The Borrower hereby agrees that, in the event it fails to pay or cause to be paid taxes, assessments, fees and other Governmental charges or levies or the premium on any required insurance, the Trustee may make such payment, but is not obligated to do so, and the Trustee shall be reimbursed by the Borrower therefor with interest on the amount so advanced at the Interest Rate for Advances.

(f) Notice of Material Litigation. The Borrower shall promptly notify the Trustee and the Issuer in writing of any litigation, arbitration proceeding or administrative investigation, inquiry or other proceeding to which it may hereafter become a party or be subject to which may involve any material risk of any material judgment or liability (unless fully covered by insurance) or which may otherwise result in any material adverse change in the business or assets or in the condition, financial or otherwise, of the Borrower or which may materially impair the ability of the Borrower to perform this Agreement, the Regulatory Agreement or the Note, or any other agreement or instrument herein or therein contemplated.

(g) Notice of Default. In the event that any Event of Default occurs of which the Borrower is aware, the Borrower shall give prompt notice in writing of such happening to the Trustee and Issuer.

(h) Performance of Contracts, Etc. Except to the extent contested in good faith, the Borrower shall perform according to and shall comply with all of its contractual obligations and all requirements of law if nonperformance thereof would materially and adversely affect the business or credit of the Borrower on an individual basis or would materially impair the ability of the Borrower to perform this

Agreement, the Regulatory Agreement or the Note or any other agreement or instrument herein or therein contemplated.

(i) Notice of Other Matters. The Borrower shall promptly notify the Trustee and the Issuer in writing of any of the following events:

(1) Any material change with respect to the business, assets, liabilities, financial condition, results of operations or business prospects of the Borrower other than changes in the ordinary course of business the effects of which have not been materially adverse.

(2) A default by the Borrower in any material respect under any material agreement to which the Borrower is a party or by which the Borrower or its properties or assets may be bound, which default materially and adversely affects its ability to perform this Agreement, the Regulatory Agreement or the Note giving in each case the details thereof and specifying the action proposed to be taken with respect thereto.

(j) Cooperation in Perfecting Security Interests, Etc. The Borrower shall promptly perform, upon request of the Trustee, such acts as may be necessary or advisable to perfect and maintain any Permitted Lien provided for in this Agreement or in any agreement or document contemplated herein or therein, or otherwise to carry out the intent of this Agreement. The Borrower shall, and shall promptly execute, deliver and perform or cause to be done, executed, delivered and performed, on request of the Trustee, all such documents, instruments, agreements, things and acts, including, without limitation, financing statements, continuation statements and mortgages as may be necessary or advisable to perfect or maintain a Permitted Lien on any and all assets or rights owned by the Borrower, or any interest of the Borrower therein, and the Trustee and its officers, employees and authorized agents, or any of them, are hereby irrevocably appointed the attorneys-in-fact of the Borrower to do all acts and things which the Trustee may deem necessary or advisable to preserve, perfect and continue perfected any Permitted Lien in favor of the Trustee. The Issuer shall have no responsibility for the preparation, filing or recording of any instrument, document or financing statement or for the maintenance of any security interest intended to be perfected thereby. The Issuer will execute such instruments provided to it by the Borrower as may be reasonably necessary in connection with such filing or recording.

(k) Environmental Matters. The Borrower will take and continue to take prompt action to remedy all environmental pollution and contamination, hazardous waste disposal and other environmental cleanup problems, if any, whether or not such cleanup problems have resulted from the order or request of a municipal, state, federal, administrative or judicial authority, or otherwise.

(l) Non-discrimination. The Borrower will not and will require each contractor, subcontractor and commercial tenant of the Project to covenant that it will not discriminate by reason of race, creed, color, handicap, national origin, sexual

orientation, gender identification or sex in the employment of any Person employed by it in connection with the Project or working in or on the Project. The Borrower will require each manager of the Project to covenant that in the leasing of the Project it will not discriminate by reason of race, creed, color, handicap, national origin, sexual orientation, gender identification or sex.

Section 5.6. Negative Covenants.

(a) Limitation on Liens. The Borrower shall not create, assume, incur or permit to exist or to be created, assumed or incurred, directly or indirectly, any Lien on any of the properties or assets of the Borrower whether now owned or hereafter acquired, except Permitted Liens.

(b) Indebtedness. So long as no Event of Default or Default hereunder shall have occurred and be continuing, the Borrower shall be permitted to incur any Indebtedness for any Project Cost or other obligation or payment due under this Agreement, the Indenture or the Regulatory Agreement.

(End of Article V)

## ARTICLE VI

### PREPAYMENT, TENDER AND TERMINATION

#### Section 6.1. Borrower's Obligations Upon Tender of Bonds.

If Bonds are not remarketed on any Mandatory Tender Date and a sufficient amount is not available in the Special Funds as provided in Section 4.01 of the Indenture for the purpose of paying the redemption price of such Bond, the Borrower will cause to be paid to the Trustee by the Mandatory Tender Date, an amount equal to the amount by which the redemption price of the Bonds exceeds the amount otherwise available pursuant to the Indenture.

#### Section 6.2. Option to Terminate.

The Borrower shall have the option to cancel or terminate this Agreement at any time when (a) the Indenture shall have been released in accordance with its provisions, and (b) sufficient money or security acceptable to the Issuer and the Trustee are on deposit with the Trustee or the Issuer, or both, to meet all Loan Payments and Additional Payments due or to become due through the date on which the last of the Bonds is then scheduled to be retired or redeemed, or, with respect to Additional Payments to become due, provisions satisfactory to the Trustee and the Issuer are made for paying such amounts as they come due. Such option shall be exercised by the Authorized Borrower Representative, on behalf of the Borrower, giving the Issuer and the Trustee five days' notice in writing of such cancellation or termination and such cancellation or termination shall become effective at the end of such notice period. The provisions of this Section shall not be deemed to permit a prepayment of the Note other than in accordance with its terms.

(End of Article VI)

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default. Each of the following shall be an Event of Default:

(a) The Borrower shall fail to pay any Loan Payment on or prior to the date on which that Loan Payment is due and payable or within the Loan Payment Cure Period;

(b) The Borrower shall fail to observe and perform any other agreement, term or condition contained in this Agreement and the continuation of such failure for a period of 30 days after written notice thereof shall have been given to the Borrower by the Issuer or the Trustee, or for such longer period as the Issuer and the Trustee may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, that failure shall not constitute an Event of Default so long as the Borrower institutes curative action within the applicable period and diligently pursues that action to completion, which must be resolved within 180 days after the aforementioned notice;

(c) The Borrower shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect, which is not dismissed within 90 days; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property which appointment is not vacated within a period of 90 days;

(d) Any representation or warranty made by the Borrower herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or with the purchase of the Bonds shall at any time prove to have been false or misleading in any adverse material respect when made or given; and

(e) There shall occur an "Event of Default" as defined in the Indenture or the Regulatory Agreement.

Notwithstanding the foregoing, if, by reason of Force Majeure, the Borrower is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under subsection (b) hereof, the Borrower shall not be deemed in default during the continuance of such inability. However, the Borrower shall promptly give notice to the Trustee and the Issuer of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within its discretion.

The term Force Majeure shall mean, without limitation, the following:

(i) acts of God; strikes, lockouts or other industrial disturbances; acts of terrorism or of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornados; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation; or

(ii) any cause, circumstance or event not reasonably within the control of the Borrower.

The declaration of an Event of Default under subsection (c) above, and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal or state bankruptcy, insolvency, liquidation or reorganization law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, insolvency, liquidation or reorganization proceedings.

Section 7.2. Remedies on Default. Whenever an Event of Default shall have happened and be subsisting, any one or more of the following remedial steps may be taken:

(a) If acceleration of the principal amount of the Bonds has been declared pursuant to Section 7.03 of the Indenture, the Trustee shall declare all Loan Payments to be immediately due and payable together with any other amounts payable by the Borrower under this Agreement and the Note whereupon the same shall become immediately due and payable;

(b) The Trustee may exercise any or all or any combination of the remedies specified in this Agreement;

(c) The Issuer or the Trustee may have access to, inspect, examine and make copies of the books, records, accounts and financial data of the Borrower pertaining to the Project; or

(d) The Issuer or the Trustee may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under this Agreement, the Regulatory Agreement and the Note or to enforce the performance and observance of any other obligation or agreement of the Borrower under those instruments.

Notwithstanding the foregoing, the Issuer shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Issuer at no cost or expense to the Issuer. Any amounts collected as Loan Payments or applicable to Loan Payments and any other amounts which would be applicable to payment of Bond Service Charges collected pursuant to

action taken under this Section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Outstanding Bonds have been paid and discharged in accordance with the provisions of the Indenture, shall be paid as provided in Section 5.09 of the Indenture for transfers of remaining amounts in the Bond Fund.

The provisions of this Section are subject to the further limitation that the rescission by the Trustee of its declaration that all of the Bonds are immediately due and payable also shall constitute an annulment of any corresponding declaration made pursuant to paragraph (a) of this Section and a waiver and rescission of the consequences of that declaration and of the Event of Default with respect to which that declaration has been made, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

Section 7.3. No Remedy Exclusive. No remedy conferred upon or reserved to the Issuer or the Trustee by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, the Regulatory Agreement or the Note, or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made herein.

Section 7.4. Agreement to Pay Attorneys' Fees and Expenses. If an Event of Default should occur and the Issuer or the Trustee should incur expenses, including attorneys' fees, in connection with the enforcement of this Agreement, the Continuing Disclosure Agreement, dated as of July 1, 2017, executed by the Borrower in favor of the Trustee and The Huntington National Bank as dissemination Agent, the Regulatory Agreement or the Note or the collection of sums due thereunder, the Borrower shall reimburse the Issuer and the Trustee, as applicable, for the expenses so incurred upon demand.

Section 7.5. No Waiver. No failure by the Issuer or the Trustee to insist upon the strict performance by the Borrower of any provision hereof shall constitute a waiver of their right to strict performance and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by the Borrower to observe or comply with any provision hereof.

Section 7.6. Notice of Default. The Borrower shall notify the Trustee promptly if it becomes aware of the occurrence of any Event of Default hereunder or of any fact, condition or event which, with the giving of notice or passage of time or both, would become an Event of Default.

Section 7.7 Investor Limited Partner's Cure Rights. The Issuer hereby agrees that any cure of any Event of Default hereunder made or tendered by the Investor Limited Partner shall be deemed to be a cure by the Borrower, and shall be accepted or rejected by the Issuer on the same basis as if made or tendered by the Borrower.

(End of Article VII)

## ARTICLE VIII

### MISCELLANEOUS

Section 8.1. Term of Agreement. This Agreement shall be and remain in full force and effect from the date of delivery of the Bonds to the Original Purchaser until such time as all of the Bonds shall have been fully paid (or provision made for such payment) pursuant to the Indenture and all other sums payable by the Borrower under this Agreement and the Note shall have been paid, except for obligations of the Borrower under Sections 3.8, 4.2 and 5.3 hereof, which shall survive any termination of this Agreement.

Section 8.2. Amounts Remaining in Funds. Any amounts in the Bond Fund remaining unclaimed by the Holders of Bonds for four years after the due date thereof (whether at stated maturity or otherwise), at the option of the Borrower, shall be deemed to belong to and shall be paid, at the written request of the Borrower, to the Borrower by the Trustee as overpayment of Loan Payments. With respect to that principal of and interest on the Bonds to be paid from moneys paid to the Borrower pursuant to the preceding sentence, the Holders of the Bonds entitled to those moneys shall look solely to the Borrower for the payment of those moneys. Further, any amounts remaining in the Project Fund and any other Special Funds or accounts created under this Agreement, the Regulatory Agreement or the Indenture after all of the Outstanding Bonds shall be deemed to have been paid and discharged under the provisions of the Indenture and all other amounts required to be paid under this Agreement, the Note, the Regulatory Agreement and the Indenture have been paid, shall be transferred to the Residual Fund and applied in accordance with the provisions of the Indenture.

Section 8.3. Notices. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when three business days after being mailed by registered or certified mail, postage prepaid, or forwarded by same day or overnight courier service, delivery charges prepaid, and addressed to the appropriate Notice Address. Any notice given pursuant to Article V or Article VII shall be simultaneously given to the Rating Agency. A duplicate copy of each notice, certificate, request or other communication given hereunder to the Issuer, the Borrower or the Trustee shall also be given to the others. The Borrower, the Issuer, and the Trustee, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 8.4. Extent of Covenants of the Issuer; No Personal Liability. All covenants, obligations and agreements of the Issuer contained in this Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future member, officer, agent or employee of the Issuer or its Economic Development Commission in other than his official capacity, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Issuer contained in this Agreement or in the Indenture.

Section 8.5. Binding Effect. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Issuer, the Borrower and their respective permitted successors and assigns provided that this Agreement may not be assigned by the Borrower (except in connection with a sale or transfer of assets pursuant to Section 5.2 hereof) and may not be assigned by the Issuer except to the Trustee pursuant to the Indenture or as otherwise may be necessary to enforce or secure payment of Bond Service Charges. This Agreement may be enforced only by the parties, their assignees and others who may, by law, stand in their respective places.

Section 8.6. Amendments and Supplements. Except as otherwise expressly provided in this Agreement or the Indenture, subsequent to the issuance of the Bonds and prior to all conditions provided for in the Indenture for release of the Indenture having been met, this Agreement, the Regulatory Agreement and the Note may not be effectively amended, changed, modified, altered or terminated except in accordance with the provisions of Article XI of the Indenture, as applicable.

Section 8.7. Execution Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 8.8. Severability. If any provision of this Agreement, or any covenant, obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 8.9. Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the internal laws of the State applicable to contracts to be wholly performed therein without reference to its conflict of laws principles.

Section 8.10. Non-Recourse Obligations. It is hereby expressly agreed and understood that the obligations of Borrower hereunder, under the Note and under every document executed and delivered in connection herewith, are non-recourse to any partner or employee of the Borrower (each, a "*Related Party*") or except with respect to the Borrower's obligations under Section 5.3 hereof, to any asset of the Borrower or any Related Party other than the Pledged Revenues. In furtherance thereof but subordinate to the rights of the Senior Lender in the same, the Issuer and the Trustee shall be entitled to look solely and exclusively to the Pledged Revenues for the payment and other obligations of Borrower hereunder, under the Note and all evidences of indebtedness secured hereby, and shall not seek a personal judgment against any partner, officer, director, member or stockholder of the Borrower, provided that nothing herein shall relieve any such Related Party from liability for any of the following:

- (a) rent collected for more than one month in advance and received by such Related Party and not applied to the payment of costs and expenses of the operation of the Project;
- (b) misappropriation or misapplication by such Related Party of insurance or eminent domain proceeds;
- (c) fraud or material misrepresentation by such Related Party against the Issuer or the Holder;
- (d) conversion by such Related Party of all or a material portion of the Project; or
- (e) gross negligence, willful misconduct or intentional torts by such Related Party relating to the Project or the revenues therefrom.

Section 8.11. Conflict With HUD-Insured Loan and HUD Regulations; Supremacy of Senior Lender Mortgage and HUD Regulatory Agreement. Notwithstanding anything in this Agreement to the contrary:

(a) The provisions hereof (other than any provisions relating to the limited liability, Additional Payments, or indemnification, of the Issuer) are subordinate and subject to the National Housing Act of 1934, as amended, HUD and GNMA regulations, related administrative requirements, and the Senior Lender Mortgage, Mortgage Note, the HUD Regulatory Agreement and other loan documents executed in connection with the HUD-Insured Loan (as defined below) (the “HUD Loan Documents”). In the event of any conflict between the provisions of this Agreement (other than provisions relating to the limited liability, or indemnification, of the Issuer) and the provisions of any applicable HUD regulations, related administrative requirements, or the HUD Loan Documents, the HUD regulations, related administrative requirements or HUD Loan Documents shall control. Any ambiguity or inconsistency will be resolved in favor of, and pursuant to, the HUD mortgage insurance requirements, HUD and GNMA statutory, regulatory and administrative requirements and the terms of the HUD Loan Documents.

(b) Enforcement of this Agreement will not result in any claim against the Project, the undisbursed proceeds of the Senior Lender’s loan (the “HUD-Insured Loan”), any reserve or deposit required by HUD in connection with the HUD-Insured Loan or the rents or income from the Project (other than available Surplus Cash, as such term is defined in the HUD Regulatory Agreement or as otherwise permitted by HUD).

(c) The Borrower shall not be deemed to be in violation of this Agreement if it shall take (or refrain from taking) any actions required (or prohibited) by HUD

pursuant to the National Housing Act of 1934, as amended, applicable HUD (and Section 8, if applicable) Regulations and related administrative requirements or the HUD Loan Documents.

(d) Any Project funds held by the Senior Lender for or on behalf of the Borrower shall be maintained separate and apart from the funds established and held by the Trustee and the various escrows and funds, if any, under the Indenture.

(e) No amendment to this Agreement shall conflict with the provisions of the National Housing Act, any applicable HUD regulations, related administrative requirements, the HUD Loan Documents, or any applicable GNMA regulations and related administrative requirements.

(f) This Agreement shall not be construed to restrict or adversely affect the duties and obligations of the Senior Lender under the contract of mortgage insurance between HUD and the Senior Lender with respect to the Project.

(g) Neither the Issuer, the Trustee nor any Holder has or shall be entitled to assert any claim against the Project, the undisbursed HUD-Insured Loan proceeds, any reserves or deposits required by HUD in connection with the HUD-Insured Loan or the rents or deposits or other income of the property other than "Surplus Cash" as defined in the HUD Regulatory Agreement.

(h) Nothing herein is intended to alter or conflict with the terms, conditions, and provisions of the HUD regulations, handbooks, administrative requirements, and lender notices in effect at the time of HUD's endorsement of the Mortgage Note, or the documents required to be executed by the Borrower in connection with the endorsement of the Mortgage Note; and to the extent that they do so, the HUD regulations, administrative requirements, handbooks, lender notices and documents shall control and this Agreement shall be amended or deemed amended so as not to alter or conflict with the aforesaid regulations, documents, administrative requirements, handbooks or notices. This provision shall terminate and be void upon termination of HUD-Insured Loan.

(End of Article VIII)

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Agreement to be duly executed in their respective names, all as of the date hereinbefore written.

**CITY OF FORT WAYNE, INDIANA**

(SEAL)

By: \_\_\_\_\_  
Thomas C. Henry, Mayor

ATTEST:

\_\_\_\_\_  
Lana R. Keesling, City Clerk

IN WITNESS WHEREOF, the Borrower have caused this Agreement to be duly executed in their respective names, all as of the date hereinbefore written.

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[REDACTED],  
[REDACTED TITLE]

## EXHIBIT A

### FORM OF NOTE

*This Note has not been registered under the Securities Act of 1933. Its transferability is restricted by the Trust Indenture and the Loan Agreement referred to herein.*

\$8,200,000.00

July \_\_, 2017

Glick Cambridge Square Fort Wayne II, LP, a limited partnership duly organized and validly existing under the laws of the State of Indiana (the “*Borrower*”), for value received, promises to pay in installments to The Huntington National Bank, as Trustee (the “*Trustee*”) under the Indenture hereinafter referred to, the principal sum of

EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS AND 00/100 (\$8,200,000.00)

and to pay interest on the unpaid balance of such principal sum from and after the date hereof at the rate of [INSERT]% per annum through and including the initial Mandatory Tender Date (as defined in the Indenture described below), and thereafter at the applicable Remarketing Rate (as defined in the Indenture) until the payment of such principal sum has been made or provided for. The principal sum stated above shall be paid on or before the fifth Business Day (as defined in the Indenture defined herein) immediately preceding May 1, 2019. Interest shall be calculated on the basis of a 360-day year of 12 equal months. Interest on this Note shall be paid in Federal Reserve funds on (a) the fifth Business Day next preceding May 1 and November 1, commencing November 1, 2018, (b) each Mandatory Tender Date, (c) the Maturity Date, and (d) the date of acceleration of the Bonds (the “*Interest Payment Dates*”).

This Note has been executed and delivered by the Borrower to the Trustee pursuant to a certain Loan Agreement (the “*Agreement*”) dated as of July 1, 2017, between the City of Fort Wayne, Indiana (the “*Issuer*”) and the Borrower. Terms used but not defined herein shall have the meanings ascribed to such terms in the Agreement and the Indenture, as defined below.

Under the Agreement, the Issuer has loaned the Borrower \$8,200,000 of the principal proceeds received from the sale of the Issuer’s \$8,200,000 Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) dated as of July 1, 2017 (the “*Bonds*”) to assist in the financing of the Project (as defined in the Agreement), and the Borrower has agreed to repay such loan by making payments (“*Loan Payments*”) at the times and in the amounts set forth in this Note for application to the payment of Bond Service Charges on the Bonds as and when due. The Bonds have been issued, concurrently with the execution and delivery of this Note, pursuant to, and are secured by, the Trust Indenture (the “*Indenture*”), dated as of July 1, 2017, between the Issuer and the Trustee.

To provide funds to pay the principal of and interest on the Bonds as and when due as specified herein, the Borrower hereby agrees to and shall make Loan Payments in Federal Reserve funds on the 5th Business Day immediately preceding each Interest Payment Date in an amount equal to the Bond Service Charges on the Bonds payable on the next succeeding Interest Payment Date. In addition, to provide funds to pay the Bond Service Charges on the Bonds as and when due at any other time, without duplication of the obligation stated above, the Borrower

hereby agrees to and shall make Loan Payments in Federal Reserve funds on the fifth Business Day immediately preceding any other date on which any Bond Service Charges on the Bonds shall be due and payable, whether at maturity, upon acceleration or otherwise, in an amount equal to those Bond Service Charges.

If payment or provision for payment in accordance with the Indenture is made in respect of the Bond Service Charges on the Bonds from moneys other than Loan Payments, this Note shall be deemed paid to the extent such payments or provision for payment of Bonds has been made. Consistent with the provisions of the immediately preceding sentence, the Borrower shall have credited against its obligation to make Loan Payments any amounts transferred from the Project Fund or the Assignment Fund to the Bond Fund. Subject to the foregoing, all Loan Payments shall be in the full amount required hereunder.

All Loan Payments shall be made to the Trustee at its corporate trust office for the account of the Issuer and deposited in the Bond Fund created by the Indenture. Except as otherwise provided in the Indenture, the Loan Payments shall be used by the Trustee to pay the Bond Service Charges on the Bonds as and when due.

The obligation of the Borrower to make the payments required hereunder shall be absolute and unconditional and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense (other than actual payment or performance), set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other person. The Borrower hereby waives the right to presentment, demand, protest, and notice of demand and protest.

This Note is subject to prepayment in accordance with the terms and provisions of Section 6.1 of the Loan Agreement.

Whenever an Event of Default under Section 7.01 of the Indenture shall have occurred and, as a result thereof, the principal of and any premium on all Bonds then outstanding, and interest accrued thereon, shall have been declared to be immediately due and payable pursuant to Section 7.03 of the Indenture, the unpaid principal amount of and any premium and accrued interest on this Note shall also be due and payable in Federal Reserve funds on the date on which the principal of and premium and interest on the Bonds shall have been declared due and payable; provided that the annulment of a declaration of acceleration with respect to the Bonds shall also constitute an annulment of any corresponding declaration with respect to this Note.

The payment obligations of this Note are non-recourse to the Borrower and its partners to the extent set forth in Section 8.10 of the Loan Agreement.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed in its name as of the date first above written.

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[REDACTED],  
[REDACTED]

**EXHIBIT B**

**SOURCES AND USES OF FUNDS**

**Source of Funds:**

Bond Proceeds	\$8,200,000
FHA Mortgage Loan	\$11,058,000
LIHTC Equity	\$4,101,968
GP Capital contribution	\$100
Deferred Development Fee	\$993,072
Completion Escrow LOC	\$564,774
Total Source of Funds	<u>\$24,917,914</u>

**Use of Funds:**

Payoff of Short Term Bonds	\$ 8,200,000
Land Acquisition Cost	\$1,300,000
Building Acquisition Cost	\$5,530,000
Hard Construction costs	\$5,727,705
Repair Completion Escrow – LOC only	\$564,774
Third Party/Architect/engineer/other	\$56,000
Soft costs, legal, lender, bonds	\$219,580
Bond Interest Costs	\$50,000
Bridge Loan Interest and Fees	\$150,000
Financing Fees and Costs	\$282,182
IHCDA Reservation Fees	\$30,973
LIHTC equity syndicator & issuer costs	\$50,000
Developer's Fee	\$1,987,500
Development Consultant	\$35,000
Reserves	\$734,200
Total Use of Funds	<u>\$24,917,914</u>

**Hard Construction Draw Schedule**

<u>Month</u>	<u>Amount</u>
Closing	\$ -
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
Total	\$

**EXHIBIT C**

**COMPLETION CERTIFICATE**

To:

The Huntington National Bank

City of Fort Wayne, Indiana

Pursuant to Section 3.6 of the Loan Agreement (the "Agreement") between the City of Fort Wayne, Indiana (the "Issuer") and Glick Cambridge Square Fort Wayne II, LP (the "Borrower"), dated as of July 1, 2017, and relating to the captioned Bonds, the undersigned Authorized Borrower Representative hereby certifies that (with capitalized words and terms used and not defined in this Certificate having the meanings assigned in the Agreement):

(a) The Project was substantially completed and available and suitable for use as multifamily housing on \_\_\_\_\_.

(b) All other facilities necessary in connection with the Project have been acquired, constructed, equipped and improved,

(c) The acquisition, construction, renovation, equipping and improvement of the Project and those other facilities have been accomplished in such a manner as to conform in all material respects with all applicable zoning, planning, building, environmental and other similar governmental regulations.

(d) [Except as provided in subsection (e) of this Certificate,] all costs of that acquisition and installation due on or after the date of this Certificate and now payable have been paid.

[(e) The Trustee shall retain \$ \_\_\_\_\_ in the Project Fund for the payment of costs of the Project not yet due or for liabilities which the Borrower is contesting or which otherwise should be retained, for the following reasons:]

(f) This Certificate is given without prejudice to any rights against third parties that now exist or subsequently may come into being.

IN WITNESS WHEREOF, the Authorized Borrower Representative has set his or her hand as of the \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
Authorized Borrower Representative

**EXHIBIT D**

**FORM OF WRITTEN REQUEST**

STATEMENT NO. \_\_\_\_\_ REQUESTING DISBURSEMENT OF FUNDS FROM  
THE DISBURSEMENT ACCOUNT OF THE PROJECT FUND PURSUANT TO  
SECTION 3.4 OF THE LOAN AGREEMENT DATED AS OF JULY 1, 2017  
BETWEEN THE CITY OF FORT WAYNE, INDIANA  
AND GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP

Pursuant to Section 3.4 of the Loan Agreement (the “*Agreement*”) between the City of Fort Wayne, Indiana (the “*Issuer*”) and Glick Cambridge Square Fort Wayne II, LP (the “*Borrower*”) dated as of July 1, 2017, the undersigned Authorized Borrower Representative hereby requests and authorizes The Huntington National Bank as trustee (the “*Trustee*”), as depository of the Project Fund created by the Indenture, to advance the monies deposited in the Project Account created by the Indenture to the Senior Lender to fund the HUD insured loan.

This statement constitutes the approval of the Borrower of each disbursement hereby requested and authorized.

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Authorized Borrower Representative

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Investor Limited Partner

ATTACHMENT 1  
HUD DISBURSEMENT REQUEST  
TO THE SENIOR LENDER

PRELIMINARY OFFICIAL STATEMENT DATED JUNE \_\_, 2017

New Issue

Moody's: "\_\_\_\_"  
(See "RATING" herein)

In the opinion of Krieg DeVault LLP, Indianapolis, Indiana, Bond Counsel, under existing federal statutes, decisions, regulations and rulings existing on this date, interest on the Bonds (as herein defined) is excludable for federal income tax purposes from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code") except for interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Project (as hereinafter defined) or a "related person" within the meaning of Section 147(a) of the Code, and except as set forth under the heading "TAX MATTERS" herein. Further, under existing law, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and is not taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. Such opinion is conditioned on continuing compliance with the Tax Covenants (as herein defined). In the opinion of Krieg DeVault LLP, under existing laws, statutes, decisions, regulations and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. See "TAX MATTERS" and Appendix A herein.

**\$8,200,000\***  
**CITY OF FORT WAYNE, INDIANA**  
**MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2017**  
**(CAMBRIDGE SQUARE PROJECT)**

Dated as of July 1, 2017  
Initial Interest Rate: \_\_\_\_%

CUSIP<sup>®</sup>(a): \_\_\_\_\_  
Offering Price: \_\_\_\_\_ Initial Mandatory Tender Date: November 1, 2018\*  
Due May 1, 2019\*

The City of Fort Wayne, Indiana (the "Issuer") is issuing its \$8,200,000 Multifamily Housing Revenue Bonds (Cambridge Square Project) Series 2017\_ (the "Bonds"). The Bonds are issuable only as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any greater integral multiple of \$5,000. Interest on the Bonds will be payable on each May 1 and November 1, commencing November 1, 2017\*. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Bonds will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York. Principal of and interest on the Bonds is payable by The Huntington National Bank, as trustee (the "Trustee"), to Cede & Co., which is to remit such payments to the Direct Participants (as defined herein) for subsequent disbursement to the purchasers of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Bonds are being issued by the Issuer, pursuant to a Trust Indenture (the "Indenture"), dated as of July 1, 2017, by and between the Issuer and the Trustee, to provide financing to Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership (the "Owner"), for acquiring, rehabilitating, constructing, equipping and improving privately owned real and personal property of a multifamily housing complex currently known as the Cambridge Square, located at 7600 Cold Springs Boulevard, Fort Wayne, IN, and containing approximately 200 affordable living units and certain functionally-related improvements, or any other use that may be permitted under the Act (the "Project"). At all times the Bonds will be secured by Available Money (as defined herein) sufficient, without need for reinvestment, to pay all of the interest on the Bonds when due and to pay the principal of the Bonds on the earlier of any Mandatory Tender Date or any Redemption Date, as further described herein. Available Money will be invested in Eligible Investments under the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

The Bonds are subject to mandatory tender for purchase on November 1, 2018 (the "Initial Mandatory Tender Date"), subject to satisfaction of the applicable terms and conditions of remarketing set forth in the Indenture, or mandatory redemption, if the conditions to remarketing the Bonds are not met on or before the Initial Mandatory Tender Date. All Bondholders must tender their Bonds for purchase on the Initial Mandatory Tender Date. The Bonds may be remarketed and a new interest rate for the Bonds may be determined on the Initial Mandatory Tender Date in accordance with the terms of the Indenture, or the Bonds may be redeemed and cancelled on the Initial Mandatory Tender Date. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

THE BONDS ARE NOT A GENERAL OBLIGATION, DEBT OR BONDED INDEBTEDNESS OF THE ISSUER, OR A PLEDGE OF THE MONEYS, FAITH AND CREDIT OF THE ISSUER, AND THE HOLDERS OF THE BONDS HAVE NOT BEEN GIVEN AND DO NOT HAVE ANY RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE ISSUER FOR THE PAYMENT OF BOND SERVICE CHARGES THEREON.

The Bonds are offered when, as and if issued and received by the Underwriter, subject to the legal opinion of Krieg DeVault LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Squire Patton Boggs (US) LLP, Cleveland, Ohio, and for the Owner by its counsel, Kuhl & Grant LLP, Indianapolis, Indiana. It is expected that the Bonds will be available for delivery to The Depository Trust Company in New York, New York, on or about July \_\_, 2017.

**THE STURGES COMPANY**

July \_\_, 2017

(a) Copyright © 2017, CUSIP Global Services (see Regarding This Official Statement).

\* Preliminary, subject to change.

THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED IN IT ARE SUBJECT TO COMPLETION AND AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds offered hereby, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

## **REGARDING THIS OFFICIAL STATEMENT**

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds identified on the cover hereof. No person has been authorized to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. The information and expression of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor the sale of any of the Bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Information herein has been obtained from the Issuer (only as to the Sections labeled "THE ISSUER" and "ABSENCE OF LITIGATION" as it relates to the Issuer) and the Borrower and other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter.

The Issuer has not confirmed, and assumes no responsibility for, the accuracy, completeness, sufficiency or fairness of any statements in this Official Statement or any amendments thereof or supplements thereto, other than in the Sections labeled "THE ISSUER" and "ABSENCE OF LITIGATION" as it relates to the Issuer, or in any reports, financial information, offering or disclosure documents or other information relating to the Underwriter, the Project, the Owner, or the history, businesses, properties, organization, management, financial condition, market area or any other matter relating to the Owner or contained otherwise in this Official Statement.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Upon issuance, the Bonds will not be registered by the Issuer under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or, other than the Issuer (to the extent described herein) approved the Bonds for sale.

CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by Standard & Poor's. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer or the Owner and are included solely for the convenience of the holders of the Bonds. The Issuer, the Bond Counsel and the Underwriter are not responsible for the selection or use of these CUSIP numbers and make no representation as to their correctness on the Bonds or the Cover of this Official Statement or as indicated above.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT TEND TO STABILIZE OR MAINTAIN THE MARKET PRICE FOR THE BONDS ABOVE THE LEVELS THAT WOULD OTHERWISE PREVAIL. SUCH ACTIVITIES, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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**\$8,200,000\***  
**CITY OF FORT WAYNE, INDIANA**  
**MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2017**  
**(CAMBRIDGE SQUARE PROJECT)**

**INTRODUCTION**

This Official Statement sets forth certain information concerning the issuance and sale by the City of Fort Wayne, Indiana (the “*Issuer*”), a municipal corporation organized and validly existing under the laws of the State of Indiana (the “*State*”), of \$8,200,000\* aggregate principal amount of Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) (the “*Bonds*”). The Bonds will be issued pursuant to Indiana Code Title 36, Article 7, Chapters 11.9 and 12, as amended (collectively, the “*Act*”), and a resolution of the Issuer (the “*Bond Resolution*”) and secured by a Trust Indenture, dated as of July 1, 2017 (the “*Indenture*”), between the Issuer and The Huntington National Bank, as trustee (in such capacity, the “*Trustee*”). The Bonds are being issued to make a loan (the “*Loan*”) to Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership (the “*Owner*”) for acquiring, rehabilitating, constructing, equipping and improving privately owned real and personal property of a multifamily housing complex currently known as the Cambridge Square, located at 7600 Cold Springs Boulevard, Fort Wayne, IN, and containing approximately 200 affordable living units and certain functionally-related improvements, or any other use that may be permitted under the Act (the “*Project*”). The terms of the financing are to be as set forth in the Loan Agreement dated as of July 1, 2017 (the “*Loan Agreement*”). The obligation of the Owner to repay the Loan pursuant to the Loan Agreement will be evidenced by a promissory note (the “*Note*”).

Under the terms of the Indenture, an amount equal to the par amount of the Bonds is to be deposited in the Project Fund and amounts received as accrued interest plus the negative arbitrage deposit are to be deposited in the Interest Payment Account of the Bond Fund established under the Indenture, and invested in Eligible Investments, as defined in the Indenture. See “THE INDENTURE—Investment of Funds” herein.

The principal of and interest on the Bonds are payable from the security pledged under the Indenture, including the payments on the investment of funds under the Indenture. Under the Indenture, the Trustee is to invest amounts held under the Indenture in Eligible Investments (as defined below). See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” and “THE INDENTURE—Investment of Funds” herein.

The Owner’s operation the Project will be subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of July 1, 2017 (the “*Regulatory Agreement*”), among the Owner, the Trustee and the Issuer, which contains covenants required to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Regulatory Agreement will require that for the Qualified Project Period (as defined therein), 40% of the dwelling units in the Project be occupied by families or individuals of low or moderate income, defined as families or individuals whose income does not exceed 60% (adjusted for family size) of the median gross income for the area in which the Project is located.

Brief descriptions of the Issuer, the Bonds, the security for the Bonds, the Owner, the Project, the Indenture and the Loan Agreement, are included in this Official Statement. All references herein to the Indenture, the Loan Agreement and other documents and agreements are qualified in their entirety by

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\* Preliminary, subject to change.

reference to such documents and agreements, copies of which are available for inspection at the offices of the Trustee.

### **THE ISSUER**

The Issuer is a municipal corporation organized and validly existing under the laws of the State. The Issuer is empowered to issue its bonds to provide funds to finance multifamily housing developments, as described in the Act. The Issuer adopted a resolution authorizing the issuance of the Bonds (the "*Bond Resolution*"). The responsibility for the operation of the Project will rest entirely with the Owner and not with the Issuer.

The Issuer acts as a conduit issuer and also issues obligations for its own purposes. Each bond issue or note issue the Issuer issues as a conduit issuer is an independent and separate obligation of the Issuer secured solely by the amounts pledged under the related trust indenture.

THE BONDS ARE NOT A GENERAL OBLIGATION, DEBT OR BONDED INDEBTEDNESS OF THE ISSUER, OR A PLEDGE OF THE MONEYS, FAITH AND CREDIT OF THE ISSUER, AND THE HOLDERS OF THE BONDS HAVE NOT BEEN GIVEN AND DO NOT HAVE ANY RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE ISSUER FOR THE PAYMENT OF BOND SERVICE CHARGES THEREON.

No agreement or obligation contained in the Indenture shall be deemed to be an agreement or obligation of any officer, employee, servant or agent of the Issuer in his or her individual capacity, and neither the directors of the Issuer nor any officer thereof executing any Bond shall be liable personally on such Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, employee, commissioner, servant or agent of the Issuer shall incur any personal liability with respect to any other action taken by him or her pursuant to the Indenture.

EXCEPT FOR INFORMATION CONCERNING THE ISSUER IN THIS SECTION AND "ABSENCE OF LITIGATION" (WITH RESPECT TO THE ISSUER), NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

### **THE BONDS**

The Bonds are available in book-entry only form. See "APPENDIX B - BOOK-ENTRY ONLY SYSTEM". So long as Cede & Co., as nominee of The Depository Trust Company, is the registered owner of the Bonds, references herein to the Bondholders or holders or registered owner or owners of the Bonds mean Cede & Co. and not the beneficial owners of the Bonds.

#### **General**

The Bonds are issuable in the denomination of \$5,000 principal amount or any greater integral multiple thereof. The Bonds will be dated as of July 1, 2017, will initially bear interest at the rate set forth on the cover page hereof until November 1, 2018 (the "*Initial Mandatory Tender Date*") and will mature on May 1, 2019\*, and are subject to mandatory tender for purchase or mandatory redemption on the Initial Mandatory Tender Date. Interest will be payable on each May 1 and November 1, commencing November 1, 2017\* (each, an "*Interest Payment Date*"), each mandatory tender date (each,

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\* Preliminary, subject to change.

together with the Initial Mandatory Tender Date, a “*Mandatory Tender Date*”) after the Initial Mandatory Tender Date, and the Maturity Date in accordance with the provisions of the Indenture. Interest will be calculated and be due on the basis of a 360-day year consisting of twelve 30-day months. Principal of and interest on the Bonds will be payable by the Trustee to Cede & Co. as nominee of DTC. See “APPENDIX B - BOOK-ENTRY ONLY SYSTEM”.

### **Special Obligations**

The Bonds are special, limited obligations of the Issuer payable solely from the Trust Estate (as defined herein) pledged under the Indenture and not from any other revenues, funds or assets of the Issuer. The Bonds are not general obligations, debt or bonded indebtedness of the Issuer or of the State or any political subdivision thereof, and the holder thereof does not have the right to have excises or taxes levied by the Issuer or by the State or any political subdivision thereof for the payment of the principal and premium, if any, and interest on the Bonds.

### **Mandatory Tender**

Purchase of Bonds on Mandatory Tender Dates. All Outstanding Bonds shall be subject to Mandatory Tender by the Holders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Bond shall be payable in lawful money of the United States of America by wire, check or draft, shall equal 100% of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date, and shall be paid in full on the applicable Mandatory Tender Date.

Holding of Tendered Bonds. While tendered Bonds are in the custody of the Trustee pending purchase pursuant to the Indenture, the tendering Holders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Bonds had not been tendered for purchase.

Purchase of Tendered Bonds. The Trustee shall utilize amounts representing proceeds of remarketed Bonds on deposit in the Remarketing Proceeds Account to pay the principal amount, plus accrued interest, of Bonds tendered for purchase not later than 11:30 a.m. Local Time on the Mandatory Tender Date.

Undelivered Bonds. Bonds shall be deemed to have been tendered for purposes of the Indenture whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee, and subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds on the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof pursuant to the remarketing of such Undelivered Bonds.

### **Notice of Mandatory Tender**

Notice to Holders. Not later than the 30<sup>th</sup> day prior to a Mandatory Tender Date, the Trustee shall give written notice of a mandatory tender on the Mandatory Tender Date to the Holders of the Bonds then Outstanding (with a copy to the Owner, the Issuer, the Investor Limited Partner, and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

- (i) the Mandatory Tender Date and that (A) if certain conditions are met, all Outstanding Bonds are subject to Mandatory Tender for purchase on the Mandatory Tender Date, (B) all Outstanding Bonds must be tendered for purchase no later than 9:00 a.m. Local Time, on the Mandatory Tender Date and (C) Holders will not have the right to elect to retain their Bonds;

(ii) the address of the Designated Office of the Trustee at which Holders should deliver their Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date;

(iv) that if, in the event that the conditions to remarketing set forth in the Indenture are not met as set forth therein, or, if proceeds from the remarketing are insufficient to pay the purchase price of the Bonds on the Mandatory Tender Date, all of the Bonds will be redeemed, without further notice, on the Mandatory Tender Date; and

(v) that any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

Second Notice. In the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the 30th day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in the Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of the Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Bond.

Failure to Give Notice. Neither failure to give or receive any notice described in this heading, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this heading.

### **Mandatory Redemption**

On each Mandatory Tender Date, the Bonds shall be redeemed in whole at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the Mandatory Tender Date, upon the occurrence of any of the following events: (i) the Owner has previously elected not to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth therein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Assignment Fund, (ii) amounts on deposit in the Bond Fund, (iii) amounts on deposit in the Project Fund, and (iv) any other Available Money made available for such purpose at the direction of the Owner.

*“Available Money”* means, as of any date of determination, any of (i) the proceeds of the Bonds, (ii) the proceeds of draws by the Trustee on any letters of credit provided to the Trustee for the benefit of the Owner, (iii) any other amounts, including the proceeds of refunding bonds, for which, in each case, the Trustee has received an opinion of counsel acceptable to the Rating Agency (as defined below) to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 544, 547 or 550 of the Bankruptcy Code should the Issuer or the Owner become a debtor in proceedings commenced under the Bankruptcy Code, (iv) any payments made by the Owner and held by the Trustee for a period of 123 days, provided that no Act of Bankruptcy with respect to the Owner has occurred during such period,

(v) the Collateral Funds, and (vi) investment income derived from the investment of money described in clause (i), (ii), (iii), (iv) or (v).

“*Rating Agency*” means Moody’s Investor Services, Inc., or any successor thereto.

#### **No Additional Parity Bonds**

The Indenture does not permit the Issuer to issue additional indebtedness prior to or on a parity with the Bonds.

#### **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

**At all times the Bonds will be secured by Available Money sufficient, without need for reinvestment, to pay all of the interest on the Bonds when due and to pay the principal of the Bonds on the earlier of any Mandatory Tender Date or any Redemption Date, as further described herein. Available Money will be invested in Eligible Investments under the Indenture. See “THE INDENTURE – Investment of Funds” herein.**

The Bonds will be secured under the Indenture by all right, title and interest of the Issuer in and to (i) the Pledged Revenues, as defined below, including, without limitation, all payments by the Owner pursuant to the Note (the “*Loan Payments*”) and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan, (ii) the Special Funds, as defined below, including all accounts in those Funds and all money deposited therein and the investment earnings on such money, (iii) subject to the provisions of the Bond Resolution, all right, title and interest of the Issuer in the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds are invested, and (except for money required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time pledged, assigned or transferred, as and for additional security under the Indenture by the Issuer or by anyone in its behalf, or with its written consent, to the Trustee, and (iv) the Loan Agreement and Note, except for certain unassigned rights of the Issuer. Such assets are referred to herein as the “*Trust Estate*.”

“*Pledged Revenues*” means (a) the Loan Payments, (b) all other money received or to be received by the Issuer or the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (c) any money and investments in the Project Fund and the Assignment Fund, and (d) all income and profit from the investment of the foregoing money. The term “*Pledged Revenues*” does not include any money or investments in the Rebate Fund or the Residual Fund.

“*Special Funds*” means, collectively, the Bond Fund, the Project Fund and the Assignment Fund, and any accounts therein, all as created in the Indenture.

Amounts deposited in the Special Funds are to be invested in Eligible Investments. See “THE INDENTURE—Investment of Funds” herein.

The Bonds are special obligations of the Issuer payable from the Trust Estate. The Bonds and the interest thereon do not represent or constitute a general obligation, debt or bonded indebtedness or a pledge of the faith and credit, moneys or taxing power of the Issuer, the State, or any political subdivision of the State within the meaning of any constitutional, charter or statutory limitations. Neither the Issuer nor the State nor any political subdivision of the State will be obligated to pay the principal of and the interest on the Bonds or other costs incident thereto except from revenues pledged therefor and received under the Indenture, all as more fully set forth in the Indenture.

## **THE PROJECT**

The Project, currently known as Cambridge Square, consists of acquiring, rehabilitating, constructing, equipping and improving privately owned real and personal property of a multifamily housing complex located at 7600 Cold Springs Boulevard, Fort Wayne, IN, and containing approximately 200 affordable living units and certain functionally-related improvements, or any other use that may be permitted under the Act. The Project will not be pledged as security for the Bonds.

## **THE OWNER**

The Owner of the Project will be Glick Cambridge Square Fort Wayne II, LP (the "*Owner*"), an Indiana limited partnership. The general partner of the Owner is Glick Cambridge Square Fort Wayne II LIHTC, LLC (the "*General Partner*"), an Indiana limited liability company.

The Sole Member of the General Partner is the Gene B. Glick Company, an Indiana corporation. The Gene B. Glick Company was founded in 1947 in Indianapolis, and by the early 1960s, it was the largest single-family home builder in Indiana. It built its first apartment community in 1962, and by the mid-1970s the business focused solely on multi-family housing development and management. Today, the Gene B. Glick Company is one of the largest privately held real estate management and development firms in the United States, with more than 20,000 units in 12 states.

The Owner does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the ownership of the Project. However, the Owner's partners and affiliates may engage in the acquisition, development, ownership and management of similar types of housing projects.

Neither the Owner nor its partners or affiliates will be personally liable to pay the principal of and interest on the Bonds. Furthermore, no representation is made that the Owner will have substantial funds available for the Project. Accordingly, neither the Owner's financial statements nor those of its affiliates or partners are included in this Official Statement.

## **THE TRUSTEE**

The Huntington National Bank will serve as Trustee under the Indenture. The Trustee is a national banking association organized under the laws of the United States of America.

## ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of certain funds to be available upon the issuance and delivery of the Bonds:

<u>Sources of Funds</u>	
Principal Amount of Bonds	\$8,200,000.00
Accrued Interest	0.00
Negative Arbitrage Deposit	0.00
Total Sources	<u>\$0.00</u>
<u>Uses of Funds</u>	
Deposit to Project Fund	\$8,200,000.00
Deposit to Bond Fund	0.00
Total Uses	<u>\$0.00</u>

In addition to the Bond proceeds, the following additional sources of funds will be available to pay costs of the Project:

### **Tax Credit Equity**

In addition to the proceeds of the Bonds, the Project will be financed with tax credit equity, which will pay for the costs of issuance of the Bonds and a portion of the other costs including construction costs. PNC Bank, National Association (“PNC”), as the limited partner (the “*Investor Limited Partner*”) and a corporation affiliated with PNC as the special limited partner (the “*Special Limited Partner*”), will own a 99.99% interest in the Owner. In connection with this interest, the tax credit equity is expected to be approximately \$4,079,009.00, which is expected to be funded pursuant to the terms of Owner’s [Amended and Restated Limited Partnership Agreement].

### **Collateral Funds**

In connection with the development of the Project, PR Mortgage & Investment Corp. (the “*FHA Lender*”) has received a commitment from the Federal Housing Administration (“*FHA*”) pursuant to Section 223(f) of the National Housing Act in the approximate amount of \$11,058,000, that enables, upon compliance with the terms and conditions thereof, the FHA Lender to make FHA-insured advances in an aggregate amount to the Owner, evidenced by a nonrecourse mortgage note secured by a first lien mortgage on the Project. As construction costs are incurred, the Owner will request such construction advances from the FHA Lender and the FHA Lender will make, or caused to be made, deposits with the Trustee (the “*Collateral Funds*”) and the Trustee will simultaneously disburse a like amount of Bond proceeds from the project Fund to pay Project costs. Collateral Funds in an amount not to exceed the principal amount of the Bonds are to be deposited in the Assignment Fund by the Trustee, upon receipt thereof, pursuant to the Indenture. The Owner has collaterally assigned its right to receive the Collateral Funds to the Trustee. None of the owners of the Bonds, the Trustee or the Issuer will have rights with respect to the FHA Insured Mortgage Loan or under the FHA Loan Documents. Furthermore, none of the owners of the Bonds, the Trustee or the Issuer will have a lien on any funds, accounts or reserves established, maintained and/or collected by the FHA Lender in connection with the FHA Insured Mortgage Loan. FHA does not provide enhancement with respect to the Bonds.

## **CERTAIN BONDHOLDERS' RISKS**

*The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.*

### **Limited Security; Investment of Funds**

The Bonds are special obligations of the Issuer payable solely from the Trust Estate, which includes certain funds pledged to and held by the Trustee pursuant to the Indenture.

The Bonds are offered solely on the basis of the amounts held under the Indenture and are not offered on the basis of the credit of the Owner, the feasibility of the Project or any other security. As a consequence, limited information about the Project and no information about the financial condition or results of operations of the Owner is included in this Official Statement. The Bonds are offered only to investors who, in making their investment decision, rely solely on the amounts held under the Indenture and not on the credit of the Owner, the feasibility of the Project or any other security.

The principal of and interest on the Bonds are payable solely from and secured exclusively by certain revenues and funds pledged thereto under the Indenture. The Project will not be subject to any mortgage for the benefit of the holders of the Bonds. An amount equal to the proceeds from sale of the Bonds is to be deposited in the Interest Payment Account of the Bond Fund and the Project Fund and invested in Eligible Investments pursuant to the Indenture.

The Trustee is required to invest amounts held in the Special Funds in Eligible Investments, as defined in the Indenture. See "THE INDENTURE—Investment of Funds." In the event the Trustee is forced for any reason to liquidate the Eligible Investments prior to their stated maturity date, no assurance can be given, however, that the Trustee will be able to reinvest such amounts at a rate equal to the rate earned on the redeemed Eligible Investments. Failure to receive such a rate of return or a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

### **Taxability**

The Bonds are not subject to redemption, and the rate of interest on the Bonds is not subject to adjustment, by reason of the interest on the Bonds being included in gross income for purposes of federal income taxation. Such event could occur if the Owner (or any subsequent owner of the Project) does not comply with the provisions of the Regulatory Agreement and the Loan Agreement that are designed, if complied with, to satisfy the continuing compliance requirements of the Code in order for the interest on the Bonds to be excludable from gross income for purposes of federal income tax.

### **Enforceability of Remedies**

The remedies available to the Trustee and the owners of the Bonds upon an event of default under the Loan Agreement or the Indenture are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under the Loan Agreement or the Indenture may not be readily available, and the Owner will have no personal liability for the satisfaction of any obligation of the Owner under such agreements or of any claim against the Owner arising out of such agreements or the Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds and the documents described above is subject to limitations imposed by such things as the exercise of judicial

discretion in accordance with general principles of equity (whether applied by a court of law or a court of equity), including judicial limitations on rights to specific performance and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights, to the extent constitutionally applicable.

### **No Personal Liability of Owner**

The Owner has not been nor will it be personally liable for payments on the Bonds, nor will the Owner be personally liable under the other documents executed in connection with the issuance of the Bonds.

### **Secondary Markets and Prices**

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance can be given that any secondary market will develop following the completion of the offering of the Bonds contemplated by this Official Statement, and no assurance can be given that the Bonds can be resold at their initial offering prices for any period of time.

### **Eligible Investments**

Proceeds of the Bonds deposited into the Project Fund and money received by the Trustee for deposit into the Assignment Fund are required to be invested in Eligible Investments. See "THE INDENTURE—Investment of Funds" herein. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Project Fund or the Assignment Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

### **Rating Based on Eligible Investments**

The rating on the Bonds is based on the amounts in the Project Fund and the Assignment Fund being invested in Eligible Investments. If one or more of such investments fail to meet the rating standards for Eligible Investments after their acquisition and prior to maturity, such a change may result in a downgrade or withdrawal of the rating on the Bonds.

### **Future Legislation; IRS Examination**

The Project, its operation and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations may not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the trust estate created under the Indenture, the Project, or the financial condition of or ability of the Borrower to comply with its obligations under the various transaction documents.

In recent years, the Internal Revenue Service ("IRS") has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See "TAX MATTERS" herein. No assurance can

be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

### **Summary**

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement, including the Appendices hereto.

### **THE INDENTURE**

*The following is a brief summary of certain provisions of the Indenture. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Indenture, copies of which are on file with the Issuer and the Trustee.*

### **Authorized Amount of Bonds**

No Bonds may be issued under the Indenture except in accordance with the Indenture. The total authorized principal amount of Bonds to be issued under the provisions of the Indenture is \$8,200,000\*. The Indenture does not contemplate or authorize the issuance of additional series of parity bonds.

### **Payment and Ownership of Bonds**

Principal and interest on the Bonds ("*Bond Service Charges*") will be payable in lawful money of the United States of America without deduction for the services of the Trustee or any Paying Agent. Subject to the provisions of the Indenture with respect to the book-entry only system, (i) the principal of any Bond will be payable when due to a Holder upon presentation and surrender of such Bond at the principal corporate trust office of the Trustee or at the office, designated by the Trustee, of any Paying Agent, and (ii) interest on any Bond will be paid on each Interest Payment Date by check or draft which the Trustee will cause to be mailed on that date to the Person in whose name the Bond (or one or more Predecessor Bonds) is registered at the close of business on the 15<sup>th</sup> calendar day of the month immediately preceding that Interest Payment Date or 45 days before any Mandatory Tender Date (the "*Regular Record Date*") on the Register at the address appearing therein.

If and to the extent, however, that the Trustee fails to make payment or provision for payment of interest on any Bond on any Interest Payment Date, that interest shall cease to be payable to the Person who was the Holder of that Bond (or of any previous Bond or Bonds evidencing all or a portion of the same debt as that evidenced by the particular Bond or Bonds ("*Predecessor Bonds*")) as of the applicable Regular Record Date. In that event, except as described below under this caption, when moneys become available for payment of the interest, (x) the Trustee shall, pursuant to the Indenture, establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (y) the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed by first-class mail, postage prepaid, to each Holder at its address as it appears on the Register not fewer than 10 days prior to the Special Record Date and, thereafter, such interest will be payable to the persons who are the Holders of the Bonds (or their respective Predecessor Bonds) at the close of business on the Special Record Date.

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\* Preliminary, subject to change.

Subject to the foregoing, each Bond delivered under the Indenture upon transfer thereof, or in exchange for or in replacement of any other Bond, will carry the rights to interest accrued and unpaid, and to accrue on that Bond, or which were carried by that Bond.

### **Establishment of Funds**

The following funds are to be established and maintained by the Trustee under the Indenture:

- the Bond Fund, including a separate Principal Payment Account, Interest Payment Account, and Remarketing Proceeds Account therein;
- the Project Fund;
- the Assignment Fund;
- the Residual Fund; and
- the Rebate Fund.

Amounts held in the Rebate Fund and the Residual Fund are not security for the Bonds and therefore are not available to pay the amounts due on the Bonds.

### **Application of Loan Payments**

All payments under the Loan Agreement are to be deposited by the Trustee as follows: (1) into the Interest Payment Account, at least the amount necessary to pay the interest on the Bonds on the next succeeding Interest Payment Date; and (2) into the Principal Payment Account, at least the amount necessary to pay the principal due on the Bonds on the next succeeding Interest Payment Date; provided that the amounts required to be deposited into the Interest Payment Account and the Principal Payment Account may be deposited in the form of either or both money or direct obligations of the United States of America or obligations the full and prompt payment of which is secured by the pledge of the full faith and credit of the United States of America of those maturities and bearing the rate or rates of interest which will be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to produce the amounts required to be on deposit on the next succeeding Interest Payment Date.

### **Project Fund and Assignment Fund**

On the Closing Date, the Trustee is to use money in the Project Fund and the Interest Payment Account of the Bond Fund to purchase Eligible Investments. To the extent money is not otherwise provided to the Trustee, including money deposited into the Bond Fund or the Assignment Fund, the Trustee is to transfer from the Project Fund to the Bond Fund sufficient Available Money to make the necessary interest and principal payments on each Interest Payment Date without further written direction.

Upon receipt of installments of Collateral Funds, the Trustee is to deposit such Collateral Funds in the Assignment Fund. Amounts on deposit in the Assignment Fund shall be invested in Eligible Investments that can be liquidated at or prior to the Initial Mandatory Tender Date at a price sufficient to pay Bond Service Charges on the Bonds as they become due. Each deposit into the Assignment Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions of the Indenture.

To the extent money on deposit in the Project Fund is invested in Eligible Investments at the time of any requested and permitted disbursement under the Indenture, the Trustee is authorized to exchange an amount of such Eligible Investments in the Project Fund for a like amount of Collateral Funds on deposit in the Assignment Fund and then disburse such amount of Bond proceeds from the Project Fund without the need to sell or terminate such Eligible Investments prior to their stated maturity date; provided, however, and that any such exchange must be accompanied by a requisition in the form attached to the Loan Agreement signed by the Authorized Borrower Representative that designates the Project costs to which amounts withdrawn from the Project Fund are allocated.

Upon the maturity of the Bonds, the Trustee will redeem any investments in the Assignment Fund and deposit the proceeds thereof, and any other amounts then on deposit in the Assignment Fund, into the Bond Fund to pay Bond Service Charges on the Bonds, in accordance with the provisions of the Indenture.

The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and the Assignment Fund and all disbursements therefrom. If requested by the Issuer or the Borrower, after the Project has been completed and a certificate of payment of all costs is filed in accordance with this Indenture, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower.

When the aggregate principal amount on deposit in the Assignment Fund, together with the scheduled investment earnings thereon, equals the expected Bond Service Charges to be paid on the Bonds to and including the Maturity Date, the excess amounts shall be transferred upon receipt to the Residual Fund and used to pay Project Costs in accordance with the Loan Agreement.

Notwithstanding any provision of the Loan Agreement or any other provision of the Indenture to the contrary, the Trustee is not to disburse money from the Project Fund other than to pay Bond Service Charges unless and until the Trustee receives satisfactory evidence that Collateral Funds or other Available Money (or any combination of the foregoing) in an amount equal to or greater than the requested disbursement amount has been deposited in the Assignment Fund. Prior to making any disbursement, the Trustee is to verify that, upon making the disbursement, the aggregate amount held in the Assignment Fund and the Project Fund, together with projected investment earnings thereon, will be sufficient to pay Bond Services Charges as and when they become due.

### **Bond Fund**

As provided in the Loan Agreement, and as evidenced and to be evidenced by the Note, Bond Service Charges are to be paid, as they become due, (i) in the first instance from the money on deposit in the Interest Payment Account and Principal Payment Account of the Bond Fund, (ii) next from amounts on deposit in the Assignment Fund and transferred as necessary to the Bond Fund, and (iii) thereafter, from amounts on deposit in the Project Fund and transferred as necessary to the Bond Fund.

## **Investment of Funds**

Except as otherwise set forth below, money in the Special Funds and the Rebate Fund are to be invested and reinvested by the Trustee in Eligible Investments at the oral or written direction (promptly confirmed in writing, if oral) of the Owner. At no time is the Owner to direct that any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code.

Investments of moneys in the Bond Fund, the Project Fund and the Assignment Fund are to mature or be redeemable at the times and in the amounts, and are to pay interest at the times and at the rates, necessary to provide money to pay Project costs or to pay Bond Service Charges on the Bonds, as the case may be, as they become due.

The amount deposited at closing into the Bond Fund will be invested in Eligible Investments that have a maturity date (or are redeemable at par) not later than the date when such funds are needed to pay Bond Service Charges on the Bonds. Amounts on deposit in the Project Fund on the Closing Date will be invested in Eligible Investments. Investment earnings from the Eligible Investments shall be invested in Eligible Investments that have a maturity date (or are redeemable at par) not later than the date when such funds are needed to pay Bond Service Charges on the Bonds. The amounts invested in Eligible Investments shall be invested at fair market value at a yield less than the yield on the Bonds.

“*Eligible Investments*” means any of the following investments, to the extent permitted under the Act and other applicable law, that mature (or are redeemable at the option of the Trustee) at such time or times as to enable disbursements to be made from the fund in which such investment is held in accordance with the applicable terms:

(a) Direct obligations of the United States of America or obligations the full and prompt payment of which is secured by the pledge of the full faith and credit of the United States of America, provided that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under the Indenture;

(b) Non-callable, non-prepayable obligations of the following federal government agencies: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration, provided the entity maintains a rating of “Aaa” from the Rating Agency and provided, further, that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under the Indenture;

(c) Obligations of any state or any political subdivision of any state, which are rated in the highest category for long-term debt by the Rating Agency, the interest on which is excluded from gross income for federal income tax purposes and the full and timely payment of the principal of and any premium and the interest on which is fully and unconditionally payable from obligations of the character described in (a) or (b) above, provided that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under the Indenture; and

(d) (1) the following money market funds, so long as they invest solely in direct obligations issued by the U.S. Treasury or repurchase agreements backed by those obligations: First American U.S. Treasury Money Market Fund; Wells Fargo Advantage 100% Treasury Money Market Funds; Federated

U.S. Treasury Cash Reserves (Fund 125); and Federated Treasury Obligations Fund (Fund 68); or, in the event those funds cease to exist or no longer have a rating of the highest category (without regard to gradation within a category) by the Rating Agency, (2) money market funds conforming to Rule 2a-7 of the Federal Investment Company Act of 1940, including any money market fund the investment advisor of which is the Trustee or an affiliate of the Trustee, (i) whose shares are registered under the Federal Securities Act of 1933 that invest solely in direct obligations issued by the U.S. Treasury and repurchase agreements backed by those obligations, (ii) which have a rating of the highest category (without regard to gradation within a category) by the Rating Agency and (iii) which are acceptable to the Rating Agency and the Underwriter.

Investments of moneys in the Bond Fund, the Project Fund and the Assignment Fund will mature or be redeemable at the times and in the amounts, and will pay interest at the times and at the rates, necessary to provide moneys to pay Bond Service Charges on the Bonds as they become due.

All investment earnings from the Special Funds will be credited to the Bond Fund and be used, without further direction, to pay interest on the Bonds on each Interest Payment Date.

### **Final Balances**

Except as provided in the Indenture, any amounts remaining in the Bond Fund, the Project Fund or the Assignment Fund (i) after all of the outstanding Bonds shall be deemed paid and discharged under the provisions of the Indenture, and (ii) after payment of any Rebate Amount, all fees, charges and expenses of the Trustee, the Registrar and any Paying Agents or Authenticating Agents, the Issuer and of all other amounts required to be paid under the Indenture, the Loan Agreement, the Regulatory Agreement and the Note, shall be transferred to the Residual Fund and (x) used to pay Project Costs and (y) thereafter, paid to the Owner.

### **Events of Default**

Each of the following is an “event of default” under the Indenture:

(a) Payment of any interest on any Bond is not made when and as that interest becomes due and payable;

(b) Payment of the principal of any Bond is not made when and as that principal becomes due and payable, whether at stated maturity, upon acceleration or otherwise;

(c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in the Indenture or in the Bonds, which failure has continued for a period of 30 days after written notice, by registered or certified mail, to the Issuer, the Owner and the Investor Limited Partner specifying the failure and requiring that it be remedied, which notice may be given by the Trustee in its discretion and must be given by the Trustee at the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding; and

(d) The occurrence and continuance of an Event of Default as defined in the Loan Agreement.

The term “default” or “failure” as used above means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in the Indenture or in the Bonds, or (ii) a default or failure by the Owner under the

Loan Agreement, exclusive of any period of grace or notice required to constitute a default or failure in an Event of Default, as provided above or in the Loan Agreement.

Notwithstanding anything in the Indenture to the contrary, the Trustee agrees that any cure of any Event of Default under the Indenture made or tendered by the Investor Limited Partner will be deemed to be a cure by the Owner, and will be accepted or rejected by the Trustee on the same basis as if made or tendered by the Owner.

### **Acceleration**

Upon the occurrence of an Event of Default described in (a) and (b) under “—Events of Default” above, the Trustee must declare, by a notice in writing delivered to the Owner, the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately; provided, however, that the Trustee is to make such declaration only if the Trustee has determined that it will have sufficient funds available to pay the full amount of principal and accrued but unpaid interest to the Holders as of the date of acceleration. If the Trustee is unable to determine that sufficient funds will be available, the Trustee nonetheless is to declare upon the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately.

The provisions described in the preceding paragraph are subject, however, to the condition that if, at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement under the Indenture (after an opportunity for hearing by the Issuer and the Owner),

(a) all sums payable under the Indenture (except the principal of and interest on Bonds that have not reached the stated Maturity Date but which are due and payable solely by reason of that declaration of acceleration), plus interest to the extent permitted by law on any overdue installments of interest at the rate borne by the Bonds in respect of which the default has occurred, have been duly paid or provision have been duly made therefor by deposit with the Trustee, and

(b) all existing Events of Default have been cured,

then and in every case, the Trustee is to waive the Event of Default and its consequences and rescind and annul that declaration. No waiver or rescission and annulment will extend to or affect any subsequent Event of Default or will impair any rights consequent thereon.

### **Other Remedies; Rights of Holders**

With or without taking action described under “—Acceleration” above, upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy, including without limitation actions at law or equity to enforce the payment of Bond Service Charges or the observance and performance of any other covenant, agreement or obligation under the Indenture, the Loan Agreement, the Regulatory Agreement or the Note or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested so to do by the Holders of at least 25% in aggregate principal amount of Bonds outstanding, the Trustee (subject to the provisions of the Indenture), is to exercise any rights and powers conferred by the Indenture.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by the Indenture is intended to be exclusive of any other remedy. Each remedy is to be cumulative and in addition to every other remedy given under the Indenture or otherwise to the Trustee or to the Holders. No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default is to impair that remedy, right or power or is to be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

No waiver of any default or Event of Default under the Indenture, whether by the Trustee or by the Holders, is to extend to or is to affect any subsequent default or Event of Default or is to impair any remedy, right or power consequent thereon.

### **Right of Holders to Direct Proceedings**

Anything to the contrary in the Indenture notwithstanding, the Holders of a majority in aggregate principal amount of Bonds then outstanding will have the right at any time to direct, by an instrument or document in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture or any other proceedings thereunder; provided, that (i) any direction is not to be other than in accordance with the provisions of law and of the Indenture, (ii) the Trustee is indemnified as provided in the Indenture, and (iii) the Trustee may take any other action that it deems to be proper and that is not inconsistent with the direction.

### **Application of Money**

All money received by the Trustee is to be applied as follows, subject to the Indenture:

(a) Unless the principal of all of the Bonds has become, or has been declared to be, due and payable, all of such money is to be deposited in the Bond Fund and applied:

First -- To the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the dates of maturity of the installments of that interest, beginning with the earliest date of maturity and, if the amount available is not sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on that installment, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds; and

Second -- To the payment to the Holders entitled thereto of the unpaid principal of any of the Bonds that has become due, in the order of their due dates, beginning with the earliest due date, with interest on those Bonds from the respective dates upon which they became due at the rates specified in those Bonds, and if the amount available is not sufficient to pay in full all Bonds due on any particular date, together with that interest, then to the payment thereof ratably, according to the amounts of principal due on that date, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(b) If the principal of all of the Bonds has become due or has been declared to be due and payable pursuant to the Indenture, all of such money is to be deposited into the Bond Fund and applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any

installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds has been declared to be due and payable, and if that declaration thereafter has been rescinded and annulled, subject to the provisions of paragraph (b) above in the event that the principal of all of the Bonds become due and payable later, such money is to be deposited in the Bond Fund and applied in accordance with the provisions of the Indenture.

(d) After payments have been made as set forth in paragraphs (a) – (c) above, any remaining balance shall be used for payment of any costs, expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of moneys and to all fees of the Trustee for Ordinary and Extraordinary Expenses pursuant to any right given or action taken under the provisions of the Indenture or the provisions of the Loan Agreement, the Regulatory Agreement or the Note (including without limitation, reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under the Indenture).

Whenever money is to be applied pursuant to the provisions described under this subcaption, such money is to be applied at such times, and from time to time, as the Trustee determines, having due regard to the amount of money available for application and the likelihood of additional money becoming available for application in the future. Whenever the Trustee is to direct the application of such money, it is to fix the date upon which the application is to be made, and upon that date, interest is to cease to accrue on the amounts of principal, if any, to be paid on that date, provided the money is available therefor. The Trustee is to give notice of the deposit with it of any money and of the fixing of that date, all consistent with the requirements of the Indenture for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee will not be required to make payment of principal of a Bond to the Holder thereof until the Bond is presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

### **Rights and Remedies of Holders**

A Holder will not have any right to institute any suit, action or proceeding for the enforcement of the Indenture, for the execution of any trust under the Indenture, or for the exercise of any other remedy under the Indenture, unless:

(a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in the Indenture, or of which it is deemed to have notice under the Indenture,

(b) the Holders of at least 25% in aggregate principal amount of Bonds then outstanding have made written request to the Trustee and have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted under the Indenture or to institute the suit, action or proceeding in its own name, and have offered indemnity to the Trustee as provided in the Indenture, and

(c) the Trustee thereafter has failed or refused to exercise the remedies, rights and powers granted under the Indenture or to institute the suit, action or proceeding in its own name.

At the option of the Trustee, that notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds will have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of the Indenture by its or their action, or to enforce, except in the manner provided therein, any remedy, right or power under the Indenture. Any suit, action or proceedings is to be instituted, had and maintained in the manner provided in the Indenture for the benefit of the Holders of all Bonds then outstanding. Nothing in the Indenture is to affect or impair, however, the right of any Holder to enforce the payment of the Bond Service Charges on any Bond owned by that Holder at and after the maturity thereof, at the place, from the sources and in the manner expressed in that Bond.

Any action or suit for recovery brought pursuant to the Indenture will be against an Owner or its assets only, and neither the Trustee or the Holders will have any right to proceed against any assets of the Issuer other than the amounts pledged under the Indenture. No recourse will be had for the payment of the Bonds against any elected or appointed officer, official, employee or agent of the Issuer or any person executing the Bonds.

#### **Waivers of Events of Default**

Except as described below, at any time, in its discretion, the Trustee may waive any Event of Default, and its consequences and may rescind and annul any declaration of maturity of principal or interest on, the Bonds. The Trustee must do so upon the written request of the Holders of

- (a) at least a majority in aggregate principal amount of all Bonds then outstanding in respect of which an Event of Default in the payment of Bond Service Charges exists, or
- (b) at least 25% in aggregate principal amount of all Bonds then outstanding, in the case of any other Event of Default.

There is not to be so waived, however, any Event of Default described in (a) or (b) under “— Events of Default” above or any declaration of acceleration in connection therewith rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in the Indenture for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any Event of Default have been discontinued, abandoned or determined adversely to it, the Issuer, the Trustee and the Holders are to be restored to their former positions and rights under the Indenture, respectively. No waiver or rescission is to extend to any subsequent or other Event of Default or impair any right consequent thereon.

#### **Supplemental Indentures**

Without the consent of, or notice to, any of the Holders, the Issuer and the Trustee may enter into indentures supplemental to the Indenture that are not, in the opinion of the Issuer and the Trustee, inconsistent with the terms and provisions of the Indenture for any one or more of the following purposes:

- (a) To cure any ambiguity, inconsistency or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;

(c) To assign additional revenues under the Indenture;

(d) To accept additional security and instruments and documents of further assurance with respect to the Project;

(e) To add to the covenants, agreements, obligations and rights of the Issuer under the Indenture, other covenants, agreements and obligations to be observed or rights to be exercised for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in the Indenture;

(f) To evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under the Indenture, the Loan Agreement and the Bonds;

(g) To facilitate (A) the transfer of Bonds issued by the Issuer under the Indenture and held in Book Entry Form from one Depository to another and the succession of Depositories, or (B) the withdrawal of Bonds issued by the Issuer under the Indenture and delivered to a Depository for use in a Book Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Depository;

(h) To permit the Trustee to comply with any obligations imposed upon it by law;

(i) To specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, the registrar and any authenticating agents or paying agents;

(j) To achieve compliance of the Indenture with any applicable federal securities or tax law;

(k) To make amendments to the provisions of the Indenture relating to arbitrage matters under Section 148 of the Code, if, in the opinion of Bond Counsel, those amendments would not cause the interest on the Bonds outstanding to be included in gross income of the Holders for federal income tax purposes which amendments may, among other things, change the responsibility for making the relevant calculations, provided that in no event is such amendment to delegate to the Trustee, without its consent, in its sole discretion the obligation to make or perform the calculations required under Section 148 of the Code; and

(l) To permit any other amendment that, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Holders.

### **Supplemental Indentures Requiring Consent of Holders**

Exclusive of Supplemental Indentures described above and subject to the terms, provisions and limitations described below, and not otherwise, with the consent of the Holders of not less than a majority of the principal amount of the Bonds, and with the consent of the Owner (if required by the Indenture), the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in the Indenture is to permit,

however, or be construed as permitting, without the consent of the Holders of the Bonds: (i) an extension of the maturity of the principal of or the interest on the Bonds, (ii) a reduction in the principal amount of the Bonds or the rate of interest thereon, (iii) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

If the Issuer requests that the Trustee execute and deliver any Supplemental Indenture for any of the purposes described in the preceding paragraph, upon (i) being satisfactorily indemnified with respect to its expenses in connection therewith, and (ii) if required by the Indenture, receipt of the Owner's consent to the proposed execution and delivery of the Supplemental Indenture, the Trustee is to cause notice of the proposed execution and delivery of the Supplemental Indenture to be mailed by first-class mail, postage prepaid, to the Holders of Bonds at their addresses as they appear on the Register at the close of business on the fifteenth day preceding that mailing.

The Trustee will not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice described above. Any failure of that nature will not affect the validity of the Supplemental Indenture when there has been consent thereto as described above. The notice is to set forth briefly the nature of the proposed Supplemental Indenture and state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Holders.

If the Trustee receives, within a period prescribed by the Owner, of not less than 60 days, but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents, in form to which the Trustee does not reasonably object, purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding (which instrument or document or instruments or documents refer to the proposed Supplemental Indenture in the form described in the notice and specifically consent to the Supplemental Indenture in substantially that form), the Trustee is to execute and deliver the Supplemental Indenture in substantially the form to which reference is made in the notice as being on file with the Trustee, without liability or responsibility to any Holder, regardless of whether that Holder has consented thereto.

Any consent will be binding upon the Holder giving the consent and, anything in the Indenture to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Indenture). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Indenture. At any time after the Holders of the required percentage of Bonds have filed their consents to the Supplemental Indenture, the Trustee is to make and file with the Issuer a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement will be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Bonds outstanding have consented to the Supplemental Indenture, as described above, no Holder will have any right (a) to object to (i) the execution or delivery of the Supplemental Indenture, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee or the Issuer from that execution or delivery or from taking any action pursuant to the provisions thereof.

## **Consent of Owner**

Anything contained in the Indenture to the contrary notwithstanding, a Supplemental Indenture that affects any rights or obligations of the Owner will not become effective unless and until the Owner has consented in writing to the execution and delivery of that Supplemental Indenture.

## **The Trustee**

Prior to an event of default under the Indenture and after the curing of any such event of default, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. In case an event of default has occurred that has not been cured (of which the Trustee has been notified or is deemed to have notice), the Trustee is to exercise such rights and powers vested in it by the Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

Before taking any action under the Indenture, the Trustee may require that a satisfactory indemnity bond be furnished to the Trustee for the reimbursements of all expenses that it may incur and to protect it against all liability by reason of any action so taken, except liability that is adjudicated to have resulted from its negligence or willful default.

The Trustee may become the owner or pledgee of the Bonds and otherwise deal with the Issuer and the Owner with the same rights it would have if it were not the Trustee.

The Trustee may at any time resign from the trusts created by the Indenture by giving written notice to the Issuer, the Owner and to each registered owner of the Bonds then outstanding; provided that no such resignation will take effect until a successor has been appointed and has accepted such appointment as provided in the Indenture or an order of a court of competent jurisdiction allowing the Trustee to resign.

## **Satisfaction and Discharge of the Indenture**

The lien of the Indenture will be discharged if the Issuer pays or causes to be paid and discharged all the outstanding Bonds, or there are otherwise paid to the Holders of the outstanding Bonds all the Bond Service Charges due or to become due thereon, and provisions are also made for paying all other amounts payable under the Indenture by the Issuer, or under the Loan Agreement, the Regulatory Agreement and the Note by the Owner.

All or any part of the outstanding Bonds will be deemed to have been paid and discharged within the meaning of the Indenture if (a) the Trustee has received in trust and irrevocably committed for such payment, sufficient money, or (b) the Trustee has received, in trust and irrevocably committed for such payment, noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America certified by an independent public accounting firm of national reputation to be of such maturities and interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient together with money referred to in (a) above, for the payment, at their maturities, of all payments of Bond Service Charges on the Bonds to the date of maturity. Any money so held by the Trustee may be invested by the Trustee, at the written direction of the Owner, but only in noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America having maturities of which, at the option of the Holder, will not be later than, the time or times at which such money will be required for the aforesaid purposes.

## **Covenants and Agreements of the Issuer**

In addition to any other covenants and agreements of the Issuer contained in the Indenture or the Bond Resolution, the Issuer further covenants and agrees with the Holders and the Trustee as follows:

(a) Payment of Bond Service Charges. The Issuer will cause the Bond Service Charges to be paid by the Trustee, solely from the Pledged Revenues received on the dates, at the places and in the manner provided in the Indenture.

(b) Pledged Revenues and Assignment of Pledged Revenues. The Issuer will not assign the Pledged Revenues or create or authorize to be created any debt, lien or charge thereon, other than the assignment thereof under the Indenture.

(c) Recordings and Filings. At the expense of the Owner, the Issuer will cause the Indenture, and any related instruments or documents relating to the assignment made by the Issuer under the Indenture to secure the Bonds, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee under the Indenture.

(d) Inspection of Project Books. All books, instruments and documents in the Issuer's possession relating to the Project and the Pledged Revenues to the extent they are public under applicable Public Records laws, will be open to inspection and copying at all times during the Issuer's regular business hours by any accountants or other agents of the Trustee which the Trustee may designate from time to time.

(e) Register. At reasonable times and under reasonable regulations established by the Registrar, the Register may be inspected and copied (at the expense of the person making such copies) by the Owner, the Trustee, by Holders of 25% or more in principal amount of the Bonds then outstanding, or a designated representative thereof.

(f) Rights and Enforcement of the Loan Agreement. The Trustee may enforce, in its name or in the name of the Issuer, all rights of the Issuer for and on behalf of the Holders, except for Unassigned Issuer's Rights, and may enforce all covenants, agreements and obligations of the Owner under and pursuant to the Loan Agreement, regardless of whether the Issuer is in default in the pursuit or enforcement of those rights, covenants, agreements or obligations. The Issuer, however, will do all things and take all actions on its part necessary to the extent of its legal authority and control, to comply with covenants, agreements, obligations, duties and responsibilities on its part to be observed or performed under the Loan Agreement, and will take all actions within its authority to keep the Loan Agreement in effect in accordance with the terms thereof.

*"Unassigned Issuer's Rights"* means all of the rights of the Issuer to receive Additional Payments under the Loan Agreement, to be held harmless and indemnified under the Loan Agreement, and as provided in the other Bond Documents, to be an insured under the Loan Agreement, to determine if satisfactory arrangements for Additional Payments as required under the Loan Agreement have been made, to be reimbursed for attorney's fees and expenses resulting from the enforcement of its remedies upon an Event of Default under the Loan Agreement, to receive notices pursuant the Loan Agreement, to give or withhold consent to amendments, changes, modifications, alterations and termination of the Loan Agreement, and to enforce its remedies under the Loan Agreement and the other Bond Documents.

(g) Issuer Not to Adversely Affect Exclusion From Gross Income of Interest on Bonds. The Issuer covenants that it (i) will take, or require to be taken, all actions that may be required of the Issuer

for the interest on the Bonds to be and remain excluded from the gross income for federal income tax purposes, and (ii) will not take or require to be taken any actions that to Issuer's knowledge would adversely affect that exclusion under the provisions of the Code.

### **Observance and Performance of Covenants, Agreements, Authority and Actions**

The Issuer will observe and perform at all times all covenants, agreements, authority, actions, undertakings, stipulations and provisions to be observed or performed on its part under the Loan Agreement, the Indenture, the Bond Resolution, the Regulatory Agreement and the Bonds that are executed, authenticated and delivered under the Indenture, and under all proceedings of its Board pertaining thereto.

The Issuer represents and warrants that

- (a) It is duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds, to execute and deliver the Indenture, the Loan Agreement and the Regulatory Agreement and to provide the security for payment of the Bond Service Charges in the manner and to the extent set forth in the Indenture.
- (b) All actions required on its part to be performed for the issuance, sale and delivery of the Bonds and for the execution and delivery of the Indenture and the Loan Agreement have been taken duly and effectively, as advised by Bond Counsel.
- (c) The Bonds will be valid and enforceable special obligations of the Issuer according to their terms.

### **THE LOAN AGREEMENT**

*The following is a summary of certain provisions of the Loan Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Loan Agreement, a copy of which is on file with the Issuer and the Trustee.*

#### **Representations of the Issuer**

In the Loan Agreement, the Issuer represents and warrants that:

(a) It is validly existing as a municipal corporation of the State pursuant to the Act, and has full legal right, power and authority (i) to enter into the Loan Agreement; (ii) to adopt the Bond Resolution and cause the delivery of the Bonds to the Bondholders pursuant to the Bond Resolution and the Loan Agreement as provided therein; (iii) to lend the proceeds of the Bonds to the Owner for the purpose set forth in the Loan Agreement; and (iv) to carry out and consummate the transactions contemplated by the Loan Agreement, the Indenture and the Regulatory Agreement (collectively, the "Issuer Documents");

(b) The Issuer, with respect to the Bonds, as advised by Bond Counsel, has complied, and will at the Closing Date be in compliance in all material respects with the Issuer Documents and the relevant laws of the State;

(c) (i) At or prior to the Closing Date, the Issuer will have taken all action required to be taken by it to authorize the issuance and sale of the Bonds and the performance of its obligations under the Issuer Documents; (ii) the Issuer has full legal right, power and authority to enter into the Issuer

Documents, will have full legal right, power and authority to deliver the Bonds to the Bondholders and to perform its obligations under the Bonds and the Issuer Documents, and all other documents to be executed by the Issuer in accordance with the issuance of the Bonds, and to carry out and effectuate the transactions contemplated by the Issuer Documents; (iii) on or prior to the Closing Date, the execution and delivery of, and the performance by the Issuer of the obligations contained in the Bonds and the Issuer Documents will have been duly authorized, and, when executed, the Issuer Documents will constitute valid and legally binding limited obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights generally and the application of equitable principles where equitable remedies are sought and limitations on the enforcement of judgments against public bodies; (iv) the Issuer has duly authorized the consummation by it of all transactions contemplated by the Loan Agreement; and (v) the Issuer Documents have been duly and validly adopted by the Issuer and are at the time of acceptance thereof in full force and effect;

(d) The Issuer, with respect to the Bonds, has not received notice that it is in material breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or the United States or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject; and the adoption of the Bond Resolution and the execution and delivery of the Loan Agreement, the Bonds, the other Issuer Documents and all other documents to be executed by the Issuer in connection with the issuance of the Bonds, and compliance with the provisions of each thereof do not, to the Issuer's knowledge, conflict with or constitute a material breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or the United States or any applicable judgment or decree, or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject;

(e) All approvals, consents, and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Issuer, of its obligations under the Loan Agreement and under the Bond Resolution, the Issuer Documents and the Bonds and all other documents to be executed by the Issuer in connection with the issuance of the Bonds have been obtained;

(f) The Issuer will not take or omit to take any action, which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds under the Code; and

(g) The Bonds, when delivered and sold to the Bondholders as provided in the Loan Agreement, will have been duly authorized and executed and will constitute validly issued and binding limited obligations of the Issuer in conformity with, and entitled to the benefit and security of, the Act and the Issuer Documents.

(h) The Issuer agrees that all representations, warranties and covenants made by it in the Loan Agreement, and in certificates, agreements or other instruments delivered pursuant hereto or in connection with the Bonds, shall be deemed to have been relied upon by the Holders, and that all representations, warranties and covenants made by the Issuer herein and therein and all the Holders' rights hereunder and thereunder shall survive the delivery of the Bonds;

(i) The Issuer covenants that it will not pledge the amounts derived from the Loan Agreement other than as contemplated by the Indenture;

(j) The Issuer hereby finds and determines that financing the Project by the issuance of the Bonds will further the public purposes of the Act;

(k) To the best of its knowledge, no member or director of the Issuer, nor any other official or employee of the Issuer, has any interest, financial employment or other, in the Owner, the Project or the transactions contemplated hereby;

(l) There is no action, suit, proceeding, inquiry or investigation pending or, to the knowledge of the Issuer, threatened against the Issuer or its Economic Development Commission by or before any court, governmental agency or public board or body, which (i) affects or questions the existence or the title to office of any member of the Issuer or its Economic Development Commission; (ii) affects or seeks to prohibit, restrain or enjoy the execution and delivery of any of the Issuer Documents, or the issuance, execution or delivery of the Bonds; (iii) affects or questions the validity or enforceability of any of the Issuer Documents or the Bonds; (iv) questions the exclusion from gross income for federal income taxation of interest on the Bonds; or (v) questions the power or authority of the Issuer to perform its obligations under any of the Issuer Documents or the Bonds or to carry out the transactions contemplated by any of the Issuer Documents or the Bonds; and

(m) THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, THAT THE PROCEEDS OF THE BONDS WILL BE SUFFICIENT TO FINANCE THE REHABILITATION AND EQUIPPING OF THE PROJECT OR THAT THE PROJECT WILL BE ADEQUATE OR SUFFICIENT FOR THE BORROWER'S INTENDED PURPOSES. FURTHER, THE ISSUER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY AS TO THE PROJECT OR THE CONDITION THEREOF, OR THAT THE PROJECT WILL BE SUITABLE FOR THE PURPOSES OR NEEDS OF THE BORROWER. THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY THAT THE BORROWER WILL HAVE QUIET AND PEACEFUL POSSESSION OF THE PROJECT. THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTY WITH RESPECT TO THE MERCHANTABILITY, CONDITION OR WORKMANSHIP OF ANY PART OF THE PROJECT OR ITS SUITABILITY FOR THE BORROWER'S PURPOSES

#### **Representations and Covenants of the Owner**

In the Loan Agreement, the Owner represents and covenants that:

(a) It is a limited partnership duly formed and validly existing under the laws of the State of Indiana (the "State"), is in good standing and duly authorized to conduct business in the State.

(b) It has full power and authority to execute, deliver and perform the Loan Agreement, the Note, the Continuing Disclosure Agreement, the Tax Certificate and Agreement and the Regulatory Agreement and to enter into and carry out the transactions contemplated by those documents. That execution, delivery and performance do not, and will not, violate any provision of law applicable to the Owner and do not, and will not, conflict with or result in a default under any agreement or instrument to which the Owner is a party or by which it is bound. The Loan Agreement, the Note and the Regulatory Agreement have, by proper action, been duly authorized, executed and delivered by the Owner and all steps necessary have been taken to constitute the Loan Agreement, the Note and the Regulatory Agreement valid and binding obligations of the Owner.

(c) The provision of financial assistance to be made available to it under the Loan Agreement and the commitments therefor made by the Issuer have induced the Owner to undertake the transactions contemplated by the Loan Agreement.

(d) It presently intends to use or operate the Project in a manner consistent with the Act and in accordance with the Regulatory Agreement for the life of the Bonds and knows of no reason why the Project will not be so operated. If, in the future, there is a cessation of that operation, it will use its best efforts to resume that operation or accomplish an alternate use by the Owner or others approved by the Issuer which will be consistent with the Act and the Regulatory Agreement.

(e) The Project will be completed in accordance with the Plans and Specifications (as defined in the Indenture) and the portion of the Project funded with the proceeds of the Bonds will constitute a qualified residential rental project within the meaning of Section 142(d) of the Code and will be operated and maintained in such manner as to conform in all material respects with all applicable zoning, planning, building, environmental and other applicable Governmental regulations and as to be consistent with the Act.

(f) The Project will be located entirely within the boundaries of the Issuer.

(g) At least 95% of the net proceeds of the Bonds allocable to the Project (as defined in Section 150 of the Code) will be used to provide a qualified residential rental project (as defined in Section 142(d) of the Code), and the Owner will not request or authorize any disbursement pursuant to the Loan Agreement, which, if paid, would result in less than 95% of the net proceeds of the Bonds being so used.

(h) The costs of issuance financed by the Bonds will not exceed 2% of the proceeds of the Bonds allocable to the Project (within the meaning of Section 147(g) of the Code), and the Owner will not request or authorize any disbursement pursuant to the Loan Agreement or otherwise, which, if paid, would result in more than 2% of the proceeds of the Bonds being so used. Except as permitted by Treasury Regulations 1.148-6(d)(3)(ii), none of the proceeds of the Bonds will be used for working capital purposes

(i) At least 95% of the proceeds of the Bonds allocable to the Project will be used or deemed used exclusively to pay costs that are (A) capital expenditures (as defined in Section 1.150-1(a) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code.

(j) The proceeds of the Bonds shall be used or deemed used exclusively to pay costs that are made exclusively with respect to a "qualified residential rental project" within the meaning of Section 142(d) of the Code and that for the greatest number of buildings the proceeds of the Bonds allocable to the Project will be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Owner and its members and neither the Trustee nor the Issuer will have any obligation to enforce this covenant nor will they incur any liability to any person, including without limitation, the Owner, the members of the Owner, any other affiliate of the Owner or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty will not constitute a default or event of default under the Loan Agreement or the Indenture.

(k) The Owner has received and reviewed a copy of the Indenture and approves the terms and conditions thereof and agrees to the terms thereof.

(l) Neither the Owner nor any related Person thereto shall acquire any Bonds in any amount.

(m) The Owner understands the nature and structure of the transactions relating to the financing of the Project; it is familiar with the provisions of all of the documents and instruments relating to such financing to which it, the Lender, the Issuer or the Trustee is a party or of which it is a beneficiary; it understands the risks inherent in such transactions, including, without limitation, the risk of loss of the Project; and it has not relied on the Lender, the Issuer, the Trustee or their counsel for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by this Agreement and the Indenture or otherwise relied on the Lender, the Issuer, the Trustee or their counsel in any manner.

(n) The Project is, as of the Closing Date, in compliance with all requirements of the Regulatory Agreement, including all applicable requirements of the Act and Code. The residential units in the Project are to and will be rented or available for rental on a basis which satisfies the requirements of the Regulatory Agreement, including all applicable requirements of the Act and the Code. All current leases comply, and all future leases will comply, with all applicable laws and the Regulatory Agreement. The Project meets the requirements of the Loan Agreement, the Regulatory Agreement, the Act and the Code with respect to multifamily rental housing.

(o) The Owner will cause the Indenture, and any financing statements, related instruments or documents relating to any assignment made by the Issuer under the Indenture to secure the Bonds, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee under the Indenture.

The Owner acknowledges that the representations and covenants in the Loan Agreement made by the Owner have been expressly and specifically relied upon by the Issuer in determining to make the Loan to the Owner and the Loan would not have been made but for such representations and covenants.

### **General Terms of the Financing**

To provide funds to make the Loan for purposes of assisting in paying the Project Costs, the Issuer will issue, sell and deliver the Bonds to the Underwriter. The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, will bear interest and will mature as set forth therein. In the Loan Agreement, the Owner approves the terms and conditions of the Indenture and the Bonds, and of the terms and conditions under which the Bonds will be issued, sold and delivered.

The proceeds from the sale of the Bonds will be loaned to the Owner and paid over to the Trustee for the benefit of the Owner and the Holders of the Bonds and deposited as follows: (a) a sum equal to the negative arbitrage deposit and any accrued interest paid by the Underwriter will be deposited in the Bond Fund, and (b) the balance of the proceeds will be deposited in the Project Fund. Pending disbursement pursuant to the provisions of the Loan Agreement, the proceeds deposited in the Project Fund, together with any investment earnings thereon, will constitute a part of the Pledged Revenues assigned by the Issuer to the Trustee as security for the payment of Bond Service Charges as provided in the Indenture.

### **Disbursements from the Project Fund**

Subject to the disbursement requirements of HUD and so long as no Event of Default under the Loan Agreement has occurred and is continuing for which the principal amount of the Bonds has been declared to be immediately due and payable pursuant to the Loan Agreement and the Indenture, disbursements from the Project Fund will be made only (i) upon the receipt by the Trustee of (A) a written request from the Owner, in substantially the form of the request attached to the Loan Agreement, and (B) Collateral Funds in the amount of the disbursement request and the transfer of funds as set forth in the Indenture. Proceeds of the Bonds disbursed pursuant to the Loan Agreement may only be used to pay those Project Costs identified in the Sources and Uses of Funds attached to the Loan Agreement, as it may be amended pursuant to the agreement of the Lender and the Owner.

Any disbursement for any item not described in, or the cost for which item is other than as described in the Loan Agreement, is to be accompanied by an Opinion of Bond Counsel to the effect that such disbursement will not cause the interest on the Bonds to be included in the gross income of the Holders for federal income tax purposes.

### **Assignment of Agreement and Pledged Revenues**

To secure the payment of Bond Service Charges, the Issuer will assign to the Trustee, by the Indenture, its rights under and interest in the Loan Agreement (except for the Unassigned Issuer's Rights) and the Note. In the Loan Agreement, the Owner agrees and consents to those assignments. The Issuer has agreed in the Loan Agreement that it will not attempt to further assign, transfer or convey its interest in the Pledged Revenues or the Loan Agreement or create any pledge or Lien of any form or nature with respect to the Pledged Revenues or Loan Payments under the Loan Agreement.

### **Owner Not to Adversely Affect Tax-Exempt Status of Interest on the Bonds**

The Owner, for the benefit of the Issuer, the Trustee and each holder of Bonds, represents in the Loan Agreement that it has not taken, or permitted to be taken on its behalf, and agrees that it will not take, or permit to be taken on its behalf, any action that would adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes, and that it will make and take, or require to be made and taken, such acts and filings as may from time to time be required under the Code to maintain such exclusion.

### **Events of Default**

Each of the following is an "Event of Default" under the Loan Agreement:

(a) The Owner fails to pay any Loan Payment on or prior to the date on which that Loan Payment is due and payable or within the cure period;

(b) The Owner fails to observe and perform any other agreement, term or condition contained in the Loan Agreement and such failure continues for a period of 30 days after the Owner has been provided written notice thereof by the Issuer or the Trustee, or for such longer period as the Issuer and the Trustee may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, that failure will not constitute an Event of Default so long as the Owner institutes curative action within the applicable period and diligently pursues that action to completion, which must be resolved within 180 days after the aforementioned notice;

(c) The Owner: (i) admits in writing its inability to pay its debts generally as they become due; (ii) has an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect, which is not dismissed within 90 days; (iii) commences a proceeding under any other federal or state bankruptcy, insolvency, reorganization or similar law, or has such a proceeding commenced against it and either has an order of insolvency or reorganization entered against it or has the proceeding remain undismitted and unstayed for 90 days; (iv) makes an assignment for the benefit of creditors; or (v) has a receiver or trustee appointed for it or for the whole or any substantial part of its property which appointment is not vacated within a period of 90 days;

(d) Any representation or warranty made by the Owner in the Loan Agreement or any statement in any report, certificate, financial statement or other instrument furnished in connection with the Loan Agreement or with the purchase of the Bonds shall at any time prove to have been false or misleading in any adverse material respect when made or given; and

(e) Upon the occurrence of an "Event of Default" as defined in the Indenture or the Regulatory Agreement.

Notwithstanding the foregoing, if, by reason of Force Majeure (as defined in the Loan Agreement), the Owner is unable to perform or observe any agreement, term or condition of the Loan Agreement which would give rise to an Event of Default under the Loan Agreement, the Owner will not be deemed in default during the continuance of such inability. However, the Owner is required to promptly give notice to the Trustee and the Issuer of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within its discretion.

The declaration of an Event of Default under subsection (c) above and the exercise of remedies upon any such declaration are subject to any applicable limitations of federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

#### **Amendments, Changes and Modifications**

Except as otherwise provided in the Indenture, the Loan Agreement may not be amended, changed, modified, altered or terminated without the prior written consent of the parties thereto.

#### **TAX MATTERS**

In the opinion of Krieg DeVault LLP, Indianapolis, Indiana, Bond Counsel, under existing federal statutes, decisions, regulations and rulings, interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Code except for interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code. Further, under existing law, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and is not taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. This opinion is conditioned on continuing compliance by the Issuer and the Owner with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue.

In the opinion of Krieg DeVault LLP, under existing statutes decisions, regulations and rulings interest on the Bonds is exempt from income taxation in the State. This opinion relates only to the

exemption from state income tax of interest on the Bonds. See “Appendix A—Form of Bond Counsel Opinion.”

The Code imposes certain requirements that must be met subsequent to the issuance of the Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The Issuer and the Owner will covenant not to take any action nor fail to take any action, within their respective power and control, with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, the “*Tax Covenants*”). The Indenture and certain certificates and agreements to be delivered on the date of delivery of the Bonds establish procedures under which compliance with the requirements of the Code can be met.

Indiana Code Section 6-5.5 imposes a franchise tax (as defined in Indiana Code Section 6-5.5) on certain taxpayers which generally include all corporations that transact the business of a financial institution in the State. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. Taxpayers should consult their own tax advisors regarding the impact of this statute on their ownership of the Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix A hereto, the accrual or receipt of interest on the Bonds may otherwise affect a Bondholder’s federal income tax or state tax liability with respect to the Bonds. The nature and extent of these other tax consequences will depend upon the Bondholder’s particular tax status and a Bondholder’s other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to other consequences of owning the Bonds.

Although Bond Counsel will render an opinion that interest on the Bonds is excludable from federal gross income, the accrual or receipt of interest on the Bonds may otherwise affect a Bondholder’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the Bondholder’s particular tax status and the Bondholder’s other items of income or deductions. Bond Counsel expresses no opinion regarding any other such tax consequences.

Legislation affecting municipal bonds is considered from time to time by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not have an adverse effect on the tax-exempt status of the Bonds or the market price of the Bonds.

A form of the opinion of Bond Counsel is attached hereto as APPENDIX A. Copies of such opinion will be available at the time of the initial delivery of the Bonds.

#### UNDERWRITING

The Sturges Company (the “Underwriter”) is offering the Bonds at the price set forth on the cover hereof. The initial offering price may be changed from time to time and concessions from the offering price may be allowed to dealers, banks and others. Pursuant and subject to the terms and conditions set forth in a Bond Purchase Agreement, among the Underwriter, the Issuer and the Owner, the Underwriter has agreed to purchase the Bonds at price equal to the principal amount thereof plus the accrued interest

on the Bonds to the Closing Date. For its services relating to the transaction, the Underwriter will receive a fee of \$\_\_\_\_\_, from which the Underwriter will pay certain fees and expenses relating to the issuance of the Bonds.

The Underwriter does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

#### **RATING**

It is a condition to the Underwriter's acceptance of the Bonds on the Closing Date that Moody's has assigned a rating of "MIG-1" to the Bonds. The rating reflects only the view of Moody's at the time the rating was issued and an explanation of the significance of such rating may be obtained from Moody's. The rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Bonds.

#### **CERTAIN LEGAL MATTERS**

Certain legal matters relating to the authorization and validity of the Bonds will be subject to the approving opinion of Krieg DeVault LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Squire Patton Boggs (US) LLP, Cleveland, Ohio, and for the Owner by its counsel, Kuhl & Grant LLP, Indianapolis, Indiana. Compensation for certain of such counsel is contingent upon the issuance of the Bonds.

#### **ABSENCE OF LITIGATION**

It is a condition to the Underwriter's acceptance of the Bonds on the Closing Date that the Issuer and the Owner deliver a certificate to the effect that, with regard to the Issuer, that its principal executive officer has received no notice of legal proceedings pending or threatened as described herein, and to the Owner's knowledge, there are no legal proceedings pending or threatened to restrain or enjoin the issuance, sale or delivery of the Bonds or the payment, collection or application of the proceeds thereof or of the revenues and other money and securities pledged or to be pledged under the Indenture or in any way contesting or affecting any authority for or the validity of the Bonds or the Indenture.

#### **CONTINUING DISCLOSURE**

The Owner has undertaken responsibility for any continuing disclosure to Bondholders as described below, and the Issuer will have no liability to the Holders of the Bonds or any other person with respect to such disclosures.

The Owner will covenant, pursuant to the Continuing Disclosure Agreement (the "*Disclosure Agreement*") to provide annually certain audited financial information and operating data relating to the Project by not later than May 1 of each year, commencing May 1, 2018 (the "*Annual Report*"), and to provide notices of the occurrence of certain enumerated events such as a default under the Indenture or the Loan Agreement, a change in the rating on the Bonds, an event adversely affecting the tax-exempt status of the Bonds, or adversely affecting the Bondholders, or any event similar thereto. The Annual Report will be filed by the Trustee on behalf of the Owner to The Municipal Securities Rulemaking Board

(the “MSRB”) in an electronic format as prescribed by the MSRB and containing such identifying information as is prescribed by the MSRB. The notices of material events will be filed by the Trustee on behalf of the Owner, with the MSRB. See Appendix C for the proposed form of the Continuing Disclosure Agreement.

#### **MISCELLANEOUS**

The foregoing summaries and explanations do not purport to be comprehensive, and are expressly made subject to the exact provisions of documents referred to herein. Copies of the Indenture and the Loan Agreement may be obtained from the Trustee or, during the initial marketing of the Bonds, the Underwriter. Any statements in this Official Statement involving matters of opinion or forecast, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement among the Issuer, the Owner, or the Underwriter and the purchasers or holders of any Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Issuer and the Owner.

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[REDACTED],  
[REDACTED]

**APPENDIX A**  
**FORM OF OPINION OF BOND COUNSEL**

July \_\_, 2017

City of Fort Wayne, Indiana, as Issuer  
Fort Wayne, Indiana

The Huntington National Bank, as Trustee  
Indianapolis, Indiana

The Sturges Company, as Underwriter  
Naples, Florida

Ladies and Gentlemen:

Re: City of Fort Wayne, Indiana Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) (“Bonds”) in the aggregate principal amount of \$8,200,000 dated the date hereof; Issued pursuant to a Trust Indenture (the “Indenture”) dated as of July 1, 2017, between City of Fort Wayne, Indiana (the “Issuer”) and The Huntington National Bank, as Trustee (the “Trustee”); Fully registered Bonds in the denominations as set forth in the Indenture.

We have acted as Bond Counsel in connection with the authorization and issuance of the Bonds by the Issuer.

We have examined (a) a certified transcript containing the proceedings of the Issuer and the City of Fort Wayne Economic Development Commission (the “Commission”) relating to the authorization, issuance and sale of the Bonds pursuant to the Indenture and the approval and execution of the Indenture, a loan agreement dated as of July 1, 2017 (the “Loan Agreement”), between the Issuer and Glick Cambridge Square Fort Wayne II, LP (the “Borrower”) and a Regulatory Agreement and Declaration of Restrictive Covenants dated as of July 1, 2017, among the Issuer, the Borrower and the Trustee (the “Regulatory Agreement”); (b) executed counterparts of the Loan Agreement; (c) an executed counterpart of the Indenture; (d) executed counterparts of the Regulatory Agreement; (e) a certificate showing execution, authentication and delivery of Bonds and no litigation pending as of said date of delivery; (f) the Arbitrage Certificate of the Issuer dated the date hereof; (g) a General Certificate of the Borrower, dated the date hereof; (h) a Tax Representation Certificate of the Borrower, dated the date hereof; (i) an opinion of Kuhl & Grant, LLP, Indianapolis, Indiana, counsel for the Borrower; (j) a Note executed by the Borrower and dated July \_\_, 2017; (k) an executed Internal Revenue Service Form 8038; and (l) the executed Bond No. [\_\_\_\_\_].

In delivering our opinion, we have relied upon a certified transcript of proceedings and other certificates and representations of the Borrower and the Issuer as set forth in the Indenture, the Loan Agreement, the Regulatory Agreement and the Bond transcript, including but not limited to the Arbitrage Certificate and the Tax Representation Certificate, executed by the Borrower (the “Tax Covenant”), and have not undertaken to verify any facts by independent investigation.

Based upon the foregoing and our review of such other information, papers, documents and statutes, regulations, rulings and decisions as we believe necessary or advisable, we are of the opinion that:

**THE LOAN AGREEMENT, THE INDENTURE AND THE REGULATORY AGREEMENT HAVE BEEN DULY AUTHORIZED, EXECUTED AND DELIVERED BY THE ISSUER AND ARE VALID AND BINDING AGREEMENTS OF THE ISSUER, ENFORCEABLE AGAINST THE ISSUER IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.**

**THE BONDS HAVE BEEN DULY AUTHORIZED, EXECUTED AND ISSUED AND ARE VALID AND BINDING OBLIGATIONS OF THE ISSUER, ENFORCEABLE IN ACCORDANCE WITH THEIR TERMS.**

**UNDER STATUTES, DECISIONS, REGULATIONS AND RULINGS EXISTING ON THIS DATE, THE INTEREST ON THE BONDS IS EXEMPT FROM INCOME TAXATION IN THE STATE OF INDIANA. THIS OPINION RELATES ONLY TO THE TAX EXEMPTION OF INTEREST ON THE BONDS FROM STATE INCOME TAXES.**

**UNDER FEDERAL STATUTES, DECISIONS, REGULATIONS AND RULINGS EXISTING ON THIS DATE, THE INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION PURSUANT TO SECTION 103 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AS IN EFFECT ON THE DATE HEREOF (THE "CODE") EXCEPT FOR INTEREST ON ANY BOND FOR ANY PERIOD DURING WHICH SUCH BOND IS HELD BY A PERSON WHO IS A "SUBSTANTIAL USER" OF THE PROJECT (AS DEFINED IN THE INDENTURE) OR A "RELATED PERSON" WITHIN THE MEANING OF SECTION 147(A) OF THE CODE. FURTHER, UNDER EXISTING LAW, INTEREST ON THE BONDS IS NOT AN ITEM OF TAX PREFERENCE FOR PURPOSES OF THE FEDERAL ALTERNATIVE MINIMUM TAX IMPOSED ON INDIVIDUALS AND CORPORATIONS AND IS NOT TAKEN INTO ACCOUNT IN DETERMINING ADJUSTED CURRENT EARNINGS FOR THE PURPOSE OF COMPUTING THE FEDERAL ALTERNATIVE MINIMUM TAX IMPOSED ON CERTAIN CORPORATIONS. THIS OPINION IS CONDITIONED ON CONTINUING COMPLIANCE BY THE BORROWER AND THE ISSUER WITH THE TAX COVENANTS. FAILURE TO COMPLY WITH THE TAX COVENANTS COULD CAUSE INTEREST ON THE BONDS TO LOSE THE EXCLUSION FROM GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION RETROACTIVELY TO THE DATE OF ISSUANCE OF THE BONDS.**

It is to be understood that the rights of the owners of the Bonds, the Issuer, the Borrower, and the Trustee and the enforceability of the Bonds, the Loan Agreement and the Indenture may be subject to the valid exercise of the constitutional powers of the State of Indiana and the United States of America. It is to be further understood that the rights of the owners of the Bonds, the Issuer, the Trustee and the Borrower and the enforceability of the terms of the Loan Agreement, the Indenture and the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that the enforcement thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein with respect to matters of title in the facilities financed with the proceeds of the Bonds or the Trustee's interest therein.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This letter is not intended to create any new attorney-client relationships.

Very truly yours,

**APPENDIX B**  
**Book-Entry Only System**

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”). DTC has Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“*Beneficial Owner*”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividends ("*debt charges payments*") on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions or dividends ("*debt charges*") to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information above in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer and the Underwriter take no responsibility for the accuracy thereof. The Issuer has no role in the purchases, transfers or sales of book entry interests. The rights of Beneficial Owners to transfer or pledge their interests, and the manner of transferring or pledging those interests, may be subject to applicable state law. Beneficial Owners may want to discuss with their legal advisers the manner of transferring or pledging their book-entry interests. The Issuer has no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, beneficial ownership, or for maintaining, supervising or reviewing any records relating to that ownership. The Issuer cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt

charges on the Bonds made to DTC as the registered owner, or any redemption, if any, or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve or act in a manner described in this Official Statement.

***Direct Participants and Indirect Participants may impose service charges on Beneficial Owners in certain cases. Purchasers of book-entry interests should discuss that possibility with their brokers.***

## APPENDIX C

### Proposed Form of Continuing Disclosure Agreement

**\$8,200,000**

**CITY OF FORT WAYNE, INDIANA  
MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2017  
(CAMBRIDGE SQUARE PROJECT)**

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of July 1, 2017, is executed and delivered by Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership (the “Owner”), The Huntington National Bank, in its capacity as trustee (in such capacity, the “Trustee”), and The Huntington National Bank, as dissemination agent (in such capacity, the “Dissemination Agent”), in connection with the issuance and sale of the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of July 1, 2017 (the “Indenture”), between the City of Fort Wayne, Indiana (the “Issuer”) and the Trustee. The Bonds are being issued by the Issuer to provide money to make a loan (the “Loan”) to the Owner, to finance the acquisition, rehabilitation, and equipping of a multifamily rental housing facility (the “Project”) located in the City of Fort Wayne, Indiana.

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Owner, the Trustee and the Dissemination Agent for the benefit of the Holders of the Bonds and in order to assist the Participating Underwriter (as defined below) in complying with the Rule (defined below). The Owner and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein or in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Owner pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Disclosure Representative” means the general partner of the Owner or its designee, or such other person as the Owner shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” means The Huntington National Bank, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Owner and which has filed with the Trustee a written acceptance of such designation.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Agreement.

“Participating Underwriter” means The Sturges Company and its successors and assigns.

“Repository” means the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access (“EMMA”) system (<http://emma.msrb.org/>).

“Rule” means Rule 15c2 12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“Tax exempt” means that interest on the Bonds is excludable from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise

includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax or environmental tax.

Section 3. Provision of Annual Reports.

(a) The Owner shall, or shall cause the Dissemination Agent to, not later than May 1 of each year, commencing May 1, 2018, provide to the Repository an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. If the Dissemination Agent is to provide such Annual Report to the Repository, not later than five Business Days prior to said date, the Owner shall provide the Annual Report to the Dissemination Agent. The Owner shall provide a written certification with the Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the Owner hereunder. The Dissemination Agent may conclusively rely upon such certification of the Owner. In each case, the Annual Report shall be submitted through the EMMA system and to the Trustee in an electronic format and contain such identifying information as is prescribed by the MSRB, and may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4; provided that the audited financial statements of the Owner may be submitted separately from the balance of the Annual Report if they are not available by that date. The Dissemination Agent's obligation to deliver the information at the times and with the contents described above shall be limited to the extent the Owner has provided such information to the Dissemination Agent as required hereby.

(b) If by five Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Owner to inquire if the Owner is in compliance with subsection (a).

(c) If the Owner does not provide a written certification to the Dissemination Agent to the effect that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall, in a timely manner, send a notice to the Repository in an electronic format in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall, to the extent the Owner has provided the Annual Report to the Dissemination Agent, file a report with the Owner certifying that the information represented to the Dissemination Agent by the Owner as the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided to the Repository.

(e) The Owner shall either make Annual Reports required by this Section 3 to the MSRB through its EMMA system (provided the Disclosure Representative shall have set up an account on the EMMA system) or shall make such Annual Reports available to the Dissemination Agent in an electronic format that meets the requirements prescribed by the MSRB.

Section 4. Content of Annual Reports. The Owner's Annual Report shall be substantially in the form attached hereto as Exhibit B and include the following information and, if available, shall contain or incorporate by reference audited financial statements for the year ended December 31:

1. the category of information being provided;
2. the period covered by any annual financial information/financial statements or operating data;
3. the issues or specific securities to which such document is related (including CUSIP number, Issuer name, state, issue description, dated date, maturity date and coupon rate);
4. the name of the Owner and any other obligated person other than the Issuer;

5. the name and date of the documents; and
6. contact information for the Disclosure Representative.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Owner is an “obligated person” (as defined by the Rule), which have been filed with the Repository. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Owner will clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a “Listed Event”):

- (1) Principal and interest payment delinquencies on the Bonds;
- (2) Non-payment related defaults on the Bonds, if material;
- (3) Unscheduled draws on debt service reserves relating to the Bonds reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of Holders of the Bonds, if material;
- (8) Bond calls, if material (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
- (9) Tender offers;
- (10) Defeasance of the Bonds;
- (11) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (12) Rating changes on the Bonds;
- (13) Bankruptcy, insolvency, receivership or similar event of the Owner or the Issuer; which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Owner or the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Owner or the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental

authority having supervision or jurisdiction over substantially all of the assets or business of the Owner or the Issuer;

(14) The consummation of a merger, consolidation, or acquisition involving the Owner or the sale of all or substantially all of the assets of the Owner, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(15) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Trustee shall, within two business days after obtaining actual knowledge of the occurrence of any of the Listed Events (except events listed in clauses (a)(1),(8), (10) or (15) in which case the Trustee shall notify the Dissemination Agent and the Owner) contact the Disclosure Representative, inform such person of the event, and request that the Owner promptly notify the Dissemination Agent in writing to report the event pursuant to subsection (f). For purposes of this Disclosure Agreement, "actual knowledge" of such Listed Events shall mean knowledge by an officer of the Trustee at its designated office with responsibility for matters related to the Indenture.

(c) Whenever the Owner obtains knowledge of the occurrence of a Listed Event in clauses (a)(2), (6), (7), (9), (11), (14), or (15), because of a notice from the Trustee pursuant to subsection (b) or otherwise, the Owner shall within five business days determine if such event would constitute material information, within the meaning of such term under federal securities laws, for Holders of Bonds, provided, however, that any other Listed Event will always be deemed to be material.

(d) If the Owner has determined that knowledge of the occurrence of a Listed Event would be material, or if such Listed Event is otherwise deemed to be material pursuant to subsection (c) above (in each case, a "Material Listed Event"), the Owner shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the Owner determines that the Listed Event (other than a Material Listed Event) would not be material, the Owner shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Owner to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Repository with a copy to the Owner. Notwithstanding the foregoing, notice of the occurrence of a Material Listed Event shall be given by the Dissemination Agent within 10 business days of the occurrence thereof.

(g) Each notice filed with the Repository pursuant to this Section 5 shall set forth the following information:

- (1) the category of information being provided;
- (2) the period covered by any annual financial information/financial statements or operating data;
- (3) the issues or specific securities to which such document is related (including CUSIP number, Issuer name, state, issue description, dated date, maturity date and coupon rate);
- (4) the name of the Owner and any other obligated person other than the Issuer;

- (5) the name and date of the documents; and
- (6) contact information for the Disclosure Representative.

Section 6. Termination of Reporting Obligation. The obligations of the Owner, the Dissemination Agent and the Trustee under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds (after giving any required notice of such event hereunder). If the Owner's obligations under the Note (as defined in the Indenture) are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Owner, and the original Owner shall have no further responsibility hereunder.

Section 7. Dissemination Agent. The Owner may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time by providing thirty days' written notice to the Owner.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Owner, the Trustee and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Owner) and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Owner and the Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Trustee or the Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Owner from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Owner chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Owner shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Owner or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee at the written direction of the Participating Underwriter or the Holders of at least 25% in aggregate principal amount of Outstanding Bonds, shall, solely to the extent indemnified to its satisfaction (including attorney's fees and expenses), or any Holder of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Owner or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Note and the sole remedy under this Disclosure Agreement in the event of any failure of the Owner or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VI of the Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are

specifically set forth in this Disclosure Agreement, and the Owner agree to indemnify and save the Dissemination Agent and the Trustee and their respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Trustee's or Dissemination Agent's gross negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review or verify any information provided to it by the Owner or to determine the materiality of a Listed Event and shall not be deemed to be acting in any fiduciary capacity for the Owner, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Owner's failure to report to the Dissemination Agent a Listed Event. The obligations of the Owner under this Section shall survive resignation or removal of the Dissemination Agent or Trustee and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Owner, the Trustee, the Dissemination Agent, the Participating Underwriter and the Holders from time to time of the Bonds, and shall not create any rights in any other person or entity.

Section 13. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Indiana.

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Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**The Huntington National Bank,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Agent

**The Huntington National Bank,**  
as Trustee

By: \_\_\_\_\_  
Authorized Agent

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[INSERT],  
[INSERT TITLE]

**EXHIBIT A**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: City of Fort Wayne, Indiana  
State: Indiana  
Name of Bond Issue: Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project)  
CUSIP Number:  
Name of Owner/  
Obligated Person: Glick Cambridge Square Fort Wayne II, LP  
Contact Information:  
Date of Issuance: July \_\_, 2017  
Maturity Date: May 1, 2019

NOTICE IS HEREBY GIVEN that the Owner has not provided an Annual Filing for the period ending December 31, 20\_\_ with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated as of July 1, 2017, among the Owner and The Huntington National Bank, as Trustee and as Dissemination Agent. The Owner has notified the Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

The Huntington National Bank, as Dissemination Agent,  
on behalf of the Owner

By: \_\_\_\_\_  
Title:

cc: Owner

**EXHIBIT B**

**ANNUAL REPORT FOR YEAR ENDED DECEMBER 31, 201\_**

Name of Issuer: City of Fort Wayne, Indiana  
State: Indiana  
Name of Bond Issue: Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project)  
CUSIP Number:  
Name of Owner/  
Obligated Person: Glick Cambridge Square Fort Wayne II, LP  
Contact Information:  
Date of Issuance: July \_\_, 2017  
Maturity Date: May 1, 2019  
Period Covered:

Amounts on Deposit under Indenture by Fund at December 31, 201\_

<u>Project Fund</u>	<u>Assignment Fund</u>	<u>Bond Fund</u>
\$	\$	\$

Description of Investments for each Fund: \_\_\_\_\_

Are Audited Financial Statements Available? Yes/No?

Following Recordation Return To:  
James T. Crawford, Jr.  
Krieg DeVault LLP  
12800 N Meridian St #300  
Carmel, Indiana 46032

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**REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS**

among

**CITY OF FORT WAYNE, INDIANA,**  
as Issuer,

**THE HUNTINGTON NATIONAL BANK,**  
as Bond Trustee,

and

**GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP**  
as Borrower

Relating to:

\$8,200,000  
City of Fort Wayne, Indiana  
Multifamily Housing Revenue Bonds, Series 2017  
(Cambridge Square Project)

Dated as of July 1, 2017

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**REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS**

This Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) dated as of July 1, 2017, is among the **CITY OF FORT WAYNE, INDIANA** (the “Issuer”), a municipal corporation organized and existing pursuant to the laws of the State of Indiana (the “State”), **THE HUNTINGTON NATIONAL BANK**, a national banking association, as trustee (together with its successors and assignees, the “Bond Trustee”) under the hereinafter defined Indenture, and **GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP**, an Indiana limited partnership (the “Borrower”).

WITNESSETH:

WHEREAS, the Issuer is authorized to issue bonds for the purpose of financing the acquisition, renovation and equipping of economic development facilities consisting of residential facilities for low and moderate income families or persons as provided in Indiana Code 36-7-11.9 and -12 (the “Act”);

WHEREAS, the Borrower has requested the assistance of the Issuer in financing the acquisition, renovation and equipping by the Borrower of a multifamily residential rental project as described on **Exhibit A** hereto, consisting of certain real property described on **Exhibit B** hereto, together with the buildings, improvements, equipment and related facilities located thereon (the “Project”), a portion of which is to be occupied at all times by low and moderate income persons within the meaning of the Act;

WHEREAS, the Issuer has determined to issue its Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) (the “Bonds”) in the aggregate principal amount of \$8,200,000 and make a loan to the Borrower in the principal amount of \$8,200,000 (the “Loan”), upon the terms and conditions set forth in the Loan Agreement;

WHEREAS, as a condition to such financial assistance, the Borrower has agreed to enter into this Regulatory Agreement, setting forth certain restrictions with respect to the Project;

WHEREAS, in order for interest on the Bonds to be excluded from gross income of the owners thereof for federal income tax purposes under the Internal Revenue Code of 1986 (the “Code”) and the regulations and rulings with respect to the Code, the use and operation of the Project must be restricted in certain respects; and

WHEREAS, the Issuer, the Bond Trustee and the Borrower have determined to enter into this Regulatory Agreement in order to set forth certain terms and conditions relating to the acquisition, renovation and equipping of the Project and in order to ensure that the Project will be acquired, renovated and equipped in accordance with the Code.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer, the Bond Trustee and the Borrower hereby agree as follows:

**Section 1. Definitions and Interpretation.** In addition to terms defined above, the following terms shall have the respective meanings assigned to them in this Section or the Indenture unless otherwise defined herein or unless the context in which they are used clearly requires otherwise:

“Act” has the meaning set forth in the Indenture.

“Adjusted Income” means the adjusted income of a person (together with the adjusted income of all persons who intend to reside in one residential unit) calculated pursuant to Section 142(d) of the Code.

“Affiliated Party” means an officer of the Borrower, a Person whose relationship with the Borrower would result in a disallowance of losses under Section 267 or 707(b) of the Code or a Person who, together with the Borrower, is a member 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).

“Bond Counsel” has the meaning set forth in the Indenture.

“Bond Trustee” means The Huntington National Bank, a national banking association organized under the laws of the United States of America, or any successor Bond Trustee serving as such under the Indenture.

“Bondholder” or “Holder” means, when used with respect to the Bonds, the Owner of a Bond then outstanding under the Indenture as shown on the registration books maintained by the Bond Trustee pursuant to the Indenture.

“Borrower” means Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership, of which Glick Cambridge Square Fort Wayne II, LLC, an Indiana limited liability company, is its General Partner as of the Closing Date, and its successors as provided in Section 11 hereof.

“Borrower Representative” has the meaning set forth in the Indenture.

“Certificate of Continuing Program Compliance” means the Certificate of Continuing Program Compliance and accompanying Occupancy Summary to be filed by the Borrower with the Bond Trustee and the Issuer at the times specified in Section 4(f) of this Regulatory Agreement, such report to be in substantially the form attached hereto as **Exhibit B** or such other form as may be prescribed in accordance with this Regulatory Agreement.

“Closing Date” or “Bond Closing Date” means the date upon which the Bonds are issued and delivered in exchange for the proceeds representing the purchase price of the Bonds paid by the original purchasers thereof.

“Costs of Issuance” means costs of issuing the Bonds as provided in the Act and as set forth in the Indenture.

“Event of Default” has the meaning set forth in Section 16 hereof.

“Housing Act” means the United States Housing Act of 1937, as amended, or its successor.

“HUD” means the United States Department of Housing and Urban Development, or its successor.

“Income Certification” means a certification as to income and other matters executed by the household members of each resident in the Project substantially in the form attached hereto as **Exhibit C** or such other form as may be prescribed in accordance with this Regulatory Agreement.

“Indenture” means the Trust Indenture dated as of the date hereof between the Issuer and the Bond Trustee, relating to the issuance of the Bonds, and any indenture supplemental thereto.

“Loan Agreement” means the Loan Agreement dated as of the date hereof between the Issuer and the Borrower, as it may be amended from time to time.

“Low-Income Resident” means any person whose Adjusted Income does not exceed sixty percent (60%) of the Median Gross Income for the Area. In no event, however, shall occupants of a residential unit be considered to be of low-income if all of the occupants are students (as defined in Section 152(f)(2) of the Code subject to Section 142(d)(2)(C) of the Code), no one of whom is entitled to file a joint federal income tax return.

“Low-Income Units” means the residential units in the Project required to be rented to, or held available for occupancy by, Low-Income Residents pursuant to Section 4(a) hereof.

“Median Gross Income for the Area” means, with respect to the Project, the median income (adjusted for family size) for the households in the area which includes the standard metropolitan statistical area in which such Project is located, as determined from time to time by the Secretary of Housing and Urban Development, under Section 8 of the Housing Act (or if such program is terminated, median income determined under the program in effect immediately before such termination).

“Project” means the multifamily housing structures and related buildings and other improvements to be acquired by the Borrower, and all fixtures and other property owned by the Borrower and located on, or used in connection with, such buildings, structures and other improvements constituting the Project.

“Project Site” means Borrower’s fee simple interest in the parcel of real property described in **Exhibit A**, which is attached hereto and by this reference incorporated herein, and all rights and appurtenances appertaining thereunto.

“Qualified Project Period” means the period described in Section 142(d)(2)(A) of the Code beginning on the Closing Date and ending on the latest of (a) the date that is fifteen (15) years after the Closing Date, (b) the first date on which no Tax-Exempt private activity bond issued with respect to the Project is outstanding, or (c) the date on which any assistance provided with respect to the Project under Section 8 of the Housing Act terminates.

“Regulations” means any proposed, temporary or final income tax regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and Section 103 of the Internal Revenue Code of 1954, as amended that are applicable to the Bonds. Any reference to any specific regulation shall also mean, as appropriate, any temporary or final income tax regulation designed to supplement, amend or replace the specific regulation referenced.

“Tax Certificate” means collectively, that Tax Representation Certificate of the Borrower and the Certificate Re: Arbitrage of the Issuer, each dated as of the Closing Date.

“Tax-Exempt” means, with respect to interest on any obligations of a state or local government, including the Bonds that such interest is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code; provided, however, that such interest may constitute an item of tax preference or otherwise be includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax, under the Code.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender, and words of the singular number shall be construed to include the plural number, and vice versa. This Regulatory 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 defined terms used in the preamble and recitals of this Regulatory Agreement have been included for convenience of reference only, and the meaning, construction and interpretation of all defined terms shall be determined by reference to this Section, notwithstanding any contrary definition in the preamble or recitals hereof. The titles and headings of the sections of this Regulatory 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 Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

**Section 2. Acquisition, Renovation, Equipping and Operation of the Project.** The Borrower hereby represents, covenants and agrees that it will acquire, renovate, equip and operate the Project pursuant to the requirements set forth in the Indenture, the Loan Agreement, the Tax Certificate and this Regulatory Agreement.

**Section 3. Residential Rental Property.** The Borrower hereby acknowledges and agrees that the Project is to be owned, managed and operated as a “qualified residential rental project” (within the meaning of Sections 142(d) of the Code) for a term equal to the Qualified Project Period. To that end, and for the term of this Regulatory Agreement, the Borrower hereby represents, covenants, warrants and agrees as follows:

- (a) The Project will be acquired and operated for the purpose of providing multifamily residential rental property, and the Borrower will own, manage and operate the Project to provide multifamily residential rental property comprising a building or structure or several interrelated buildings or structures (consisting of one or more discrete

edifices and other man-made construction with an independent foundation, outer walls, and roof, containing five or more 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 the Act, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) Each residential unit in the Project will contain complete, separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a living area, sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink, all of which are separate and distinct from other residential units.

(c) None of the residential units in the Project will at any time be utilized on a transient basis or will ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park. No unit within the Project will be rented for a period of less than 30 days.

(d) No part of the Project will at any time be owned by a cooperative housing corporation, nor shall the Borrower take any steps in connection with a conversion to such ownership or uses. The Borrower shall not take any steps in connection with a conversion of the Project to condominium ownership during the term of this Regulatory Agreement.

(e) With the exception of units provided for resident managers, security personnel or maintenance personnel as provided in paragraphs (g) and (h) below, all of the residential units in the Project will be available for rental 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 residential units, except to the extent that residential units are required to be leased or rented to Low-Income Residents and eligible residents or pursuant to any agreements with the Issuer, and at no time will any portion of the Project be exclusively reserved for use by a limited number of nonexempt persons in their trades or business.

(f) The Project Site consists of a parcel or parcels of land that are contiguous except for the interposition of a road, street or stream, and the Project located at the Project Site comprises a single geographically and functionally integrated project for residential rental property, as evidenced by the ownership, management, accounting and operation of the Project.

(g) No residential unit included in the Project shall be occupied by the Borrower; provided, however, that, if the Project contains five or more residential units, this subsection shall not be construed to prohibit occupancy of not more than one residential unit each by one or more resident managers, security personnel or maintenance personnel, any of whom may be the Borrower.

(h) The Project consists of similarly constructed residential units together with functionally related and subordinate facilities for use by all residents, such as swimming

pools, other recreational facilities, parking areas, heating and cooling equipment, trash disposal equipment, units for resident managers, security personnel or maintenance personnel and other facilities that are reasonably required for the Project.

Section 4. **Low-Income Residents; Records and Reports.** Pursuant to the requirements of the Code, the Borrower hereby represents, warrants and covenants as follows that during the Qualified Project Period:

(a) No less than forty percent (40%) of the total number of residential units of the Project shall at all times be rented to or held available for occupancy by Low-Income Residents.

(b) For the purposes of paragraph (a) of this Section, a vacant unit which was most recently occupied by a Low-Income Resident is treated as rented and occupied by a Low Income Resident until reoccupied, other than for a temporary period of not more than 31 days, at which time the character of such unit shall be redetermined.

(c) No resident qualifying as a Low-Income Resident shall be denied continued occupancy of a residential unit in the Project because, after admission, such resident's Adjusted Income increases to exceed the qualifying limit for Low-Income Residents; provided, however, that, should a Low-Income Resident's Adjusted Income as of the most recent determination thereof, exceed 140% of the then-applicable income limit for a Low-Income Resident of the same family size and such resident constitutes a portion of the 40% requirement of paragraph (a) of this Section, the next available unit of comparable or smaller size must be rented to (or held vacant and available for immediate occupancy by) a Low-Income Resident, and such new Low-Income Resident will then constitute a portion of the 40% requirement of paragraph (a) of this Section; and provided, further, that, until such next available unit is rented to a resident who is a Low-Income Resident, the former Low-Income Resident who has ceased to qualify as such shall be deemed to continue to be a Low-Income Resident for purposes of the 40% requirement of paragraph (a) of this Section.

(d) The Borrower will obtain, complete and maintain on file Income Certifications from each Low-Income Resident in the form provided under **Exhibit C** hereto, or such other form that is consistent with determinations of income and area median gross income under Section 8 of the Housing Act, including (i) an Income Certification dated immediately prior to the initial occupancy of each new Low-Income Resident in the Project, and (ii) thereafter, annual Income Certifications that must be obtained on or before the anniversary of such Low-Income Resident's occupancy of the residential unit, and in no event less than once in every 12-month period following each Low-Income Resident's occupancy of a residential unit in the Project. For administrative convenience, the Borrower may establish the first date that an Income Certification for the Project is received as the annual recertification date for all Low-Income Residents. The Borrower shall make a diligent and good-faith effort to determine that the income information provided by an applicant in an Income Certification is accurate by taking one or more of the following steps, as a part of the verification process: (1) obtain pay stubs for the most recent one-month period; (2) obtain income tax returns for the most recent

two tax years; (3) conduct a consumer credit search; (4) obtain an income verification from the applicant's current employer; (5) obtain an income verification from the Social Security Administration, or (6) if the applicant is self-employed, unemployed, does not have income tax returns or is otherwise not reasonably able to provide other forms of verification as required above, obtain another form of independent verification that would, in the Borrower's reasonable judgment, be satisfactory and will comply with the terms of this Regulatory Agreement.

(e) The Borrower will maintain complete and accurate records pertaining to the Low-Income Units and will permit, at all reasonable times and upon reasonable advance notice during normal business hours, any duly authorized representative of the Issuer, the Bond Trustee, the Department of the Treasury or the Internal Revenue Service to enter upon the Project Site to examine and inspect the Project and to inspect the books and records of the Borrower pertaining to the Project, including those records pertaining to the occupancy of the Low-Income Units.

(f) The Borrower will prepare and execute a Certificate of Continuing Program Compliance, in substantially the form provided under **Exhibit B**, for the Project and submit such to the Bond Trustee on or before the 15th day of each April, July, October and January, covering the operation of the Project for the previous three month period; and submit such to the Issuer on or before the 15th day of each April, July, October, and January, covering the operation of the Project for the previous three month period. The Borrower shall also submit copies of Income Certifications of Low-Income Residents who moved into the Project for the previous month, and recertifications of Low-Income Residents that were made during the previous month.

(g) On or before each March 31 during the Qualified Project Period, the Borrower will submit a completed Internal Revenue Service Form 8703 or such other annual certification required by the Code to the Secretary of the Treasury (and provide a copy thereof to the Bond Trustee).

(h) Each lease or rental agreement shall contain a provision to the effect that the Borrower has relied on the Income Certification and supporting information supplied by the Low-Income Resident in determining qualification for occupancy of the unit and that any material misstatement in such Income Certification (whether or not intentional) may be cause for immediate termination of such lease or rental agreement. Each such lease or rental agreement shall also provide (and shall so disclose to the resident) that the Low-Income Resident is subject to annual certification in accordance with Section 4(d) hereof.

(i) The Borrower further covenants and agrees to prepare and submit to the Bond Trustee and the Issuer, within 60 days prior to the last day of the Qualified Project Period or such later date as is reasonable, a certificate setting forth the date on which the Qualified Project Period will end, which certificate shall be in recordable form; provided, however, that the foregoing certificate shall not be recorded and shall not be effective without an opinion of Bond Counsel addressed to the Issuer and the Bond Trustee (which

the Borrower shall obtain at its sole expense) that the recording thereof will not adversely affect the tax-exempt status of the Bonds.

(j) A Regulatory Agreement compliance review shall be conducted annually by an independent entity or person acceptable to the Issuer and the Bond Trustee who shall prepare a written report on or before August 1 of each year, commencing August 1, 2018, which describes the procedures performed by such entity or person, and shall indicate whether, based on such procedures, the Borrower is and has been in compliance with the provisions of this Regulatory Agreement for the prior 12-month period ending on each June 30. The person or firm responsible for preparing the report discussed in the preceding sentence shall also report such findings orally at the Issuer's Common Council Meeting each August.

(k) The Borrower hereby represents, and the Issuer hereby recognizes the Borrower's representation, that (i) on July \_\_, 2017, ten percent (10%), or more, of the dwelling units in the Project were occupied (within the meaning of Section 142(d)(2)(A) of the Code); and (ii) on July \_\_, 2017, fifty percent (50%), or more, of the dwelling units in the Project were occupied (within the meaning of Section 142(d)(2)(A) of the Code). Accordingly, the Qualified Project Period commenced on the Closing Date and will terminate no earlier than July \_\_, 2032.

(l) that the Borrower shall not discriminate on the basis of race, creed, color, sex, sexual preference, source of income (e.g., AFDC or SSI), physical disability, national origin, or marital status in the rental, 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.

(m) The Project is financed by the Loan or otherwise pursuant to a common plan of financing and consists entirely of:

(i) units which are similar in quality and type of construction and amenities; and

(ii) property functionally related and subordinate in purpose and size to the Project, e.g., parking areas, laundries, swimming pools, tennis courts and other recreational facilities (none of which may be unavailable to any person because such person is a Low-Income Resident) and other facilities which are reasonably required for the Project, e.g., heating and cooling equipment, trash disposal equipment or units for residential managers or maintenance personnel.

**Section 5. Indemnification.** The Borrower and its General Partner hereby covenant and agree that they shall indemnify and hold harmless the Issuer and the Bond Trustee 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 this Agreement, the Loan or the Project, any and all claims arising from any act or omission of the Borrower, its General Partner or any of its agents, contractors, servants, employees or licensees in connection with the Project, and all costs, damages, fines, penalties, reasonable counsel fees,

expenses or liabilities incurred in connection with any such claim or proceeding brought thereon; except that the Borrower and its General Partner shall not be required to indemnify any person other than the Issuer for damages caused by the gross negligence or willful misconduct or breach of contract of such person. In the event that any action or proceeding is brought against the Issuer, or the Bond Trustee or any of their respective officers, directors, officials, employees or agents, with respect to which indemnity may be sought hereunder, the Borrower and its General Partner, upon written notice from the indemnified party, shall assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The indemnified party shall have the right to employ separate counsel in any such action or proceedings and to participate in the defense thereof, and the Borrower and its General Partner shall pay the reasonable fees and expenses of such separate counsel.

The Borrower and its General Partner also shall pay and discharge and shall indemnify and hold harmless the Issuer and the Bond Trustee from (i) any lien or charge upon payments by the Borrower and its General Partner to the Issuer and the Bond Trustee hereunder and (ii) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges imposed on the Issuer or the Bond Trustee 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, are sought to be imposed, the Issuer or the Bond Trustee shall give prompt notice to the Borrower and the Borrower and its General Partner shall have the right to assume the defense thereof, with full power to litigate, compromise or, settle the same in its sole discretion.

In addition thereto, the Borrower and its General Partner will pay upon demand all of the fees and expenses paid or incurred by the Bond Trustee and/or the Issuer in enforcing the provisions hereof.

The provisions of this Section 5 shall survive the term of the Bonds and this Agreement or the resignation or removal of the Bond Trustee.

**Section 6. Tax-Exempt Status of the Bonds.** The Borrower and the Issuer hereby agree to comply with all requirements of their respective obligations contained in the Indenture, the Loan Agreement, the Tax Certificate and this Regulatory Agreement in order to maintain and preserve the Tax-Exempt status of the Bonds.

**Section 7. Modification of Covenants.** The Borrower, the Bond Trustee and the Issuer hereby agree as follows:

(a) To the extent the Act, or the Regulations or the Code, or any amendments thereto, in the written opinion of Bond Counsel addressed to and filed with the Issuer, the Bond Trustee and the Borrower, shall impose requirements upon the ownership or operation of the Project more restrictive than those imposed by this Regulatory Agreement, this Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements. The parties hereto hereby agree to execute such amendment hereto as shall be necessary to document such automatic amendment hereof.

(b) To the extent that the Act, or the Regulations or the Code, or any amendments thereto, in the written opinion of Bond Counsel addressed to and filed with the Issuer, the Bond Trustee, and the Borrower, shall impose requirements upon the ownership or operation of the Project less restrictive than imposed by this Regulatory Agreement, this Regulatory Agreement may at the written request of the Borrower be amended or modified to provide such less restrictive requirements but only by written amendment signed by the Issuer, the Bond Trustee and the Borrower and approved by the written opinion of Bond Counsel to the effect that such amendment is permitted by the Act and will not affect the Tax-Exempt status of interest on the Bonds.

(c) The Borrower, the Issuer and, if applicable, Bond Trustee shall execute, deliver and, if applicable, file of record any and all documents and instruments reasonably necessary in the opinion of Bond Counsel addressed to and filed with the Borrower, the Issuer and, if applicable, Bond Trustee to effectuate the intent of this Section, and each of the Borrower and the Issuer shall deliver and, if required in the opinion of Bond Counsel, file as is required in the opinion of Bond Counsel, any such document or instrument (in such form as may be approved in writing by Bond Counsel).

(d) All costs, including fees and expenses of the Issuer and the Bond Trustee, incurred in connection with compliance with the requirements of this Section shall be paid by the Borrower and its successors in interest.

**Section 8. Consideration.** The Issuer has issued the Bonds to provide funds to make the Loan to finance the Project, all for the purpose, among others, of inducing the Borrower to acquire, develop and operate the Project. In consideration of the issuance of the Bonds by the Issuer, the Borrower has entered into this Regulatory Agreement and has agreed to restrict the uses to which the Project can be put on the terms and conditions set forth herein.

**Section 9. Reliance.** The Issuer, the Bond Trustee and the Borrower hereby recognize and agree that the representations and covenants set forth herein may be relied upon by the holders of the Bonds and Bond Counsel in determining the legality and validity of the Bonds, and the exclusion from gross income for purposes of federal income taxation of the interest on the Bonds. In performing their duties and obligations hereunder, the Issuer shall, and the Bond Trustee and the Borrower may, rely upon statements and certificates of the Low-Income Residents and the Borrower and upon audits of the books and records of the Borrower pertaining to the Project. In addition, the Issuer and the Bond Trustee may consult with Bond Counsel, and the opinion of Bond Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Issuer or the Bond Trustee hereunder in good faith and in conformity with such opinion. In determining whether any default by the Borrower exists under this Regulatory Agreement, the Bond Trustee and the Issuer shall not be required to conduct any investigation into or review of the operations or records of the Borrower and may rely on any written report, notice or certificate delivered to the Bond Trustee by any person retained to review the Borrower's compliance with this Regulatory Agreement or by the Borrower or in the case of the Bond Trustee, by the Issuer, with respect to the occurrence or absence of a default unless it has express actual knowledge of facts that create a reasonable basis to suspect that the report, notice or certificate is erroneous or misleading.

**Section 10. Project Location.** The Borrower hereby represents that with respect to the Project Site, the Project is located in the City of Fort Wayne, Allen County, Indiana.

**Section 11. Sale or Transfer of the Project.** The Borrower hereby covenants and agrees not to voluntarily sell, transfer or otherwise dispose of any buildings included in the Project, or any portion thereof (other than leases for individual resident use as contemplated hereunder), without obtaining the prior written consent of the Issuer, which consent shall not be unreasonably withheld or delayed, and shall be given if: (a) the purchaser or transferee shall covenant to operate the Project in such a manner as to comply with the provisions of this Regulatory Agreement; (b) the Issuer and the Bond Trustee shall have received (i) evidence reasonably satisfactory to the Issuer that the Borrower's purchaser or transferee has assumed in writing and in full and is capable of performing the Borrower's duties and obligations (including payment obligations) under this Regulatory Agreement, the Loan Agreement, and the Indenture to the same extent as the Borrower is then obligated to make such payments and perform such duties and obligations, (ii) a certificate of the Borrower to the effect that no event of default has occurred and is continuing under the Indenture, the Loan Agreement or this Regulatory Agreement, and that the Borrower's obligations under the Tax Certificate have been and continue to be met with respect to the Project, (iii) payment to the Issuer by the Borrower of a reasonable assumption fee or such other reasonable fee as may be generally in effect at such time, (iv) evidence reasonably satisfactory to the Issuer and the Bond Trustee that the transferee has agreed to any restrictions reasonably imposed by Bond Counsel in order to maintain the treatment of interest on the Bonds as excludable from gross income for federal income tax purposes, (v) an opinion of counsel to the transferee addressed to the Issuer and the Bond Trustee that the transferee has duly assumed such obligations of the Borrower under this Regulatory Agreement, the Loan Agreement, the Tax Certificate and other Bond Documents executed by the Borrower and that such obligations and this Regulatory Agreement are binding on the transferee, (vi) an opinion of Bond Counsel that such transfer shall not adversely affect the tax-exempt status of the interest on the Bonds and (vii) a Certificate of Continuing Program Compliance provided by the Borrower current as of a date no more than 15 days prior to delivery thereof; and (c) the Borrower shall pay all costs of the transfer of title, including, but not limited to, the cost of the Issuer's counsel and such other costs of meeting the conditions specified in this Section. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of any buildings included in the Project in violation of this Section shall constitute a default hereunder and shall be ineffective to relieve the Borrower of its obligations under this Regulatory Agreement. Nothing contained in this Section shall affect any provision of any other document or instrument between the Borrower or any other party which requires the Borrower to obtain the consent of such other party as a precondition to sale, transfer or other disposition of the Project. Upon any sale or other transfer which complies with this Regulatory Agreement, the Borrower shall be fully released from its obligations hereunder to the extent such obligations have been assumed by the transferee of any buildings included in the Project. Any transfer of any buildings included in the Project to any entity, whether or not affiliated with the Borrower, shall be subject to the provisions of this Section, except transfers pursuant to foreclosure, deed in lieu of foreclosure or other similar remedies.

**Section 12. Term.** This Regulatory Agreement and all and each of the provisions hereof shall become effective upon its execution and delivery, shall remain in full force and effect for the periods provided herein and, except as otherwise provided in Article VII of the Loan

Agreement and in this Section, shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that certain provisions hereof are intended to survive the retirement of the Bonds, discharge of the Loan, termination of the Loan Agreement and defeasance or termination of the Indenture.

The terms of this Regulatory Agreement to the contrary notwithstanding, the requirements set forth herein shall terminate, without the requirement of any consent by the Issuer and the Bond Trustee, and be of no further force and effect in the event of involuntary noncompliance with the provisions of this Regulatory Agreement caused by fire, seizure, requisition, foreclosure or transfer of title by deed in lieu of foreclosure, change in a federal law or an action of a federal agency after the Closing Date which prevents the Issuer or the Bond Trustee from enforcing the provisions hereof, or condemnation or a similar event, but only if, within a reasonable period thereafter, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project which meets the requirements of the Code set forth in Sections 2 through 4 hereof. The provisions of the preceding sentence shall cease to apply and the requirements referred to therein shall be reinstated if, at any time during the Qualified Project Period after the termination of such requirements as a result of involuntary noncompliance due to foreclosure, transfer of title by deed in lieu of foreclosure or similar event, the Borrower or any Affiliated Party obtains an ownership interest in the Project for tax purposes. The Issuer shall not be required to consent to termination of this Regulatory Agreement for any reason other than those specified above.

Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms. All costs, including fees and expenses of the Issuer and its counsel and the Bond Trustee, incurred in connection with the termination of this Regulatory Agreement shall be paid by the Borrower.

**Section 13. Covenants To Run With the Land.** The Borrower hereby subjects the Project (including the Project Site) to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The Issuer, the Bond Trustee and the Borrower hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Borrower's fee simple interest in the land and shall pass to and be binding upon the Borrower's successors in interest to the Project; provided, however, that on the termination of this Regulatory Agreement as herein provided said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying 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.

**Section 14. Burden and Benefit.** The Issuer, the Bond Trustee 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 Project is rendered less valuable thereby. The Issuer, the Bond Trustee 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 Project by Low-Income Residents, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Bonds were issued.

**Section 15. Uniformity; Common Plan.** The covenants, reservations and restrictions hereof shall apply uniformly to the Project in order to establish and carry out a common plan for the use, development and improvement of the Project Site.

**Section 16. Default; Enforcement.** If the Borrower defaults in any material respect in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in this Regulatory Agreement, and if such default remains uncured for a period of 60 days after notice thereof shall have been given by the Issuer or the Bond Trustee to the Borrower, then the Bond Trustee, acting on its own behalf or on behalf of the Issuer, provided the Bond Trustee is aware of such default, shall declare an "Event of Default" to have occurred hereunder; provided further, however, that, if the default stated in the notice is of such a nature that it cannot be corrected within 60 days, such default shall not constitute an Event of Default hereunder so long as (i) the Borrower institutes corrective action within said 60 days and diligently pursues such action until the default is corrected and (ii) in the opinion of Bond Counsel, the failure to cure said default within 60 days will not adversely affect the Tax-Exempt status of interest on the Bonds.

Following the declaration of an Event of Default hereunder, the Bond Trustee or the Issuer, subject to being indemnified to its satisfaction with respect to the costs and expenses of any proceeding, may, at its option, take any one or more of the following steps:

- (i) by mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Borrower to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer or the Bond Trustee hereunder;
- (ii) have access to and inspect, examine and make copies of all of the books and records of the Borrower pertaining to the Project; and
- (iii) take such other action at law or in equity as may be necessary to enforce the obligations, covenants and agreements of the Borrower hereunder.

The Borrower hereby agrees that specific enforcement of the Borrower's agreements contained herein is the only means by which the Issuer and the Bond Trustee may obtain the benefits of such agreements made by the Borrower herein, and the Borrower therefore agrees to the imposition of the remedy of specific performance against it in the case of any Event of Default by the Borrower hereunder.

All rights and remedies herein given or granted to the Issuer and the Bond Trustee are cumulative, nonexclusive, and in addition to any and all rights and remedies that the Issuer and the Bond Trustee may have or may be given by reason of any law, statute, ordinance, document, or otherwise. Notwithstanding the availability of the remedy of specific performance provided for in this Section, promptly upon determining that a material violation of this Regulatory Agreement has

occurred, the Issuer shall to the extent that it has actual knowledge thereof, by notice in writing to the Bond Trustee, inform the Bond Trustee that a violation of this Regulatory Agreement has occurred.

Notwithstanding anything to the contrary herein, if a default or an Event of Default occurs hereunder and the Borrower is obligated to act or perform hereunder, the Investor Member shall have the right to perform such act on behalf of the Borrower and thereby cure or prevent such default or Event of Default, provided such default or Event of Default is cured within any applicable cure period or grace period provided to the Borrower herein.

**Section 17. The Bond Trustee.** The Bond Trustee shall act as specifically provided herein and in the Indenture and no implied agreements or duties will be read into this Regulatory Agreement against the Bond Trustee. The Bond Trustee shall act as the agent of and on behalf of the Issuer when requested in writing by the Issuer to do so, and any act required to be performed by the Issuer as herein provided shall be deemed taken if such act is performed by the Bond Trustee. The Bond Trustee is entering into this Regulatory Agreement solely in its capacity as Bond Trustee under the Indenture, and the duties, powers, rights and obligations of the Bond Trustee in acting hereunder shall be subject to the provisions of the Indenture, including, without limitation, the provisions of Article X thereof, which are incorporated by reference herein. The incorporated provisions of the Indenture are intended to survive the retirement of the Bonds, discharge of the Loan, termination of the Loan Agreement and defeasance or termination of the Indenture.

The Bond Trustee shall examine all documents prepared by the Borrower and furnished to the Bond Trustee to determine whether such documents conform on their face to the description of such documents required in this Regulatory Agreement. The Bond Trustee shall notify the Issuer and the Borrower in writing if the Bond Trustee does not receive any document from the Borrower at the time required under this Regulatory Agreement or if such document does not conform on its face to the requirements of this Regulatory Agreement. The Bond Trustee may conclusively rely on and shall be protected in acting or omitting to act in good faith upon the certificates and other writings, which conform to the requirements of this Regulatory Agreement, as the Bond Trustee may receive in connection with the administration of its obligations hereunder and has no duty or obligation to make an independent investigation with respect thereto.

Provisions governing the rights, immunities and protections of the Bond Trustee under the Indenture are herein incorporated by reference into this agreement as though fully set forth herein.

**Section 18. Recording and Filing.** The Borrower shall cause this Regulatory Agreement, and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of Allen County, Indiana and in such other places as the Issuer or the Bond Trustee may reasonably request. The Borrower shall pay all fees and charges incurred in connection with any such recording. This Regulatory Agreement is subject to and subordinate to all matters of record as of the date hereof.

**Section 19. Reimbursement of Expenses.** Notwithstanding any prepayment of the Loan and notwithstanding a discharge of the Indenture, throughout the term of this Regulatory

Agreement, the Borrower shall continue to pay to the Issuer and the Bond Trustee reimbursement for all expenses required to be paid to the Issuer and the Bond Trustee by the Borrower pursuant to the Loan Agreement.

Section 20. **Governing Law.** This Regulatory Agreement shall be governed by the internal laws of the State of Indiana without reference to its conflict of laws principles. The Bond Trustee's rights, duties, powers and obligations hereunder are governed in their entirety by the terms and provisions of this Regulatory Agreement and the Indenture.

Section 21. **Amendments.** This Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto, or their successors in title, and duly recorded in the real property records of Allen County, Indiana and only upon receipt by the Issuer of an opinion from Bond Counsel that such amendment will not adversely affect the tax-exempt status of interest on the Bonds and that such amendment is not contrary to the provisions of the Act.

Section 22. **Notices.** Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, telecopy or facsimile transmission, or certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

THE ISSUER: City of Fort Wayne, Indiana  
Fort Wayne Community Development Division  
Citizens Square  
200 East Berry Street, Suite 320  
Fort Wayne, Indiana 46802  
Attention: Director

BOND TRUSTEE: The Huntington National Bank  
45 North Pennsylvania Street  
INHP22  
Indianapolis, Indiana 46204  
Attention: Corporate Trust and Escrow Services

BORROWER: Glick Cambridge Square Fort Wayne II, LP  
8801 River Crossing Blvd., Suite 200  
Indianapolis, Indiana 46240  
Attention: [REDACTED]

*With copies to:*

Kuhl & Grant LLP  
707 E. North Street, Suite 800  
Indianapolis, IN 46202

Notice shall be effective only upon receipt.

Section 23. **Severability.** If any provision of this Regulatory Agreement 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 24. **Multiple Counterparts.** This Regulatory 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 25. **Limitation on Liability.** Notwithstanding the foregoing or any other provision or obligation to the contrary contained in this Agreement, (i) the liability of the Borrower under this Agreement to any person or entity, including, but not limited to, the Bond Trustee or the Issuer and their successors and assigns, is limited to the same extent and in the same manner as provided in the Loan Agreement, and such persons and entities shall look exclusively to the sources referred to therein, or to such other security as may from time to time be given for the payment of obligations arising out of this Agreement or any other agreement securing the obligations of the Borrower under this Agreement; and (ii) from and after the date of this Agreement, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Agreement, any agreement pertaining to any Project or any other agreement securing the Borrower's obligations under this Agreement), shall be rendered against the Borrower, the assets of the Borrower (other than the Borrower's interest in the Project, this Agreement, amounts held in the funds and accounts created under the Bond Documents, any rights of the Borrower under the Bond Documents or any rights of the Borrower under any guarantees relating to the Project), its officers, directors or members, the partners holding ownership interests in the Borrower, or the officers, directors or employees of the Borrower, or of their heirs, personal representatives, successors, transferees or assigns, as the case may be, in any action or proceeding arising out of this Agreement and the Indenture or any agreement securing the obligations of the Borrower under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding.

Section 26. **Extended Use Agreement.** The Borrower hereby agrees to comply with all of its obligations pursuant to that certain Lien and Extended Use Agreement to be executed between the Borrower and the Indiana Housing and Community Development Authority related to the Project.

Section 27. **HUD Rider.** The HUD Rider to Regulatory Agreement by and among the Borrower, the Bond Trustee and the Issuer attached hereto as **Exhibit D** is incorporated into this Agreement by this reference.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Regulatory Agreement as of the date stated above.

**CITY OF FORT WAYNE, INDIANA,**  
as Issuer

(SEAL)

By: \_\_\_\_\_  
Thomas C. Henry, Mayor

ATTEST:

\_\_\_\_\_  
Lana R. Keesling, City Clerk

[Signature Page to Regulatory Agreement for Issuer]

STATE OF INDIANA        )  
                                  ) SS:  
COUNTY OF ALLEN        )

On this \_\_\_\_\_ day of July, 2017, before me appeared Thomas C. Henry and Lana R. Keesling, to me personally known who, being by me sworn did say that they are the Mayor and City Clerk, respectively, of the City of Fort Wayne, Indiana, a municipal corporation of the State of Indiana, and that the seal affixed to the foregoing instrument is the official seal of said municipal corporation, and that said instrument was signed and sealed on behalf of said municipal corporation, by authority of its legislative body and said Mayor and City Clerk, acknowledged said instrument to be the free act and deed of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public in and for said County and State

(SEAL)

My Commission expires: \_\_\_\_\_

My County of Residence: \_\_\_\_\_

[Notary Page to Regulatory Agreement for Issuer]

**THE HUNTINGTON NATIONAL BANK,**  
as Bond Trustee

By: \_\_\_\_\_  
Mark Hudson, Vice President

ATTEST:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Signature page to Regulatory Agreement for Bond Trustee]



**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[REDACTED],  
[REDACTED]

[Signature page to Regulatory Agreement for Borrower]

STATE OF INDIANA            )  
  ) SS:  
COUNTY OF HAMILTON    )

On this \_\_\_\_ day of July, 2017, before me appeared [REDACTED] to me personally known, who being by me duly sworn did say that s/he is [REDACTED] of Gene B. Glick Company, an Indiana corporation, which is the Sole Member of Glick Cambridge Square Fort Wayne II, LLC, an Indiana limited liability company, which is the general partner of Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership, and that s/he is the person who executed the foregoing instrument as such person acting for and on behalf of said limited liability company on behalf of said limited partnership, and acknowledged that s/he executed the same as a free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

\_\_\_\_\_  
Notary Public in and for said County and State

(SEAL)

My Commission expires: \_\_\_\_\_

My County of Residence: \_\_\_\_\_

Following Recordation Return To:  
James T. Crawford, Jr.  
Krieg DeVault LLP  
12800 N Meridian St #300  
Carmel, Indiana 46032

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law: /s/ James T. Crawford, Jr.

[Notary page to Regulatory Agreement for Borrower]

## **EXHIBIT A**

### **DESCRIPTION OF PROJECT**

The Borrower plans to use the proceeds of the Loan for the purpose of financing a portion of the costs of the acquisition, renovation and equipping by the Borrower of an existing apartment building currently known as Cambridge Square, located at 7600 Cold Springs Boulevard, Fort Wayne, Indiana and consisting of 200 apartment units and certain functionally-related improvements, to pay capitalized interest and to pay a portion of the costs of issuance of the Bonds (the "Project").

### **LEGAL DESCRIPTION**

[TO COME FROM TITLE COMMITMENT]

**EXHIBIT B**

**CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE**

THE ISSUER: City of Fort Wayne, Indiana  
Fort Wayne Community Development Division  
Citizens Square  
200 East Berry Street, Suite 320  
Fort Wayne, Indiana 46802  
Attention: Director

BOND TRUSTEE: The Huntington National Bank  
45 North Pennsylvania Street  
INHP22  
Indianapolis, Indiana 46204  
Attention: Corporate Trust and Escrow Services

Report for the Project: \_\_\_\_\_

Report for Month of: \_\_\_\_\_

Re: \$8,200,000 City of Fort Wayne, Indiana Multifamily Housing Revenue Bonds,  
Series 2017 (Cambridge Square Project)

GLICK CAMBRIDGE SQUARE FORT WAYNE II, LP, an Indiana limited partnership (the "Borrower"), of which Glick Cambridge Square Fort Wayne II LIHTC, LLC, an Indiana limited liability company, is the general partner, hereby represents and warrants that:

1. A review of the activities of the Borrower during the month of \_\_\_\_\_ and of the Borrower's performance under the Loan Agreement (as defined below) has been made under the supervision of the undersigned.

2. The Borrower owns the Project described in the Loan Agreement.

3. The Project was financed, in substantial part, as a result of the loan of the proceeds of the Bonds.

4. The Borrower has read and is thoroughly familiar with the provisions of (1) the Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated as of July 1, 2017 among the Borrower, the City of Fort Wayne, Indiana and The Huntington National Bank, as trustee; and (2) the Loan Agreement dated as of July 1, 2017 between the Issuer and the Borrower (the "Loan Agreement"). The Regulatory Agreement was executed, delivered, and recorded against the Project in connection with the issuance of the Bonds. Hereinafter, unless otherwise expressly provided herein or unless the context requires otherwise, the capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Regulatory Agreement.

5. As of the date of this Certificate, the following percentages of completed residential units in the Project (i) are occupied by Low-Income Residents or (ii) are currently vacant and being held available for such occupancy and have been so held continuously since the date a Low-Income Resident vacated such unit, as indicated:

Occupied by Low-Income Residents or held vacant for occupancy continuously since last occupied by Low-Income Resident: \_\_\_\_\_ percent

6. At no time since the date of filing of the last Certificate of Continuing Program Compliance has less than 40% of the units in the Project been occupied by or, if vacant, been last occupied by Low-Income Residents, except \_\_\_\_\_. For the purposes of this Continuing Program Compliance Certificate, a vacant unit that was most recently occupied by an Low-Income Resident may continue to be treated as rented and occupied by a Low-Income Resident provided the next available unit of comparable or smaller size is rented and occupied by a Low-Income Resident, at which time the vacant unit is no longer treated as rented and occupied by a Low-Income Resident. Yes  No

7. To the best knowledge of the undersigned, after due inquiry, all units (other than units occupied by resident managers, security personnel or maintenance personnel, if any) were rented or available for rental on a continuous basis during the immediately preceding calendar quarter to members of the general public, and the Borrower is in compliance with and is not now in default under the terms of the above-referenced Regulatory Agreement except as stated in §\_\_\_\_\_. Yes  No

8. Attached are copies of Income Certifications of Low-Income Residents who moved into the Project this month, and Income Certifications of Low-Income Residents required to be recertified this month.

9. If the Borrower is in default under the terms of the Regulatory Agreement such knowledge should be detailed here:

\_\_\_\_\_  
\_\_\_\_\_

10. Except as stated below, the Borrower has not transferred any interest in the Project since the date of submission of the Certificate of Continuing Program Compliance last submitted to the Bond Trustee and the Issuer with respect to the Project. If the Borrower has transferred any interest in the Project, such transfer should be detailed here:

\_\_\_\_\_  
\_\_\_\_\_

Attached as Attachment 1 hereto is an Occupancy Summary. The information contained thereon is, to the best knowledge of the Borrower (based upon information supplied by residents of the Project), true and accurate.

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_  
[REDACTED],  
[REDACTED]

Date: \_\_\_\_\_

**Attachment 1**

Re: \$8,200,000  
City of Fort Wayne, Indiana  
Multifamily Housing Revenue Bonds, Series 2017  
(Cambridge Square Project)

OCCUPANCY SUMMARY

AS OF \_\_\_\_\_

PROJECT NAME AND LOCATION: \_\_\_\_\_

- a. Total Number of Units: [      ]
- b. Required Units for Low-Income Residents (40%): [      ]
- c. Total Units Occupied by, or Last Occupied and Held Vacant  
for, Low-Income Residents: \_\_\_\_\_

Percentage of Low Income (d/a) (should be at least 40%): \_\_\_\_\_%

**Low-Income Residents:**

Number of Low-Income Residents commencing occupancy this month: \_\_\_\_\_

Number of Low-Income Residents terminating occupancy this month: \_\_\_\_\_

**EXHIBIT C**

**FORM OF INCOME CERTIFICATION**

Tenant: \_\_\_\_\_  
(If there is more than one adult occupant, each one must complete and sign a rider and attachments.)

Lease Date: \_\_\_\_\_

Apartment: \_\_\_\_\_

Property Address: \_\_\_\_\_

The undersigned tenant hereby certifies and agrees as follows:

1. **Income Certification.** My attached income certification is true, correct, and complete. I agree to provide a similar certification annually upon request during the term of my occupancy.
2. **Employment Verification.** The landlord or property manager has my permission to verify my income from my employer, using the attached form now and on an annual basis.
3. **False Statements.** If my income certification and/or any lease application submitted by me is false, the landlord or property manager will have the right to terminate my lease and recover possession of my apartment. I understand that the landlord and property manager are relying on my income certification in accepting me as a tenant, and that the landlord will be seriously harmed if my income does not qualify the apartment. This rider shall be considered part of my lease.

Date: \_\_\_\_\_, \_\_\_\_\_

Tenant:

\_\_\_\_\_  
(Signature)

**To Be Attached:**

- A. Managing Agent's Income Eligibility Worksheet and Certification of Qualified Occupant
- B. Employment/Income Verification, as applicable



settlements, etc.) and personal property held as an investment (i.e. gem or coin collections, paintings, antiques, etc.) Do not include necessary personal property such as furniture, automobiles and clothing.

**PART V. DETERMINATION OF INCOME ELIGIBILITY**

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From Item (L) on page 1

\$

Household Meets Income Restriction at:  
 50%  60%  
 \_\_\_\_%

**RECERTIFICATION ONLY:**  
 Current Income Limit x 140%  
 \$ \_\_\_\_\_

Household Income exceeds 140% at re-certification? Yes  No

Current Income Limit per Family Size \$ \_\_\_\_\_

Household Income at Move in: \$ \_\_\_\_\_

Household Size at Move-in: \_\_\_\_\_

**PART VI. RENT**

Tenant Paid Rent \$ \_\_\_\_\_  
 Utility Allowance \$ \_\_\_\_\_

Rent Assistance \$ \_\_\_\_\_  
 Other non-optional charges \$ \_\_\_\_\_

GROSS RENT FOR UNIT: (Tenant paid rent Utility Allowance & other non-optional charges)

\$

Unit Meets Rent Restriction at:  
 50%  60%  \_\_\_\_%

\*If PHA-Assisted or Project-Based Unit, specify rent is the least of:

- 30% of 80% AMI
- Section 8 Housing Payment Standard
- Market Rent

Maximum Rent Limit for this unit: \$ \_\_\_\_\_

**PART VII. STUDENT STATUS**

ARE ALL OCCUPANTS FULL TIME STUDENTS?

yes  no

If yes, Enter student explanation\* (also attach documentation)

Enter 1 - 4

\*Students Explanation:

- 1 TANF assistance
- 2 Job Training Program
- 3 Single parent/dependent child
- 4 Married/joint return

**PART VIII. PROGRAM TYPE**

Mark the program(s) listed below (a. through e) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. PHA-Assisted <input type="checkbox"/> Income Status <input type="checkbox"/> ≤ 60% AMGI
b. Project-Based <input type="checkbox"/> Income Status <input type="checkbox"/> 60% AMGI
c. LIHTC <input type="checkbox"/> Income Status <input type="checkbox"/> 60% AMGI

\*\* Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

**HOUSEHOLD CERTIFICATION & SIGNATURES OF OWNER/REPRESENTATIVE**

The information on this form will be used to determine maximum income eligibility. I/We have provided for each person set forth in Part II acceptable verifications current anticipated annual income. I/We agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/We agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/We certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes and act of fraud. False misleading or incomplete information may result in the termination of the lease agreement.

_____ Signature	_____ (Date)	_____ Signature	_____ (Date)
_____ Signature	_____ (Date)	_____ Signature	_____ (Date)
_____ Signature	_____ (Date)	_____ Signature	_____ (Date)
_____ Signature	_____ (Date)	_____ Signature	_____ (Date)

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and applicable HUD income Certification requirements and the Land Use Restriction Agreements applicable to live in a unit in this Project.

\_\_\_\_\_  
SIGNATURE OF AGENT

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

# INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

*This form is to be completed by the owner or an authorized representative.*

## Part I- Development Data

Check the appropriated box for Initial Certification (move-in), Recertification (annual recertification, or other. If other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in-Date	Enter the date the tenant has or will take occupancy of the Unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in-date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN#	Enter the Building Identification Number (BIN) assigned to the Building (from IRS Form 8609).
Address	Enter the address of the building.
Unit Number	Enter the unit number.
#Bedrooms	Enter the number of bedrooms in the unit.

## Part II-Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	-	Head of Household	S	-	Spouse
A	-	Adult co-tenant	O	-	Other family member
C	-	Child	F	-	Foster children/adult(s)
L	-	Live-in caretaker	N	-	None of the above

Enter the date of birth, student status, and social security number or alien registration number for each occupant. If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

## Part III – Annual Income

**See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.**

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re) certification. Complete a separate line fore each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment: distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

## Part IV – Income from Assets

**See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.**

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset) or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate)
TOTALS	Add the total of Column (H) and Column (I). Respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (K) Enter the greater of the total in Column (I) or (J)  
 Row (L) Total Annual Household Income From all Sources Add (E) and (K) and enter the total

**Part V- Determination of Income Eligibility**

Total Annual Household Income Enter the number from item (L) from all Sources.  
 Current Income Limit per Family Enter the Current Allowable Move-in Income Limit for the household size (*See chart published annually*)  
 Household income at move-in For recertifications, only. Enter the household income from the move-in.  
 Household size at move-in certification. On the adjacent line, enter the number of household member from the move-in-certification.  
 Household Meets Income Restriction Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside (S) for the project  
 Current Income Limit x 140% For recertifications only. Multiply the current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

**Part VI-Rent**

Tenant Paid Rent Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section(8))  
 Rent Assistance Enter the amount of rent assistance, if any.  
 Utility Allowance Enter the utility allowance. If the owner pays all utilities, enter zero.  
 Other non-optional charges Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the department, etc.  
 Gross Rent for Unit Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.  
 Maximum Rent Limit for this unit Enter the maximum allowable gross rent for the unit.  
 Unit Meets Rent Restriction at: Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

**Part VII –Student Status**

If all household members are full time\* students, check "yes". If at least one household member is not a full time student, check "no". If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

\*The educational institution attended by the student determines "Full time" or "part time" status.

**Part VIII-Program Type**

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/ recertification. If the property does not participate in the LIHTC, PHA-Assisted or Project-Based programs, leave those sections blank.

**HOUSEHOLD CERTIFICATION AND SIGNATURES**

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

**SIGNATURE OF OWNER/REPRESENTATIVE**

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s)

## EXHIBIT D

### HUD RIDER TO REGULATORY AGREEMENT

This RIDER TO REGULATORY AGREEMENT (the "Rider") is made as of July \_\_, 2017, by and among Glick Cambridge Square Fort Wayne II, LP ("Borrower"), The Huntington National Bank ("Trustee"), and City of Fort Wayne, Indiana ("Agency").

WHEREAS, Borrower has obtained financing from P/R Mortgage & Investment Corp. (the "Lender") for the benefit of the project known as Cambridge Square (the "Project"), which loan is secured by a Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement ("Security Instrument") dated as of July \_\_, 2017, and recorded in the Office of the Recorder of Allen County, Indiana (the "Records") on \_\_\_\_\_ as Document Number \_\_\_\_\_, and is insured by the United States Department of Housing and Urban Development ("HUD");

WHEREAS, Borrower has received a loan from the Agency, which Agency is requiring certain restrictions be recorded against the Project;

WHEREAS, HUD is requiring that the lien and covenants of the Regulatory Agreement be subordinated to the lien, covenants, and enforcement of the Security Instrument; and

WHEREAS, the Agency has agreed to subordinate the Regulatory Agreement to the lien of the Mortgage Loan (as defined herein) in accordance with the terms of this Rider.

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

(a) In the event of any conflict between any provision contained elsewhere in the Regulatory Agreement and any provision contained in this Rider, the provision contained in this Rider shall govern and be controlling in all respects.

(b) The following terms shall have the following definitions:

"HUD" means the United States Department of Housing and Urban Development.

"HUD Regulatory Agreement" means the Regulatory Agreement between Borrower and HUD with respect to the Project, as the same may be supplemented, amended or modified from time to time.

"Mortgage Loan" means the mortgage loan made by Lender to the Borrower pursuant to the Mortgage Loan Documents with respect to the Project.

"Mortgage Loan Documents" means the Security Instrument, the HUD Regulatory Agreement and all other documents required by HUD or Lender in connection with the Mortgage Loan.

"Program Obligations" has the meaning set forth in the Security Instrument.

"Surplus Cash" has the meaning specified in the HUD Regulatory Agreement.

"Residual Receipts" has the mean specified in the HUD Regulatory Agreement.

(c) Notwithstanding anything in the Regulatory Agreement to the contrary, except the requirements in 26 U.S.C. 42(h)(6)(E)(ii), the provisions hereof are expressly subordinate to (i) the Security Instrument, (ii) the HUD Regulatory Agreement and (iii) Program Obligations. In the event of any conflict between the provisions of the Regulatory Agreement and the provisions of the Security Instrument, HUD Regulatory Agreement, or Program Obligations, the provisions of the Mortgage Loan Documents and Program Obligations shall control and supersede the enforcement of the Regulatory Agreement.

(d) In the event of foreclosure or deed in lieu of foreclosure, the Regulatory Agreement (including without limitation, any and all land use covenants and/or restrictions contained herein) shall automatically terminate, with the exception of the requirements of 26 U.S.C. 42(h)(6)(E)(ii) above, or as otherwise approved by HUD.

(e) Borrower, Trustee and the Agency acknowledge that Borrower's failure to comply with the covenants provided in the Regulatory Agreement does not and shall not serve as a basis for default under the terms of the Security Instrument, the HUD Regulatory Agreement, or any other document relating to the Mortgage Loan to Borrower for the Project, provided that, nothing herein limits the Agency's and the Trustee's ability to enforce the terms of the Regulatory Agreement to the extent not in conflict with the Mortgage Loan Documents or Program Obligations.

(f) Except for the Agency's reporting requirement, in enforcing the Regulatory Agreement the Agency will not file any claim against the Project or any reserve or deposit required by HUD in connection with the Security Instrument or HUD Regulatory Agreement, or the rents or other income from property other than a claim against:

- (i) Available Surplus Cash, if the Borrower is a for-profit entity;
- (ii) Available distributions and Residual Receipts authorized for release by HUD, if the Borrower is a limited distribution entity; or
- (iii) Available Residual Receipts authorized by HUD, if the Borrower is a non-profit entity.

(g) For so long as the Mortgage Loan is outstanding, Borrower, Trustee and Agency shall not further amend the Regulatory Agreement without HUD's prior written consent.

(h) Subject to the HUD Regulatory Agreement, the Agency may require the Borrower to indemnify and hold the Agency harmless from all loss, cost, damage and expense arising from any claim or proceeding instituted against Agency relating to the subordination and covenants set forth in the Regulatory Agreement, provided, however, that Borrower's obligation to indemnify and hold the Agency harmless shall be limited to available Surplus Cash and/or Residual Receipts of the Borrower.

(i) No action shall be taken in accordance with the rights granted herein to preserve the tax exemption of the interest on the Bonds, or prohibiting the Borrower from taking any action that might jeopardize the tax-exemption, except in strict accord with Program Obligations.

(j) Enforcement of the provisions of this Regulatory Agreement will not result in any claim against the Project, the Mortgage Loan proceeds, any reserve or deposit required by HUD in connection with the Mortgage Loan transaction, or rents or other income from the Project, other than available Surplus Cash and/or Residual Receipts.

**BORROWER:**

**GLICK CAMBRIDGE SQUARE  
FORT WAYNE II, LP,**  
an Indiana limited partnership

By: **GLICK CAMBRIDGE SQUARE  
FORT WAYNE II LIHTC, LLC,**  
an Indiana limited liability company,  
its General Partner

By: **GENE B. GLICK COMPANY,**  
an Indiana corporation,  
its Sole Member

By: \_\_\_\_\_

**[INSERT],**  
**[INSERT TITLE]**

*(Signature page to HUD Rider to Regulatory Agreement)*

**AGENCY:**

**CITY OF FORT WAYNE, INDIANA**

(SEAL)

By: \_\_\_\_\_  
Thomas C. Henry, Mayor

ATTEST:

\_\_\_\_\_  
Lana R. Keesling, City Clerk

*(Signature page to HUD Rider to Regulatory Agreement)*

**TRUSTEE:**

**THE HUNTINGTON NATIONAL BANK,**

By: \_\_\_\_\_  
Mark Hudson, Vice President

*(Signature page to HUD Rider to Regulatory Agreement)*

STATE OF INDIANA            )  
  ) SS:  
COUNTY OF \_\_\_\_\_ )

Before me, a Notary Public in and for said County and State, personally appeared [REDACTED] to me personally known, who being by me duly sworn did say that s/he is the [REDACTED] of Gene B. Glick Company, an Indiana corporation, which is the Sole Member of Glick Cambridge Square Fort Wayne II, LLC, an Indiana limited liability company, which is the general partner of Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership, who, after having been duly sworn, acknowledged the execution of the foregoing HUD Rider to Regulatory Agreement for and on behalf of Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership.

WITNESS my hand and seal this \_\_\_\_\_ day of July, 2017.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Signature

County of Residence:

\_\_\_\_\_

\_\_\_\_\_  
Notary Printed

*(Borrower's notary page to HUD Rider to Regulatory Agreement)*





**TRUST INDENTURE**

**between**

**CITY OF FORT WAYNE, INDIANA**

**and**

**THE HUNTINGTON NATIONAL BANK,  
as Trustee**

---

**\$8,200,000  
City of Fort Wayne, Indiana  
Multifamily Housing Revenue Bonds, Series 2017  
(Cambridge Square Project)**

---

**Dated**

**as of**

**July 1, 2017**

**Krieg DeVault LLP  
Bond Counsel**



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Exhibit A - Bond Form

## **TRUST INDENTURE**

THIS **TRUST INDENTURE** (the "Indenture") dated as of July 1, 2017, is made by and between the **CITY OF FORT WAYNE, INDIANA**, a municipal corporation duly organized and validly existing under the laws of the State of Indiana, as Issuer, and **THE HUNTINGTON NATIONAL BANK**, a national banking association, with a designated corporate trust office located in Indianapolis, Indiana, as Trustee under the circumstances summarized in the following recitals (the capitalized terms not defined in the recitals and granting clauses being used therein as defined in Article I hereof):

A. Pursuant to and in accordance with the laws of the State, including without limitation, the Act, the Issuer has determined to issue and sell the Bonds in the aggregate principal amount of \$8,200,000 and to loan the proceeds to be derived from the sale thereof to the Borrower to assist in the financing of the Project to be undertaken by the Borrower;

B. The Bonds will be secured by this Indenture, and the Issuer is authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on its part;

C. All acts and conditions required to happen, exist and be performed precedent to and in the issuance of the Bonds and the execution and delivery of this Indenture have happened, do exist and have been performed, or at the delivery of the Bonds will exist, will have happened and will have been performed (i) to make the Bonds, when issued, delivered and authenticated, valid special obligations of the Issuer in accordance with the terms thereof and hereof and (ii) to make this Indenture a valid, binding and legal trust agreement for the security of the Bonds in accordance with its terms; and

D. The Trustee has accepted the trusts created by this Indenture, and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of Bond Service Charges on the Bonds according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders, and for other good and valuable consideration, the receipt of which is acknowledged, the Issuer has executed and delivered this Indenture and absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Issuer in and to (i) the Pledged Revenues, including, without limitation, all Loan Payments and other amounts receivable by or on behalf of the Issuer under the Agreement in respect of repayment of the Loan, (ii) the Special Funds, including all accounts in those Funds and all moneys deposited therein and the investment earnings on such moneys, (iii) subject to the provisions of the Bond Legislation, all right, title and interest of the Issuer in the proceeds derived from the sale of the Bonds, and any securities in which moneys in the Special Funds are invested, and (except for moneys required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal

property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, as and for additional security hereunder by the Issuer or by anyone in its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture, and (iv) the Agreement, excepting from the foregoing the Unassigned Issuer's Rights (the foregoing collectively referred to as the "*Trust Estate*"),

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof,

(a) except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds issued or to be issued under and secured by this Indenture,

(b) for the enforcement of the payment of the principal of and interest on the Bonds, when payable, according to the true intent and meaning thereof and of this Indenture, and

(c) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture,

in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the same right, lien and privilege under this Indenture and shall be secured equally and ratably hereby, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; provided, however, that

(i) if the principal of the Bonds and the interest due or to become due thereon shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the outstanding Bonds shall have been paid and discharged in accordance with Article IX hereof, and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Issuer under this Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee, the Registrar, the Paying Agents and the Authenticating Agents all sums of money due or to become due to them in accordance with the terms and provisions hereof,

this Indenture and the rights assigned hereby shall cease, determine and be void, except as provided in Section 9.03 hereof with respect to the survival of certain provisions hereof; otherwise, this Indenture shall be and remain in full force and effect.

It is declared that all Bonds issued hereunder and secured hereby are to be issued, authenticated and delivered, and that all Pledged Revenues assigned hereby are to be dealt with

and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture. The Issuer has agreed and covenanted, and agrees and covenants with the Trustee and with each and all as follows:

(Balance of page intentionally left blank)

ARTICLE I  
DEFINITIONS

SECTION 1.01. Definitions. In addition to the words and terms defined elsewhere in this Indenture or by reference to the Agreement, unless the context or use clearly indicates another meaning or intent:

“*Act*” means, collectively, Indiana Code, Title 36, Article 7, Chapters 11.9 and 12 and the Bond Legislation.

“*Act of Bankruptcy*” means the filing of a petition in bankruptcy (or any other commencement of a bankruptcy or similar proceeding) under any applicable bankruptcy, insolvency, reorganization, or similar law, now or hereafter in effect; provided that, in the case of an involuntary proceeding, such proceeding is not dismissed within 90 days after the commencement thereof.

“*Additional Payments*” means the amounts required to be paid by the Borrower pursuant to the provisions of Section 4.2 of the Agreement.

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“*Agreement*” means the Loan Agreement dated as of even date with this Indenture, between the Issuer and the Borrower and assigned by the Issuer, except for Unassigned Issuer’s Rights to the Trustee, as amended or supplemented from time to time.

“*Assignment Fund*” means the Assignment Fund created pursuant to Section 5.01 of this Indenture.

“*Authenticating Agent*” means the Trustee and the Registrar for the Bonds and any bank, trust company or other Person designated as an Authenticating Agent for the Bonds by or in accordance with Section 6.13 of this Indenture, each of which shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934 as amended.

“*Authorized Borrower Representative*” means the Person designated at the time pursuant to the Agreement to act on behalf of the Borrower thereunder.

“*Authorized Denomination*” means \$5,000, or any integral multiple in excess thereof.

“*Authorized Official*” means the Mayor and City Clerk.

*“Available Money”* means, as of any date of determination, any of (i) the proceeds of the Bonds, (ii) the proceeds of draws by the Trustee on any letters of credit provided to the Trustee for the benefit of the Borrower, (iii) any other amounts, including the proceeds of refunding bonds, for which, in each case, the Trustee has received an Opinion of Counsel acceptable to the Rating Agency to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 544, 547 or 550 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code, (iv) any payments made by the Borrower and held by the Trustee for a period of 366 days, provided that no Act of Bankruptcy with respect to the Borrower has occurred during such period, (v) the Collateral Funds, and (vi) investment income derived from the investment of moneys described in clause (i), (ii), (iii), (iv) or (v).

*“Bankruptcy Code”* means the United States Bankruptcy Reform Act of 1978, as amended from time to time, or any substitute or replacement legislation.

*“Bond Fund”* means the Bond Fund created in Section 5.01 hereof.

*“Bond Legislation”* means Special Ordinance No. [REDACTED], adopted by the Issuer on July 11, 2017, authorizing the issuance and delivery of the Bonds and related matters.

*“Bond Payment Date”* means each Interest Payment Date and any other date Bond Service Charges on the Bonds are due, whether at maturity, upon redemption, Mandatory Tender or acceleration or otherwise.

*“Bond Purchase Agreement”* means the Bond Purchase Agreement dated July \_\_\_\_, 2017, among the Issuer, the Borrower and the Original Purchaser.

*“Bond Service Charges”* means, for any period or payable at any time, the principal of and interest on the Bonds for that period or payable at that time whether due on an Interest Payment Date, at maturity or upon acceleration.

*“Bond Year”* means each annual period of twelve months the first of which commences on the date of the original issuance and delivery of the Bonds and the last of which ends on the maturity of the Bonds, except that the first and last bond year may be less than twelve months.

*“Bonds”* means the \$8,200,000 Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) of the Issuer authorized in the Bond Legislation and Section 2.02 hereof.

*“Book Entry Form”* or *“Book Entry System”* means, with respect to the Bonds, a form or system, as applicable, under which (i) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates “immobilized” in the custody of the Depository or its custodian and (ii) the ownership of book entry interests in Bonds and Bond Service Charges thereon may be transferred only through a book entry made by others than the Issuer or the Trustee. The records maintained by others than the Issuer or the

Trustee constitute the written record that identifies the owners, and records the transfer, of book entry interests in those Bonds and Bond Service Charges thereon.

“*Borrower*” means Glick Cambridge Square Fort Wayne II, LP, an Indiana limited partnership duly formed and validly existing under the laws of the State, and its lawful successors and assigns to the extent permitted by the Agreement.

“*Borrower Funds*” means a portion of the Equity Bridge Loan Funds.

“*Business Day*” means a day of the week, other than a Saturday or a Sunday, on which commercial banks located in the city in which the designated corporate trust office of the Trustee is located are not required or authorized to remain closed and on which the United States Government makes payments of principal and interest on its Treasury obligations.

“*Cash Flow Projection*” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Remarketing Agent and the Rating Agency, establishing, to the satisfaction of the Remarketing Agent and the Rating Agency, the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period and (c) any additional Available Money delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges when due and payable, including, but not limited to, any cash flow projection prepared in connection with a proposed remarketing of the Bonds, as provided in Section 4.03 hereof.

“*Closing Date*” means July 1, 2017.

“*Code*” means the Internal Revenue Code of 1986, as amended, and all applicable regulations (whether proposed, temporary or final) under the Code and the statutory predecessor of the Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

“*Collateral Funds*” means, collectively, the Senior Lender Funds in an aggregate amount of at least Eight Million Two Hundred Thousand (\$8,200,000) Dollars.

“*Completion Date*” means the date of completion of the Project evidenced in accordance with the requirements of Section 3.6 of the Agreement.

“*Computation Date*” means the last day of each fifth Bond Year (or such earlier Bond Year or Bond Years selected by the Issuer) and the date on which the final payment in full of all outstanding Bonds is made.

“*Depository*” means, with respect to the Bonds, DTC, until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, Depository shall mean the successor Depository. Any Depository shall be clearing agency under a federal law operating and maintaining, with its participants or otherwise, a Book Entry System

to record ownership of book entry interests in Bonds or Bond Service Charges thereon, and to effect transfers of book entry interests in Bonds.

“DTC” means The Depository Trust Company (a limited purpose trust company), New York, New York, and its successors or assigns.

“DTC Participant” means any participant contracting with DTC under its book entry system and includes securities brokers and dealers, banks and trust companies and clearing corporations.

“Eligible Investments” means any of the following investments which mature (or are redeemable at the option of the Trustee) at such time or times as to enable disbursements to be made from the fund in which such investment is held in accordance with the applicable terms:

(a) Direct obligations of the United States of America, or obligations the full and prompt payment of which is secured by the pledge of the full faith and credit of the United States of America, provided that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under this Indenture;

(b) Non-callable, non-prepayable obligations of the following federal government agencies: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration, provided the entity maintains a rating of “Aaa” from the Rating Agency and provided, further, that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under this Indenture;

(c) Obligations of any state or any political subdivision of any state, which are rated in the highest category for long-term debt by the Rating Agency, the interest on which is excluded from gross income for federal income tax purposes and the full and timely payment of the principal of and any premium and the interest on which is fully and unconditionally payable from obligations of the character described in (a) or (b) above, provided that the obligation has an interest accrual period and interest payment dates that provide for timely payments in amounts sufficient to meet the payment obligations under this Indenture; and

(d) (1) the following money market funds, so long as they invest solely in direct obligations issued by the U.S. Treasury or repurchase agreements backed by those obligations: First American U.S. Treasury Money Market Fund; Wells Fargo Advantage 100% Treasury Money Market Funds; Federated U.S. Treasury Cash Reserves (Fund 125); and Federated Treasury Obligations Fund (Fund 68); or (2) in the event those funds cease to exist or no longer have a rating of the highest category (without regard to gradation within a category) by the Rating Agency, money market funds conforming to

Rule 2a-7 of the Federal Investment Company Act of 1940, including any money market fund the investment advisor of which is the Trustee or an affiliate of the Trustee, (i) whose shares are registered under the Federal Securities Act of 1933 that invest solely in direct obligations issued by the U.S. Treasury and repurchase agreements backed by those obligations, (ii) which have a rating of the highest category (without regard to gradation within a category) by the Rating Agency and (iii) which are acceptable to the Rating Agency and the Original Purchaser.

“*Equity Bridge Loan Funds*” means [REDACTED].

“*Event of Default*” means any of the events described as an Event of Default in Section 7.01 hereof or Section 7.1 of the Agreement.

“*Extension Payment*” means the amount due, if any, to provide adequate additional funds for the payment of Bond Service Charges during a Remarketing Period in connection with the change or extension of the Mandatory Tender Date pursuant to Section 4.03 hereof, and which (a) shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Available Money.

“*Extraordinary Services*” and “*Extraordinary Expenses*” mean all services rendered and all reasonable expenses properly incurred by the Trustee under this Indenture, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include services rendered or expenses incurred by the Trustee in connection with, or in contemplation of, an Event of Default.

“*Force Majeure*” means any of the causes, circumstances or events described as constituting Force Majeure in Section 7.1 of the Agreement.

“*GAAP*” means generally accepted accounting principles applied on a consistent basis.

“*Government*” means the government of the United States of America, the government of any other nation, any political subdivision of the United States of America or any other nation (including, without limitation, any state, territory, federal district, municipality or possession) and any department, agency or instrumentality thereof; and “*Governmental*” shall mean of, by, or pertaining to any Government.

“*Holder*” or “*Holder of a Bond*” means the Person in whose name a Bond is registered on the Register.

“*HUD*” means the United States Department of Housing and Urban Development.

“*HUD Regulatory Agreement*” means the Regulatory Agreement by and between the Borrower and HUD of even date herewith, as amended or supplemented from time to time.

“*Indebtedness*” means for any Person (a) all indebtedness or other obligations of such Person for borrowed money or for the deferred purchase price of property or services, (b) all indebtedness or other obligations of any other Person for borrowed money or for the deferred purchase price of property or services, the payment or collection of which such Person has

guaranteed (except by reason of endorsement for deposit or collection in the ordinary course of business) or in respect of which such Person is liable, contingently or otherwise, including, without limitation, by way of agreement to purchase, to provide funds for payment, to supply funds to or otherwise to invest in such other Person, or otherwise to assure a creditor against loss, (c) all indebtedness or other obligations of any other Person for borrowed money or for the deferred purchase price of property or services secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property (including, without limitation, accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness or other obligations, (d) all direct or contingent obligations of such Person in respect of letters of credit, (e) all lease obligations which have been or should be, in accordance with GAAP, capitalized on the books of such Person as lessee, and (f) guaranties of any of the foregoing; provided that Indebtedness does not include accounts payable and accrued expenses incurred in the ordinary course of business.

“*Independent*” when used with respect to a specified Person means such Person has no specific financial interest direct or indirect in the Borrower or any Affiliate of the Borrower and in the case of an individual is not a director, trustee, officer, partner or employee of the Borrower or any Affiliate of the Borrower and in the case of an entity, does not have a partner, director, trustee, officer, partner or employee who is a director, trustee, officer or employee of any partner of the Borrower or any Affiliate of the Borrower.

“*Information Services*” means Financial Information, Inc.’s “Daily Called Bond Service,” One Cragwood Road, 2<sup>nd</sup> Floor, South Plainfield, New Jersey 07080, Attention: Editor; J. J. Kenny Standard & Poor’s Information Services “Called Bond Service,” 55 Water Street, 28th Floor, New York, New York 10041; “Moody’s Investors Service Municipal Government,” 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Attention: Municipal News Reports; or, in accordance with then-current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other services providing information with respect to called bonds.

“*Initial Interest Rate*” means [REDACTED] % per annum.

“*Initial Investment*” means, a U.S. Treasury Note in the principal amount of \$[REDACTED], bearing interest at the rate of [REDACTED] % per annum and maturing on October 31, 2018.

“*Initial Mandatory Tender Date*” means November 1, 2018.

“*Initial Remarketing Date*” means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Bonds on such date as provided in Section 4.03 hereof are satisfied.

“*Interest Payment Account*” means the Interest Payment Account within the Bond Fund created in Section 5.01 hereof.

“*Interest Payment Date*” or “*Interest Payment Dates*” means (a) each May 1 and November 1, commencing November 1, 2017, (b) each Mandatory Tender Date and (c) the Maturity Date.

*“Interest Period”* means, initially, the period from July 1, 2017 to and including November 1, 2017, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the day preceding the next Interest Payment Date.

*“Interest Rate”* means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, and thereafter the applicable Remarketing Rate.

*“Interest Rate for Advances”* means the rate of twelve percent per annum (12%) or the rate per annum which is two percent (2%) plus that interest rate announced by the Trustee in its lending capacity as a bank as its “Prime Rate” or its “Base Rate,” whichever is greater and lawfully chargeable, in whole or in part.

*“Investor Limited Partner”* means [REDACTED], and its lawful successors and assigns.

*“Issuer”* means the City of Fort Wayne, Indiana.

*“Lien”* means any mortgage, deed of trust, lien, charge, security interest or encumbrance of any kind upon, or pledge of, any property, whether now owned or hereafter acquired, and includes the acquisition of, or agreement to acquire, any property subject to any conditional sale agreement or other title retention agreement, including a Lease on terms tantamount thereto or on terms otherwise substantially equivalent to a purchase.

*“Loan”* means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Bonds.

*“Loan Payment Cure Period”* means a period of four Business Days following any Loan Payment Date.

*“Loan Payment Date”* means the fifth Business Day preceding each Interest Payment Date.

*“Loan Payments”* means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and Section 4.1 of the Agreement.

*“Mandatory Tender”* means a tender of Bonds required by Section 4.01.

*“Mandatory Tender Date”* means (a) the Initial Mandatory Tender Date and (b) if the Bonds Outstanding on the Initial Mandatory Tender Date or on any subsequent Mandatory Tender Date are remarketed pursuant to Section 4.03 hereof for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

*“Maturity Date”* means May 1, 2019.

*“Maximum Interest Rate”* means the interest rate equal to the lesser of (a) 12% per annum, or (b) the maximum interest rate per annum permitted by the applicable law of the State.

*“Mortgage Note”* means that note in the principal amount of \$[11,058,000.00] from Borrower to Senior Lender.

“Note” means the promissory note of the Borrower, dated as of even date with the Bonds

“Notice Address” means:

To the Issuer: City of Fort Wayne, Indiana  
Fort Wayne Community Development Division  
Citizens Square  
200 East Berry Street, Suite 320  
Fort Wayne, IN 46802  
Attention: Director

To the Trustee: The Huntington National Bank  
45 North Pennsylvania Street  
INHP22  
Indianapolis, Indiana 46204  
Attention: Corporate Trust and Escrow Services

To the Borrower: Glick Cambridge Square Fort Wayne II, LP  
8801 River Crossing Blvd., Suite 200  
Indianapolis, Indiana 46240  
Attention: [REDACTED]

With a copy to: Kuhl & Grant LLP  
707 E. North St., Suite 800  
Indianapolis, IN 46202  
Attention: Gareth W. Kuhl

To the Investor  
Limited Partner: [REDACTED]  
[REDACTED]  
[REDACTED]  
Attention:  
Fax No.:

With a copy to: [REDACTED]  
[REDACTED]  
[REDACTED]  
Attention:  
Tel.:

Attention:

Rating Agency: Moody’s Investors Service, Inc.  
World Trade Center  
250 Greenwich Street, 23<sup>rd</sup> Floor  
New York, New York 10007  
Attention: Public Finance Department – Municipal

## Structured Products Group

or such additional or different address, notice of which is given under Section 13.03 hereof.

“*Opinion of Bond Counsel*” means an opinion of Krieg DeVault LLP or of other counsel nationally recognized as having an expertise in connection with the exclusion of interest on obligations of states and local governmental units from the gross income of holders thereof for federal income tax purposes.

“*Opinion of Counsel*” means an opinion from an attorney or firm of attorneys, acceptable to the Issuer and the Trustee with experience in the matters to be covered in the opinion.

“*Ordinary Services*” and “*Ordinary Expenses*” mean those services normally rendered, and those expenses normally incurred, by a trustee under instruments similar to this Indenture.

“*Original Purchaser*” means The Sturges Company.

“*Outstanding Bonds*”, “*Bonds outstanding*” or “*outstanding*” as applied to Bonds mean, as of the applicable date, all Bonds which have been authenticated and delivered, or which are being delivered by the Trustee under this Indenture, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment on or prior to that date;

(b) Bonds, or the portion thereof, for the payment or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee or any Paying Agent on or prior to that date for that purpose (whether upon or prior to the maturity of those Bonds);

(c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Indenture; and

(d) Bonds in lieu of which others have been authenticated under Section 3.06 of this Indenture.

“*Paying Agent*” means any bank or trust company designated as a Paying Agent by or in accordance with Section 6.12 of this Indenture.

“*Permitted Encumbrances*” means, as applied to the Project:

(i) such conditions, leases, restrictions, covenants, reservations, easements, and other matters of record to which the Project is subject on the Closing Date;

(ii) zoning and other ordinances;

(iii) liens for taxes and assessments and other governmental charges, both general and special and not yet due and payable;

- (iv) the Regulatory Agreement;
- (v) the Notice of Lien and Extended Use Agreement between the Borrower and the Indiana Housing & Community Development Authority;
- (vi) the leases of portions of the Project;
- (vii) the Senior Lender Mortgage; and
- (viii) liens and encumbrances imposed upon the Project by HUD, in connection with the loan of any money or the provision of any other form of housing assistance to the Project by HUD.

*“Permitted Indebtedness”* means, as to the Borrower:

- (i) The Agreement and the Note; and
- (ii) Indebtedness incurred in accordance with Section 5.6(b) of the Agreement.

*“Permitted Liens”* means, as applied to the Borrower:

(i) Liens securing taxes, assessments, fees, or other Governmental charges or levies, or the claims of materialmen, mechanics, carriers, warehousemen, landlords, and other similar Persons, the payment of which is not at the time required by Section 5.5(c) of the Agreement;

(ii) Liens incurred or deposits made in the ordinary course of business (a) in connection with workmen’s compensation, unemployment insurance, social security and other similar laws, or (b) to secure the performance of bids, tenders, sales, contracts, public or statutory obligations, customs, appeal and performance bonds, and other similar obligations not incurred in connection with the borrowing of money, the obtaining of advances, or the payment of the deferred purchase price of property;

(iii) Reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases, and other similar title exceptions or encumbrances affecting real property, provided they do not in the aggregate materially detract from the value of such properties or materially interfere with their use in the ordinary conduct of the Borrower’s business;

(iv) Permitted Encumbrances; and

(v) Liens securing Permitted Indebtedness.

*“Person”* or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, limited liability companies, public or governmental bodies, other legal entities and natural persons.

*“Plans and Specifications”* means the plans and specifications, if any, describing the Project as now prepared and as they may be changed as provided in the Agreement from time to time.

*“Pledged Revenues”* means (a) the Loan Payments, (b) all other moneys received or to be received by the Issuer or the Trustee in respect of repayment of the Loan, including without limitation, all moneys and investments in the Bond Fund, (c) any moneys and investments in the Project Fund and in the Assignment Fund, and (d) all income and profit from the investment of the foregoing moneys. The term *“Pledged Revenues”* does not include any moneys or investments in the Rebate Fund or the Residual Fund.

*“Predecessor Bond”* of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by the particular Bond. For the purposes of this definition, any Bond authenticated and delivered under Section 3.06 of this Indenture in lieu of a lost, stolen or destroyed Bond shall, except as otherwise provided in Section 3.06, be deemed to evidence the same debt as the lost, stolen or destroyed Bond.

*“Principal Payment Account”* means the Principal Payment Account within the Bond Fund created in Section 5.01 hereof.

*“Project”* means acquiring, rehabilitating, constructing, equipping and improving privately owned real and personal property of a multifamily housing complex currently known as the Cambridge Square, located at 7600 Cold Springs Boulevard, Fort Wayne, IN, and containing approximately 200 affordable living units and certain functionally-related improvements, or any other use that may be permitted under the Act.

*“Project Costs”* means the costs of the Project specified in Section 3.4 of the Agreement.

*“Project Fund”* means the Project Fund created in Section 5.01 hereof.

*“Project Purposes”* means the operation of the Project in accordance with the Act, the Code and the Regulatory Agreement.

*“Rating Agency”* means Moody’s Investors Service, Inc., or any successor thereto.

*“Rebate Amount”* means as of each Computation Date an amount equal to the sum of (i) plus (ii) where:

(i) is the excess of

(a) the aggregate amount earned from the date of issuance of the Bonds to such Computation Date on all nonpurpose investments in which gross proceeds of the Bonds are invested (other than investments attributable to excess earnings described in this clause (i)) including any gain or deducting any loss from disposition of nonpurpose investments, over

(b) the amount which would have been earned during such period if those nonpurpose investments (other than amounts attributable to an excess described in this clause (i)) had been invested at a rate equal to the yield on the Bonds; and

(ii) is any income attributable to the excess described in this definition.

The foregoing sums shall be determined in accordance with Section 148 of the Code. As used herein, the terms “gross proceeds”, “nonpurpose investments” and “yield” have the meanings assigned to them for purposes of Section 148(f) of the Code.

“*Rebate Fund*” means the Rebate Fund created in Section 5.01 hereof.

“*Register*” means the books kept and maintained by the Registrar for registration and transfer of Bonds pursuant to Section 3.05 hereof.

“*Registrar*” means the Trustee, until a successor Registrar shall have become such pursuant to applicable provisions of this Indenture; each Registrar shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934.

“*Regular Record Date*” means, with respect to any Bond, the 15<sup>th</sup> day of the calendar month next preceding each Interest Payment Date applicable to that Bond and, with respect to any Mandatory Tender Date, the 45<sup>th</sup> day preceding such Mandatory Tender Date.

“*Regulatory Agreement*” means the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of even date with this Indenture, among the Issuer, the Trustee and the Borrower.

“*Rehabilitation Period*” means the period between the beginning of the acquisition, rehabilitation, improvement and equipment of the Project and the Completion Date.

“*Remarketing Agent*” means The Sturges Company.

“*Remarketing Agent’s Fee*” means the fee of the Remarketing Agent for its remarketing services.

“*Remarketing Agreement*” means the Remarketing Agreement, dated as of April 1, 2016, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“*Remarketing Date*” means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to Section 4.03 for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“*Remarketing Expenses*” means the costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer and its counsel, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, the cost of any Cash Flow Projections or other verification reports, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

*“Remarketing Notice Parties”* means the Borrower, the Issuer, the Trustee, the Remarketing Agent and the Senior Lender.

*“Remarketing Period”* means the period beginning on a Remarketing Date and ending on the last day of the term for which Bonds are remarketed pursuant to Section 3.07 or the final Maturity Date of the Bonds, as applicable.

*“Remarketing Proceeds Account”* means the Remarketing Proceeds Account of the Bond Fund created in Section 5.01 hereof.

*“Remarketing Rate”* means the interest rate or rates established pursuant to Section 2.02(c) and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

*“Residual Fund”* means the Residual Fund created in Section 5.01 hereof.

*“Senior Lender”* means P/R Mortgage & Investment Corp., and its successors and assigns.

*“Senior Lender Funds”* means funds advanced by or at the direction of the Senior Lender to the Trustee for deposit in the Assignment Fund.

*“Senior Lender Mortgage”* means the mortgage from the Borrower in favor of the Senior Lender securing the Mortgage Note.

*“Special Funds”* means, collectively, the Bond Fund, the Assignment Fund, the Project Fund, and any accounts therein, all as created in this Indenture.

*“Special Record Date”* means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest or principal on that Bond.

*“State”* means the State of Indiana.

*“Supplemental Indenture”* means any indenture supplemental to this Indenture entered into between the Issuer and the Trustee in accordance with Article VIII hereof.

*“Trustee”* means The Huntington National Bank, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, “Trustee” shall mean the successor Trustee.

*“Unassigned Issuer’s Rights”* means all of the rights of the Issuer to receive Additional Payments under Section 4.2 of the Agreement, to be held harmless and indemnified under Section 5.3 of the Agreement and as provided in the other Bond Documents, to be an insured under Section 5.6 of the Agreement, to determine if satisfactory arrangements for Additional Payments as required under Section 4.2 of the Agreement have been made, to be reimbursed for attorney’s fees and expenses under Section 7.4 of the Agreement, to receive notices pursuant to Section 8.3 of the Agreement, to give or withhold consent to amendments, changes,

modifications, alterations and termination of the Agreement under Section 8.6 of the Agreement, and to enforce its remedies under the Agreement and the other Bond Documents.

*“Undelivered Bond”* means any Bond that is required under this Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

SECTION 1.02. Interpretation. Any reference herein to the Issuer, or to any member or officer of the Issuer, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Indiana Code, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee, the Registrar, any Paying Agent, any Authenticating Agent or the Borrower under this Indenture, the Bond Legislation, the Bonds, the Agreement, the Note, the Regulatory Agreement or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay Bond Service Charges in the amount and manner, at the times, and from the sources provided in the Bond Legislation and this Indenture, except as permitted herein.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms “hereof”, “hereby”, “herein”, “hereto”, “hereunder”, “hereinafter” and similar terms refer to this Indenture; and the term “hereafter” means after, and the term “heretofore” means before, the date of this Indenture. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

SECTION 1.03. Captions and Headings. The captions and headings in this Indenture are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

(End of Article I)

## ARTICLE II

### AUTHORIZATION AND TERMS OF BONDS

SECTION 2.01. Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total authorized principal amount of Bonds which shall be issued under the provisions of this Indenture is \$8,200,000.

SECTION 2.02. Issuance of Bonds. It is determined to be necessary to, and the Issuer shall, issue, sell and deliver \$8,200,000 principal amount of Bonds for the Project Purposes. The Bonds shall be designated "Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project)"; shall be issuable only in fully registered form, substantially as set forth in Exhibit A to this Indenture; shall be numbered in such manner as determined by the Trustee in order to distinguish each Bond from any other Bond; shall be in Authorized Denominations; shall be dated as of July 1, 2017; and shall mature on the Maturity Date, subject to Mandatory Tender for purchase as set forth in Section 4.01 hereof. The Bonds shall bear interest on the principal amount Outstanding from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or provided for, from their date of initial delivery, payable on each Interest Payment Date. The Bonds shall bear interest for each Interest Period at the Interest Rate all as more specifically set forth hereinafter. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(b) Initial Interest Rate. From the date of their initial delivery to but not including the Initial Mandatory Tender Date, the interest rate on the Bonds shall be the Initial Interest Rate per annum. On the Initial Mandatory Tender Date, the Bonds shall be subject to Mandatory Tender pursuant to Section 4.01 hereof.

(c) Establishment of Remarketing Rate. The Remarketing Agent shall establish the interest rate on the Bonds Outstanding for each Remarketing Period at the Remarketing Rate in accordance with this Section 2.02. Not less than 10 Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Bonds then Outstanding for the Remarketing Period specified by the Remarketing Agent at the direction of the Borrower as provided in Section 4.01 hereof, would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the Maximum Interest Rate, the Bonds Outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate, the Bonds Outstanding shall not be remarketed.

(d) Notice of Remarketing Rate. The Remarketing Agent shall, upon determination of the Remarketing Rate and Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone or electronic mail, promptly confirmed in writing, to the Trustee, the Issuer and the Borrower. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

SECTION 2.03. Delivery of Bonds. Upon (i) the execution and delivery of this Indenture, (ii) satisfaction or waiver of the conditions established in the Bond Purchase Agreement for delivery of the Bonds and (iii) confirmation that the Trustee shall be able to purchase the Initial Investment on the Closing Date, the Issuer shall execute the Bonds and deliver them to the Trustee. Thereupon, the Trustee shall authenticate the Bonds and deliver them to, or on the order of, the Original Purchaser thereof, as directed by the Issuer in accordance with this Section 2.03.

Before the Trustee delivers any Bonds, the Trustee shall have received a request and authorization to the Trustee on behalf of the Issuer, signed by an Authorized Official, to authenticate and deliver the Bonds to, or on the order of, the Original Purchaser upon payment to the Trustee of the amount specified therein (including without limitation, any accrued interest), which amount shall be deposited as provided in Section 5.01.

(End of Article II)

## ARTICLE III

### TERMS OF BONDS GENERALLY

SECTION 3.01. Form of Bonds. The Bonds, the certificate of authentication and the form of assignment shall be substantially in the respective forms thereof set forth in Exhibit A to this Indenture.

All Bonds, unless a Supplemental Indenture shall have been executed and delivered pursuant to Section 8.02 hereof, shall be in fully registered form, and, except as provided in Sections 3.05 and 3.09 hereof, the Holder of a Bond shall be regarded as the absolute owner thereof for all purposes of this Indenture.

The Bonds shall be negotiable instruments in accordance with the Act, and shall express the purpose for which they are issued and any other statements or legends which may be required by law.

SECTION 3.02. Execution and Authentication of Bonds. Unless otherwise provided in the applicable Bond Legislation or Supplemental Indenture, each Bond shall be signed by the Mayor and City Clerk (provided that either or both of those signatures may be facsimiles). In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be that officer before the issuance of the Bond, his signature or the facsimile thereof nevertheless shall be valid and sufficient for all purposes, the same as if he had remained in office until that time. Any Bond may be executed on behalf of the Issuer by an officer who, on the date of execution is the proper officer, although on the date of the Bond that person was not the proper officer.

No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Indenture unless and until a certificate of authentication, substantially in the form set forth in Exhibit A to this Indenture, has been signed by the Trustee or by any Authenticating Agent on behalf of the Trustee. The authentication by the Trustee or by an Authenticating Agent upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to the security and benefit of this Indenture. The certificate of the Trustee or an Authenticating Agent may be executed by any person authorized by the Trustee or Authenticating Agent, but it shall not be necessary that the same authorized person sign the certificates of authentication on all of the Bonds.

SECTION 3.03. Source of Payment of Bonds. To the extent provided in and except as otherwise permitted by this Indenture, (i) the Bonds shall be special limited obligations of the Issuer and the Bond Service Charges thereon shall be payable equally and ratably solely from the Pledged Revenues, including but not limited to moneys and investments in the Special Funds, (ii) the payment of Bond Service Charges on the Bonds shall be secured by the assignment of Pledged Revenues hereunder and by this Indenture, and (iii) payments due on the Bonds also shall be secured by the Note. Notwithstanding anything to the contrary in the Bond Legislation, the Bonds or this Indenture, the Bonds do not and shall not represent or constitute a debt or

pledge of the faith and credit, moneys or the taxing power of the Issuer or of the State or of any political subdivision, municipality or other local agency thereof.

SECTION 3.04. Payment and Ownership of Bonds. Bond Service Charges shall be payable in lawful money of the United States of America without deduction for the services of the Trustee or any Paying Agent. Subject to the provisions of Sections 3.08 and 3.09 of this Indenture, (i) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the designated corporate trust office of the Trustee or at the office, designated by the Trustee, of any Paying Agent, and (ii) interest on any Bond shall be paid on each Interest Payment Date by check or draft, which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond (or one or more Predecessor Bonds) is registered at the close of business on the Regular Record Date applicable to that Interest Payment Date on the Register at the address appearing therein; or, at the option of any Holder of not less than \$1,000,000 principal amount of the Bonds, by wire transfer to any address in the United States of America on such Interest Payment Date to such Holder as of such Regular Record Date, if such Holder provides the Bond Registrar with written notice of such wire transfer address not later than the Regular Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice).

If and to the extent, however, that the Trustee shall fail to make payment or provision for payment of interest on any Bond on any Interest Payment Date, that interest shall cease to be payable to the Person who was the Holder of that Bond (or of one or more Predecessor Bonds) as of the applicable Regular Record Date. In that event, except as provided below in this Section, when moneys become available for payment of the interest, (x) the Trustee shall, pursuant to Section 7.06, establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (y) the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed by first-class mail, postage prepaid, to each Holder at its address as it appears on the Register not fewer than 10 days prior to the Special Record Date and, thereafter, the interest shall be payable to the Persons who are the Holders of the Bonds (or their respective Predecessor Bonds) at the close of business on the Special Record Date.

Subject to the foregoing, each Bond delivered under this Indenture upon transfer thereof, or in exchange for or in replacement of any other Bond, shall carry the rights to interest accrued and unpaid, and to accrue on that Bond, or which were carried by that Bond.

Except as provided in this Section and the first paragraph of Sections 3.06 and 3.09 hereof, (i) the Holder of any Bond shall be deemed and regarded as the absolute owner thereof for all purposes of this Indenture, (ii) payment of or on account of the Bond Service Charges on any Bond shall be made only to or upon the order of that Holder or its duly authorized attorney in the manner permitted by this Indenture, and (iii) neither the Issuer, the Trustee, the Registrar nor any Paying Agent or Authenticating Agent shall, to the extent permitted by law, be affected by notice to the contrary. All of those payments shall be valid and effective to satisfy and discharge the liability upon that Bond, including without limitation, the interest thereon, to the extent of the amount or amounts so paid.

SECTION 3.05. Transfer and Exchange of Bonds. So long as any of the Bonds remain outstanding, the Trustee will cause books for the registration and transfer of Bonds, as provided in this Indenture, to be maintained and kept at the designated office of the Registrar.

Bonds may be exchanged, at the option of their Holder, for Bonds of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bonds being exchanged. The exchange shall be made upon presentation and surrender of the Bonds being exchanged at the designated office of the Registrar or at the designated office of any Authenticating Agent for the Bonds, together with an assignment duly executed by the Holder or its duly authorized attorney in any form which shall be satisfactory to the Registrar or the Authenticating Agent, as the case may be.

Subject to the provisions of Section 3.09 hereof, any Bond may be transferred upon the Register, upon presentation and surrender thereof at the designated office of the Registrar or the designated office of any Authenticating Agent, together with an assignment duly executed by the Holder or its duly authorized attorney in any form which shall be satisfactory to the Registrar or the Authenticating Agent, as the case may be. Upon transfer of any Bond and on request of the Registrar or the Authenticating Agent, the Issuer shall execute in the name of the transferee, and the Trustee or the Authenticating Agent, as the case may be, shall authenticate and deliver, a new Bond or Bonds, of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bonds presented and surrendered for transfer.

In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute, and the Trustee or any Authenticating Agent, as the case may be, shall authenticate and deliver, Bonds in accordance with the provisions of this Indenture. The exchange or transfer shall be made without charge; provided, that the Issuer and the Registrar, the Trustee or the Authenticating Agent, as the case may be, may make a charge for every exchange or transfer of Bonds sufficient to reimburse them for any tax or excise required to be paid with respect to the exchange or transfer. The charge shall be paid before a new Bond is delivered.

All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Bonds surrendered upon transfer or exchange.

For purposes of this Section the Trustee shall establish the designated office of the Registrar and the Authenticating Agent.

SECTION 3.06. Mutilated, Lost, Wrongfully Taken or Destroyed Bonds. If any Bond is mutilated, lost, wrongfully taken or destroyed, in the absence of written notice to the Issuer or the Registrar that a lost, wrongfully taken or destroyed Bond has been acquired by a bona fide purchaser, the Issuer shall execute, and the Registrar shall authenticate and deliver, a new Bond of like date, maturity and denomination as the Bond mutilated, lost, wrongfully taken or destroyed; provided, that (i) in the case of any mutilated Bond, the mutilated Bond first shall be surrendered to the Registrar, and (ii) in the case of any lost, wrongfully taken or destroyed Bond,

there first shall be furnished to the Registrar evidence of the loss, wrongful taking or destruction satisfactory to the Registrar, together with indemnity satisfactory to the Authorized Borrower Representative, the Trustee, the Issuer, the Registrar and the Authorized Official.

If any lost, wrongfully taken or destroyed Bond shall have matured, instead of issuing a new Bond, the Authorized Borrower Representative may direct the Trustee to pay that Bond without surrender thereof upon the furnishing of satisfactory evidence and indemnity as in the case of issuance of a new Bond. The Issuer, the Registrar and the Trustee may charge the Holder of a mutilated, lost, wrongfully taken or destroyed Bond their reasonable fees and expenses in connection with their actions pursuant to this Section.

Every new Bond issued pursuant to this Section by reason of any Bond being mutilated, lost, wrongfully taken or destroyed (i) shall constitute, to the extent of the outstanding principal amount of the Bond lost, mutilated, taken or destroyed, an additional contractual obligation of the Issuer, regardless of whether the mutilated, lost, wrongfully taken or destroyed Bond shall be enforceable at any time by anyone and (ii) shall be entitled to all of the benefits of this Indenture equally and proportionately with any and all other Bonds issued and outstanding hereunder.

All Bonds shall be held and owned on the express condition that the foregoing provisions of this Section are exclusive with respect to the replacement or payment of mutilated, lost, wrongfully taken or destroyed Bonds and, to the extent permitted by law, shall preclude any and all other rights and remedies with respect to the replacement or payment of negotiable instruments or other investment securities without their surrender, notwithstanding any law or statute to the contrary now existing or enacted hereafter.

**SECTION 3.07. Cancellation of Bonds.** Any Bond surrendered pursuant to this Article for the purpose of payment or retirement or for exchange, replacement or transfer shall be cancelled upon presentation and surrender thereof to the Registrar, the Trustee or any Paying Agent or Authenticating Agent. Any Bond cancelled by the Trustee or a Paying Agent or Authenticating Agent shall be transmitted promptly to the Registrar by the Trustee, Paying Agent or Authenticating Agent.

The Issuer, or the Borrower on behalf of the Issuer, may deliver at any time to the Registrar for cancellation any Bonds previously authenticated and delivered hereunder, which the Issuer or the Borrower may have acquired in any manner whatsoever. All Bonds so delivered shall be cancelled promptly by the Registrar. Certification of the surrender and cancellation shall be made to the Issuer and the Trustee by the Registrar at least once each calendar year. Unless otherwise directed by the Issuer, cancelled Bonds shall be retained and stored by the Registrar for a period of four years after their cancellation. Those cancelled Bonds shall be destroyed by the Registrar by shredding or incineration at that time or at any earlier time directed by the Issuer. The Registrar shall provide certificates describing the destruction of cancelled Bonds to the Issuer and the Trustee.

**SECTION 3.08. Special Agreement with Holders.** Notwithstanding any provision of this Indenture or of any Bond to the contrary, with the approval of the Borrower, the Trustee may enter into an agreement with any Holder providing for making all payments to that Holder of principal of and interest on that Bond or any part thereof (other than any payment of the entire

unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bond, without presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the Trustee and the Borrower; provided, that payment in any event shall be made to the Person in whose name a Bond shall be registered on the Register, with respect to payment of principal, on the date such principal is due, and, with respect to the payment of interest, as of the applicable Regular Record Date or Special Record Date, as the case may be.

The Trustee will furnish a copy of each of those agreements, certified to be correct by an officer of the Trustee, to the Registrar, the Issuer and the Borrower. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Indenture.

**SECTION 3.09. Book-Entry Only System.** Notwithstanding any provision of this Indenture to the contrary, the Issuer may direct that all Bonds issued hereunder shall be initially issued in a Book Entry System, registered in the name of a Depository or its nominee as registered owner of the Bonds, and held in the custody of that Depository. Unless otherwise requested by a Depository, a single certificate will be issued and delivered to the Depository for each maturity of Bonds. Beneficial owners of Bonds in a Book Entry System will not receive physical delivery of Bond certificates except as provided hereinafter. For so long as a Depository shall continue to serve as Depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate; provided; that, if a Depository fails or refuses to act as Depository for the Bonds, the Issuer shall take the actions necessary to provide for the issuance of Bond certificates to the Holders of such Bonds.

With respect to Bonds registered in the name of a Depository or its nominee, the Issuer, the Borrower and the Trustee shall have no responsibility or obligation to any participant therein or to any Person on whose behalf any participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the Issuer, the Borrower nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository or any participant therein or any other Person or (ii) any notice with respect to the Bonds other than to a registered owner of the Bonds, as shown on the registration books or (iii) the payment to any participant in the Depository or any other Person, other than to a registered owner of the Bonds, as shown in the registration books of any amount with respect to principal of or interest on or purchase price of the Bonds or (iv) any consent given or other action taken by the Depository.

Replacement Bonds may be issued directly to beneficial owners of Bonds other than a Depository, or its nominee, but only in the event that (i) the Depository determines not to continue to act as Depository for the Bonds (which determination shall become effective no less than 90 days after written notice to such effect to the Issuer and the Trustee); or (ii) the Issuer has advised a Depository of its determination (which determination is conclusive as to the Depository and beneficial owners of the Bonds) that the Depository is incapable of discharging its duties as Depository for the Bonds; or (iii) the Issuer has determined (which determination is conclusive as to the Depository and the beneficial owners of the Bonds) that the interests of the

beneficial owners of the Bonds might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the Issuer and the Borrower shall use their best efforts to attempt to locate another qualified Depository. If the Issuer and the Borrower fail to locate another qualified Depository to replace the Depository, the Issuer and the Borrower, at the Borrower's expense, shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the beneficial owners of the Bonds. In the event that the Issuer makes the determination noted in (ii) or (iii) above (provided that the Issuer undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Issuer to make any such determination), and has made provisions to notify the beneficial owners of Bonds of such determination by mailing an appropriate notice to the Depository, it and the Borrower shall cause to be issued replacement Bonds in certificated form to beneficial owners of the Bonds as shown on the records of the Depository provided to the Issuer.

Upon the written consent of one hundred percent (100%) of the beneficial owners of the Bonds, the Trustee shall withdraw the Bonds from any Depository and authenticate and deliver Bonds fully registered to the assignees of that Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Bonds) of the persons requesting such withdrawal, authentication and delivery; otherwise such withdrawal, authentication and delivery shall be at the cost and expense of the Borrower.

Whenever, during the term of the Bonds, the beneficial ownership thereof is determined by a book entry at a Depository, (i) the requirements in this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate Person or entity to meet the requirements of the Depository as to registering or transferring the book entry to produce the same effect and (ii) delivery of the Bonds will be in accordance with arrangements among the Issuer, the Trustee and the Depository notwithstanding any provision of this Indenture to the contrary.

The Issuer has entered into or shall enter into a letter of representation with a Depository to implement the Book Entry System of Bond registration described above.

(End of Article III)

## ARTICLE IV

### MANDATORY TENDER OF BONDS

#### SECTION 4.01 Mandatory Tender of Bonds.

(a) Purchase of Bonds on Mandatory Tender Dates. All Outstanding Bonds shall be subject to Mandatory Tender by the Holders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Bond shall be payable in lawful money of the United States of America by wire, check or draft, shall equal 100% of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date, and shall be paid in full on the applicable Mandatory Tender Date.

(b) Holding of Tendered Bonds. While tendered Bonds are in the custody of the Trustee pending purchase pursuant hereto, the tendering Holders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Bonds had not been tendered for purchase.

(c) Effect of Prior Redemption. Notwithstanding anything herein to the contrary, any Bond tendered under this Section 4.01 will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

(d) Purchase of Tendered Bonds. The Trustee shall utilize amounts representing proceeds of remarketed Bonds on deposit in the Remarketing Proceeds Account to pay the principal amount, plus accrued interest, of Bonds tendered for purchase not later than 11:30 a.m. Local Time on the Mandatory Tender Date.

(e) Undelivered Bonds. Bonds shall be deemed to have been tendered for purposes of this Section 4.01 whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee, and subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds on the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof pursuant to the remarketing of such Undelivered Bonds.

#### SECTION 4.02 Notice of Mandatory Tender.

(a) Notice to Holders. No later than the 30th day prior to a Mandatory Tender Date, the Trustee shall give written notice of a mandatory tender on the Mandatory Tender Date to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Issuer, the Investor Limited Partner, and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (A) if certain conditions are met, all Outstanding Bonds are subject to Mandatory Tender for purchase on the Mandatory Tender Date, (B) all Outstanding Bonds must be tendered for purchase no later than 9:00

a.m., Local Time, on the Mandatory Tender Date and (C) Holders will not have the right to elect to retain their Bonds;

(ii) the address of the Designated Office of the Trustee at which Holders should deliver their Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date;

(iv) that if, in the event that the conditions to remarketing set forth in Section 4.03(b) or Section 4.03(d) are not met as set forth therein, or, if proceeds from the remarketing are insufficient to pay the purchase price of the Bonds on the Mandatory Tender Date, all of the Bonds will be redeemed, without further notice, on the Mandatory Tender Date; and

(v) that any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

(b) Second Notice. In the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the 30th day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in this Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of this Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Bond.

(c) Failure to Give Notice. Neither failure to give or receive any notice described in this Section 4.02, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this Section 4.02.

#### SECTION 4.03 Remarketing of Bonds.

(a) Notice of Mandatory Tender. No later than 11:00 a.m. Local Time on the 60th day prior to each Mandatory Tender Date, the Trustee shall give notice to the Borrower, Investor Limited Partner and the Remarketing Agent by telephone or electronic mail, confirmed on the same day in writing, which states that all Outstanding Bonds shall be tendered or deemed to be tendered pursuant to Section 4.01 hereof.

(b) Preliminary Conditions to Remarketing. No later 11:00 a.m. Local Time on the 45th day prior to the Mandatory Tender Date then in effect, the Borrower may give notice to the Remarketing Notice Parties by telephone or electronic mail, confirmed on the same day in writing, that it elects to cause the Bonds to be remarketed. A remarketing of the Bonds shall be permitted only if the following conditions are satisfied no later than the time the foregoing election notice is given:

(i) notice by the Borrower to the Remarketing Agent of the Remarketing Period pursuant to the Loan Agreement, approved in writing by the Remarketing Agent;

(ii) delivery to the Trustee and the Remarketing Agent of a preliminary Cash Flow Projection with respect to the proposed Remarketing Period;

(iii) the Borrower and, if applicable, the Issuer shall each have notified the Trustee in writing that it has approved as to form and substance any disclosure document or offering materials which, in the Opinion of Counsel to the Remarketing Agent, are necessary to be used in connection with the remarketing of the Outstanding Bonds; provided, however, that the Issuer shall only approve information solely related to the Issuer;

(iv) delivery to the Trustee and the Remarketing Agent of Available Money in the amount of (A) the estimated Extension Payment set forth in the preliminary Cash Flow Projection and (B) the estimated Remarketing Expenses; and

(v) delivery to the Trustee and the Remarketing Agent of Available Money in the amount of (A) the estimated Extension Payment set forth in the preliminary Cash Flow Projection (which the Trustee has no duty to review or analyze, and shall retain solely as a repository for the Holders) and (B) the estimated Remarketing Expenses.

(c) Remarketing. No later than the 15th day prior to the Mandatory Tender Date, the Remarketing Agent shall offer for sale and use its best efforts to sell the Bonds Outstanding on the Mandatory Tender Date at a price equal to 100% of the principal amount of such Bonds plus accrued interest on such Bonds. No later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period, the Remarketing Agent shall give notice, by telephone or electronic mail, promptly confirmed in writing, to the Remarketing Notice Parties specifying the principal amount of Bonds, if any, it has remarketed (including Bonds to be purchased on the Mandatory Tender Date for its own account), the Remarketing Rate(s) and the Remarketing Period applicable to the Bonds.

The Remarketing Agent shall have the right to remarket the Bonds tendered pursuant to Section 4.01 hereof; provided, however, that no Bond shall be remarketed unless all of the Outstanding Bonds are remarketing and all such Bonds shall be remarketed at a price not less than the amount equal to 100% of the principal amount thereof plus accrued interest (if any). The Remarketing Agent shall have the right to purchase any Bond tendered or deemed tendered pursuant to Section 4.01 hereof at the purchase price thereof, and to thereafter sell such Bond. Any such purchase shall constitute a remarketing hereunder.

The Remarketing Agent shall not remarket any Bond to the Issuer, any Borrower, any guarantor of the Bonds or any person which is an "insider" of the Issuer, any Borrower, or any such guarantor within the meaning of the Bankruptcy Code.

(d) Final Conditions to Remarketing. If, no later than the 10th day prior to a Mandatory Tender Date:

(i) the Remarketing Agent shall have notified the Trustee in writing of the remarketing of the Outstanding Bonds and that the proceeds from the remarketing (including proceeds of remarketing of Outstanding Bonds to be purchased by the Remarketing Agent on the Mandatory Tender Date for its own account) or other funds equal to the amount needed to purchase the remarketed Bonds on the Mandatory Tender Date are expected to be available to the Trustee on the Mandatory Tender Date for deposit into the Remarketing Proceeds Account;

(ii) there shall be on deposit with the Trustee, from funds provided by or on behalf of the Borrower, any additional amount required to pay the Extension Payment and the estimated Remarketing Expenses;

(iii) the Trustee shall have received written confirmation that the Rating Agency shall have received and approved a Cash Flow Projection based on the interest rate(s) to be in effect with respect to the Outstanding Bonds on and after the Mandatory Tender Date;

(iv) the Trustee shall have received written notice from the Remarketing Agent that the Remarketing Agent has received written confirmation from the Rating Agency that the then current rating assigned to the Outstanding Bonds will continue to be effective on the Remarketing Date; and

(v) the Trustee shall have received an Opinion of Bond Counsel substantially to the effect that the remarketing of the Bonds, in and of itself, will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes;

then the Trustee shall immediately give notice, by telephone or electronic mail, which notice shall be immediately confirmed in writing, to the Remarketing Agent, each Borrower and the Investor Limited Partner that (a) all conditions precedent to the remarketing of the Outstanding Bonds have been satisfied and (b) the sale and settlement of the Outstanding Bonds is expected to occur on the Mandatory Tender Date. Following the Trustee's notice, the Outstanding Bonds shall be sold to the purchasers identified by the Remarketing Agent for delivery and settlement on the Mandatory Tender Date, and the Trustee shall apply (i) the funds in the Remarketing Proceeds Account of the Bond Fund on the Remarketing Date to payment of the purchase price of the Outstanding Bonds and (ii) the funds in the Expense Fund to payment of the Remarketing Expenses.

(e) Remarketing Proceeds. No later than 10:00 a.m. Local Time on each Mandatory Tender Date, the Remarketing Agent shall pay to the Trustee, in immediately available funds, the proceeds theretofore received by the Remarketing Agent from the remarketing of Bonds tendered for purchase on such Mandatory Tender Date. The proceeds from the remarketing of the Bonds shall be deposited in the Remarketing Proceeds Account, segregated from any funds of the Borrower and the Issuer and shall in no case be considered to be or be assets of the Borrower or the Issuer. Funds representing remarketing proceeds received by the Remarketing Agent after 10:00 a.m. Local Time on each Mandatory Tender Date shall be paid to the Trustee as soon as practicable upon such receipt.

(f) Delivery of Purchased Bonds. No later than the 10th day prior to each Mandatory Tender Date, the Remarketing Agent, by telephonic advice or electronic mail, shall notify the Trustee of (i) the principal amount of Bonds to be sold by the Remarketing Agent pursuant to this Section 4.03 hereof and the purchase price, and, unless the Bonds are then in the Book-Entry System, the names, addresses and social security numbers or other tax identification numbers of the proposed purchasers thereof and (ii) the principal amount of Bonds tendered for purchase on such Mandatory Tender Date which will not be sold by the Remarketing Agent pursuant to Section 4.03 hereof. Such telephonic advice shall be confirmed by written notice delivered or electronically communicated at the same time as the telephonic advice.

Bonds purchased by the Trustee on a Mandatory Tender Date that have been remarketed shall be delivered to the purchasers thereof as directed by the Remarketing Agent. Bonds delivered as provided in this Section shall be registered in the manner directed by the recipient thereof.

#### SECTION 4.04 Redemption and Cancellation of Bonds.

The Bonds shall be redeemed in whole at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the Mandatory Tender Date, on any Mandatory Tender Date upon the occurrence of any of the following events: (i) the Borrower has previously elected not to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in Section 4.03(b) or Section 4.03(d) have not been met by the dates and times set forth therein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Assignment Fund, (ii) amounts on deposit in the Bond Fund, (iii) amounts on deposit in the Project Fund, and (iv) any other Available Money made available for such purpose at the direction of the Borrower.

The Trustee shall immediately cancel Bonds if the tender price of the Bonds is paid from amounts other than proceeds derived from the remarketing of the Bonds.

(End of Article IV)

ARTICLE V

PROVISIONS AS TO FUNDS,  
PAYMENTS, PROJECT AND AGREEMENT

SECTION 5.01. Creation of Funds; Allocation of Bond Proceeds.

(a) The funds and accounts described in this Section, designated as indicated are created by this Section 5.01 in this Indenture. Each Fund is to be maintained in the custody of the Trustee as a separate bank account (except when invested in Eligible Investments). The funds and accounts are:

(1) the Bond Fund designated "Cambridge Square Project -- Bond Fund," and the "Interest Payment Account," and "Principal Payment Account," and the Remarketing Proceeds Account (but only at such times as money is to be deposited or held in such Account as provided in this Indenture) therein;

(2) the Project Fund designated "Cambridge Square Project -- Project Fund";

(3) the Assignment Fund designated "Cambridge Square Project -- Assignment Fund"; and

(4) the Rebate Fund designated "Cambridge Square Project -- Rebate Fund;"  
and

(5) the Residual Fund designated "Cambridge Square Project Residual Fund."

(b) The proceeds of the sale of the Bonds shall be allocated deposited or delivered by the Trustee as follows:

(1) to the Interest Payment Account of the Bond Fund, proceeds from the sale of the Bonds, representing accrued interest plus the negative arbitrage deposit received by the Issuer from the Original Purchaser, in the aggregate amount of \$██████████; and

(2) to the Project Fund, the balance of the proceeds from the sale of the Bonds in the amount of \$██████████.

SECTION 5.02. Application of Loan Payments. So long as there are any Outstanding Bonds, all payments under the Agreement shall consist of Available Money and shall be paid on each Loan Payment Date directly to the Trustee, and deposited as follows: (1) into the Interest Payment Account, at least the amount necessary to pay the interest on the Bonds on the next succeeding Interest Payment Date; and (2) into the Principal Payment Account, at least the amount necessary to pay the principal due on the Bonds on the next succeeding Interest Payment Date; provided that the amounts required to be deposited into the Interest Payment Account and the Principal Payment Account may be deposited in the form of either or both money or direct obligations of the United States of America or obligations the full and prompt payment of which is secured by the pledge of the full faith and credit of the United States of America of those

maturities and bearing the rate or rates of interest which will be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to produce the amounts required to be on deposit on the next succeeding Interest Payment Date.

SECTION 5.03. Deposits to, Disbursements from and Records of Project Fund and Assignment Fund. On the Closing Date, the Trustee shall use moneys in the Project Fund and ~~INSERT~~ of the amount deposited to the Interest Payment Account of the Bond Fund to purchase the Initial Investment and deposit such Initial Investment in the Project Fund. To the extent moneys are not otherwise provided to the Trustee, including moneys deposited into the Bond Fund or the Assignment Fund, the Trustee shall transfer from the Project Fund to the Bond Fund sufficient Available Money to make the necessary interest and principal payments on each Interest Payment Date without further written direction.

Upon the receipt of requests for disbursement from the Project Fund and the receipt of installments of Collateral Funds, the Trustee shall concurrently take the following steps:

(i) The Trustee shall deposit the Collateral Funds installment into the Assignment Fund;

(ii) The Trustee shall liquidate a portion of the Initial Investment on deposit in the Project Fund by transferring a portion of the Initial Investment (based on the initial purchase price of the initial Investment) equal to the amount of the installment of Collateral Funds to the Assignment Fund;

(iii) The Trustee shall transfer an amount of cash equal to the installment of Collateral Funds from the Assignment Fund to the Project Fund; and

(iv) The Trustee shall disburse Bond proceeds from the Project Fund in an amount equal to the Collateral Funds installment to fund the HUD insured mortgage loan made by Senior Lender to the Borrower, which will itself be used to pay Project Costs in accordance with Section 3.4 of the Agreement.

Each deposit into the Assignment Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions hereof.

The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom. If requested by the Issuer or the Borrower, after the Project has been completed and a certificate of payment of all costs is filed as provided in Section 5.04 hereof, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower.

When the aggregate principal amount on deposit in the Assignment Fund, together with the scheduled investment earnings thereon, equals the expected Bond Service Charges to be paid on the Bonds to and including the Maturity Date, the excess amounts shall be transferred upon receipt to the Residual Fund and used to pay Project Costs in accordance with Section 3.4 of the Agreement.

Notwithstanding any provision of the Agreement or any other provision of this Indenture to the contrary, after the Closing Date the Trustee shall not disburse moneys from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until the Trustee receives satisfactory evidence that Collateral Funds or other Available Money in an amount equal to or greater than the requested disbursement amount has been deposited in the Assignment Fund. Prior to making any disbursement, the Trustee shall verify that upon making the disbursement, the aggregate amount to be held in (i) the Assignment Fund and (ii) the Project Fund, together with projected investment earnings thereon, will be sufficient to pay Bond Service Charges on the outstanding Bonds as and when they become due. In the event Trustee determines that it cannot disburse Bond proceeds to or at the direction of the Borrower or the Senior Lender, Trustee shall immediately notify Borrower and Senior Lender of the reason for such determination and shall, immediately upon the request of Borrower or Senior Lender, return the Collateral Funds to the party that deposited that installment of Collateral Funds with the Trustee.

The proceeds of the Bonds shall be used exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code, and (ii) are made exclusively with respect to a "qualified residential rental project" within the meaning of Section 142(d) of the Code and that for the greatest number of buildings the proceeds of the Bonds shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or Event of Default under this Indenture.

Upon the occurrence and continuance of an Event of Default hereunder because of which the principal amount of the Bonds has been declared to be due and immediately payable pursuant to Section 7.03 hereof, any moneys remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund for payment of Bond Service Charges.

**SECTION 5.04. Completion of the Project.** The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the Completion Certificate required by Section 3.6 of the Agreement. As soon as practicable after the filing with the Trustee of the Completion Certificate, any balance remaining in the Project Fund shall be promptly paid into the Bond Fund for payment of Bond Service Charges.

**SECTION 5.05. Bond Fund.** Amounts on deposit in the Bond Fund (and accounts therein for which provision is made in this Indenture or in the Agreement) shall be used solely and exclusively for the payment of Bond Service Charges as they become due at stated maturity, or upon prior redemption or acceleration, all as provided herein and in the Agreement.

The Trustee shall transmit to any Paying Agent, as appropriate, from moneys in the Bond Fund, amounts sufficient to make timely payments of Bond Service Charges on the Bonds to be made by those Paying Agents and then due and payable. The Issuer authorizes and directs the Trustee to cause withdrawal of moneys from the Bond Fund which are available for the purpose of paying, and are sufficient to pay, the principal of the Bonds as they become due and payable (whether at stated maturity or upon prior redemption or acceleration), for the purposes of paying or transferring moneys to the Paying Agents which are necessary to pay such principal.

As provided in the Agreement, and as evidenced and to be evidenced by the Note, Bond Service Charges shall be payable, as they become due, (i) in the first instance from the moneys on deposit in the Interest Payment Account and Principal Payment Account of the Bond Fund, (ii) next from amounts on deposit in the Assignment Fund and transferred as necessary to the Bond Fund, and (iii) thereafter from amounts on deposit in the Project Fund and transferred as necessary to the Bond Fund.

SECTION 5.06. Investment of Special Funds and Rebate Fund. Except as otherwise set forth in this Section, moneys in the Special Funds and the Rebate Fund shall be invested and reinvested by the Trustee in Eligible Investments at the oral or written direction (promptly confirmed in writing, if oral) of the Borrower. At no time shall the Borrower direct that any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code.

Amounts on deposit in the Bond Fund and the Assignment Fund shall be invested in Eligible Investments that have a maturity date (or are redeemable at par) not later than the date when such funds are needed to pay Bond Service Charges on the Bonds. Amounts on deposit in the Project Fund shall be invested in Eligible Investments. Investment earnings from Eligible Investments shall be invested in Eligible Investments that have a maturity date (or are redeemable at par) not later than the date when such funds are needed to pay Bond Service Charges on the Bonds. The amounts invested in Eligible Investments shall be invested at fair market value at a yield less than the yield on the Bonds.

All investment earnings and gains resulting from the sale of, or income from, any investment made from moneys credited to the Special Funds shall be credited to and become part of the Bond Fund.

SECTION 5.07. Moneys to be Held in Trust. Except where moneys have been deposited with or paid to the Trustee pursuant to an instrument restricting their application to particular Bonds, all moneys required or permitted to be deposited with or paid to the Trustee or any Paying Agent under any provision of this Indenture or the Note, and any investments thereof, shall be held by the Trustee or that Paying Agent in trust. Except for moneys held by the Trustee pursuant to Section 5.08 hereof, all moneys described in the preceding sentence held by the Trustee or any Paying Agent shall be subject to the lien hereof while so held.

SECTION 5.08. Nonpresentment of Bonds. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, or a check or draft for interest is uncashed, if moneys sufficient to pay the principal then due of that Bond or of such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the

Issuer to that Holder for such payment of the principal then due of the Bond or of such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold those moneys, without liability for interest thereon, in a separate account in the Bond Fund for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to those moneys for any claim of whatever nature on its part under this Indenture or on, or with respect to, the principal then due of that Bond or of such check or draft. The Trustee shall notify the Borrower in writing of any Bond that has not been presented for payment when the principal thereof becomes due.

Any of those moneys which shall be so held by the Trustee, and which remain unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period of four years after the due date thereof, shall be paid to the Borrower free of any trust or lien, upon a request in writing by the Borrower. Thereafter, the Holder of that Bond shall look only to the Borrower for payment and then only to the amounts so received by the Borrower without any interest thereon, and the Trustee shall not have any responsibility with respect to those moneys.

**SECTION 5.09. Repayment to the Borrower from Certain Funds and Accounts.** Any amounts remaining in the Bond Fund, the Project Fund or the Assignment Fund (i) after all of the outstanding Bonds shall be deemed paid and discharged under the provisions of this Indenture, and (ii) after payment of any Rebate Amount, all fees, charges and expenses of the Trustee, the Registrar and any Paying Agents or Authenticating Agents, the Issuer and of all other amounts required to be paid under this Indenture, the Agreement, the Regulatory Agreement and the Note, shall be transferred to the Residual Fund and (x) used to pay Project Costs and (y) thereafter, paid to the Borrower.

**SECTION 5.10. Rebate Fund.** Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder.

Within five days after each Computation Date, the Borrower, or an Independent accounting firm or other firm knowledgeable with regard to the computation of the Rebate Amount engaged by the Borrower, shall calculate the Rebate Amount as of that Computation Date and provide the results of such calculations to the Trustee. If the amount then on deposit in the account in the Rebate Fund is in excess of the Rebate Amount, the Trustee shall forthwith pay that excess amount to the Borrower. If the amount then on deposit in the applicable account in the Rebate Fund is less than the Rebate Amount, the Borrower shall, within five days after receipt of the aforesaid notice from the Trustee, pay to the Trustee for deposit in the Rebate Fund an amount sufficient to cause the applicable account to contain an amount equal to the Rebate Amount. Within 30 days after the initial Computation Date, and every Computation Date thereafter, upon written direction from the Borrower, the Trustee, acting on behalf of the Issuer, shall pay to the United States in accordance with Section 148(f) of the Code from the moneys then on deposit in the Rebate Fund an amount equal to 90% (or such greater percentage not in excess of 100% as the Borrower may direct the Trustee to pay) of the Rebate Amount as of such Computation Date. Within 60 days after the payment in full of all outstanding Bonds, upon written direction from the Borrower, the Trustee shall pay to the United States in accordance with Section 148(f) of the Code from the moneys then on deposit in the Rebate Fund an amount equal to 100% of the Rebate Amount as of such final Computation Date and any moneys remaining in the Rebate Fund following such payment shall be paid to the Borrower.

The Trustee shall be entitled to rely on the calculations made pursuant to this Section and shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in reliance upon those calculations.

The Trustee shall keep such records of the computations made and provided by the Borrower pursuant to this Section as are required under Section 148(f) of the Code.

The Trustee shall keep and make available to the Borrower such records concerning the investments of the gross proceeds of the Bonds and the investments of earnings from those investments as may be requested by the Borrower in order to enable the Borrower to make the aforesaid computations as are required under Section 148(f) of the Code.

Notwithstanding the foregoing, the computations and payments of Rebate Amounts referred to in this Section and Section 3.8 of the Agreement need not be made to the extent that neither the Issuer nor the Borrower will thereby fail to comply with any requirements of Section 148(f) of the Code based on an Opinion of Bond Counsel.

(End of Article V)

## ARTICLE VI

### THE TRUSTEE, REGISTRAR, PAYING AGENTS AND AUTHENTICATING AGENTS

SECTION 6.01. Trustee's Acceptance and Responsibilities. The Trustee accepts the trusts imposed upon it by this Indenture, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article, to all of which the parties hereto and the Holders agree.

(a) Prior to the occurrence of a default or an Event of Default (as defined in Section 7.01 hereof) of which the Trustee has been notified, as provided in paragraph (f) of Section 6.02 hereof, or of which by that paragraph the Trustee is deemed to have notice, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically in this Indenture, and no duties or obligations shall be implied to the Trustee;

(ii) in the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case a default or an Event of Default has occurred and is continuing hereunder (of which the Trustee has been notified, or is deemed to have notice), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of their own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, its own bad faith, or its own willful misconduct, except that

(i) this Subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (a)(i) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (a)(ii) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts or breached its duty to examine as provided in subparagraph (a) (ii) above;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in principal amount of the Bonds then outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 6.01.

SECTION 6.02. Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 6.01 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees (but shall be answerable therefor only in accordance with the standard specified above); (ii) shall be entitled to the advice of counsel concerning all matters of trusts hereof and duties hereunder; and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Borrower) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(b) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for:

- (i) any recital in this Indenture or in the Bonds,
- (ii) the validity, priority, recording, re-recording, filing or re-filing of this Indenture or any Supplemental Indenture or the Regulatory Agreement,
- (iii) any instrument or document of further assurance or collateral assignment,
- (iv) any financing statements, amendments thereto or continuation statements,
- (v) insurance of the Project or collection of insurance moneys,
- (vi) the validity of the execution by the Issuer of this Indenture, any Supplemental Indenture or instruments or documents of further assurance,

(vii) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby,

(viii) the value of or title to the Project, or

(ix) the maintenance of the security hereof,

except that, in the event that the Trustee enters into possession of a part or all of the Project pursuant to any provision of the Regulatory Agreement or any other instrument or document collateral thereto, the Trustee shall use due diligence in preserving that property. The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Issuer or the Borrower under the Agreement except as set forth hereinafter; but the Trustee may require of the Issuer or the Borrower full information and advice as to the observance or performance of those covenants, agreements and obligations. Except as otherwise provided in Section 7.04 hereof, the Trustee shall have no obligation to observe or perform any of the duties of the Issuer under the Agreement.

(c) The Trustee shall not be accountable for the application by the Borrower or any other Person of the proceeds of any Bonds authenticated or delivered hereunder.

(d) The Trustee shall be protected, in the absence of bad faith on its part, in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it, after exercising its duty to examine, to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any Person who is the Holder of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact for which the Issuer or the Borrower may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the Issuer or Borrower, as appropriate, by an authorized officer or representative thereof as sufficient evidence of the facts recited therein. Prior to the occurrence of a default or Event of Default hereunder of which the Trustee has been notified, as provided in paragraph (f) of this Section, or of which by that paragraph the Trustee is deemed to have notice, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided, that the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, provided further, that the Trustee shall not be bound to secure any further evidence. The Trustee may accept a certificate of the officer, or an assistant thereto, having charge of the appropriate records, to the effect that legislation has been enacted by the Issuer in the form recited in that certificate, as conclusive evidence that the legislation has been duly enacted and is in full force and effect.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default hereunder, except Events of Default described in paragraphs (a) and (b) of Section 7.01 hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the Issuer or by the Holders of at least 10% of the aggregate principal amount of Bonds then outstanding. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(g) At any reasonable time, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives (i) may inspect and copy fully all books, papers and records of the Issuer pertaining to the Project and the Bonds, which constitute public records under the public records laws of the State, and (ii) may make any memoranda from and in regard thereto as the Trustee may desire.

(h) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(i) Notwithstanding anything contained elsewhere in this Indenture, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and any corporate action and evidence thereof, in addition to that required by the terms hereof, as a condition to the authentication of any Bonds or the taking of any action whatsoever within the purview of this Indenture, if the Trustee deems it to be desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds or the right of any Person to the taking of any other action by the Trustee; provided, that the Trustee shall not be required to make that demand.

(j) Before taking action hereunder pursuant to Section 6.04 or Article VII hereof (with the exception of any action required to be taken under Section 7.02 hereof or the acceleration of the Bonds under Section 7.03 hereof), the Trustee may require that a satisfactory indemnity bond be furnished to it for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its negligence, misconduct or willful default. The Trustee may take action without that indemnity, and in that case, the Borrower shall reimburse the Trustee for all of the Trustee's expenses pursuant to Section 6.03 hereof.

(k) Unless otherwise provided herein, all moneys received by the Trustee under this Indenture shall be held in trust for the purposes for which those moneys were received, until those moneys are used, applied or invested as provided herein; provided, that those moneys need not be segregated from other moneys, except to the extent required by this Indenture or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein.

(l) Any legislation enacted by the Issuer, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

(m) The Trustee shall be entitled to file proofs of claim in bankruptcy. Trustee fees and expenses are intended to constitute administrative expenses in bankruptcy.

(n) The Trustee agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that (a) the Issuer or the Borrower, as the case may be, subsequent to such transmission of written instructions, shall provide the originally executed instructions or directions to the Trustee in a timely manner, (b) such originally executed instructions or directions shall be signed by a person as may be designated and authorized to sign for the Issuer or Borrower or in the name of the Issuer or Borrower by an authorized representative of the Issuer or Borrower, as applicable, and (c) the Issuer or Borrower shall provide to the Trustee an incumbency certificate listing such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer or Borrower elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are on inconsistent with a subsequent written instruction. The Issuer and Borrower agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk or interception and misuse by third parties.

SECTION 6.03. Fees, Charges and Expenses of Trustee, Registrar, Paying Agents and Authenticating Agents. The Trustee, the Registrar and any Paying Agents or Authenticating Agents shall be entitled to payment or reimbursement by the Borrower, as provided in the Agreement, for customary fees for their respective Ordinary Services rendered hereunder and for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred by them in connection with the provision of Ordinary Services. For purposes hereof, fees for Ordinary Services provided for by their respective standard fee schedule shall be considered customary. In the event that it should become necessary for any of them to perform Extraordinary Services, they shall be entitled to customary extra compensation therefor and to reimbursement for reasonable and necessary Extraordinary Expenses incurred in connection therewith. Unless and until such time as the Trustee resigns or is replaced, and a successor Trustee is appointed pursuant to Section 6.09 hereunder, the Trustee shall continue to perform its duties hereunder notwithstanding the Borrower's failure to timely pay such fees.

Without creating a default or an Event of Default hereunder, however, the Borrower may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the amount of any fee, charge or expense.

The Trustee, the Registrar and any Paying Agents or Authenticating Agents shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by their neglect or misconduct. The customary fees for their respective Ordinary Services and charges of the foregoing shall be entitled to payment and reimbursement only from (i) the Additional Payments made by the Borrower pursuant to the Agreement, or (ii) from other moneys available therefor. Any amounts payable to the Trustee, the Registrar or any Paying

Agent or Authenticating Agent pursuant to this Section 6.03 shall be payable upon demand and shall bear interest from the date of demand therefor at the Interest Rate for Advances.

SECTION 6.04. Intervention by Trustee. The Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least 25% of the aggregate principal amount of Bonds then outstanding, in any judicial proceeding to which the Issuer or the Borrower is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may require that a satisfactory indemnity bond be provided to it in accordance with Sections 6.01 and 6.02 hereof before it takes action hereunder.

SECTION 6.05. Successor Trustee. Anything herein to the contrary notwithstanding,

(a) any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust assets and corporate trust business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder; and

(b) that corporation or association shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

Any successor Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the State, (iii) shall be duly authorized to exercise trust powers within the State, and (iv) shall have a reported capital, surplus and retained earnings of not less than \$100,000,000.

SECTION 6.06. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including without limitation, the laws of the State) denying or restricting the right of banks or trust companies to transact business as trustees in that jurisdiction. It is recognized that, (a) if there is litigation under this Indenture or other instruments or documents relating to the Bonds and the Project, and in particular, in case of the enforcement hereof or thereof upon a default or an Event of Default, or (b) if the Trustee should deem that, by reason of any present or future law of any jurisdiction, it may not (i) exercise any of the powers, rights or remedies granted herein to the Trustee, (ii) hold title to the properties, in trust, as granted herein, or (iii) take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or additional institution as a co-Trustee. The following provisions of this Section are adopted to these ends.

In the event that the Trustee appoints an individual or additional institution as a co-Trustee, each and every trust, property, remedy, power, right, duty, obligation, discretion,

privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee shall be exercisable by, vest in and be conveyed to that co-Trustee, but only to the extent necessary for it to be so vested and conveyed and to enable that co-Trustee to exercise it. Every covenant, agreement and obligation necessary to the exercise thereof by that co-Trustee shall run to and be enforceable by it.

Should any instrument or document in writing from the Issuer reasonably be required by the co-Trustee so appointed by the Trustee for vesting and conveying more fully and certainly in and to that co-Trustee those trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens, that instrument or document shall be executed, acknowledged and delivered, but not prepared, by the Issuer, at the Borrower's expense. In case any co-Trustee or a successor to it shall die, become incapable of acting, resign or be removed, all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the co-Trustee shall be exercised by, vest in and be conveyed to the Trustee, to the extent permitted by law, until the appointment of a successor to the co-Trustee.

**SECTION 6.07. Resignation by the Trustee.** The Trustee may resign at any time from the trusts created hereby by giving written notice of the resignation to the Issuer, the Borrower, the Registrar, any Paying Agents and Authenticating Agents and the Original Purchaser, and by mailing written notice of the resignation to the Holders as their names and addresses appear on the Register at the close of business fifteen (15) days prior to the mailing. The resignation shall take effect upon the appointment of a successor Trustee as provided for in Section 6.09 of this Indenture or an order of a court of competent jurisdiction allowing the Trustee to resign.

**SECTION 6.08. Removal of the Trustee.** The Trustee may be removed at any time by an instrument or document or concurrent instruments or documents in writing delivered to the Trustee, with copies thereof mailed to the Issuer, the Registrar, any Paying Agents and Authenticating Agents and the Borrower, and signed by or on behalf of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The Trustee also may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding under this Indenture.

The removal of the Trustee under this Section 6.08 shall take effect upon the appointment of a successor Trustee as provided for in Section 6.09 of this Indenture.

**SECTION 6.09. Appointment of Successor Trustee.** If (i) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (ii) the Trustee shall be taken under the control of any public officer or officers, or (iii) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Issuer, with the written consent of the Borrower or by the Borrower on the Issuer's behalf; provided,

that if a successor Trustee is not so appointed within ten (10) days after (a) a notice of resignation or an instrument or document of removal is received by the Issuer, as provided in Sections 6.07 and 6.08 hereof, respectively, or (b) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided then, so long as the Issuer or the Borrower shall not have appointed a successor Trustee, the Holders of a majority in aggregate principal amount of Bonds then outstanding may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, the Holder of any Bond outstanding hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Every successor Trustee appointed pursuant to this Section (i) shall be a trust company or a bank having the powers of a trust company (ii) shall be in good standing within the State, (iii) shall be duly authorized to exercise trust powers within the State, (iv) shall have a reported capital, surplus and retained earnings of not less than \$100,000,000, and (v) shall be willing to accept the trusteeship under the terms and conditions of this Indenture.

Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer and the Borrower an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Issuer or the Borrower, and payment of all fees and expenses owed to it, the predecessor Trustee (i) shall execute and deliver an instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the predecessor Trustee hereunder; and (ii) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and moneys) held by it as Trustee. Should any instrument or document in writing from the Issuer be requested by any successor Trustee for vesting and conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed or intended to be vested or conveyed hereby in or to the predecessor Trustee, the Issuer shall execute, acknowledge and deliver that instrument or document.

In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any moneys which it may hold pursuant to this Indenture and shall cease to be Registrar, Authenticating Agent and a Paying Agent for any of the Bonds, to the extent it served in any of those capacities.

SECTION 6.10. Adoption of Authentication. In case any of the Bonds shall have been authenticated, but shall not have been delivered, any successor Trustee or Authenticating Agent may adopt the certificate of authentication of any predecessor Trustee or Authenticating Agent and may deliver those Bonds so authenticated as provided herein. In case any Bonds shall not

have been authenticated, any successor Trustee or Authenticating Agent may authenticate those Bonds either in the name of any predecessor or in its own name. In all cases, the certificate of authentication shall have the same force and effect as provided in the Bonds or in this Indenture with respect to the certificate of authentication of the predecessor Trustee or Authenticating Agent.

SECTION 6.11. Registrars.

(a) Succession. Anything herein to the contrary notwithstanding, any corporation or association (i) into which a Registrar may be converted or merged, (ii) with which a Registrar or any successor to it may be consolidated, or (iii) to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Registrar to that Registrar hereunder and shall be vested with each and every power, right, duty, obligation, discretion and privilege expressed or intended by this Indenture to be exercised by or vested in the predecessor Registrar, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

(b) Resignation. A Registrar may resign at any time by giving written notice of its resignation to the Issuer, the Borrower, the Trustee, the Original Purchaser, and to each Paying Agent and Authenticating Agent for the Bonds, at least 60 days before the resignation is to take effect. The resignation shall take effect immediately, however, upon the appointment of a successor Registrar, if the successor Registrar is appointed and accepts that appointment before the time stated in the notice.

(c) Removal. The Registrar may be removed at any time by an instrument or document or concurrent instruments or documents in writing delivered to the Registrar, with copies thereof mailed to the Issuer, the Trustee and the Borrower, and signed by or on behalf of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

(d) Appointment of Successors. If (i) a Registrar shall resign, shall be removed, shall be dissolved, or shall become otherwise completely incapable of acting hereunder, (ii) a Registrar shall be taken under the control of any public officer or officers, (iii) a receiver shall be appointed for a Registrar by a court, or (iv) a Registrar shall have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws or commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismitted and unstayed for ninety (90) days, then a successor Registrar shall be appointed by the Trustee, with the written consent of the Borrower; provided, that if a successor Registrar is not so appointed within ten days after (a) a notice of resignation or an instrument or document of removal is received by the Trustee, as provided above, or (b) the Registrar is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, if the Trustee shall not have appointed a successor Registrar, the Holders of a majority in aggregate principal amount of Bonds then outstanding may designate a successor Registrar by an

instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders.

Every successor Registrar appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer, the Trustee and the Borrower, an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests of its predecessor. Upon the written request of its successor, the Issuer or the Borrower, a predecessor Registrar (i) shall execute and deliver an instrument or document transferring to its successor all of the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests of it as predecessor Registrar hereunder, and (ii) shall take any other action necessary to duly assign, transfer and deliver to its successor all property and records (including without limitation, the Register and any cancelled Bonds) held by it as Registrar. Should any instrument or document in writing from the Issuer be requested by any successor Registrar for vesting and conveying more fully and certainly in and to that successor the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests vested or conveyed or intended to be vested or conveyed hereby in or to a predecessor Registrar, the Issuer shall execute, acknowledge and deliver that instrument or document, subject to the Issuer's approval of the form of the instrument or document.

The Trustee shall pay, or cause the Borrower to pay pursuant to Section 4.2 of the Agreement, to any Registrar customary compensation for its services from time to time, as authorized in Section 6.03 hereof, and the Trustee shall be entitled to be reimbursed for such payments paid by it, subject to Section 6.03 hereof. The provisions of Sections 3.05, 3.06 and 6.02(d) hereof shall be applicable to the Registrar.

**SECTION 6.12. Designation and Succession of Paying Agents.** The Trustee shall be a Paying Agent for the Bonds, and, with the consent of the Borrower, the Trustee may appoint a Paying Agent or Agents with power to act on its behalf and subject to its direction in the payment of Bond Service Charges on the Bonds. It is the responsibility of the Trustee to establish the duties and responsibilities of any Paying Agent for the purposes of this Indenture, to the extent not specified herein.

Any corporation or association with or into which any Paying Agent may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, consolidation or conversion to which any Paying Agent shall be a party, or any corporation or association succeeding to the trust business of any Paying Agent, shall be the successor of that Paying Agent hereunder, if that successor corporation or association is otherwise eligible hereunder, without the execution or filing of any paper or any further act on the part of the parties hereto or the Paying Agent or that successor corporation or association.

Any Paying Agent may at any time resign by giving written notice of resignation to the Trustee, to the Registrar and to the Borrower. The Trustee or the Borrower may at any time terminate the agency of any Paying Agent by giving written notice of termination to such Paying Agent, to the Registrar and to the Borrower or the Trustee, as applicable. Upon receiving such a

notice of resignation or upon such a termination, or in case at any time any Paying Agent shall cease to be eligible under this Section, the Trustee may appoint a successor Paying Agent, with the written consent of the Borrower. The Trustee shall give written notice of appointment of a successor Paying Agent to the Borrower, the Issuer and the Registrar and shall mail, within ten days after that appointment, notice thereof to all Holders as their names and addresses appear on the Register on the date of that appointment.

The Trustee shall pay, or cause the Borrower to pay pursuant to Section 4.2 of the Agreement, to any Paying Agent from time to time customary compensation as authorized in Section 6.03 hereof for its services, and the Trustee shall be entitled to be reimbursed for payments made by it, subject to Section 6.03 hereof.

The provisions of Section 3.05 and Subsection 6.02(d) shall be applicable to any Paying Agent.

**SECTION 6.13. Designation and Succession of Authenticating Agents.** With the consent of the Issuer, the Trustee may appoint an Authenticating Agent or Agents with power to act on its behalf and subject to its direction in the authentication and delivery of Bonds in connection with transfers and exchanges under Sections 3.05 and 3.06 hereof. For all purposes of this Indenture, the authentication and delivery of Bonds by an Authenticating Agent pursuant to this Section shall be deemed to be authentication and delivery of those Bonds “by the

Any corporation or association with or into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any corporation or association succeeding to the trust business of any Authenticating Agent, shall be the successor of that Authenticating Agent hereunder, if that successor corporation or association is otherwise eligible hereunder, without the execution or filing of any paper or any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee, to the Registrar and to the Borrower. The Trustee or the Borrower may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent, to the Registrar and to the Borrower or the Trustee, as applicable. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee may appoint a successor Authenticating Agent, with the written consent of the Borrower. The Trustee shall give written notice of appointment of a successor Authenticating Agent to the Borrower, the Issuer and the Registrar and shall mail, within ten (10) days after that appointment, notice thereof to all Holders as their names and addresses appear on the Register on the date of that appointment.

The Trustee shall pay, or cause the Borrower to pay pursuant to Section 4.2 of the Agreement, to any Authenticating Agent from time to time customary compensation for its services, and the Trustee shall be entitled to be reimbursed for such payments made by it, subject to Section 6.03 hereof.

The provisions of Section 3.05 and Subsections 6.02(b), (c), (d), (h) and (i) shall be applicable to any Authenticating Agent.

SECTION 6.14. Dealing in Bonds. The Trustee, a Registrar, a Paying Agent and an Authenticating Agent, their Affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owners of Bonds secured hereby with the same rights which it or they would have hereunder if the Trustee, the Registrar, Paying Agents or Authenticating Agents did not serve in those capacities.

SECTION 6.15. Representations, Agreements and Covenants of Trustee. The Trustee hereby represents that it is a national banking association, in good standing and duly authorized to exercise corporate trust powers in the State, and that it has an unimpaired reported capital, surplus and retained earnings of not less than \$100,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain an unimpaired reported capital, surplus and retained earnings of not less than \$100,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee to which reference is made in any other instrument or document providing security for any of the Bonds.

SECTION 6.16. Right of Trustee to Pay Taxes and Other Charges. The Trustee is hereby authorized to advance funds (i) to pay taxes, assessments and other governmental charges with respect to the Project, (ii) for the discharge of mechanics' and other liens relating to the Project, (iii) to obtain and maintain insurance for the Project and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the Borrower fails to do so as required by the Agreement. The Trustee may make those advances, but without prejudice to any rights of the Trustee or the Holders against the Borrower for failure of the Borrower to do so.

Any amount so paid at any time, with interest thereon at the Interest Rate for Advances from the date of payment, (i) shall be an additional obligation secured by this Indenture, (ii) shall be given a preference in payment over any Bond Service Charges, and (iii) shall be paid out of the Pledged Revenues, if not caused otherwise to be paid. The Trustee shall make the advance, if it shall have been requested to do so by the Holders of at least 25% of the aggregate principal amount of Bonds then outstanding and shall have been provided with adequate funds for the purpose of making the advance.

SECTION 6.17. Interpleader. In the event of a dispute between any of the parties hereto with respect to the disposition of any funds held by the Trustee hereunder, or the Trustee receives conflicting demands made upon the Trustee with respect to the Trustee's duties hereunder or any other document related to the Bonds, the Trustee shall be entitled to file a suit in interpleader in a court of competent jurisdiction seeking to require the parties to interplead and litigate in such court their several claims and rights among themselves. Upon the filing of such a suit and the deposit of the applicable funds to such court, the Trustee will ipso facto be fully released and discharged from all obligations to further perform any and all duties imposed hereunder or any other document related to the Bonds regarding such matter and/or such funds that are the subject of such interpleader suit. In the event that the Trustee remains as Trustee under this Indenture and receives a court order, directive or other request regarding the interpleader suit, the Trustee shall be entitled to rely upon such instruction without incurring any

obligation or liability and the parties hereto release, hold harmless and indemnify the Trustee for any obligation or liability for so relying on such court instruction.

SECTION 6.18. Survival of Certain Provisions. The provisions of Sections 6.01 through 6.18 of this Indenture shall survive the release, discharge and satisfaction of this Indenture.

(End of Article VI)

## ARTICLE VII

### DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

SECTION 7.01. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

- (a) Payment of any interest on any Bond shall not be made when and as that interest shall become due and payable;
- (b) Payment of the principal of any Bond shall not be made when and as that principal shall become due and payable, whether at stated maturity, upon acceleration or otherwise;
- (c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in this Indenture or in the Bonds, which failure shall have continued for a period of 30 days after written notice, by registered or certified mail, to the Issuer and the Borrower specifying the failure and requiring that it be remedied, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding; and
- (d) The occurrence and continuance of an Event of Default as defined in Section 7.1 of the Agreement.

Notwithstanding anything herein to the contrary, the Trustee hereby agrees that any cure of any Event of Default hereunder made or tendered by the Investor Limited Partner shall be deemed to be a cure by the Issuer or Borrower, and shall be accepted or rejected by the Trustee on the same basis as if made or tendered by the Issuer or Borrower as the case may be.

The term “default” or “failure” as used in this Article means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in this Indenture or in the Bonds, or (ii) a default or failure by the Borrower under the Agreement, exclusive of any period of grace or notice required to constitute a default or failure or an Event of Default, as provided above or in the Agreement.

SECTION 7.02. Notice of Default. If an Event of Default shall occur, the Trustee shall give written notice of the Event of Default, by registered or certified mail, to the Issuer, the Borrower, the Registrar or any Paying Agent and Authenticating Agent and the Original Purchaser, within five days after the Trustee has notice of the Event of Default pursuant to Section 6.02(f) of this Indenture. If an Event of Default occurs of which the Trustee has notice pursuant to this Indenture, the Trustee shall give written notice thereof, within thirty (30) days after the Trustee’s receipt of notice of its occurrence, to the Holders of all Bonds then outstanding as shown by the Register at the close of business fifteen (15) days prior to the mailing of that notice; provided, that except in the case of a default in the payment of the

principal of or interest on any Bond, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or responsible officers of the Trustee in good faith determine that the withholding of notice to the Holders is in the interests of the Holders.

SECTION 7.03. Acceleration. Upon the occurrence of an Event of Default described in Section 7.01(a) and (b), the Trustee shall declare, by a notice in writing delivered to the Borrower, the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. For all other Events of Default, the Trustee shall nonetheless declare upon the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding, declare the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately.

The provisions of the preceding paragraph are subject, however, to the condition that if, at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement hereunder (after an opportunity for hearing by the Issuer and the Borrower),

(a) all sums payable hereunder (except the principal of and interest on Bonds which have not reached their stated maturity dates but which are due and payable solely by reason of that declaration of acceleration), plus interest to the extent permitted by law on any overdue installments of interest at the rate borne by the Bonds in respect of which the default shall have occurred, shall have been duly paid or provision shall have been duly made therefor by deposit with the Trustee or Paying Agents, and

(b) all existing Events of Default shall have been cured,

then and in every case, the Trustee shall waive the Event of Default and its consequences and shall rescind and annul that declaration. No waiver or rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair any rights consequent thereon.

SECTION 7.04. Other Remedies; Rights of Holders. With or without taking action under Section 7.03 hereof, upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy, including without limitation actions at law or equity to enforce the payment of Bond Service Charges or the observance and performance of any other covenant, agreement or obligation under this Indenture, the Agreement, the Regulatory Agreement or the Note or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested so to do by the Holders of at least 25% in aggregate principal amount of Bonds outstanding, the Trustee (subject to the provisions of Sections 6.01 and 6.02 and particularly subparagraph 6.01(c)(iv) and Subsection 6.02 (j) of those Sections), shall exercise any rights and powers conferred by this Section and by Section 7.03 hereof.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be

in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing.

No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

As the assignee of all right, title and interest of the Issuer in and to the Agreement (except for the Unassigned Issuer's Rights), the Trustee is empowered to enforce each remedy, right and power granted to the Issuer under the Agreement. In exercising any remedy, right or power thereunder or hereunder, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in Sections 6.01 and 6.02 hereof.

**SECTION 7.05. Right of Holders to Direct Proceedings.** Anything to the contrary in this Indenture notwithstanding, the Holders of a majority in aggregate principal amount of Bonds then outstanding shall have the right at any time to direct, by an instrument or document in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or any other proceedings hereunder; provided, that (i) any direction shall not be other than in accordance with the provisions of law and of this Indenture, (ii) the Trustee shall be indemnified as provided in Sections 6.01 and 6.02, and (iii) the Trustee may take any other action which it deems to be proper and which is not inconsistent with the direction.

**SECTION 7.06. Application of Moneys.** All moneys received by the Trustee, shall be applied as follows, subject to Section 3.04 hereof and any provision made pursuant to Section 5.10 hereof:

(a) Unless the principal of all of the Bonds shall have become, or shall have been declared to be, due and payable, all of those moneys shall be deposited in the Bond Fund and shall be applied:

First -- To the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the dates of maturity of the installments of that interest, beginning with the earliest date of maturity and, if the amount available is not sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on that installment, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds; and

Second -- To the payment to the Holders entitled thereto of the unpaid principal of any of the Bonds which shall have become due, in the order of

their due dates, beginning with the earliest due date, with interest on those Bonds from the respective dates upon which they became due at the rates specified in those Bonds, and if the amount available is not sufficient to pay in full all Bonds due on any particular date, together with that interest, then to the payment thereof ratably, according to the amounts of principal due on that to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(b) If the principal of all of the Bonds shall have become due or shall have been declared to be due and payable pursuant to this Article, all of those moneys shall be deposited into the Bond Fund and shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds shall have been declared to be due and payable pursuant to this Article, and if that declaration thereafter shall have been rescinded and annulled under the provisions of Section 7.03 or 7.10 hereof, subject to the provisions of paragraph (b) of this Section in the event that the principal of all of the Bonds shall become due and payable later, the moneys shall be deposited in the Bond Fund and shall be applied in accordance with the provisions of Article III.

(d) After payments have been made as set forth in paragraphs (a) – (c) above, any remaining balance shall be used for payment of any costs, expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of moneys and to all fees of the Trustee for Ordinary and Extraordinary Expenses pursuant to any right given or action taken under the provisions of this Article or the provisions of the Agreement, the Regulatory Agreement or the Note (including without limitation, reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under this Article VII).

Whenever moneys are to be applied pursuant to the provisions of this Section, those moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of moneys available for application and the likelihood of additional moneys becoming available for application in the future. Whenever the Trustee shall direct the application of those moneys, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the moneys are available therefor. The Trustee shall give notice of the deposit with it of any moneys and of the fixing of that date, all consistent with the requirements of Section 3.04 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully unless presentation is not required pursuant to Section 3.08 hereof.

SECTION 7.07. Remedies Vested in Trustee. All rights of action (including without limitation, the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the Outstanding Bonds, subject to the provisions of this Indenture.

SECTION 7.08. Rights and Remedies of Holders. A Holder shall not have any right to institute any suit, action or proceeding for the enforcement of this Indenture, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless:

(a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in paragraph (f) of Section 6.02 hereof, or of which it is deemed to have notice under that paragraph,

(b) the Holders of at least 25% in aggregate principal amount of Bonds then outstanding shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name, and shall have offered indemnity to the Trustee as provided in Sections 6.01 and 6.02 hereof, and

(c) the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name.

At the option of the Trustee, that notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Indenture by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceedings shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Bonds then outstanding. Nothing in this Indenture shall affect or impair, however, the right of any Holder to enforce the payment of the Bond Service Charges on any Bond owned by that Holder at and after the maturity thereof, at the place, from the sources and in the manner expressed in that Bond.

SECTION 7.09. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

SECTION 7.10. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Trustee may waive any Event of Default hereunder and its

consequences and may rescind and annul any declaration of maturity of principal of or interest on, the Bonds. The Trustee shall do so upon the written request of the Holders of

(a) at least a majority in aggregate principal amount of all Bonds then outstanding in respect of which an Event of Default in the payment of Bond Service Charges exists, or

(b) at least 25% in aggregate principal amount of all Bonds then outstanding, in the case of any other Event of Default.

There shall not be so waived, however, any Event of Default described in paragraph (a) or (b) of Section 7.01 hereof or any declaration of acceleration in connection therewith rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in Section 7.03 hereof for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

(End of Article VII)

## ARTICLE VIII

### SUPPLEMENTAL INDENTURES

SECTION 8.01. Supplemental Indentures Generally. The Issuer and the Trustee may enter into indentures supplemental to this Indenture, as provided in this Article and pursuant to the other provisions therefor in this Indenture.

SECTION 8.02. Supplemental Indentures Not Requiring Consent of Holders. Without the consent of, or notice to, any of the Holders, the Issuer and the Trustee may enter into indentures supplemental to this Indenture which shall not, in the opinion of the Issuer and the Trustee, be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (a) To cure any ambiguity, inconsistency or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;
- (c) To assign additional revenues under this Indenture;
- (d) To accept additional security and instruments and documents of further assurance with respect to the Project;
- (e) To add to the covenants, agreements and obligations of the Issuer under this Indenture, other covenants, agreements and obligations to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in this Indenture;
- (f) To evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under this Indenture, the Agreement and the Bonds;
- (g) To facilitate (A) the transfer of Bonds issued by the Issuer under this Indenture and held in Book Entry Form from one Depository to another and the succession of Depositories, or (B) the withdrawal of Bonds issued by the Issuer under this Indenture and delivered to a Depository for use in a Book Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Depository;
- (h) To permit the Trustee to comply with any obligations imposed upon it by law;
- (i) To specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, the Registrar and any Authenticating Agents or Paying Agents;

(j) To achieve compliance of this Indenture with any applicable federal securities or tax law;

(k) To make amendments to the provisions hereof relating to arbitrage matters under Section 148 of the Code, if, in the Opinion of Bond Counsel, those amendments would not cause the interest on the Bonds outstanding to be included in gross income of the owners thereof for federal income tax purposes which amendments may, among other things, change the responsibility for making the relevant calculations, provided that in no event shall such amendment delegate to the Trustee, without its consent, in its sole discretion the obligation to make or perform the calculations required under Section 148 of the Code; and

(l) To permit any other amendment which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Holders.

The provisions of Subsections 8.02(h) and (j) shall not be deemed to constitute a waiver by the Trustee, the Registrar, the Issuer or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Indenture or the Bonds.

**SECTION 8.03. Supplemental Indentures Requiring Consent of Holders.** Exclusive of Supplemental Indentures to which reference is made in Section 8.02 hereof and subject to the terms, provisions and limitations contained in this Section, and not otherwise, with the consent of the Holders of not less than a majority of the principal amount of the Bonds, and with the consent of the Borrower if required by Section 8.04 hereof, the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of this Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in this Section or Section 8.02 hereof shall permit, however, or be construed as permitting without the consent of the Holders of a majority in aggregate principal amount of the Bonds then outstanding, (i) an extension of the maturity of the principal of or the interest on the Bonds, (ii) a reduction in the principal amount of the Bonds or the rate of interest thereon, (iii) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

If the Issuer shall request that the Trustee execute and deliver any Supplemental Indenture for any of the purposes of this Section, upon (i) being satisfactorily indemnified by the Borrower with respect to its expenses in connection therewith, and (ii) if required by Section 8.04 hereof, receipt of the Borrower's consent to the proposed execution and delivery of the Supplemental Indenture, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Indenture to be mailed by first-class mail, postage prepaid, to the Holders at their addresses as they appear on the Register at the close of business on the fifteenth day preceding that mailing.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this Section. Any failure of that nature shall not affect the validity of the Supplemental Indenture when there has

been consent thereto as provided in this Section. The notice shall set forth briefly the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period prescribed by the Borrower, of not less than 60 days, but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents, in form to which the Trustee does not reasonably object, purporting to be executed by the Holders of the required aggregate principal amount of the Bonds then outstanding (which instrument or document or instruments or documents shall refer to the proposed Supplemental Indenture in the form described in the notice and specifically shall consent to the Supplemental Indenture in substantially that form), the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Indenture in substantially the form to which reference is made in the notice as being on file with the Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Indenture). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Indenture. At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Bonds outstanding shall have consented to the Supplemental Indenture, as provided in this Section, no Holder shall have any right (a) to object to (i) the execution or delivery of the Supplemental Indenture, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee or the Issuer from that execution or delivery or from taking any action pursuant to the provisions thereof.

**SECTION 8.04. Consent of Borrower.** Anything contained herein to the contrary notwithstanding, a Supplemental Indenture executed and delivered in accordance with this Article VIII which affects any rights or obligations of the Borrower shall not become effective unless and until the Borrower has consented in writing to the execution and delivery of that Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture and a copy of the proposed Supplemental Indenture to be mailed to the Borrower, as provided in Section 13.03 hereof, (i) at least 30 days (unless waived by the Borrower) before the date of the proposed execution and delivery in the case of a Supplemental Indenture to which reference is made in Section 8.02 hereof, and (ii) at least 30 days (unless waived by the Borrower) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Indenture for which provision is made in Section 8.03 hereof.

SECTION 8.05. Authorization to Trustee; Effect of Supplement. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture in accordance with this Article and to make the further agreements and stipulations which may be contained therein. Thereafter,

- (a) That Supplemental Indenture shall form a part of this Indenture;
- (b) All terms and conditions contained in that Supplemental Indenture as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Indenture for any and all purposes;
- (c) This Indenture shall be deemed to be modified and amended in accordance with the Supplemental Indenture; and
- (d) The respective rights, duties and obligations under this Indenture of the Issuer, the Borrower, the Trustee, the Registrar, the Paying Agents, the Authenticating Agents and all Holders of Bonds then outstanding shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Indenture.

Express reference to any executed and delivered Supplemental Indenture may be made in the text of any Bonds issued thereafter, if that reference is deemed necessary or desirable by the Trustee or the Issuer. A copy of any Supplemental Indenture for which provision is made in this Article, except a Supplemental Indenture described in clause (g) of Section 8.02 hereof, shall be mailed by the Trustee to the Registrar, each Authenticating Agent and Paying Agent and the Original Purchaser. The Trustee shall not be required to execute any supplemental indenture containing provisions adverse to the Trustee.

SECTION 8.06. Opinion of Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it as conclusive evidence that (i) any proposed Supplemental Indenture complies with the provisions of this Indenture, and (ii) it is proper for the Trustee to join in the execution of that Supplemental Indenture under the provisions of this Article. That counsel may be counsel for the Issuer or the Borrower.

SECTION 8.07. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Issuer and of the Holders, and the terms and provisions of the Bonds and this Indenture or any Supplemental Indenture, may be modified or altered in any respect with the consent of (i) the Issuer, (ii) the Holders of all of the Bonds then outstanding, (iii) the Borrower and (iv) if such modification or alteration contains provisions adverse to the Trustee, the Trustee.

(End of Article VIII)

## ARTICLE IX

### DEFEASANCE

SECTION 9.01. Release of Indenture. If (i) the Issuer shall pay all of the Outstanding Bonds, or shall cause them to be paid and discharged, or if there otherwise shall be paid to the Holders of the Outstanding Bonds, all Bond Service Charges due or to become due thereon, and (ii) provision also shall be made for the payment of all other sums payable hereunder or under the Agreement, the Regulatory Agreement and the Note, then this Indenture shall cease, determine and become null and void (except for those provisions surviving by reason of Section 9.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 9.02 hereof), and the covenants, agreements and obligations of the Issuer hereunder shall be released, discharged and satisfied.

Thereupon, and subject to the provisions of Section 9.03 hereof, if applicable,

(i) the Trustee shall release this Indenture and the Note (except for those provisions surviving by reason of Section 9.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 9.02 hereof), and shall execute and deliver to the Issuer any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Issuer, and

(ii) the Trustee and any other Paying Agents shall assign and deliver to the Issuer any property subject at the time to the lien of this Indenture which then may be in their possession, except amounts in the Bond Fund required (a) to be paid to the Borrower under Section 5.09 hereof, or (b) to be held by the Trustee and the Paying Agents under Section 5.10 hereof or otherwise for the payment of Bond Service Charges.

SECTION 9.02. Payment and Discharge of Bonds. All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of this Indenture, including without limitation, Section 9.01 hereof, if:

(a) the Trustee as paying agent and any Paying Agents shall have received, in trust for and irrevocably committed thereto, sufficient moneys, or

(b) the Trustee shall have received, in trust for and irrevocably committed thereto, noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America which are certified by an Independent public accounting firm of national reputation to be of such maturities or redemption dates and interest payment dates, and to bear such interest, as will be sufficient together with any moneys to which reference is made in subparagraph (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided herein),

for the payment of all Bond Service Charges on those Bonds at their maturity.

Any moneys held by the Trustee in accordance with the provisions of this Section may be invested by the Trustee only in noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America having maturity dates, or having redemption dates which, at the option of the holder of those obligations, shall be not later than the date or dates at which moneys will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this Section is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this Section, that income, interest or increment shall be transferred at the time of that determination in the manner provided in Section 5.09 hereof for transfers of amounts remaining in the Bond Fund.

If any Bonds shall be deemed paid and discharged pursuant to this Section 9.02, then within 15 days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, and shall set forth a description of the obligations held pursuant to subparagraph (b) of the first paragraph of this Section 9.02.

SECTION 9.03. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of the Bond Legislation and this Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and repayments to the Borrower from the Bond Fund, the rebate of moneys to the United States in accordance with Section 5.10 and the rights and duties of the Trustee and the Registrar in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee, the Registrar, the Authenticating Agents, Paying Agents and the Holders notwithstanding the release and discharge of this Indenture. The provisions of this Article shall survive the release, discharge and satisfaction of this Indenture. The obligations of the Borrower to pay the Trustee its fees and expenses hereunder shall survive the release, discharge and satisfaction of this Indenture.

(End of Article IX)

## ARTICLE X

### COVENANTS AND AGREEMENTS OF THE ISSUER

SECTION 10.01. Covenants and Agreements of the Issuer. In addition to any other covenants and agreements of the Issuer contained in this Indenture or the Bond Legislation, the Issuer further covenants and agrees with the Holders and the Trustee as follows:

(a) Payment of Bond Service Charges. The Issuer will cause the Bond Service Charges to be paid by the Trustee, solely from the Pledged Revenues received on the dates, at the places and in the manner provided in this Indenture.

(b) Pledged Revenues and Assignment of Pledged Revenues. The Issuer will not assign the Pledged Revenues or create or authorize to be created any debt, lien or charge thereon, other than the assignment thereof under this Indenture.

(c) Recordings and Filings. The Issuer will cause, or cause the Borrower to cause, this Indenture, and any financing statements, related instruments or documents relating to the assignment made by the Issuer under this Indenture to secure the Bonds, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee hereunder.

(d) Inspection of Project Books. All books, instruments and documents in the Issuer's possession relating to the Project and the Pledged Revenues to the extent they are public under applicable public records laws, shall be open to inspection and copying at all times during the Issuer's regular business hours by any accountants or other agents of the Trustee which the Trustee may designate from time to time.

(e) Register. At reasonable times and under reasonable regulations established by the Registrar, the Register may be inspected and copied (at the expense of the person making such copies) by the Borrower, the Issuer, the Trustee, by Holders of 25% or more in principal amount of the Bonds then outstanding, or a designated representative thereof.

(f) Rights and Enforcement of the Agreement. The Trustee may enforce, in its name or in the name of the Issuer, all rights of the Issuer for and on behalf of the Holders, except for Unassigned Issuer's Rights, and may enforce all covenants, agreements and obligations of the Borrower under and pursuant to the Agreement, regardless of whether the Issuer is in default in the pursuit or enforcement of those rights, covenants, agreements or obligations. The Issuer, however, will do all things and take all actions on its part necessary to the extent of its legal authority and control, to comply with covenants, agreements, obligations, duties and responsibilities on its part to be observed or performed under the Agreement, and will take all actions within its authority to keep the Agreement in effect in accordance with the terms thereof.

(g) Issuer Not to Adversely Affect Exclusion From Gross Income of Interest on Bonds. The Issuer covenants that it (i) will take, or require to be taken, all actions that may be required of the Issuer for the interest on the Bonds to be and remain excluded from gross income

for federal income tax purposes, and (ii) will not take or require to be taken any actions that to the Issuer's knowledge would adversely affect that exclusion under the provisions of the Code.

SECTION 10.02. Observance and Performance of Covenants, Agreements, Authority and Actions. The Issuer will observe and perform at all times all covenants, agreements, authority, actions, undertakings, stipulations and provisions to be observed or performed on its part under the Agreement, this Indenture, the Bond Legislation, the Regulatory Agreement and the Bonds which are executed, authenticated and delivered under this Indenture, and under all proceedings of the Issuer pertaining thereto.

The Issuer represents and warrants that

(a) It is duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds, to execute and deliver this Indenture, the Agreement and the Regulatory Agreement and to provide the security for payment of the Bond Service Charges in the manner and to the extent set forth in this Indenture.

(b) All actions required on its part to be performed for the issuance, sale and delivery of the Bonds and for the execution and delivery of this Indenture and the Agreement have been taken duly and effectively, as advised by Bond Counsel.

(c) The Bonds will be valid and enforceable special obligations of the Issuer according to their terms.

SECTION 10.03. Enforcement of Issuer's Obligations. Each obligation of the Issuer required to be undertaken pursuant to the Bond Legislation, this Indenture, the Agreement, the Regulatory Agreement and the Bonds is binding upon the Issuer, and upon each officer or employee thereof as may have from time to time the authority under law to take any action on behalf of the Issuer which may be necessary to perform all or any part of that obligation, as a duty of the Issuer and of each of those officers and employees resulting from an office, trust, or station, providing for enforcement by writ of mandamus.

(End of Article X)

## ARTICLE XI

### AMENDMENTS TO AGREEMENT, REGULATORY AGREEMENT AND NOTE

SECTION 11.01. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, the Issuer, the Borrower and the Trustee may consent to any amendment, change or modification of the Agreement, the Regulatory Agreement or the Note as may be required (i) by the provisions of the Agreement, the Regulatory Agreement or this Indenture, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Agreement, the Regulatory Agreement or the Note, (iii) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 8.02 hereof, or (iv) in connection with any other change therein which is not to the prejudice of the Trustee or the Holders of the Bonds, in the judgment of the Trustee.

SECTION 11.02. Amendments Requiring Consent of Holders. Except for the amendments, changes or modifications contemplated in Section 11.01 hereof, neither the Issuer nor the Trustee shall consent to

(a) any amendment, change or modification of the Agreement or the Note which would change the amount or time as of which Loan Payments are required to be paid, without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the then Outstanding Bonds affected by such amendment, change or modification, or

(b) any other amendment, change or modification of the Agreement, the Regulatory Agreement or the Note without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding affected by such amendment, change or modification.

The consent of the Holders shall be obtained as provided in Section 8.03 hereof with respect to Supplemental Indentures.

If the Issuer or the Borrower shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Agreement, the Regulatory Agreement or the Note contemplated in subparagraphs (a) or (b) of this Section, upon being indemnified satisfactorily with respect to expenses, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 8.03 hereof with respect to notice of Supplemental Indentures. The notice shall set forth briefly the nature of the proposed amendment, change or modification and shall state that copies of the instrument or document embodying it are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

(End of Article XI)

## ARTICLE XII

### MEETINGS OF HOLDERS

SECTION 12.01. Purposes of Meetings. A meeting of Holders may be called at any time and from time to time pursuant to the provisions of this Article XII, to take any action (i) authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Bonds, (ii) under any provision of this Indenture or (iii) authorized or permitted by law.

SECTION 12.02. Call of Meetings. The Trustee may (but shall not be obligated to) call at any time a meeting of Holders pursuant to Section 12.01 to be held at any reasonable time and place the Trustee shall determine. Notice of such meeting, setting forth the time, place and generally the subject thereof, shall be mailed by first-class mail, postage prepaid, not fewer than 15 nor more than 90 days prior to the date of the meeting to the Holders at their addresses as they appear on the Register on the fifteenth day preceding such mailing, which fifteenth day, preceding the mailing, shall be the record date for the meeting.

If at any time, the Issuer or the Borrower, or the Holders of at least 25% in aggregate principal amount of the Bonds then outstanding, shall have requested the Trustee to call a meeting of Holders, by written request setting forth the purpose of the meeting, and the Trustee shall not have mailed the notice of the meeting within 20 days after receipt of the request, then the Issuer, the Borrower or the Holders of Bonds in the amount above specified may determine the time and the place of the meeting and may call the meeting to take any action authorized in Section 12.01, by mailing notice thereof as provided above.

Any meetings of Holders shall be valid without notice, if the Holders of all Bonds then outstanding are present in person or by proxy, or if notice is waived before or after the meeting by the Holders of all Bonds outstanding who were not so present at the meeting, and if the Issuer, the Borrower and the Trustee are either present by duly authorized representatives or have waived notice, before or after the meeting.

SECTION 12.03. Voting. To be entitled to vote at any meeting of Holders, a Person shall (a) be a Holder of one or more outstanding Bonds as of the record date for the meeting as determined above, or (b) be a person appointed by an instrument or document in writing as proxy by a Person who is a Holder as of the record date for the meeting, of one or more outstanding Bonds. Each Holder or proxy shall be entitled to one vote for each \$100,000 principal amount of Bonds held or represented by it.

The vote upon any resolution submitted to any meeting of Holders shall be by written ballots on which shall be subscribed the signatures of the Holders of Bonds or of their representatives by proxy and the identifying number or numbers of the Bonds held or represented by them.

SECTION 12.04. Meetings. Notwithstanding any other provisions of this Indenture, the Trustee may make any reasonable regulations which it may deem to be advisable for meetings of Holders, with regard to

- (a) proof of the holding of Bonds and of the appointment of proxies,

- (b) the appointment and duties of inspectors of votes,
- (c) recordation of the proceedings of those meetings,
- (d) the execution, submission and examination of proxies and other evidence of the right to vote, and
- (e) any other matters concerning the conduct, adjournment or reconvening of meetings which it may think fit.

The Trustee shall appoint a temporary chair of the meeting by an instrument or document in writing, unless the meeting shall have been called by the Issuer, the Borrower or by the Holders, as provided in Section 12.02, in which case the Issuer, the Borrower or the Holders calling the meeting, as the case may be, shall appoint a temporary chair in like manner. A permanent chair and a permanent secretary of the meeting shall be elected by vote of the Holders of a majority in principal amount of the Bonds represented at the meeting and entitled to vote.

The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at the meeting and their counsel, any representatives of the Trustee or Registrar and their counsel, any representatives of the Issuer and its counsel and any representatives of the Borrower and its counsel.

SECTION 12.05. Miscellaneous. Nothing contained in this Article XII shall be deemed or construed to authorize or permit any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of the Bonds by reason of any call of a meeting of Holders or any rights conferred expressly or impliedly hereunder to make a call.

(End of Article XII)

## ARTICLE XIII

### MISCELLANEOUS

SECTION 13.01. Limitation of Rights. With the exception of rights conferred expressly in this Indenture, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Registrar, the Authenticating Agents, the Paying Agents, the Borrower and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Indenture or any covenants, agreements, conditions and provisions contained herein. This Indenture and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto, the Registrar, the Paying Agents, the Authenticating Agents, the Borrower and the Holders of the Bonds, as provided herein.

SECTION 13.02. Severability. In case any section or provision of this Indenture, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Indenture or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, covenant, agreement, stipulation, obligation, act, action, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

SECTION 13.03. Notices. Except as provided in Section 7.02 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is duly mailed by first-class mail, postage pre-paid, or is forwarded by overnight courier service, delivery charges pre-paid. Notices to the Issuer, the Borrower, Investor Limited Partner, the Trustee and the Rating Agency shall be delivered to their respective Notice Addresses.

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Issuer, the Trustee or the Borrower to one or both of the others also shall be given to the others. Any notice given pursuant to Sections 6.09, 6.13, 7.02, 7.03, 8.02, 8.03, 9.02 and 11.02 shall be simultaneously given to the Rating Agency. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent. The Trustee shall designate, by notice to the Issuer and the Borrower, the addresses to which notices or copies thereof shall be sent to the Registrar, the Authenticating Agents and the Paying Agents. In addition to the foregoing, the Trustee hereby agrees to send written notice to the Rating Agency upon the occurrence of any of the following events: (1) any change in the Trustee; (2) any amendment to the documents; (3) a payment of all principal and interest on all of the Bonds; (4) any

change or notification of proposed change of the Mandatory Tender Date pursuant to a remarketing of the Bonds or (5) any defeasance or acceleration of the Bonds.

In connection with any notice mailed pursuant to the provisions of this Indenture, a certificate of the Trustee, the Issuer, the Registrar, the Authenticating Agents, the Borrower or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

SECTION 13.04. Suspension of Mail and Courier Service. If because of the suspension of delivery of first-class mail or of delivery by overnight courier services, or for any other the Trustee shall be unable to mail by the required class of mail or forward by overnight courier service any notice required to be given by the provisions of this Indenture, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate the required mailing or forwarding thereof, and the giving of that notice in that manner for all purposes of this Indenture shall be deemed to be in compliance with the requirement of this Section. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

SECTION 13.05. Payments Due on Saturdays, Sundays and Holidays. If any Bond Payment Date or a date of maturity of the principal of any Bonds is a Saturday, Sunday or a day on which (i) the Trustee is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then payment of interest and principal need not be made by the Trustee or any Paying Agent on that date, but that payment may be made on the next succeeding Business Day on which the Trustee and the Paying Agent are open for business with the same force and effect as if that payment were made on the Bond Payment Date or date of maturity, and no interest shall accrue for the period after that date, or (ii) a Paying Agent is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then payment of interest and principal need not be made by that Paying Agent on that date, but that payment may be made on the next succeeding Business Day on which that Paying Agent is open for business with the same force and effect as if that payment were made on the Bond Payment Date or date of maturity and no interest shall accrue for the period after that date; provided, that if the Trustee is open for business on the applicable Bond Payment Date or date of maturity, it shall make any payment required hereunder with respect to payment of interest on outstanding Bonds and payment of principal of the Bonds presented to it for payment, regardless of whether any Paying Agent shall be open for business or closed on the applicable Bond Payment Date or date of maturity.

SECTION 13.06. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Indenture to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing. Proof of (i) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, (ii) the execution of any writing appointing any agent or attorney, and (iii) the ownership of Bonds, shall be sufficient for

any of the purposes of this Indenture, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(a) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(b) The fact of ownership of Bonds shall be proved by the Register maintained by the Registrar.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Issuer, the Borrower, the Trustee, the Registrar or any Paying Agent or Authenticating Agent pursuant to that writing.

SECTION 13.07. Priority of this Indenture. This Indenture shall be superior to any liens which may be placed upon the Pledged Revenues or any other funds or accounts created pursuant to this Indenture.

SECTION 13.08. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Issuer contained in this Indenture are and shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized by the Act and permitted by the Constitution of the State. No covenant, stipulation, obligation or agreement of the Issuer contained in this Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Issuer or of its Economic Development Commission in other than that person's official capacity. Neither the members of the Issuer or of its Economic Development Commission nor any official executing the Bonds, this Indenture, the Agreement or any amendment or supplement hereto or thereto shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance or execution hereof or

SECTION 13.09. Binding Effect. This Indenture shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 13.10. Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

SECTION 13.11. Governing Law. This Indenture and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the internal laws of the State without reference to its conflict of laws principles.

SECTION 13.12. HUD Loan Documents Control.

(a) In the event of any conflict and to the extent that there is any inconsistency or ambiguity between the provisions of this Indenture and the provisions of the HUD Loan Documents (as defined in the Agreement), the HUD Loan Documents will be deemed to be controlling, and any such ambiguity or inconsistency will be resolved in favor of, and pursuant to the terms of the HUD Loan Documents, as applicable. The Trustee shall conclusively rely upon an Opinion of Counsel regarding any such conflict, and absent receipt of such Opinion of Counsel, the Trustee shall conclusively presume no conflict exists.

(b) The Trustee and the Issuer agree that enforcement of the covenants in this Indenture will not result in, and neither the Issuer nor the Trustee has or shall be entitled to assert, any claim against the Borrower, the Project, any reserves or deposits required by HUD in connection with the HUD-Insured Loan (as defined in the Agreement) transaction, or the rents or deposits or other income of the Project other than available "Surplus Cash" as defined in the HUD Regulatory Agreement.

(c) Failure of the Issuer or the Borrower to comply with any of the covenants set forth in this Indenture will not serve as a basis for default on the HUD-Insured Loan, the underlying Senior Lender Mortgage, or any of the other HUD Loan Documents.

(d) The Issuer shall have no responsibility or liability for non-compliance with any provision of any document resulting from the controlling status of the HUD Loan Documents.

(End of Article XIII)

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers; in token of its acceptance of the trusts created hereunder, the Trustee has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers; and in token of its acceptance of the duties and obligations of the Registrar hereunder, the Registrar has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers, all as of the day and year first above written.

**CITY OF FORT WAYNE, INDIANA**

(SEAL)

By: \_\_\_\_\_  
Thomas C. Henry, Mayor

ATTEST:

\_\_\_\_\_  
Lana R. Keesling, City Clerk

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers; in token of its acceptance of the trusts created hereunder, the Trustee has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers; and in token of its acceptance of the duties and obligations of the Registrar hereunder, the Registrar has caused this Indenture to be executed and delivered for it and in its name and on its behalf by its duly authorized officers, all as of the day and year first above written.

**THE HUNTINGTON NATIONAL BANK,**  
as Trustee and as Registrar of the Bonds

By: \_\_\_\_\_  
Mark Hudson, Vice President

EXHIBIT A

[BOND FORM]

REGISTERED  
NO.

REGISTERED  
\$

United States of America  
State of Indiana

City of Fort Wayne, Indiana  
Multifamily Housing Revenue Bonds, Series 2017  
(Cambridge Square Project)

INITIAL

INTEREST RATE:

MATURITY DATE:

DATED AS OF:

CUSIP:

~~INSERT~~ % per annum

[May 1, 2019]

July 1, 2017

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The City of Fort Wayne, Indiana (the "Issuer"), a municipal corporation duly organized and validly existing under the laws of the State of Indiana, for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the Principal Amount on the Maturity Date specified above (subject to the rights of redemption and tender set forth herein), and to pay from those sources interest on the unpaid principal balance of said Principal Amount calculated at the aforesaid Initial Interest Rate on May 1 and November 1 of (A) each year beginning November 1, 2017, and (B) each Mandatory Tender Date (the "Interest Payment Dates") until the principal amount is paid or duly provided for. This Bond will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from its above dated as of date, to, but not including the Initial Mandatory Tender Date at a rate per annum equal to the Initial Interest Rate and thereafter this Bonds shall bear interest at the Remarketing Rate for each subsequent Remarketing Period (as defined in the Indenture). Interest on this Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, for the actual number of days elapsed.

The principal of this Bond is payable upon presentation and surrender hereof at the designated corporate trust office of the trustee, presently The Huntington National Bank (the "Trustee"). Interest is payable on each Interest Payment Date by check or draft mailed to the person in whose name this Bond (or one or more predecessor bonds) is registered (the "Holder") at the close of business on the 15<sup>th</sup> day of the calendar month next preceding that Interest Payment Date and, with respect to any Mandatory Tender Date, the 45<sup>th</sup> day preceding such Mandatory Tender Date (collectively, the "Regular Record Date") on the registration books for this issue maintained by the Trustee, as Registrar, at the address appearing therein. Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one or more predecessor bonds) as of the Regular Record Date, and shall be payable to the

Holder hereof (or of one or more predecessor bonds) at the close of business on a Special Record Date to be fixed by the Trustee for the payment of that overdue interest. Notice of the Special Record Date shall be mailed to Holders not less than ten (10) days prior thereto. The principal of and interest on this Bond are payable in lawful money of the United States of America, without deduction for the services of the paying agent. While the Bonds are held in a book-entry system and in certain other circumstances, all as provided in the Indenture, principal of and interest on this Bond is required to be paid by wire transfer or other arrangement, other than any payment of the entire unpaid principal amount hereof.

THE BONDS ARE NOT A GENERAL OBLIGATION, DEBT OR BONDED INDEBTEDNESS OF THE ISSUER, OR A PLEDGE OF THE MONEYS, FAITH AND CREDIT OF THE ISSUER AND THE HOLDERS OF THE BONDS HAVE NOT BEEN GIVEN AND DO NOT HAVE ANY RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE ISSUER FOR THE PAYMENT OF BOND SERVICE CHARGES THEREON.

This Bond is one of a duly authorized issue of Multifamily Housing Revenue Bonds, Series 2017 (Cambridge Square Project) (the "Bonds"), issuable under the Trust Indenture dated as of July 1, 2017 (the "Indenture"), between the Issuer and the Trustee, aggregating in principal amount \$8,200,000 and issued for the purpose of making a loan (the "Loan") to assist Glick Cambridge Square Fort Wayne II, LP (the "Borrower") to pay a portion of the costs of rehabilitating, equipping and improving the Project, as defined in the Indenture, and as evidenced in a Loan Agreement, dated as of even date with the Indenture (the "Agreement"), between the Issuer and the Borrower. The Bonds are special obligations of the Issuer, issued or to be issued under and are to be secured and entitled equally and ratably to the protection given by the Indenture. The Bonds are issued pursuant to the laws of the State of Indiana (the "State"), in particular, Indiana Code Title 36, Article 7, Chapters 11.9 and 12 (collectively, the "Act"), and an ordinance duly enacted by the Issuer pursuant to the Act. The Bonds are payable solely from the Pledged Revenues, including but not limited to, moneys and investments in the Special Funds as provided in the Indenture.

Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Holders of the Bonds, and the terms and conditions upon which the Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

The Bonds are subject to mandatory tender in whole on November 1, 2018 (the "Initial Mandatory Tender Date") and, if applicable, on each subsequent Mandatory Tender Date. Holders will not have the right to elect to retain their Bonds. Upon presentation and surrender of the Bonds by the Holder on the date fixed for tender, the Holder shall be paid the principal amount of the Bonds to be tendered, plus accrued interest on such Bonds to the tender date. Upon the occurrence of any of (i) the Borrower electing not to remarket the Bonds, (ii) the conditions precedent to a remarketing have not been met by the dates and times required, or (iii) the proceeds of a remarketing on deposit are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date, Bonds tendered for purchase shall not be purchased, but rather shall be redeemed on the Mandatory Tender Date at a redemption price

equal to the principal amount of the Bonds tendered, plus accrued interest on such Bonds to the tender date.

Pursuant to the Agreement, the Borrower has executed and delivered to the Trustee the Borrower's promissory note dated as of even date with the Bonds initially issued (the "Note"), in the principal amount of \$8,200,000. The Borrower is required by the Agreement and the Note to make payments to the Trustee in the amounts and at the times necessary to pay the principal of and interest (the "Bond Service Charges") on the Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Service Charges on the Bonds, the Issuer's right, title and interest in and to the Agreement, except for Unassigned Issuer's Rights as defined in the Agreement. To secure its compliance with certain covenants in the Agreement, the Borrower has executed and delivered the Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") among itself, the Issuer and the Trustee dated as of even date with the Indenture.

Copies of the Indenture, the Agreement, the Regulatory Agreement and the Note are on file in the designated corporate trust office of the Trustee.

The Bond Service Charges on the Bonds are payable solely from the Pledged Revenues, as defined and as provided in the Indenture (being, generally, the amounts payable under the Agreement and the Note in repayment of the Loan and any unexpended proceeds of the Bonds), and are an obligation of the Issuer only to the extent of the Pledged Revenues. The Bonds are not secured by an obligation or pledge of any moneys raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer.

The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Service Charges, and receipt of notices to, giving of consents by and exercise of rights of, Holders. There shall be a single Bond representing each maturity, and all Bonds shall be immobilized in the custody of DTC with the owners of beneficial interests in those Bonds (the "book entry interests") having no right to receive from the Issuer Bonds in the form of physical securities or certificates. Ownership of book entry interests in the Bonds shall be shown by book entry on the system maintained and operated by DTC, its participants (the "Participants") and certain persons acting through the Participants, and transfers of ownership of book entry interests shall be made only by that book entry system, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of book entry interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository (as defined in the Indenture) or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book entry system, the Issuer may attempt to have established a Depository/book entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of book entry interests by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in denominations of \$5,000 or any integral multiple thereof) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Agreement, the Regulatory Agreement and the Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The Holder of each Bond has only those remedies provided in the Indenture.

The Bonds shall not constitute the personal obligation, either jointly or severally, of any officer of the Issuer. No recourse shall be had for the payment of the Bonds against any elected or appointed officer, employee or agent of the Issuer, and no elected or appointed officer, employee or Agent of the Issuer shall have any monetary liability arising out of Issuer's obligations under the Bonds or in connection with any covenant, representation, or warranty made by the Issuer.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (i) precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special obligations of the Issuer, and (ii) precedent to and in the execution and delivery of the Indenture and the Agreement; that payment in full for the Bonds has been received; and that the Bonds do not exceed or violate any constitutional or statutory limitation.

IN WITNESS OF THE ABOVE the Issuer has caused this Bond to be executed in the name of the Issuer by the manual or facsimile signature of its duly authorized officers as of the date shown above.

CITY OF FORT WAYNE, INDIANA

(SEAL)

By: \_\_\_\_\_  
Thomas C. Henry, Mayor

ATTEST:

\_\_\_\_\_  
Lana R. Keesling, City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture. Date of Registration and Authentication: July 14, 2017.

THE HUNTINGTON NATIONAL BANK,  
Trustee

By: \_\_\_\_\_  
Mark Hudson, Vice President

Registrable by and Payable at: The Huntington National Bank, Trustee

(FORM OF ASSIGNMENT)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Please insert social security number or other tax identification number of transferee

\_\_\_\_\_  
\_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

DIGEST SHEET

**TITLE OF ORDINANCE: A special ordinance authorizing the City of Fort Wayne, Indiana, to issue one or more series of its City of Fort Wayne, Indiana, multifamily housing revenue bonds, series 2017 (Cambridge Square Project) (With such further series or other designation as determined to be necessary, desirable or appropriate), in an maximum aggregate principal amount not to exceed eight million two hundred thousand dollars (\$8,200,000) and approving and authorizing other actions in retrospect thereto.**

**DEPARTMENT REQUESTING ORDINANCE: Community Development Division**

**SYNOPSIS OF ORDINANCE: Glick Cambridge Square Fort Wayne II, LP is seeking approval of the City's participation with economic development revenue bond financing to provide a portion of the funds to pay the costs of design, construction, renovation, improvement and/or equipping of the existing apartments buildings located at 7600 Cold Springs Boulevard.**

**EFFECT OF PASSAGE: An existing 200 unit apartment complex will receive extensive renovations. Five full-time jobs will be retained as a result of the project.**

**EFFECT OF NON-PASSAGE: Potential loss of development**

**MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS): No expenditures of public funds required.**

**ASSIGNED TO COMMITTEE (CO-CHAIRS): Geoff Paddock and Jason Arp**

**BILL NO. S-17-06-41**

**REPORT OF COMMITTEE ON FINANCE**

**July 11, 2017**

**Jason Arp Chair**

**Geoff Paddock Co-Chair**

**All Council Members**

A Special Ordinance authorizing the City of Fort Wayne, Indiana, to issue one or more series of its City of Fort Wayne, Indiana Multifamily Housing Revenue Bonds, Series 2017




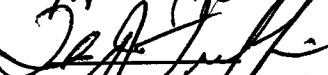



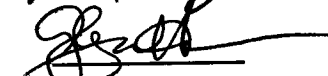

**COMMITTEE ON FINANCE HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance**

DO PASS

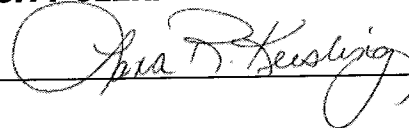
DO NOT PASS

ABSTAIN

NO REC

	_____	_____	_____
	_____	_____	_____
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	_____	_____	_____

**LANA R. KEESLING  
CITY CLERK**



Public Hearing Date: N/A


Read the first time in full and on motion by Councilman Paddock.

Read the second time by title and referred to the Finance Committee.

Read the third time in full and on motion by Councilman Arp, placed on passage by the following vote:


<u>TOTAL VOTES</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
ARP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BARRANDA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CRAWFORD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DIDIER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENSLEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FREISTROFFER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HINES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JEHL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PADDOCK	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATED: July 11, 2017

  
 \_\_\_\_\_  
 LANA R. KEESLING, CITY CLERK

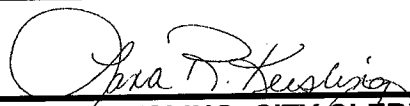
Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as  
 Special Ordinance No. S-17-06-41 on the 11th day of July, 2017

ATTEST:

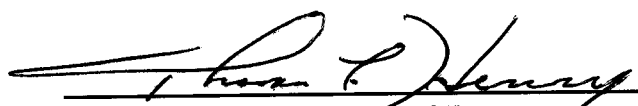
  
 \_\_\_\_\_  
 LANA R. KEESLING  
 CITY CLERK

  
 \_\_\_\_\_  
 PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 12th  
 of July 2017, at the hour of 10:35 o'clock A.M. E.S.T.

  
 \_\_\_\_\_  
 LANA R. KEESLING, CITY CLERK

Approved and signed by me this 13<sup>th</sup> day of JULY  
 2017, at the hour of 3:00 O'clock PM. E.S.T.

  
 \_\_\_\_\_  
 THOMAS C. HENRY, MAYOR