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WCDA
155 N. Beech Street
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Casper, WY 82602


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FEES: \$102.00 PK AGREEMENT - LEGAL
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

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**NHTF WRITTEN AGREEMENT
WCDA NHTF PROJECT NUMBER 24-002
National Housing Trust Fund Program**

This **NHTF Written Agreement** (the "**Agreement**") is made and entered into this **22 day of July, 2024**, by and between the Wyoming Community Development Authority, 155 N. Beech Street, Casper, WY 82601, ("**WCDA**"), an instrumentality of the State of Wyoming, and Parker Flats LLC, a Limited Liability Company, having its principal office at **39 East 1st Street, Sheridan Wyoming 82801** (the "**Owner**").

WHEREAS, WCDA is the administrator of National Housing Trust Fund Program funding ("**NHTF Funds**") received from the U.S. Department of Housing and Urban Development ("**HUD**") under Title I of the Housing and Economic Recovery Act of 2008 (the "**Act**") and regulations at 24 CFR Part 93; and

WHEREAS, the purpose of the NHTF funding (the "**NHTF Program**") is to increase the supply of decent, safe, sanitary, and affordable housing for extremely low-income and very low-income households; and

WHEREAS, WCDA, acting pursuant to the Act, heretofore adopted a Consolidated Plan and the WCDA Affordable Housing Allocation Plan to carry out housing activities eligible under the NHTF Program; and

WHEREAS, Owner submitted an application to WCDA for the New Construction of a **24-unit** family housing project in Sheridan, Sheridan County, Wyoming, to be known as Parker Flats (the "**Project**"), in furtherance of the goals of the Wyoming's Consolidated Plan and WCDA's Affordable Housing Allocation Plan; and

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements and covenants set forth herein, WCDA and the Owner do agree, for themselves and for their respective successors and assigns, as follows:

SECTION 1. The Project

1.1 Project Description

The Project is a(n) 24-unit rental development located in Sheridan, Wyoming at 1425 Parker Street, Sheridan Wyoming 82801 and with the legal description listed in **Exhibit A** (the "**Property**"). The Project consists of 24 residential structure(s). The overall unit breakdown consists of the following:

Number Units	Square Footage	Number Bedrooms	Rent Restricted at or Below Median Gross Income %	Income Restricted at or Below Median Gross Income %	Program Restrictions
2	675	1	30%	30%	LIHTC/NHTF
2	830	2	30%	30%	LIHTC/NHTF
5	675	1	50%	50%	LIHTC/HOME
5	830	2	50%	50%	LIHTC/HOME
5	675	1	50%	50%	LIHTC
5	830	2	50%	50%	LIHTC

In addition to WCDA NHTF Funds, permanent financing for the Project also comes from an award under the Low-Income Housing Tax Credit (LIHTC) Program and a resulting equity investment from USA Institutional Parker Flats LLC, a Delaware limited liability company (the "Investor"), a NHTF loan in the amount of \$879,014 from WCDA and a HOME loan in the amount of \$1,172,938 from WCDA (the "Permanent Loan"), and a deferred Developer Fee in the amount of \$0.00. Construction financing will be provided by First Federal Bank & Trust in the amount of \$3,200,000 (the "Construction Loan").

A summary of the Project, including unit breakdowns and unit/on-site amenities is attached as Exhibit B.

1.2 Term

The term of this Agreement shall begin on the date represented by the date of the last signature of either party executing the Agreement and shall expire upon completion of the NHTF Affordability Period, as such term is defined below.

NOTICE: Owner's failure to properly execute this Agreement within thirty (30) days of the signature of WCDA's authorized signatory may result in the revocation and cancellation of this Agreement.

The NHTF Affordability Period and the Covenant Running with the Land, if any, as outlined in Section 2.1.4 below, shall continue irrespective of any pre-payment of the NHTF Loan. Failure of the Project to meet all applicable NHTF requirements for the entire NHTF Affordability Period will result in a requirement that all NHTF funds be repaid by Owner to WCDA.

1.2.1 NHTF Affordability Period: The NHTF Affordability Period during which Owner must maintain compliance with all applicable NHTF rules shall begin with Project Completion as defined in 24 CFR 93.2, which will require that construction be complete, all NHTF funds have been disbursed by WCDA and drawn from the U.S. Treasury, and required completion data has been entered in HUD's IDIS system. This period must run for 40 years after Project Completion.

1.2.2 WCDA Affordability Period: The WCDA Affordability Period will begin at the expiration of the NHTF Affordability Period and will run for an additional 10 years, for a total of 40 years.

1.3 Tasks and Schedule

To ensure that the Project progresses adequately toward completion, Owner must achieve the following benchmarks.

1.3.1 Final Plans and Specifications: Prior to initiating construction activity, Owner must provide final plans and specifications demonstrating that all applicable property standards will be met (see Section 4 below) for WCDA approval.

1.3.2 Construction: Per the requirements of 24 CFR 93.2, Owner must begin construction no later than twelve (12) months from the date of execution of this Agreement. However, unless otherwise extended by WCDA, Owner must substantially complete construction of the Project within fifteen (15) months of commencement of construction.

1.3.3 Absolute Lease-Up Deadline: Notwithstanding the requirements above, all NHTF funded rental projects must comply with the following deadlines and requirements as evidenced by occupancy of tenants with a written lease that complies with the requirements of 24 CFR 93.303: i. Within 6 months from the date of project completion, if a rental unit remains unoccupied, the Owner will provide to the Fund information about current marketing efforts and, if appropriate, an enhanced plan for marketing the unit so that it is leased as quickly as possible. ii. Within 18 months from the date of project completion, if efforts to market the units are unsuccessful and units remain unoccupied by an eligible tenant, the Fund will require repayment of all HTF funds invested in each vacant unit. A unit that has not served an extremely or very low-income household, as applicable, has not met the purposes of the HTF program. Therefore, the costs associated with the unit are ineligible.

1.4 Project Budget



- 1.4.1 **NHTF Investment:** Conditioned upon the availability of NHTF Program funds and Owner's compliance with the conditions set out herein, WCDA intends to provide up to **\$879,041.00** in NHTF funds to Owner toward eligible project costs. In no case will WCDA's funding of the Project be less than \$1,000 per NHTF-assisted unit or more than the maximum per-unit subsidy allowed under 24 CFR 93.300(a). The maximum per-unit subsidy limits for calendar year **2024** are as follows:

Number of Bedrooms	Per-Unit Limit
0 Bedrooms	\$173,011
1 Bedrooms	\$198,331
2 Bedrooms	\$241,176
3 Bedrooms	\$312,005
4+ Bedrooms	\$342,482

- 1.4.2 **Project Budget:** Attached as **Exhibit C** is the project budget (the "**Project Budget**"). Owner agrees to promptly notify WCDA of any line-item variances in excess of 10% within the Project Budget, as well as the receipt or availability of additional sources of funds not previously disclosed, and material changes in projections of revenue or operating expenses. WCDA must approve changes to the Project Budget and reserves the right to reduce its NHTF commitment, modify the number of NHTF-assisted units in the Project, or require Owner to contribute additional funds needed to complete the Project if the changes to the Project Budget are material and result in either the over-subsidization or under-funding of the Project based on WCDA's underwriting analysis.

SECTION 2. Form of Financing and Disbursements

2.1 Form and Terms of Assistance

2.1.1 **NHTF Loan(s):**

In order to facilitate the construction of the Project, WCDA will provide NHTF construction-to-permanent funding as follows

- a) A Multiple Advancing Deferred Promissory Note ("Deferred Loan") in the sum of **Eight Hundred Seventy-Nine Thousand Fourteen and No/100 Dollars (\$879,014.00)**, together with interest at the rate of Zero Percent (0.00%) per annum and a maturity date of November 1st, 2025 shall be executed.

Upon maturity of the Deferred Loan, assuming construction is complete and the units have been placed in service, modification of the Deferred Loan is contemplated. In the event there have been no events of default as set forth in the provisions of the Deferred Loan, its related mortgage, and/or in this NHTF Agreement, the Deferred Loan will be modified to reflect a new maturity date, which will be the same maturity date of the modified Construction Loan referenced above. The principal balance shall not be required to be repaid until maturity unless there is an event of default as set forth in the provisions of the Deferred Loan, its related mortgage, and/or the NHTF Agreement.

In addition to the loans described in paragraphs 2.1.1 a) and b), the Developer may make application within one (1) year of Project Completion for such additional funds as may be necessary to complete and operate the project. In the event said application for additional funds is accepted by WCDA, said additional funds may be in the form of loans or grants, added to the amounts specified in paragraphs 2A and 2B as the case may be, and subject to all terms and conditions of this Agreement.

- 2.1.2 **Security:** The NHTF Loan(s) must be evidenced by a promissory note (**the "Note(s)"**) and secured by a mortgage on the Property and appropriate UCC financing statements, if any.

Together, this Agreement, the Mortgage, the Note, the Assignment of Leases and Rents, the Completion Guaranty, the Performance and Repayment Guaranty, the Initial Project Reserve Guaranty, and a Declaration of Restrictive Covenants shall constitute the Loan Documents (**the "Loan Documents"**).

Further, upon disbursement, WCDA may require either a Performance and Payment Bond or an acceptable Irrevocable Letter of Credit in an amount equal to the full loan amount from a reputable banking institution acceptable to WCDA. If required, the Letter of Credit must be in force from the first draw-down of funds from WCDA and shall be released by WCDA upon receipt of: i) Final Certificate of Occupancy of the Project; and ii) Permanent refinancing of any WCDA construction financing including the return/repayment of any previously disbursed NHTF funds that WCDA determines were unnecessary or ineligible.

- 2.1.3 **Title Insurance:** Prior to the making of any advance under the NHTF Loan by WCDA, Owner shall provide a title insurance policy insuring the Property in standard ALTA form issued by a title company authorized to do business in the State of Wyoming and acceptable to WCDA. The name of the insured shall be Wyoming Community Development Authority. The policy shall show fee simple title to the Property in Owner, subject only to such exceptions as WCDA may approve, be in the full amount of WCDA's loan, contain a comprehensive coverage endorsement and such other endorsements as WCDA may require and shall insure that the mortgage constitutes a valid lien on the Property, and that the Property is free of all liens, encumbrances, restrictions or other matters of any kind whatsoever, with only such exceptions from coverage as are satisfactory to WCDA.
- 2.1.4 **Covenant Running with the Land:** This Agreement constitutes a covenant running with the land and provides a means for enforcement of the affordability restrictions of 24 CFR 93.302. This Agreement must be recorded by the Owner and is senior to all other financing liens and enforceable against all successors in interest to Owner.
- 2.1.5 **Guaranties:** Owner and the additional guarantors (collectively the Guarantors) outlined herein shall provide a Completion Guaranty, a Performance and Repayment Guaranty, and an Initial Project Reserve Guaranty. These are in addition to any standard environmental or general indemnifications that may be required by the Loan Documents. All guaranties shall be joint and several.

With the exception of the Investor limited partner or Investor member, WCDA will require guaranties from the underlying corporate and individual owners of the partner(s), member(s), or other controlling entities of the Owner, the individual owners of any "shell entities" engaged in the ownership of the Owner and its partner(s), member(s), or other controlling entities and from any other guarantors required by the other financing sources investing in the Project, including without limitation Parker Flats LLC, Parker Flats Management LLC and Stephen Grimshaw.

Guaranties shall include, at a minimum, the following terms:

- a) **Completion Guaranty:** A guaranty of completion, ensuring that Owner will construct, equip, and complete the Project free and clear of liens substantially in accordance with the plans and specifications and by the construction date called for in Section 1.3.2. Failure to complete the Project under these terms will result in Owner's and Guarantors' obligation to (i) pay all costs and expenses incurred in completing any unfulfilled obligations and (ii) pay to or reimburse WCDA for all expenses incurred by WCDA with respect to its carrying out any of Owner's unfulfilled obligations. This guaranty will expire upon WCDA's final inspection and approval of the Project's construction.
- b) **Performance and Repayment Guaranty:** An ongoing guaranty of performance, ensuring that the Project will be operated in compliance with all applicable federal, state, and local laws or ordinances or regulations, including but not limited to NHTF regulations and fair housing laws. During the NHTF Affordability Period, failure to maintain the Project in compliance with all applicable laws, or the inability to correct instances of noncompliance, will result in a requirement that the Owner and Guarantors satisfy any repayment obligation to HUD incurred by WCDA under 24 CFR 93.403(b) or 24 CFR 93.452.
- c) **Initial Project Reserve Guaranty:** A guaranty of annual deposits to a Replacement Reserve for the Project in an amount consistent with this Agreement and the Loan Documents.

- 2.1.6 **Loan Closing:** Owner shall be responsible for all closing costs in connection with the loan contemplated herein including, but not limited to, title insurance, surveys, financing fees, recording fees, and attorneys' fees.
- 2.1.7 **Ownership Entity:** WCDA's willingness to make the NHTF Loan as anticipated herein is contingent upon and made with specific reliance upon the evaluation of the specific individuals and entities making up the Owner.

Owner agrees that no sale or transfer of general or limited partnership interests, member interests, managing member interest, or other controlling interest in the Owner will be made without the prior written consent of WCDA. This will include but is not limited to:

- a) The voluntary or involuntary re-assignment of the role of general partner, managing member, or other controlling entity or individual (collectively the "Controlling Entities") to another entity or individual;
- b) Sale or transfer of the interest of any owner of a Controlling Entity;
- c) Sale or transfer of any other interests in Owner, including but not limited to a limited partner interest, special limited partner interest, or member interest.

Notwithstanding anything to the contrary in this Agreement or any other Loan Document, WCDA consents to the transfer of the Investor limited partner's interest or Investor member's interest in the Owner among affiliates of the Investor. Owner must provide notice of such transfer to WCDA at least five (5) days prior to the transfer.

- 2.1.8 **Property Management:** WCDA's willingness to make the NHTF Loan as anticipated herein is also contingent upon and made with specific reliance upon the evaluation of the planned property manager (the "Property Manager") for the Project. Initially, and throughout the term of this Agreement, WCDA must approve of any property management company, or another similar agent, employed by the Owner. WCDA's approval of a specific property management company or agent may be withdrawn at any time, and upon notice of same the Owner will identify and contract with a Property Manager otherwise acceptable to WCDA.

Initially, WCDA has approved Grimshaw Construction, Inc. as the Property Manager for the Project.

2.2 Disbursement

WCDA's NHTF Loan is intended as construction-to-permanent financing. Owner may request disbursements as needed from WCDA during the construction period in accordance with the terms set forth in this section.

Except for costs for design, engineering, or other professional services required to prepare plans, drawings, specifications, or work write-ups incurred not more than twenty-four (24) months prior to the execution of this Agreement, NHTF funds may not be disbursed for costs that were incurred prior to the execution of this Agreement. Costs incurred prior to this Agreement and contained within the Project Budget approved by WCDA may be paid with other sources of financing.

WCDA shall retain the right to review and approve all draws for the Project, regardless of whether the NHTF Loan will be used to fund any given draw. For draws being funded by other construction or permanent funding sources, WCDA may request to be provided with the draw not less than ten (10) days prior to any monthly inspection and provided with the opportunity to approve or object to the draw prior to payment by any funding source. While WCDA may object to any given draw by providing notice to the Owner and/or other funding sources, this provision shall not limit another funding source's ability to release its funding despite objections by WCDA.

- 2.2.1 **Conditions of Construction Draws:** Proceeds of the NHTF Loan will only be released to Owner for actually incurred NHTF-eligible project costs. The obligation of WCDA to approve any draw or to make any disbursement of NHTF funds is subject to the satisfaction of the following conditions at the time of making such disbursement:

- a) Owner shall not be in default under the terms of this Agreement or of any of the Loan Documents, and no event shall exist, which by notice, passage of time, or

otherwise would constitute an event of default under this Agreement or any of the Loan Documents.

- b) The Project shall not have been materially damaged by fire or other casualty.
- c) WCDA shall have received evidence satisfactory to WCDA that all work and improvements requiring inspection by any governmental authority having jurisdiction have been inspected and approved by such authorities and by any other persons or entities having the right to inspect and approve construction.
- d) At least ten (10) business days prior to the date a disbursement is requested, Owner shall submit an Affordable Housing Development Payment Authorization Form and any other appropriate source documentation as requested by WCDA, which may include the following:
 - i) Lien waivers from all contractors and sub-contractors must accompany all draw requests.
 - ii) Evidence satisfactory to WCDA that:
 - The Project and the contemplated use thereof are permitted by and comply with all applicable use or other restrictions and requirements in prior conveyances, zoning ordinances, or regulations that have been duly approved by the municipal or other governmental authorities having jurisdiction;
 - The required building permits and other permits have been obtained as required; and
 - No environmental impact statement is required or that such environmental impact statement has been properly filed and approved.
 - iii) Appropriate certifications of compliance in all respects with applicable labor standards and prevailing wage requirements.
 - iv) Such other supporting evidence as may be requested by WCDA to substantiate all payments that are to be made out of the relevant disbursement and/or to substantiate all payments then made with respect to the Project.
- e) WCDA's inspector shall issue a current, approved inspection report, or, for interim payments, shall certify that acceptable evidence has been obtained to verify satisfactory progress commensurate with the funds being requested.
- f) No determination shall have been made by WCDA that the undisbursed amount of the NHTF Loan or other project sources is less than the amount needed to pay all costs and expenses of any kind that reasonably may be anticipated in connection with the completion of the Project.

2.2.2 Conditions of Final Disbursement: In addition to the requirements set forth in Section 2.2.1, WCDA shall require the following prior to the final disbursement of funds, the request for which shall not be submitted before completion of the Project, which includes completion of all landscape requirements, offsite utilities, streets, and corrections of defects in workmanship and/or materials:

- a) A Certificate of Occupancy, if applicable, or a final construction report approved by WCDA's inspector for the Project;
- b) Identification of the designated street address of the Project, including as applicable, the street addresses assigned for the leasing office, each residential structure, and the specific unit designations (e.g., unit number or lettering such as #12 or Apartment B-3) for all NHTF units;
- c) Evidence satisfactory to WCDA that the Project has been completed lien-free and substantially in accordance with the plans and specifications;
- d) Such other supporting evidence as may be requested by WCDA to substantiate all payments that are to be made out of the final disbursement and/or to verify that such payments were made; and
- e) A complete copy of the initial NHTF-qualifying tenant certification file for each NHTF unit.

2.2.3 Limitation on Draw Requests:

- a) In all cases, Owner may not request disbursement of NHTF funds until funds are needed for the payment of eligible costs, and all disbursement requests must be limited to the amount needed at the time of the request.
- b) Notwithstanding anything herein to the contrary, no disbursements for materials stored will be made by WCDA unless Owner shall advise WCDA of its intention to store such materials prior to their delivery. It is specifically agreed that the



propriety of disbursements for materials stored shall be determined in WCDA's sole discretion.

c) The parties covenant and agree that:

- i) In the event that WCDA discovers a material misstatement in any affidavit, statement, or certificate furnished pursuant to this Agreement, it shall make no further disbursements until such misstatement has been corrected;
- ii) WCDA assumes no liability to the Owner for materialmen and/or mechanics' lien claims;
- iii) If, at any time during the course of construction, the total of the unpaid disclosed cost of construction, as indicated by the column totals on the general contractor's sworn statement, exceeds the amount of the undisbursed development sources, WCDA shall not be obligated to make further disbursements under the terms of the Agreement until the Owner has demonstrated to WCDA the availability of funds equal to the unpaid disclosed cost of construction;
- iv) If, after the first disbursement, a further title search reveals a subsequently arising exception over which the title insurance company is unwilling to insure, WCDA shall discontinue disbursement until the exception has been remedied to WCDA's satisfaction.

2.2.4 **Cost Certification:** The Owner must provide a cost certification prepared by an independent certified public accountant for WCDA review and approval. Should WCDA determine that NHTF funds were provided in an amount greater than was necessary or were used for ineligible costs, Owner shall promptly repay such funds. Additionally, WCDA must determine based on the final sources and uses that the designation of NHTF units in Section 3.2 below remains in compliance with the requirements of 24 CFR 93.200(c) and 24 CFR 93.300, or Owner must agree to adjust the designation of NHTF units to bring the Project into compliance.

2.2.5 **Disbursement of Developer Fee:** WCDA and Owner agree the Developer Fee will be paid as follows:

- a) For multifamily projects, from non-NHTF sources, including equity contributions related to the Project's LIHTC Program award.
- b) For single-family projects, disbursement of the Developer Fee may be paid from NHTF as follows:
 - i. Minor Rehabilitation (defined as rehabilitation costs \leq 10% of the purchase price) - 10% of total project development
 - ii. Moderate Rehabilitation (defined as rehabilitation costs are $>10\%$ but $\leq 25\%$ of the purchase price) - 15% of total project development costs
 - iii. Substantial Rehabilitation (defined as rehabilitation costs $>25\%$ of the purchase price) - 20% of total project development costs. Rehab costs cannot exceed 50% of purchase price without prior approval by WCDA.
 - iv. New Construction - 15% of total development costs

50% of the Developer Fee is payable at completion of acquisition and rehabilitation or completion of new construction; 50% of the Developer Fee is payable at sale of unit to income-qualified NHTF buyer.

Progress inspections are required prior to the disbursement of any draw requests, including Developer Fee requests.

Nothing in this section is intended to limit the Investor or another funding source from imposing conditions upon the payment of the Developer Fee that are more restrictive than those imposed by WCDA.

2.2.6 **Contingency and Change Orders:** The presence of any contingency will not limit Owner's obligations to complete the Project or diminish its liability under the Guaranties outlined in Section 2.1.5, if applicable. Further, the construction contract between the Owner and the general contractor may not include any construction contingency in the contract amount. WCDA must approve all change orders, including those related to the use of the construction contingency funds or to non-construction uses within the Project Budget.

Notwithstanding, construction change orders must be disclosed within the next draw request package, but do not require WCDA approval if all the following requirements are met:

- a) The change order does not increase either the total contract price or line items for contractor profit, overhead, or general conditions;
- b) If moving funds between construction cost line items, the change order represents no more than \$10,000.00 or 10% of the total contract amount, whichever is less;
- c) The change order does not extend the date of construction completion; and
- d) The change order is disclosed to WCDA within thirty (30) days, typically within the next construction period draw package.

2.2.7 **Advances Without Receipt of Draw Requisitions:** Notwithstanding anything herein to the contrary, WCDA shall have the irrevocable right at any time to apply funds that it agrees to advance hereunder to pay any and all project soft costs referenced in this Section 2.2 and any and all expenses incurred in connection with the enforcement of its remedies under Section 8.2 hereof, all without receipt of a draw request from the Owner.

2.3 Reserves and Other Accounts

Owner must establish and shall maintain an Operating Reserve Account and a Replacement Reserve Account (collectively, the "**Reserve Accounts**") and such other accounts for the Project as described in this section. All accounts required by this section shall be held in interest-bearing segregated accounts. All accounts are to be insured by either the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Association (NCUA). Any interest earned on the Reserve Accounts shall remain within the Reserve Accounts.

2.3.1 **Replacement Reserve Account:** Owner shall fund a Replacement Reserve Account as required by WCDA. Owner shall use the account only for eligible capital costs as defined from time to time by WCDA. Following closing on the NHTF Loan, Owner shall make deposits to the account not less than annually. The initial annual deposit must be made within six (6) months following construction completion and shall be at least \$300 per unit. The minimum annual deposit shall be increased each year by 3%.

Based on WCDA's physical inspections, WCDA may periodically require Owner to obtain a capital needs assessment prepared by an independent third-party architect, engineer, or other qualified firm approved by WCDA. Alternatively, WCDA may conduct a capital needs assessment using its own staff or contractors. Such capital needs assessments shall be used for the purposes of determining the adequacy of the Replacement Reserve Account, taking into account its existing balance, planned deposits, and anticipated future capital replacement costs for the Project. WCDA, at its discretion, may authorize paying the cost of a capital needs assessment from the Replacement Reserve Account if operating funds are not otherwise available.

If the capital needs assessment indicates the Replacement Reserve Account is not sufficient to address anticipated capital costs during the term of this Agreement, Owner shall, at WCDA's option, either make an additional deposit or increase its annual deposits sufficient to meet any underfunding.

2.3.2 **Operating Reserve Account:** Prior to the final disbursement of the NHTF Loan and not later than the completion of construction, Owner shall fund and maintain an Operating Reserve Account in the amount described in the approved Project Budget. After Stabilized Occupancy, the Operating Reserve Account may be used to pay the operating costs and expenses to the extent the collected gross receipts are insufficient for such purpose. Further, the Operating Reserve Account may not be used to pay any identity of interest costs, including management fees. If drawn upon, the Operating Reserve Account must be replenished to its required minimum balance prior to distributions of Surplus Cash.

Stabilized Occupancy shall be defined as the date upon which the Project has achieved all of the following benchmarks:

- a) Initial occupancy of all NHTF units;
- b) Physical occupancy of no less than 93% of all units;
- c) Three (3) consecutive months of sustained economic occupancy (net rent collected divided by gross rent potential) of at least 93%; and
- d) Three (3) consecutive months of sustained operating performance at or above a debt coverage ratio of 1.15 (inclusive of all amortizing debt payments).

2.3.3 **Surplus Cash:** Surplus Cash shall equal the sum of:

- a) Project cash and cash equivalents (excluding the Security Depository Account and the Reserve Accounts);
- b) Short-term investments;
- c) Project-based rental assistance payments earned but not yet received by Owner, if any; and
- d) Any amounts approved for withdrawal but not yet withdrawn from the Reserves or escrow accounts;

After deducting:

- e) All sums due or required to be paid under the terms of WCDA's NHTF Loan and any senior loan approved by WCDA within the calendar month following the date as of which Surplus Cash is calculated; and
- f) All other obligations of the Project payable within the next thirty (30) days, unless the obligation is paid subject to available Surplus Cash or WCDA has approved deferment of payment.

2.3.4 **Distribution of Surplus Cash:** Owner shall not make distributions of Surplus Cash (i.e., project "cash flow") to any Controlling Entity or related parties, other than for normal operating costs in the annual budget approved by WCDA, scheduled payments on financing described above in section 2.1, and required escrow and reserve deposits without written approval by WCDA based on a determination by WCDA that:

No default in the terms of this Agreement or other Loan Documents exists and is continuing;

- a) The Project is in compliance with all applicable property standards and there are no unresolved physical deficiencies;
- b) All required reserves and escrows are fully and properly funded;
- c) The most recent annual audit of the Project has been received by WCDA and shows no material weaknesses or unresolved findings; and
- d) Following any distribution of Surplus Cash, the Project will retain adequate liquidity to ensure uninterrupted operations. Liquidity will be measured by adding cash on hand and current receivables, then subtracting current payables (i.e., liabilities) and must, following any distribution, equal or exceed one month of gross revenue potential in the most recent WCDA-approved annual operating budget.

To obtain approval to make a Surplus Cash distribution, Owner shall submit to WCDA a request at least fifteen (15) business days prior to any anticipated distribution, together with a current financial statement for the Project that will enable WCDA to assess criteria (e) above. Owner shall provide a prompt response to WCDA's requests for additional documentation, if needed.

2.3.5 **Escrow for Property Taxes and Insurance:** In general, WCDA will allow any senior lender approved by WCDA to manage one or more escrows for the payment of anticipated taxes and insurance premiums. However, in its sole discretion, WCDA reserves the right, upon issuance of notice to the Owner, to require the Owner to establish and make monthly payments toward a reserve account held by WCDA for tax and insurance payments.

2.3.6 **Term of Reserve Account(s):** All required Reserve Accounts must be maintained for the full term of this Agreement or while the WCDA NHTF Loan is outstanding, whichever is longer. All Reserve Accounts shall remain with the Project upon sale or transfer of ownership.

2.3.7 **WCDA Approval and Access:** Any withdrawal or transfer from the Reserve Accounts in excess of 15% of the total account balance shall require the written approval of WCDA. Further, Owner shall authorize the financial institutions in which Reserve Accounts are held to provide WCDA, when requested, verified statements reflecting account balances and transactions.

2.4 Operating Account

The Owner shall establish and maintain a general operating bank account, which shall be separate from any and all reserve accounts. The account statements may be reviewed by WCDA periodically upon reasonable notice.

2.5 Occupant Security Deposits

The Owner shall segregate or cause to be segregated all occupant security deposits, to be held in a separate depository account (hereinafter referred to as the "**Security Depository Account**"). All accounts are to be insured by either the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Association (NCUA).

SECTION 3. NHTF Program Requirements

3.1 Affordability Period Requirements

The Project must comply with all requirements of 24 CFR 93.302 and 24 CFR 93.303 for the duration of the Project's NHTF Affordability Period. The Project must also maintain compliance with the physical property standards of 24 CFR 93.301 and be operated consistent with applicable tenant protection, affirmative marketing, and fair housing requirements set forth in 24 CFR 303.

Project shall, at all times during the term of this Agreement, be operated in compliance with WCDA's policies and procedures, which may be updated from time to time to reflect new, revised, or clarified administrative procedures and practices. Owner agrees to be bound by such updates, which may include, but not be limited to, procedures for obtaining annual rent or utility allowance approvals, reporting and document submission requirements, use of updated form documents provided by WCDA, and the like.

3.2 Designation of NHTF Units

4 units will be designated as NHTF-assisted. The restrictions of this section shall apply from Project Completion and throughout the term of this Agreement. WCDA reserves the right to adjust the number of NHTF-assisted units if the sources and uses of funds change during development of the Project. The NHTF units will be Floating Units as described in 24 CFR Part 93.302(g).

3.2.1 Income Restrictions: At all times, all NHTF units must be rented exclusively to tenants with household incomes at or below 30% of the Area Median Income (AMI) as adjusted for household size. The HTF rent plus utilities shall not exceed the greater of 30% of the federal poverty line or 30% of the income of a family whose income equals 30% of the median income for the area as determined by HUD, with adjustments for the number of bedrooms in the unit.

HUD releases updated NHTF income charts annually, for which WCDA will provide notification and access. The most current income chart must be used when determining eligibility for a prospective tenant or determining the income at recertification for in-place tenants.

The Project must determine tenant income qualification utilizing the definition of Annual Income defined in 24 CFR 5.609 (often referred to as the "Section 8" definition). Prior to signing a lease with any tenant, Owner must obtain and examine at least two (2) months of source documents evidencing household income. As a reference, Owner should consult the most recent version of the Wyoming Compliance Manual.

The NHTF Income Limits and the LIHTC Income Limits are released annually by HUD on independent schedules. To the extent that NHTF Income Limits are published and made effective later than the LIHTC Income Limits, Owner acknowledges that the qualifying incomes for NHTF-assisted units will not be changed until updated NHTF Income Limits are published. When income limits applicable to NHTF and LIHTC conflict, the more restrictive (i.e., lower) income limit will apply.

3.2.2 Rent Restrictions: The NHTF rent limit is a gross rent limit. The gross rent is equal to the sum of the tenant-paid portion of rent, the utility allowance for tenant-paid utilities, any rental assistance received, and non-optional charges. The gross rent may not exceed the amount approved by WCDA. WCDA must approve all NHTF rent increases. Utility allowances will be determined by a method consistent with the requirements at 24 CFR 92.252(c). If other fees are charged, the Owner shall provide a fee schedule,

consistent with requirements of Section 3.3.2 below, for review and approval by WCDA on an annual basis. Any mandatory tenant fees not otherwise approved by WCDA shall be considered rent and are subject to the gross rent limits outlined herein.

In the event other financing sources, including but not limited to the LIHTC Program, allow a higher rent, the NHTF rent limits shall continue to apply to any units designated as NHTF-assisted.

At initial occupancy, Owner agrees to designate Project rents as follows:

Number of Bedrooms	Number of Units	Maximum Tenant Paid Monthly Rent	Monthly Utility Allowance	Gross Monthly Rent
0 Bedroom	N/A	N/A	N/A	N/A
1 Bedroom	2	\$448	\$46	\$494
2 Bedroom	2	\$537	\$55	\$592
3 Bedroom	N/A	N/A	N/A	N/A
4+ Bedroom	N/A	N/A	N/A	N/A

3.2.3 **Re-verifying Incomes:** Owner shall re-verify the income of in-place tenants on an annual basis. Owner shall complete a third-party verification of all income and assets for each household annually using at least two (2) months of source documentation.

3.2.4 **Treatment of Over-Income Tenants:** In the event an in-place tenant, upon re-verification of the tenant's income, has a household income above 50% AMI, the Owner shall take the following actions:

In the event that a tenant occupying an HTF unit becomes over-income, the HTF-assisted unit continues to qualify as affordable housing despite a temporary noncompliance caused by increases in the existing tenant's income if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with 24 CFR 93.302 until the noncompliance is corrected.

Notwithstanding, over-income tenants of HTF-assisted units that have been allocated low-income housing tax credits must pay rent according to Section 42 of the internal Revenue Code of 1986 (26 U.S.C. 42).

3.3 Project Requirements

Owner must operate the Project in compliance with all applicable state and local landlord-tenant laws and the requirements of Subpart G of 24 CFR 93.

3.3.1 **Lease:** Owner must have a written lease with each tenant of a NHTF-assisted unit, in a form approved by WCDA. If directed by WCDA, Owner shall include any required NHTF Lease Addenda, as may be updated from time to time, on all NHTF leases. The lease must, at a minimum, provide all NHTF tenants with at least thirty (30) days written notice prior to (i) increasing the rent, or (ii) terminating or refusing to renew the lease.

All initial leases must have a minimum term of one (1) year, consisting of 365 days. Owner cannot terminate or refuse to renew the lease of any tenant for other than good cause. Good cause does not include an increase in a tenant's income or a tenant's failure to accept or participate in supportive services being offered now or in the future to residents of the Project.

Good cause for terminating or refusing to renew the lease shall include material violations of the lease or violations of applicable federal, state, or local law

The lease may not include any provisions prohibited by 24 CFR 93.303(b).

3.3.2 **Prohibition on Certain Fees to Tenants:** Owner shall not charge tenants fees to cover operating costs of the Project or administrative costs related to complying with the NHTF program. Specifically, rental project owners may not charge tenants fees that are not customarily charged to tenants of rental housing (e.g., laundry room access fees). However, Owner may charge fees approved by WCDA for the following:

- a) Reasonable application fees to prospective tenants;

- b) Fees or penalties related to the late payment of rent, non-sufficient funds or returned checks, or the like provided such fees are customary for rental housing projects in the area and not excessive; and
- c) Fees for services such as supportive services for special needs tenants or general services such as bus transportation or meals, provided such services are optional and fees are charged only for services provided and agreed to by the tenants.

3.3.3 **No Mandatory Services:** Owner must ensure that any supportive services being offered to tenants of the Project are optional. Unless tenants are in transitional housing, they may not, as a condition of their initial lease or continued occupancy, be required to accept, participate in, or comply with the requirements of any supportive services program.

3.3.4 **Tenant Selection Plan:** Owner must develop a tenant selection plan meeting the requirements of 24 CFR 93.303(d). The tenant selection plan will be subject to review and approval by WCDA both prior to initial occupancy of the NHTF-assisted units and during the term of this Agreement.

Owner cannot refuse to lease to a holder of a Section 8 Housing Choice Voucher, or a prospective tenant receiving similar assistance under another similar federal, state, or local program solely because of the tenant or prospective tenant's participation in such program.

Potential tenants whose applications for occupancy are rejected must be notified in writing of the reasons for such denial.

3.3.5 **Target Population:**

The Project has been designated for general occupancy. Occupancy will not be limited to, or preference in tenant selection given to, any particular segment of the low-income population. All otherwise eligible applicants may occupy the NHTF-assisted units in the Project.

3.3.6 **Leasing of Accessible Units:** Notwithstanding the provisions of Section 3.3.5 above, for units designed to be physically accessible or accessible to tenants with sensory impairments, the Owner may provide a preference to any existing or potential tenant who, by virtue of a disability, requires or would benefit from the provision of an accessible unit. When an accessible unit becomes available, Owner shall offer it first to an existing tenant in need of such a unit and second to the next applicant on the Project's waiting list who otherwise needs such a unit. If no existing tenants or waiting list applicants require an accessible unit, such unit may be offered to the next otherwise qualified applicant not requiring an accessible unit. If this is done, the household should agree in writing that they may be asked to transfer to another comparable but non-accessible unit if the accessible unit is needed by a person with a disability. While the household may have to transfer if there is a vacant unit, they will not be evicted or otherwise terminated to make room for a special need household, but they must pay all reasonable costs incurred in a transfer. This agreement should be incorporated into the lease.

3.3.7 **Conditions for Faith-Based Organizations:** Faith-based organizations are eligible to participate in the NHTF program on the same basis as any other organization but must comply with the requirements of 24 CFR 5.109. Among other requirements, Owner may not require participation in inherently religious activities such as worship, religious instruction, or proselytization, and must offer any such activities separately from the NHTF-assisted housing. Owner shall not discriminate against a tenant or prospective tenant on the basis of religion or religious belief.

SECTION 4. Property Standards

4.1 Property Standards

The Project must be constructed and maintained in compliance with the requirements of 24 CFR 93.301.

4.1.1 **Environmental Provisions:** The award of HTF to the Project requires compliance with the environmental provisions of 24 CFR 93.301(f). Owner certifies that it has submitted

documentation to WCDA demonstrating compliance with, and has disclosed all material information relative to, the Project's compliance with all such provisions. Owner further agrees to notify WCDA immediately of any additional information pertaining to the Project's compliance with these requirements. Disclosure of material information will include but not be limited to

- a) Any latent defects, unforeseen construction or rehabilitation activities, or other actions that may affect any features of the Project or Property determined material to its listing in or eligibility for listing in the National Register of Historic Places;
- b) Discovery of any human remains, bones, artifacts, foundations, or other indications of past human occupation, in which case the Owner also agrees to stop work immediately pending further instruction from WCDA which may be required to consult with any affected tribes and/or descendant communities and comply with the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001-3013).
- c) Any changes in the scope of work, including but not limited to the addition of previously unplanned site work or construction activity, affecting any portion of the Property that is within a 100-year flood plain or that is a wetland. For purposes of this provision, the definition of a wetland is contained within 24 CFR 93.301(f)(1)(vii)(B) for new construction projects or 24 CFR 93.301(f)(2)(vii) for rehabilitation projects and is independent of the definition of jurisdictional wetland used by the U. S. Army Corps of Engineers under section 404 of the Clean Water Act (33 U.S.C. 1251 et seq.)
- d) As of the date of this Agreement, the required environmental reviews have been completed. WCDA has made a Finding of No Significant Impact, and HUD approved WCDA's certification and request for release of funds as of 05/30/24.

4.2 Construction Codes

The Project must be constructed in compliance with all applicable state and local zoning, land use, and building code requirements. The Project's plans and specifications must clearly list all building codes applicable to the Project, including without limitations electrical, mechanical, plumbing, and fire codes.

Additionally, the Project must be constructed to meet or exceed all applicable state building codes in force at the time of construction.

In the absence of state or local building codes, construction must meet the requirements of the International Residential Code or the International Building Code, as applicable.

4.3 Required Project Amenities and Features

Because WCDA's decision to award funding for the Project was influenced, in part, by Owner's proposal to include various features and amenities in the construction of the project, the Project must be constructed to include all features and amenities promised, including but not limited to energy efficiency components and radon mitigation systems, within the Owner's application for NHTF funding and further delineated in **Exhibit B**.

4.4 Additional Construction Requirements

- a) The Project must also be constructed in compliance with the accessibility requirements of 24 CFR 8, which implements Section 504 of the Rehabilitation Act of 1973. Additionally, if the Project is a Covered Multifamily Dwelling as defined in 24 CFR 100.201 (implementing the Fair Housing Act), the Project must also meet the design and construction requirements of 24 CFR 100.205 regarding, among other things, accessibility to the building and common areas. In particular, Owner must ensure that the construction of the units in the Project will satisfy requirements for both physically-accessible units and those accessible for tenants with sensory (i.e., hearing or visual) impairments. Based on the 24-unit Project, a minimum of 2 unit(s) must be physically accessible and a minimum of 1 unit(s) must be accessible for tenants with sensory impairments. The applicable standard for these units is the Uniform Federal Accessibility Standards (UFAS).
- b) Buildings of four (4) or more units must comply with fair housing accessibility requirements.
- c) Owner must prohibit the use of lead-based paint construction of the Project and comply with all other applicable requirements of 24 CFR 35 (aka the Lead Safe Housing Rule).

- d) Owner must require the exclusive use of lead-free pipes, solder, and flux in all of the Project's potable water systems, including replacement of any existing pipes which contain lead.
- e) Owner will require its contractors to comply with all rules, regulations, ordinances, and laws bearing on its conduct of work on the Project.
- f) All buildings of four (4) or more residential units in the Project must include the installation of Broadband Infrastructure as defined by 24 CFR 5.100 and when required by 24 CFR 93.301(a)(2)(vi).
- g) Rehabilitation of buildings and units must follow an approved rehabilitation plan and scope of work designed to meet or exceed WCDA's current Federal Programs Rehabilitation Standards for Housing, and must adequately address all items identified in any WCDA-required capital needs assessment.

4.5 Ongoing Maintenance of the Project

Owner must maintain the Project in compliance with all applicable state and local codes and ordinances throughout the term of this Agreement.

In the absence of state and local codes, the Project must be in compliance with Uniform Physical Condition Standards (UPCS). In the event of conflicting requirements between state and local codes and UPCS on any given inspectable item or building component, the stricter standard will apply. WCDA reserves the right to periodically update the inspection protocol and standards to comply with current federal, state, or local requirements.

In addition to any other monitoring oversight by WCDA, the Owner must certify annually to WCDA that the Property meets all applicable property standards and is suitable for occupancy.

SECTION 5. Insurance, Casualty, and Condemnation

5.1 General

During construction and throughout the term of this Agreement, Owner will maintain insurance as required by WCDA, including property insurance which will be no less than replacement value for the Project.

In the event of loss, the Owner shall give prompt notice by mail to the insurance carrier and WCDA, and WCDA may make proof of loss, if not made promptly by the Owner. WCDA is hereby authorized in the event of loss to compromise and settle all loss claims on said policy on such terms as it deems appropriate. Owner shall promptly furnish to WCDA a copy of any proof of loss given to the insurance carrier.

If the Project, or any part thereof, shall be damaged by fire or other insured hazard, the amounts paid by any insurance company shall be paid to WCDA to the extent of the indebtedness then remaining unpaid, and, at the option of WCDA, all or any part of such amount may be applied in reduction of the indebtedness or released for the repairing or rebuilding of the Project. If in WCDA's determination restoration is financially feasible and desirable, any insurance proceeds shall first be applied to such restoration. All policies of insurance and any and all refunds of unearned premiums are hereby assigned to WCDA as additional security for the payment of the indebtedness. In event of foreclosure of this Project, all right, title and interest of Owner in and to any insurance policies then in force shall pass to the purchaser on foreclosure.

5.2 Condemnation

Subject to the Permitted Exceptions, the Owner hereby irrevocably assigns to WCDA any award or payment which becomes payable by reason of any taking of the Property, Project, or any part thereof, either temporarily or permanently, in or by condemnation or other eminent domain proceedings or by reason of sale under threat thereof, or in anticipation of the exercise of the right of condemnation or other eminent domain proceedings.

The Owner will file and prosecute in good faith and with due diligence that which would otherwise be its claim in any such award or payment, and subject to the Permitted Exceptions, will cause the same to be collected and paid over to WCDA, and the Owner irrevocably authorizes and empowers WCDA, in the name of the Owner or otherwise, to file, prosecute, settle or compromise any such claim and to collect, receipt for, and retain the same.

The proceeds of the award of payment may, after deducting all reasonable costs and expenses that may have been incurred by WCDA in the collection thereof, at the sole discretion of WCDA, be released to the Owner, applied to restoration of the Project, or applied in reduction of the indebtedness secured hereby. If in WCDA's determination restoration is financially feasible and desirable, any condemnation proceeds shall first be applied to such restoration.

5.3 Application of Proceeds in an Event of Default

Subject to the Permitted Exceptions, if an event of default occurs under this Agreement or any other Loan Document, WCDA may apply insurance and condemnation proceeds to the reduction of the indebtedness secured hereby in any manner selected by WCDA but, unless otherwise agreed by WCDA in writing, no application of such proceeds to the NHTF Loan, or to other obligations secured by the Loan Documents, or any of them, shall delay, reduce, alter or otherwise affect any regularly scheduled payment with respect to the NHTF Loan, or any such other obligations.

SECTION 6. Other Federal Requirements

6.1 Other Federal Requirements

Owner agrees to develop and operate the Project in full compliance with all other applicable federal requirements of 24 CFR 93 Subpart H and 24 CFR 5 Subpart A and the nondiscrimination requirements of Section 282 of the Act. This includes, but is not limited to, compliance with the drug-free workplace requirements of 2 CFR 2429.

6.2 Equal Opportunity and Fair Housing Requirements

Except for specific exceptions allowing elderly designated projects to apply age restrictions, no person shall on the ground of race, color, religion, sex, handicap, familial status, national origin, or age be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program activity funded in whole or in part from NHTF funds. In addition, Owner shall develop, operate, and maintain the Project in accordance with the following and report such compliance to WCDA as required in the Wyoming Compliance Manual:

- a) The requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR Part 100; Executive Order 11063, as amended by Executive Order 12259 (3 CFR 1958 B1963 Comp., P. 652 and 3 CFR 1980 Comp., P. 307) (Equal Opportunity in Housing) and implementing regulations at 24 CFR Part 107; and of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR Part 1;
- b) The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing Regulations at 24 CFR Part 146, and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8;
- c) The requirements of 24 CFR 5.105(a)(2) requiring that HUD-assisted housing be made available without regard to actual or perceived sexual orientation, gender identity, or marital status and prohibiting owners (or their agents) from inquiring about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing for the purpose of determining eligibility for the housing or otherwise making such housing available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity;
- d) The requirements of Executive Order 11246 (3 CFR 1964-65, Comp., p. 339) (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR Chapter 60;
- e) The requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise). Owner must make efforts to encourage the use of minority and women's business enterprises in connection with NHTF-funded activities. Owner will cooperate with WCDA in its minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in the procurement of property and services

including, without limitation, real estate firms, construction firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services; and

- f) The nondiscrimination requirements of Section 282 of the NHTF Investment Partnerships Act at title II of the Cranston-Gonzales National Affordable Housing Act, as amended.

Nondiscrimination: Owner agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees. All solicitations or advertisements for employees, placed by or on the behalf of the Owner, shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, disability, familial status, national origin, or age.

6.3 Affirmative Marketing

Owner must adopt and implement affirmative marketing procedures for the Project consistent with the requirements of 24 CFR 93.350. Owner must submit an Affirmative Fair Housing Marketing Plan ("AFHMP"), using form HUD-935.2A, or on another such form as WCDA may reasonably require, for WCDA review prior to marketing and leasing the NHTF-assisted units.

WCDA reserves the right to require Owner to update the Project's AFHMP from time to time to ensure it remains appropriate given potentially changing demographic characteristics of the market area and is updated based on the operational experience with the Project.

6.4

6.4 Displacement, Relocation, and Acquisition

As applicable, Owner will take all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of the Project. Additionally, Owner will assure compliance with appropriate relocation and real property acquisition requirements as provided in 24 CFR 93.352.

6.5 Labor Standards

Federal labor standards, i.e. Davis Bacon and Related Acts, are not applicable to HTF unless other sources of a project's financing trigger compliance. By virtue of receiving funding under the HOME, the Project is subject to federal labor standards. Owner must demonstrate to WCDA's satisfaction that all reviews of labor standard compliance undertaken by HOME are satisfactory.

6.6 Section 3

The requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u and 24 CFR 75) apply to the Project. Owner shall, to the greatest extent feasible and consistent with applicable federal, state, and local laws, ensure employment and training opportunities resulting from the development of the Project are provided to Section 3 workers within the metropolitan area (or non-metropolitan county as applicable) in which the Project is located. This will include, but may not be limited to, prioritizing employment outreach and/or training opportunities to Section 3 workers residing within the Project's service area or neighborhood and prioritizing contracting for labor (excluding professional services and material supply contracts) from Section 3 business concerns as outlined in 24 CFR 75.19.

Owner shall include appropriate Section 3 references and requirements from 24 CFR 75 in all solicitations and contracts for covered construction work and shall further require that its general contractor(s) include such provisions in all subcontracts. Owner shall further take all necessary steps (including by requiring the same in all contracts and subcontracts) to collect and report upon: i) total labor hours worked in the Project's development; ii) labor hours worked by Section 3 workers; and iii) labor hours worked by Targeted Section 3 workers. Owner shall further report labor hours in such categories, in a form specified by or otherwise acceptable to the Department, not later than ninety (90) days following completion of construction.

6.7 Use of Contractors and Subcontractors

Owner will ensure and maintain records demonstrating that none of the contractors or subcontractors involved in the development of the Project are suspended, debarred, or otherwise prohibited from participating in federally-assisted contracts. Owner will further

ensure that its contractors include parallel provisions in their subcontracts and maintain records showing that subcontractors are not suspended, debarred, or otherwise prohibited from participating in federally-assisted contracts.

Owner shall, at a minimum, search at www.sam.gov to verify that each contractor and subcontractor is not listed as an excluded party, shall document and provide to WCDA the search results.

6.8 Conflict of Interest

No officer, employee, agent, or consultant of Owner or immediate family members thereof (known as covered persons) may occupy a NHTF-assisted affordable housing unit in the Project. However, this provision does not apply to an employee or agent of Owner who occupies a housing unit in the Project as a project manager or maintenance worker. Notwithstanding, WCDA may approve a waiver to allow a covered person to occupy a unit in the Project based on a written request from Owner if, in WCDA's sole discretion, a waiver would be appropriate under the provisions of 24 CFR 93.353(f)(2).

While the conflict of interest provisions in 24 CFR 93.353 do not technically apply to Owner's procurement of goods and services associated with the development or operation of the Project, Owner agrees to notify WCDA in writing and seek WCDA's approval prior to entering into any contract with an entity owned in whole or in part by a covered person or an entity owned or controlled in whole or in part by Owner, any Controlling Entities of the Owner, any of the underlying individual owners of the Controlling Entities, or any of the Guarantors. WCDA will review the proposed contract to ensure that the contractor is qualified and that the costs are reasonable. Approval of an identity of interest contract will be in WCDA's sole discretion.

Notwithstanding, WCDA initially acknowledges and approves the Owner's use of **Grimshaw Construction, Inc.** as the property management company for the Project. WCDA must approve any change in property management companies.

6.9 Certification Regarding Lobbying

Owner certifies that it will not and, to the best of its knowledge, has not used federally-appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award. Owner further agrees that it shall disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award.

6.10 VAWA Compliance

Owner agrees to comply with the provisions of the Violence Against Women Act (VAWA) as applied by 24 CFR 93.356 and, as applicable, 24 CFR 5, Subpart L. Owner further acknowledges that, despite its name, VAWA provisions apply without regard to an individual's sex, gender identity, or sexual orientation.

6.10.1 Core VAWA Protections: Unless included in the limitations on VAWA protections delineated in 24 CFR 5.2005(d), the following VAWA protections will apply to all applicants for or tenants of NHTF-assisted units:

- a) No individual may be denied admission or evicted on the basis or as a direct result of the fact that the individual is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the individual otherwise qualifies for admission or continued occupancy.
- b) Further, no individual may be denied tenancy or occupancy rights solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking if: i) The criminal activity is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, and ii) the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking.
- c) In no case may an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall be construed as: i) a serious or repeated

violation of a lease by the victim or threatened victim of such incident; or ii) good cause for terminating the tenancy or occupancy rights of the victim or threatened victim of such incident.

6.10.2 **VAWA Notice:** Owner must provide a WCDA-approved or specified VAWA notice and certification form to:

- a) Any tenant admitted to a NHTF-assisted unit, at the point the tenant is admitted to the unit;
- b) Any prospective tenant for a NHTF-assisted unit whose application for occupancy is being denied based on the Owner's tenant selection policies or criteria as part of the written notification of denial otherwise required by 24 CFR 93.303; and
- c) Any existing tenant of a NHTF-assisted unit whose lease is being terminated, or for whom the Owner is refusing to renew the lease, at the point the tenant is being provided with notice of termination or non-renewal.

6.10.3 **Lease Bifurcation:** Owner may seek to evict, remove, or otherwise terminate a household member from a NHTF-assisted unit on the basis of such member's criminal activity relating to domestic violence, dating violence, sexual assault, or stalking against an Affiliated Individual, as defined in 24 CFR 5.2003, or other individual. Such action may be taken without regard to whether the individual being removed is a signatory to the lease. In any such case, however, if necessary to avoid evicting, removing, or otherwise penalizing any victim of such activity who is also a lawful occupant of the NHTF-assisted unit the Owner must bifurcate the lease to allow continued occupancy by remaining members of the household.

6.10.4 **Emergency Transfer Plan:** The Owner must comply with the terms of WCDA's VAWA Emergency Transfer Plan, as may be updated from time to time, which among other items will:

- a) Allow for an internal emergency transfer to another available and safe unit in the development by any tenant or other lawful resident of a NHTF-assisted unit who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. In such cases, the transferring tenant(s) may transfer to the new unit without having to undergo an application process and will, in all other respects, be treated as an in-place tenant.
- b) In cases where an immediately available and safe unit is not available for internal transfer, require the Owner to notify WCDA of the tenant's request for an external emergency transfer, to cooperate and assist in providing information to the tenant about other units potentially available in WCDA's portfolio of NHTF-assisted units, and waive any early termination or other similar fee for tenants requiring an emergency transfer that results in the breaking of the lease.

6.10.5 **Documentation:** Owner may request that an individual seeking protection under the VAWA provisions provide documentation demonstrating that he/she is a victim of domestic violence, dating violence, sexual assault, or stalking. Owner's seeking such documentation must accept any of the following:

- a) A signed tenant certification, using HUD Form 5382 or such subsequent form document HUD may publish pursuant to 24 CFR 5.2005;
- b) A document signed by the tenant and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the tenant has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definitions of Domestic Violence, Dating Violence, Sexual Assault, or Stalking in HUD's regulations at 24 CFR 5.2003.
- c) A record of a federal, state, tribal, territorial or local law enforcement agency, court, or administrative agency.

Further, the Owner may choose to accept other reasonable documentation of the individual seeking VAWA protections.

Nothing in this section shall be construed to require the Owner to document an individual's status as a victim. Instead, the Owner may extend the VAWA protections broadly to any person requesting VAWA protections based on a presumption of their status without requiring documentation of their victimization.

SECTION 7. Reporting

7.1 General Requirements

Owner agrees to provide reports to WCDA and to maintain records documenting compliance with this Agreement, the Loan Documents and regulatory agreements, the NHTF rule, and all other applicable federal, state, and local laws and regulations. Owner also agrees to provide WCDA, HUD, HUD's Office of Inspector General, the Comptroller General of the United States (*aka* the U.S. Government Accountability Office or "GAO"), or their representatives access to the Project and its records for the purpose of monitoring Owner's compliance with applicable requirements.

7.2 Reports

Owner shall submit periodic reports to WCDA on the progress and performance of the Project. WCDA reserves the right to unilaterally alter, supplement, or otherwise modify the frequency or content of required reports as needed to maintain adequate oversight of the Project, address changes to NHTF regulations, or to address findings related to noncompliance by the Project.

At a minimum, WCDA requires the following reports:

- a) A Quarterly/Monthly Progress Report, as outlined in WCDA's Affordable Housing Allocation Plan must be filed with WCDA outlining progress toward completion. Quarterly reports must be received by the 1st day of March, June, September, and December, until Project Completion reports have been completed. Monthly Progress Reports may be required in lieu of Quarterly Progress Reports at the sole discretion of WCDA.
- b) An Annual Owner's Certification of Continuing Compliance, in which owners attest to the fact that the project has been in compliance for the entire previous year and certify in writing that the Property meets all appropriate physical standards and is suitable for occupancy.
- c) Additionally, on or before March 31 of each year, Owner shall submit a copy of its annual audited financial statements, which include a balance sheet, cash flow statement, and profit and loss statement prepared by an independent certified public accountant.
- d) Owner shall review and update as needed its Affirmative Fair Housing Marketing Plan not less than every five (5) years from the date of WCDA's initial approval. Any changes in the plan must be submitted to HUD.

7.3 Recordkeeping and Inspections

Owner shall maintain detailed records of all persons receiving assistance pursuant to this Agreement. Representatives of WCDA, HUD, GAO, or their designees may examine any records or information accumulated pursuant to this Agreement. During the Period of Affordability, WCDA will conduct on-site inspections to verify compliance with 24 CFR 93 subparts G and H as required by 24 CFR 93.404. All confidential information shall be treated as such by all aforementioned WCDA, HUD, or GAO representatives or designees.

Owner shall maintain administrative and financial records as required by 24 CFR 93.407, applicable to the activities to be carried out under this Agreement, including but not necessarily limited to:

- a) Property description and location;
- b) Records regarding project requirements that apply for the duration of the period of affordability (all of Subpart G of 24 CFR 93);
- c) Documentation that the amount of investment in each housing unit is in compliance with the maximum subsidy limits established by WCDA under the requirements in 24 CFR 93.300(a);

- d) Information about contractors, vendors and other lenders to include, but not necessarily be limited to, verification of non-debarment and suspension, verification of qualifications and experience, legally-binding contracts and agreements, invoices and payment records and related correspondence (see 24 CFR Part 24 and 2 CFR 2424);
- e) Financial information including, but not necessarily limited to, audits and related correspondence, accounting and financial records, indirect cost analyses, and operating budgets;
- f) Project records in accordance with 24 CFR 93.407(a)(2) that demonstrate that each NHTF-assisted renter and each housing unit leased meets the requirements of the NHTF program;
- g) Other records that include documentation of compliance with other federal requirements in accordance with 24 CFR 93.407 that includes the following requirements to the extent applicable to the funded activity:
 - i) Documentation of efforts to affirmatively further fair housing;
 - ii) If applicable, records documenting compliance with federal law regarding displacement, relocation and property acquisition in accordance with the URA;
 - iii) Records concerning lead-based paint set out in 24 CFR Part 35;
 - iv) Records supporting requests for waivers of the conflict-of-interest prohibition set out in 24 CFR 93.353;
 - v) Records demonstrating compliance with environmental requirements under 24 CFR 93.301(f);
 - vi) Records of emergency transfers requested under 24 CFR 5.2005(e) and 24 CFR 93.356 pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of those requests; and
- h) Records related to any decision to terminate or refuse to renew the lease of a tenant, including documentation of the specific lease violations leading to termination or non-renewal.

7.4 Records Retention

Owner shall retain all applicable administrative and project records and records pertinent to other federal requirements as follows:

General project records pertaining to the development of the Project must be retained for not less than five (5) years beyond the date of Project Completion. These include, but are not limited to, construction contracts and associated documents, invoices and payment records, records documenting compliance with applicable labor standards, and the like.

Records relating to ongoing operations of the Project must be maintained for not less than the most recent five-year period. Such records must be maintained until five (5) years beyond the end of the NHTF Affordability Period.

This Agreement and all Loan Documents must be retained for not less than ten (10) years beyond the end of the NHTF Affordability Period.

Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have commenced before the expiration of the retention periods outlined, such records must be retained until completion of the actions and resolution of all issues, or the expiration of the retention period, whichever occurs later.

7.5 Inspections

Owner will provide WCDA, applicable federal authorities, and their representatives access to the Project for the purposes of conducting physical inspections, including individual apartments, common spaces, and the grounds. WCDA will conduct periodic physical inspections during construction to ensure the Project is progressing and construction activity meets applicable property standards. After construction completion, WCDA will inspect the Project as required by HUD or more frequently as it determines in order to ensure that the Project is being maintained in compliance with all appropriate property standards.

SECTION 8. Enforcement and Termination

8.1 Default

The actions noted below shall constitute an event of default by Owner hereunder. WCDA may give written notice of default to the Owner, by registered or certified mail, addressed to the address stated in this Agreement, or such other address as may subsequently, upon appropriate written notice thereof to WCDA, be designated by the Owner as its legal business address:

- a) Failure to comply with the terms and conditions hereof;
- b) Failure to comply with NHTF Program regulations, fair housing laws, and other federal requirements related to the Project, or any applicable state or local law, regulation, ordinance, or requirement;
- c) A default by Owner under any other of the Loan Documents;
- d) Any event of fraud, misrepresentation, gross negligence, or willful misconduct by Owner in the execution or performance of this Agreement or in its application for participation in the NHTF Program;
- e) The Owner's dissolution or other termination of existence; merger or consolidation with any other entity; change in control of the Project or the Owner, or any of its partners, shareholders, members, or owners without WCDA's prior written consent as required herein; insolvency; forfeiture of right to do business in the State of Wyoming or business failure; abandonment of the Project for more than thirty (30) days; appointment of a receiver of any part of the Owner's property; the calling of any meetings of, or the assignment for the benefit of, creditors of the Owner; or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Owner which are not dismissed within sixty (60) days;
- f) Any judgment or lien is filed against the Property if not paid, stayed on appeal, discharged, bonded, or dismissed within sixty (60) calendar days after the entry of such judgment or lien, except any judgment or lien resulting from liability that is fully payable from the proceeds of an insurance policy maintained by Owner;
- g) A sale, transfer, or further encumbrance of all or part of the Project without WCDA's prior written consent; and
- h) Any default under any documents evidencing other financing for the Project, whether junior or senior to WCDA's NHTF loan or in effect as of the date of this Agreement or at any future point. This may include but is not limited to the failure to maintain any reserve account required by another lender.

8.2 Remedies

In the event of default by Owner hereunder, which is not cured within thirty (30) days of the mailing of written notice by WCDA as described in Section 8.1, WCDA may seek any singular or combination of the following remedies:

- a) Withhold any further payments to be made under this Agreement until such time as Owner's breach has been cured in accordance with the terms and conditions of any cure period provided by WCDA (but WCDA may, in its sole discretion, make disbursement after the occurrence of an Event of Default without thereby waiving its rights and remedies hereunder);
- b) Apply to any appropriate court, state or federal, for specific performance, in whole or in part, of the covenants and agreements contained herein, or for an injunction against any violation of such covenants and agreements;
- c) Enter the Property and take possession thereof, together with the Project then in the course of construction, and proceed either in its own name or in the name of the Owner, as the attorney-in-fact of the Owner (which authority is coupled with an interest and is irrevocable by the Owner), to complete or cause to be completed the Project, at the cost and expense of the Owner;

- d) Require the use of or change in professional property management;
- e) Require the replacement of the Owner's general partner(s) or managing member(s), as applicable;
- f) Pursue the appointment of a receiver to collect rents and profits or to take possession of the Project;
- g) Declare immediately due and payable all unpaid principal, accrued interest, and annual fees on the Note, together with all other sums payable thereunder and the same shall thereupon be immediately due and payable without presentment or other demand, protest or notice of protest, notice of dishonor, or any other notice of any kind, all of which are hereby expressly waived;
- h) Apply sanctions set forth in 24 CFR 93, if determined by WCDA to be applicable, including repayment of any and all NHTF funds allocated by WCDA;
- i) Apply to any appropriate court, state or federal, for such other relief as may be appropriate and allowed by law, since the injury to WCDA arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain; and
- j) Terminate this Agreement by giving written notice to Owner of such termination and specifying the effective date of such termination. If the Agreement is terminated by WCDA as provided herein, Owner shall have no claim of payment or claim of benefit for any incomplete activities undertaken under this Agreement.

Any delay by WCDA in exercising any right or remedy provided herein or otherwise afforded by law or equity shall not be a waiver of or preclude the exercise of such right or remedy. All such rights and remedies shall be distinct and cumulative and may be exercised singly, serially (in any order), or concurrently, and as often as the occasion therefore arises.

8.3 Opportunity to Cure

WCDA may accept from the Investor a cure of any event of default under this Agreement or the Loan Documents on the same terms as such cure would be permitted and accepted by the Owner.

WCDA is in no way obligated to provide any Investor a notice of any event of default.

8.4 Termination for Convenience

In addition to the termination provision in Section 8.2(j), this Agreement may be terminated by WCDA upon thirty (30) days written notice. In the event of termination under this section, Owner shall have no claim of payment or claim of benefit for any incomplete project activities undertaken under this Agreement and shall not be entitled to, and hereby waives, all claims for lost profits and all other damages and expenses.

SECTION 9. Indemnification

Owner hereby agrees to reimburse, indemnify, and save and hold WCDA and its successors and assigns harmless from and against any damage, liability, loss, penalty, fine, charge, cost, or deficiency, including but not limited to, any repayment obligation to HUD incurred by WCDA under 24 CFR 93.403(b) or 24 CFR 93.452, reasonable attorneys' fees, and other costs and expenses incident to monitoring, remedial actions, proceedings or investigations and the defense of any claim, arising out of, resulting from or related to, and to pay to WCDA or its successor in interest, on demand, the full amount of any sum which WCDA or its successor has paid or becomes obligated to pay on account of:

- a) Any misrepresentation, omission, or the breach of any representation or warranty of the Owner under this Agreement or any other Loan Document;
- b) Any failure of the Owner to fully perform or observe or cause to be performed or observed any term, provision, covenant, or agreement (including the Affordability Periods) to be performed or observed by the Owner, or, after an assumption, by a subsequent Owner, pursuant to this Agreement or any other Loan Document;

- c) Any claims, assessments, or liabilities for charges, penalties, liens, taxes, or deficiencies arising from or relating to the use and operation by the Owner, or, after an assumption, Owner's successors to the Property or Project; or
- d) The manufacture, generation, storage, use, treatment, transportation, or disposal of solid waste, or any toxic or hazardous materials, substances, or pollutants either directly or indirectly by the Owner or any of their past or present affiliates on the Property which occurs prior to possession passing from the Owner pursuant to a deed received upon completion of a foreclosure or upon acceptance of a Deed in Lieu of Foreclosure.

The provisions of this Section 9 shall survive the termination of this NHTF Agreement, the other Loan Documents, the payment of WCDA loan, and the liabilities and the exercise of any right or remedy under this Agreement or any other Loan Document.

SECTION 10. Notices

Except in the case of notice of default under this Agreement, notices due to Owner hereunder shall be deemed delivered three (3) days after being placed in the United States mail, postage pre-paid, addressed to the Owner as follows:

Stephen Grimshaw
39 East 1st Street
Sheridan, Wyoming 82801

Notices due WCDA shall be in writing and must be personally delivered or placed in the United States mail. Notices delivered via U.S. mail must be delivered via certified mail with return receipt requested and will be deemed delivered upon signature of a WCDA representative. Notices to WCDA should be addressed as follows:

Wyoming Community Development Authority
Attn: Housing & Neighborhood Development Department
155 North Beech Street
Casper, Wyoming 82601

SECTION 11. Miscellaneous Provisions

11.1 Assignment

This Agreement is binding on WCDA and Owner, and their respective successors and assigns. Owner shall not assign or transfer its interest in this Agreement without the written consent of WCDA.

11.2 Interpretation

This Agreement shall not be merged with any subsequent agreement between WCDA and Owner, including, but not limited to, the Loan Documents or regulatory agreements related to Project. Any question or dispute regarding the interpretation of the terms of this Agreement shall be decided by WCDA. WCDA's decision shall be final and binding. In the event of a conflict between this Agreement, the Loan Documents, and/or the regulatory agreements, WCDA reserves the right to resolve the conflict and determine which provision will take precedence. In general, the more restrictive provision will apply.

11.3 Applicable Law

This Agreement shall be construed and interpreted in accordance with Wyoming law. In the event of legal action resulting from a dispute hereunder, the parties agree that the state and federal courts of the State of Wyoming shall have jurisdiction and that the proper forum for such action shall be Natrona County, Casper, Wyoming.

11.4 Entire Agreement

This Agreement, together with the exhibits hereto, and the Owner's application for NHTF program funding, which are specifically incorporated herein, represent the entire agreement between the parties and supersede all prior representations, negotiations, or agreements whether written or oral.

11.5 Amendments

This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

11.5.1 Notwithstanding any terms within this Agreement, in the event that (i) HUD imposes new or modified requirements on existing NHTF-assisted projects through regulation, administrative notice, publication, or other notice, or (ii) HUD specifically identifies violations of NHTF program requirements pertaining to this Agreement or the Project, Owner agrees to comply with any new or modified requirements to ensure the Project remains in or is brought into compliance with such requirements. Owner further agrees to execute an amendment to modify the terms of this Agreement when deemed necessary by WCDA in such manner as necessary to reflect and implement new NHTF requirements or correct identified deficiencies.

11.5.2 Modifications or amendments to this Agreement may be made only upon mutual agreement between Owner and WCDA, except as set forth in Section 12.5.1.

11.6 Headings and Pronouns

The headings of the paragraphs in this Agreement are for convenience only and do not affect the meanings or interpretation of the contents. Where appropriate, all personal pronouns used herein, whether used in the masculine, feminine or neutral gender, shall include all other genders and singular nouns used herein shall include the plural and vice versa.

11.7 Severability

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

11.8 Counterparts

This Agreement may be executed in two (2) or more counterparts, each of which shall be considered an original, and shall be binding when fully executed by both parties.

11.9 Authority

Except as otherwise provided herein, at any time during the term of this Agreement, whenever any approval or notice by WCDA is required under this Agreement, or whenever any action by WCDA is required or permitted, the Director of Housing and Neighborhood Development for WCDA, its successor or its authorized delegate, shall have the power and right to approve, give notice or act on behalf of WCDA, as the case may be.

11.10 Qualified Contracts

Qualified Contracts pursuant to 26 CFR § 1.42-18 are not allowed by WCDA. Execution of this agreement signifies your agreement to waive your right to participate in the Qualified Contract process for the project identified herein.

SECTION 12. Certification

Owner certifies that its duly authorized representative has read and reviewed this NHTF Agreement in its entirety; acknowledges its responsibility for implementation of the Agreement; assumes full responsibility for compliance therewith; indemnifies and holds WCDA harmless with respect to noncompliance and as set forth in this Agreement; and agrees that the representations contained in this section shall survive the expiration or termination of this Agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate on the date or dates set opposite the signatures of their duly authorized representatives, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

By: Tammy Krei

Tammy Krei

Its: Director of Housing & Neighborhood Development

STATE OF WYOMING

COUNTY OF NATRONA

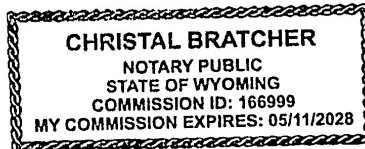
This instrument was acknowledged before me on July 22, ~~2024~~ ^{2024 05}
by Tammy Krei as Director of Housing & Neighborhood Development of Wyoming Community Development Authority.

Witness my hand and official seal.

Christal Bratcher
Notary Public

My Commission Expires:

5/11/28



Date: 7.22.2024

Parker Flats, LLC

Limited Liability Company

By: [Signature]

Stephen Grimshaw of Parker Flats Management LLC

Its: General Partner

Date: 7-22-24
STATE OF Wyoming

COUNTY OF Natrona

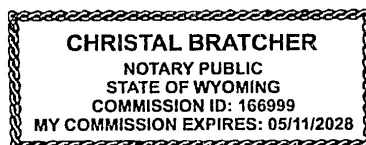
This instrument was acknowledged before me on July 22, 2024
by Stephen Grimshaw in his capacity as Sole Member of Parker Flats Management LLC, General Partner of Parker Flats LLC.

Witness my hand and official seal.

Christal Bratcher
Notary Public

My Commission Expires:

5/11/28



Parker Flats NHTF Agreement

EXHIBIT A

LEGAL DESCRIPTION

Parker Flats Lots 1 through 8, Block 3 of Dana Addition to the City of Sheridan, Sheridan
County, Wyoming.



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EXHIBIT B

PROJECT SUMMARY

SECTION A – PROJECT OVERVIEW

Project Name: Parker Flats, LLC

Address: 1425 Parker Street, Sheridan Wyoming 82801

Owner: Stephen Grimshaw

NHTF Investment: \$879,014

NHTF Unit Mix:

Number of Bedrooms	Number of Units	Maximum Rent
0 Bedrooms	N/A	N/A
1 Bedrooms	2	\$494
2 Bedrooms	2	\$592
3 Bedrooms	N/A	N/A
4+ Bedrooms	N/A	N/A

Targeting:

Project is for ☐ elderly occupancy by tenants 55/62 or ☒ family occupancy (i.e. not age restricted)
Units are additionally ☐ preferenced or ☐ set-aside exclusively for describe special population targeting.

All NHTF units must be rented exclusively to tenants with household incomes at or below 30% of the Area Median Income (AMI) as adjusted for household size.

Accessibility:

Physically Accessible Units: 2 Units which = 5% of total Units

Sensory Accessible Units: 1 Unit which = 2% of total Units

SECTION B—COMPLIANCE /DEVELOPMENT FACTORS

The Project, as planned, includes the following elements which may require specialized compliance with cross-cutting federal requirements and/or additional care in the construction process:

- | | |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Land assembly and subdivision | <input type="checkbox"/> Extension/installation of off-site infrastructure |
| <input type="checkbox"/> Relocation of existing/prior tenants | <input checked="" type="checkbox"/> Demolition of existing structures |
| <input type="checkbox"/> Environmental conditions | <input type="checkbox"/> Remediation of Lead Base Paint hazards |
| <input type="checkbox"/> Labor Standards (Davis-Bacon) | — Using: <input type="checkbox"/> Interim Controls or <input type="checkbox"/> Abatement |

SECTION C—ADDITIONAL FEATURES, AMENITIES, AND REQUIREMENTS

The Project was funded, in part, on the basis of the Owner's agreement to provide various features, amenities, or services beyond those explicitly required by the NHTF regulations at 24 CFR 93. Owner therefore agrees to the following requirements as a condition of receiving NHTF funds and agrees that failure to provide or maintain such features, amenities, or services or other failures to comply with such conditions will be a violation of the Agreement:

The following breakdown demonstrates our efforts to bring the best materials to our projects:

Floor coverings - The Luxury Vinyl Tile used in our projects have limited lifetime warranties with a 2-year labor warranty. All flooring materials will have very low or no volatile organic compounds (VOC)

Windows - The windows to be placed in our projects are Jeld-Wen Aluminum. Which should have much more life expectancy than vinyl. They are double-paned and high efficiency (Low E), energy star rated, and each unit is operable.

Natural lighting - Our units will contain from 2 to 3 windows, ranging from 36" to 72" inches in width, depending on unit's location in the building. This provides more adequate natural lighting for the units, ensuring that the tenant needs to turn on the lights only when it is dark outside.

Unit Configuration - Grimshaw Construction has worked hard to develop a unique floor plan that give the units an open and airy feel, maximizing views. There are coat/linen closets in addition to the closets inside each bedroom to provide storage.

Efficiency in heating/cooling – Each unit will have an efficiency forced air system which supplies the most efficient heat that is available. The units are insulated to R-24 on the exterior wall and R-48 in the attics. Insulation between unit floors and walls for sound attenuation.

Efficiency in use of floor space – Each unit has an open kitchen design, dining area and living room. This gives the kitchen and dining room area a wide and spacious feel.

Durability of roofing and siding material – The roofing installed on our projects have a life of 35 years and are architectural grade

Parker Flats Ranking Criteria Page 4 of 7

3-tab. The siding is steel siding made from post-recycled materials which carry a limited lifetime warranty.



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Quality and design of windows – The windows in our projects are double paned Energy Star Rated Poly Gem 4000 series.

Aluminum with thermal break, eliminating heat and cold transfer. The design of the windows was created to supply the maximum light possible while being the most pleasing to the eye. The insulated panes are 5/8" thick and Low E with Energy Star ratings.

Landscape accessibility – The space around our projects are generally flat and grassy. All common areas to meet ADA requirements.

Landscaping design, low maintenance functions – Flowerbeds and shrubs border the sidewalks and porches, and potted flowers can hang from the tops of the porches. Trees are planned in the yards and provide needed shade in the summer; Trees will provide 50% hardscape shade at maturity. The yards and flowerbeds are watered with an automatic sprinkler system for water sense efficiency.

Additional Typical Building Construction Features

- 2 x 6 exterior framing; 24" on center to maximize insulation value.
- 2 channel inside or 1 1/2" additional foam on exterior for additional thermal break.
- R-24 exterior insulation – "Fire-rated"
- 5/8" type X fire rated exterior gyp board on exterior all unit separation walls.
- 2 x 6 roof trusses with 6" heal; 3 & 4/12th pitch.
- R-48 insulation in attics – "Fire-rated"
- Low maintenance steel and stucco finishes exterior.
- Roof shingles have a 35-year life expectance and are architectural 3-tab and are double nailed for high wind resistance.
- Ice & water shield type on all drip edges to prevent ice on the roof overhangs.
- Color coordinated gutters/down spouts on all drip edges.
- 1 hour fire rated party wall construction for unit separation
- Unit separation walls insulated for maximum sound attenuation.
- 5/8" type X fire rated drywall on all ceilings, unit separation walls and stair wells
- Open floor plan maximizes natural lighting.
- Quite 2.5 zones for bath fans – auto fan smart switch shut off after 20 minutes.
- Doors and trim standardized for ease of replacement.
- Cultured marble or tile windowsills
- All ground floor living areas are accessible, handicap compliant or convertible one-level flats.
- Inter-connected hard-wired fire/smoke, CO alarms with battery back-ups in all units, maximizing tenant notification.
- Handicap fire/smoke alarms have horns and strobes for the hearing and/or visually impaired.
- Handicap kitchens are fully handicap accessible. All cabinets accessible, not just 24" as required by code.

- All ground floor units are handicap accessible, compliant and or convertible.
- Energy Star Rated fixtures.
- Energy Star aluminum frame windows with energy seal, U.V. protection for maximum comfort and Low E energy efficiency

EXHIBIT C

PROJECT BUDGET

PROJECT BUDGET/USES OF FUNDS:

Acquisition	\$180,000
Rehabilitation	\$0.00
Hard Construction Costs	\$4,415,046
Other Costs	\$1,1512,954
Total	\$6,108,000

PROJECT BUDGET/SOURCES OF FUNDS:

Private Financing	\$
HOME Amortizing Loan	\$
HOME Deferred Loan	\$1,172,938.00
NHTF Amortizing Loan	\$
NHTF Deferred Loan	\$ 879,014.00
Deferred Developer Fee - CASH FLOW	\$ 406.00
Other: Tax Credit Equity	\$4,055,642
Total	\$6,108,000

NHTF funds will be used for any combination of new/rehabilitation construction costs, and eligible soft costs up to 90% of the NHTF loan, with the remaining 10% held as a retainage and not released until all conditions as outlined in the NHTF Agreement are met.

ONLY EXPENSES OBLIGATED AND INCURRED AFTER THE DATE OF THIS AGREEMENT ARE ELIGIBLE FOR FUNDING UNDER THIS AGREEMENT.

BENEFICIARIES: 100% of the NHTF-assisted Units will provide affordable housing for households whose annual incomes do not exceed Thirty Percent (30%) of the Median Family Income for the area, as determined by HUD with adjustments for smaller and larger households.

AFFORDABILITY PERIOD: **30** Years NHTF Program Requirement
 10 Years Additional Committed in Funding Request
 40 Years Total Affordability Period


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NO. 2024-793260 AGREEMENT - LEGAL
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK
STEPHEN GRIMSHAW