

NEW ISSUE – BOOK-ENTRY ONLY

RATING: Moody's "Aa1"
SEE "RATING" herein.

In the opinion of Adams and Reese LLP, Nashville, Tennessee, Bond Counsel, under existing law and subject to certain qualifications described herein, the interest on the Bonds is excludable from gross income for federal income tax purposes, except during any period while a Bond is held by a "substantial user" of the facilities financed by the Bonds or by a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. Bond Counsel is further of the opinion that, under existing law, the Bonds and the interest on the Bonds are exempt from all state, county and municipal taxation in the State of Tennessee, except to the extent that interest on the Bonds is included within the meaning of certain franchise and excise taxes imposed under Tennessee law. See "TAX MATTERS" herein.

\$68,000,000*

**The Health and Educational Facilities Board of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Multifamily Housing Revenue Bonds
(Artist Lofts) Series 2025**

Dated: Date of Delivery
Initial Interest Rate: ____%
Initial Offering Price: 100%

Optional Call Date: December 1, 2028*
Mandatory Tender in connection with Conversion Date:
no earlier than December 1, 2028*
Initial Mandatory Tender Date: December 1, 2029*
Maturity Date: December 1, 2059*
CUSIP: _____†

The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the "Issuer") is issuing its Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025 (the "Bonds") pursuant to a Trust Indenture dated as of November 1, 2025 (the "Indenture"), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Bonds shall bear interest on the outstanding principal amount thereof at the Initial Interest Rate set forth above (the "Initial Interest Rate") from their date of issuance to but not including the Initial Mandatory Tender Date set forth herein (the "Initial Mandatory Tender Date"), payable on each June 1 and December 1, commencing June 1, 2026*. See "THE BONDS" herein.

The Bonds are being issued to finance a loan (the "Loan") to Artist Lofts, LP, a Tennessee limited partnership (the "Borrower"), to enable the Borrower to pay a portion of the cost of the acquisition, construction and equipping of a 251-unit multifamily rental housing project to be located in Nashville, Davidson County, Tennessee (the "State"), and to be known as Artist Lofts (the "Project"). The Loan will be made to the Borrower pursuant to a Loan Agreement, dated as of November 1, 2025 (the "Loan Agreement"), between the Issuer and the Borrower, under which the Borrower has agreed to provide, as described herein, payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due. The Loan will be evidenced by a Promissory Note in the principal amount of \$68,000,000* (the "Note") from the Borrower to the Issuer and endorsed to the Trustee.

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

The Bonds are subject to mandatory tender prior to the Initial Mandatory Tender Date as set forth herein. See "THE BONDS" herein.

At all times the Bonds will be secured by Eligible Investments or other Eligible Funds sufficient, along with earnings thereon (without the need for reinvestment), to pay all of the interest on the Bonds when due and to pay the principal of the Bonds at the earlier of the Initial Mandatory Tender Date or any preceding Mandatory Tender Date, as further described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE, AS TO PRINCIPAL, PREMIUM, IF ANY, AND INTEREST SOLELY FROM THE TRUST ESTATE AND OTHER FUNDS AND MONEYS AND SECURITY PLEDGED AND ASSIGNED UNDER THE INDENTURE. NEITHER THE ISSUER, THE METROPOLITAN GOVERNMENT, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER. THE BONDS SHALL CONSTITUTE A VALID CLAIM OF THE OWNER OR OWNERS THEREOF AGAINST THE TRUST ESTATE AND OTHER FUNDS AND MONEYS AND SECURITY PLEDGED AND ASSIGNED UNDER THE INDENTURE, WHICH ARE PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, AND WHICH SHALL BE USED FOR NO OTHER PURPOSE EXCEPT AS EXPRESSLY AUTHORIZED IN THE INDENTURE.

The Bonds are offered for delivery when, as and if issued and received by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") and subject to the approval of legality by Adams and Reese LLP, Nashville, Tennessee, Bond Counsel, of certain other conditions. Certain legal

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. The CUSIP number listed above is being provided solely for the convenience of Bondholders only, and the Issuer does not make any representation with respect to such number or undertake any responsibility for its accuracy. The CUSIP number is subject to being changed after the issuance of the Bonds.

matters will be passed upon for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., and for the Borrower by its counsel, Reno & Cavanaugh, PLLC, Nashville, Tennessee. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in Brooklyn, New York on or about November __, 2025.

This cover page contains limited information for ease of reference only. It is not a summary of the Bonds or the security therefor. The entire Official Statement, including the Appendices, must be read to obtain information essential to make an informed investment decision.

STIFEL

Date: November __, 2025

No broker, dealer, salesman or other person has been authorized by the Issuer, to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale prior to the registration or qualification under the securities laws of any such jurisdiction. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made under the Indenture shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or owners of any of the Bonds. All statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page hereof, inside front cover, and the appendices attached hereto are part of this Official Statement. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this offering document for purposes of, and as that term is defined in, SEC Rule 15c2-12.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission (the "Commission") or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The order and placement of information in this Official Statement, including the Appendices, are not an indication of relevance, materiality or relative importance, and this Official Statement, including the Appendices, must be read in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit, or describe the scope and intent, or affect the meaning or construction, of any provision or section of this Official Statement.

CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

U.S. Bank Trust Company, National Association, as Trustee, has not reviewed, provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i)

the accuracy or completeness of such information, (ii) the validity of the Bonds, or (iii) the tax-exempt status of the Bonds.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
THE ISSUER.....	2
THE MORTGAGE LOAN, DEPOSITS INTO THE COLLATERAL FUND AND DISBURSEMENT OF BOND PROCEEDS.....	4
THE BONDS.....	4
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS	9
PRIVATE PARTICIPANTS	10
THE PROJECT	11
CERTAIN BONDHOLDERS' RISKS.....	14
TAX MATTERS	16
UNDERWRITING	17
RATING	18
CONTINUING DISCLOSURE.....	18
CERTAIN LEGAL MATTERS	19
ABSENCE OF LITIGATION	19
ADDITIONAL INFORMATION.....	20
 APPENDIX A DEFINITIONS OF CERTAIN TERMS	 A-1
APPENDIX B SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE	B-1
APPENDIX C SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT	C-1
APPENDIX D SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT	D-1
APPENDIX E FORM OF CONTINUING DISCLOSURE AGREEMENT	E-1
APPENDIX F FORM OF BOND COUNSEL OPINION	F-1

OFFICIAL STATEMENT

\$68,000,000*

**The Health and Educational Facilities Board of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Multifamily Housing Revenue Bonds
(Artist Lofts) Series 2025**

INTRODUCTION

This Official Statement (which includes the cover page and appendices hereto) (this “Official Statement”) has been prepared in connection with the issuance of the above-captioned bonds (the “Bonds”) by The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Issuer”), a public, nonprofit corporation organized and existing under the laws of the State of Tennessee (the “State”). The Board of Directors of the Issuer has authorized the issuance of the Bonds by its duly adopted resolution dated August 11, 2025 (the “Resolution”). The Bonds are issued pursuant to a Trust Indenture dated as of November 1, 2025 (the “Indenture”), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Certain capitalized terms that are used in this Official Statement and not otherwise defined shall have the definitions ascribed to them in “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto.

The Bonds are to be issued pursuant to Title 48, Chapter 101, Part 3, Tennessee Code Annotated, as amended (the “Act”), for the purpose of providing funds to make a loan (the “Loan”) to Artist Lofts, LP, a Tennessee limited partnership (the “Borrower”), to enable the Borrower to pay a portion of the cost of the financing, acquisition, construction and equipping of a 251-unit multifamily rental housing facility to be located in Nashville, Davidson County, Tennessee, and to be known as Artist Lofts (the “Project”). See “PRIVATE PARTICIPANTS” and “THE PROJECT” herein.

The Loan will be made to the Borrower under a Loan Agreement dated as of November 1, 2025 (the “Loan Agreement”), between the Issuer and the Borrower. Pursuant to the Loan Agreement, the Borrower has agreed to make payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due (the “Bond Service Charges”) to the extent that amounts otherwise available for such payment are insufficient therefor. The Loan will be evidenced by a promissory note in the principal amount of \$68,000,000* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

The aggregate funds and Eligible Investments on deposit in the Project Fund and the Collateral Fund will, at all times, equal the principal amount of Bonds Outstanding. Bond Service Charges will be paid from amounts on deposit in the Bond Fund, the Collateral Fund and the Project Fund (together, the “Special Funds”), and investment earnings thereon. Amounts on deposit in the Special Funds will be invested in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The Bonds shall bear interest on the outstanding principal amount thereof at a rate equal to the Initial Interest Rate set forth on the cover page hereof from the date of delivery to but not including the earliest of (i) the Conversion Date (as defined herein), (ii) an Optional Call Date (as defined herein) and (iii) December 1, 2029* (the “Initial Mandatory Tender Date”), payable on each June 1 and December 1, commencing June 1, 2026* (each an “Interest Payment Date”).

The Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture on the Initial Mandatory Tender Date. All Bondholders must tender their Bonds for purchase on each Mandatory Tender Date, as set forth in the Indenture. A new interest rate for the Bonds may be determined on the Initial Remarketing Date in accordance with the terms of the Indenture. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory

* Preliminary; subject to change.

Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

Citibank, N.A. (“Citi”) has entered into a Forward Commitment Agreement with the Borrower and the Mortgage Lender (as defined herein) dated as of November 1, 2025 and effective the Closing Date (the “Citi Forward Commitment”), whereby Citi has committed, subject to the satisfaction on or before the Termination Date (as defined in the Citi Forward Commitment) of the Conditions to Conversion set forth in the Citi Forward Commitment, to facilitate the financing of the Project in the Permanent Phase.

Brief descriptions of the Issuer, the Borrower, Citi, the Mortgage Lender, the Mortgage Loan, the Project, the Bonds, the security for the Bonds, the Indenture, the Loan Agreement and the Regulatory Agreement are included in this Official Statement. The summaries herein do not purport to be complete and are qualified in their entireties by reference to such documents, agreements and programs as may be referred to herein, and the summaries herein of the Bonds are further qualified in their entireties by reference to the form of the Bonds included in the Indenture and the provisions with respect thereto included in the aforesaid documents.

THE ISSUER

The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Trustee, the Borrower, the Underwriter, Citi nor any of their respective counsel, members, officers or employees makes any representations as to the accuracy or sufficiency of such information.

The Issuer is a public, nonprofit corporation organized pursuant to the laws of the State of Tennessee, specifically Title 48, Chapter 101, Part 3 of the Tennessee Code Annotated, as amended (the “Act”). The Issuer is authorized by the Act to finance the acquisition, construction and equipping of a multifamily residential rental housing development, to be known as Artist Lofts Apartments containing approximately 251 units, for low to moderate income persons in Nashville, Davidson County, Tennessee. The Issuer adopted a final bond resolution on August 11, 2025, authorizing the issuance of the Bonds.

The Issuer was created pursuant to the Act for the purposes, among other things, of improving and maintaining the health and living conditions of the residents of the State and providing additional safe and sanitary multifamily housing facilities to be used by persons of low and/or moderate income. The powers of the Issuer are vested in a board of directors comprised of not less than seven (7) volunteer members, all of whom are residents of Davidson County, Tennessee.

Limitations on Liability

Although the Issuer is a public instrumentality of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Metropolitan Government”), neither the Metropolitan Government nor the State of Tennessee are liable for the payment of the principal of or interest on the Bonds or any other bonds of the Issuer, or for the performance of any pledge, mortgage, obligation or agreement undertaken by the Issuer under the Indenture, the Loan Agreement or otherwise. The Issuer has other series of bonds outstanding for other parties.

The officers, agents, employees, directors and members of the Issuer shall not be personally liable for any costs, losses, damages or liabilities caused or incurred by the Issuer or the Trustee in connection with the Indenture or the Loan Agreement or for the payment of any obligation under the Indenture or the Loan Agreement.

THE ISSUER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER CONCERNING THE ECONOMIC FEASIBILITY OF THE PROJECT OR THE CREDITWORTHINESS OF THE PROJECT, AND NO SUCH REPRESENTATION OR WARRANTY SHALL BE IMPLIED FROM THE ISSUANCE OR REMARKETING OF THE BONDS OR THE OTHER TRANSACTIONS DESCRIBED OR CONTEMPLATED HEREIN. THE ISSUER HAS NOT INDEPENDENTLY VERIFIED ANY INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT OTHER THAN THE INFORMATION UNDER THIS CAPTION.

Limited Involvement of the Issuer

The Issuer has not prepared or assisted in the preparation of this Official Statement, including any financial information included herein or attached hereto; and, except for the information contained under this section, the Issuer is not responsible for any statements made in this Official Statement. Accordingly, the Issuer disclaims responsibility for the disclosures set forth in this Official Statement or otherwise made in connection with the offer, sale and distribution of the Bonds.

The Issuer has not reviewed any appraisal for the Project or any feasibility study or other financial analysis of the Project and has not undertaken to review or approve expenditures for the Project, to supervise the construction of the Project, or to obtain any financial statements of the Borrower.

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

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. NONE OF THE ISSUER, ANY OF ITS DIRECTORS, THE METROPOLITAN GOVERNMENT, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

NO MEMBER, DIRECTOR, OFFICIAL, OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OR REMARKETING OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE OR ANY SUPPLEMENTAL INDENTURE, AGAINST ANY MEMBER, DIRECTOR, OFFICIAL, OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE OF THE BOND AND AS PART OF THE CONSIDERATION FOR THE ISSUE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

No owner or holder of any bond shall ever have the right to compel the exercise of the taxing power of the State, the Metropolitan Government or any other political subdivision of the State. No present or future officer, member, director, commissioner, employee or agent of the Issuer shall be personally liable on the Bonds.

The responsibility for the operation of the Project will rest entirely with the Borrower and not with the Issuer or any director of the Issuer.

EXCEPT FOR INFORMATION CONCERNING THE ISSUER IN THIS SECTION AND "NO LITIGATION" (WITH RESPECT TO THE ISSUER), NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO

REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE MORTGAGE LOAN, DEPOSITS INTO THE COLLATERAL FUND AND DISBURSEMENT OF BOND PROCEEDS

Contemporaneously with the issuance of the Bonds, the Borrower will obtain a construction loan (the “Mortgage Loan”) from U.S. Bank National Association, a national banking association, as administrative agent for itself and for certain additional construction lenders, and its successors and assigns (the “Mortgage Lender”). Over time, Eligible Funds, including proceeds of the Mortgage Loan, are expected to be delivered to the Trustee for deposit into the Collateral Fund established by the Trustee under the Indenture. Upon the deposit of Eligible Funds into the Collateral Fund, and subject to the other applicable provisions set forth in the Indenture and the Loan Agreement, the Trustee shall disburse a like amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender for purposes of paying costs of the Project, all in accordance with the Loan Agreement and the Indenture. The maximum aggregate amount of funds representing Eligible Funds to be delivered to the Trustee for deposit into the Collateral Fund will be \$68,000,000*.

Bond Service Charges shall be payable as they become due, (i) in the first instance from moneys on deposit in the Bond Fund (but not including the Negative Arbitrage Account thereof), (ii) in the second instance from moneys on deposit in the Negative Arbitrage Account, (iii) next, from moneys on deposit in the Collateral Fund and transferred as necessary to the Bond Fund, and (iv) thereafter, from moneys on deposit in the Project Fund and transferred as necessary to the Bond Fund. The Indenture provides that the amount of funds disbursed from the Project Fund on any given date for payment of Qualified Project Costs shall at all times equal the amount of Eligible Funds deposited into the Collateral Fund in connection with such disbursement. Accordingly, the aggregate amount in the Collateral Fund and the Project Fund shall at all times equal 100% of the principal amount of the Bonds outstanding plus original issue premium, if any.

Notwithstanding any provision of the Loan Agreement or the Indenture to the contrary, the Trustee will not act upon the delivery of a certified copy of the request for disbursement of funds from the Project Fund, unless and until (i) an amount equal to or greater than the requested disbursement amount has been deposited into the Collateral Fund in accordance with the provisions of the Indenture and (ii) the Trustee has verified that the sum of the amount then held in the Collateral Fund and the amount then on deposit in the Project Fund, less the anticipated amount of the disbursement from the Project Fund, is at least equal to the then-outstanding principal amount of the Bonds. The Mortgage Lender (or any other collateral provider) will not deliver Eligible Funds to the Trustee for deposit into the Collateral Fund until the Trustee has first confirmed this calculation to the collateral provider. Upon receipt of Eligible Funds, the Trustee shall be unconditionally and irrevocably obligated to disburse Bond proceeds in the amount of such installment of Eligible Funds to pay for Costs of the Project as set forth in the Indenture.

Amounts on deposit in the Special Funds will be invested on the Closing Date in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments” herein.

THE BONDS

Terms of Bonds Generally

The Bonds shall be issued in Authorized Denominations and shall mature on December 1, 2059* (the “Maturity Date”). The Bonds are dated as of the Closing Date and shall bear interest at the Initial Interest Rate from the Closing Date, to but not including the Initial Mandatory Tender Date, payable on each Interest Payment Date, commencing June 1, 2026*, and on each Mandatory Tender Date.

Interest on the Bonds shall be computed on the basis of a 360-day year of 12 months of 30 days each.

* Preliminary; subject to change.

The principal of and interest on any of the Bonds shall be payable in lawful money of the United States of America. Except as described below under the subcaption “Book-Entry-Only System,” (a) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the Designated Office of the Trustee or at the office, designated by the Trustee, of any paying agent and (b) interest on any Bond shall be paid on each Interest Payment Date in accordance with the procedures of DTC to the Person in whose name the Bond (or one or more predecessor bonds) is registered at the close of business of the Record Date applicable to that Interest Payment Date on the register at the address appearing therein.

Mandatory Tender

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

The Mandatory Tender Dates shall be deemed to be (i) the earlier of (A) the Initial Mandatory Tender Date and (B) the Conversion Date, and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower, with the consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Equity Investor, and with the consent of the Remarketing Agent in connection with a remarketing of the Bonds pursuant to the Indenture.

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

Notwithstanding anything in the Indenture to the contrary, any Bond tendered under this heading will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

The Trustee shall utilize the following sources of payments to pay the tender price of the Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date in the following priority: (i) amounts representing proceeds of remarketed Bonds deposited into the Remarketing Proceeds Account, to pay the principal amount, plus accrued interest, of Bonds tendered for purchase; (ii) amounts on deposit in the Collateral Fund (and/or other Eligible Funds under the Indenture), to pay the principal amount of Bonds tendered for purchase; (iii) amounts on deposit in the Negative Arbitrage Account of the Bond Fund to pay the accrued interest, if any, on Bonds tendered for purchase; (iv) any available interest earnings on amounts on deposit in the Project Fund to pay the accrued interest, if any, on the Bonds tendered for purchase and (v) any other Eligible Funds available or made available for such purpose at the direction of the Borrower.

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

Mandatory Tender Notice

Notice to Holders. Not less than thirty (30) days preceding a Mandatory Tender Date (or ten (10) days in connection with a Mandatory Tender Date that is the Conversion Date), the Trustee shall deliver written notice of mandatory tender to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Equity Investor and the Remarketing Agent) at their respective addresses appearing on the Register stating:

- (i) the Mandatory Tender Date and that (a) all Outstanding Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date, (b) all Outstanding Bonds must be tendered for purchase

no later than 12:00 p.m. Central Time on the Mandatory Tender Date and (c) Holders will not have the right to elect to retain their Bonds;

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

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

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

Second Notice. In the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the twentieth (20th) day following a Mandatory Tender Date, the Trustee shall deliver a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in the Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of the Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Bond.

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

Notice delivered as required under the Indenture with respect to a mandatory tender in connection with Conversion may be rescinded and annulled on or before the tender date set forth in such notice if Conversion does not occur by the Conversion Date.

Mandatory Redemption

The Bonds are subject to mandatory redemption, in whole, on any Mandatory Tender Date other than the Conversion Date, upon the occurrence of any of the following events: (i) the Borrower has not previously elected pursuant to the Indenture and the Loan Agreement to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth therein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. The Bonds shall be redeemed at a redemption price equal to 100% of the principal amount of such Bonds plus accrued interest to the applicable Redemption Date from funds on deposit in, or transferred from, the Bond Fund, the Collateral Fund, and the Project Fund.

Optional Redemption

The Bonds are subject to optional redemption prior to their maturity, at direction of the Borrower, either in whole or in part, on any date on or after the later to occur of (i) the date that the Project is placed in service for purposes of Section 42 of the Code, as certified in writing by the Borrower to the Trustee, and (ii) the Optional Call Date, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to the applicable Redemption Date. Bonds subject to redemption in accordance with the Indenture shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Bond Fund, other than funds in the Negative Arbitrage Account therein, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the direction of the Borrower.

For Bonds subject to optional redemption pursuant to the Indenture, the Trustee shall give at least fifteen (15) calendar days' notice (or, with respect to the Securities Depository, such shorter period in order to comply with the policies or procedures of the Securities Depository), in the name of the Issuer, of the redemption of the Bonds, which

notice shall be provided to the Securities Depository and made available on the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board, specifying (i) the maturity and principal amounts of the Bonds to be redeemed; (ii) the CUSIP number, if any, of the Bonds to be redeemed; (iii) the date of such notice; (iv) the issuance date for such Bonds; (v) the interest rate on the Bonds to be redeemed; (vi) the planned Redemption Date; (vii) any conditions to the occurrence of the redemption (including whether such notice shall be subject to rescission if the conditions are not satisfied); (viii) the place or places where amounts due upon such redemption will be payable; (ix) the redemption price; (x) the Trustee's name and address with a contact name and a phone number, if necessary or convenient as determined by the Trustee; and (xi) that on the Redemption Date, the redemption price shall be paid and from and after such date, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of said redemption price. Neither the giving of such notice by the Trustee nor the receipt of such notice by the Bondholder, nor any defect in such notice shall affect the sufficiency of the proceedings for redemption of any Bonds or constitute a condition precedent to the effectiveness of any such redemption. The Bonds to be redeemed in part pursuant to the Indenture shall be selected in accordance with the operational arrangements of DTC or any successor Securities Depository, and any payments in respect of a redemption in part shall be made in accordance with DTC procedures.

Book-Entry Only System

The following information on the Book-Entry System applicable to all Bonds has been supplied by DTC and none of the Issuer, the Borrower or the Underwriter make any representation, warranties or guarantees with respect to its accuracy or completeness.

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

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

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

on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

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

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

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds will be secured by all right, title and interest of the Issuer in the Trust Estate, including, but not limited to (i) all right, title and interest of the Issuer in and to all Revenues, derived or to be derived by the Issuer or the Trustee for the account of the Issuer under the terms of the Indenture and the Loan Agreement (other than the Reserved Rights of the Issuer), together with all other Revenues received by the Trustee for the account of the Issuer arising out of or on account of the Trust Estate, (ii) all right, title and interest of the Issuer in and to the Note (other than the Reserved Rights of the Issuer) including all payments and proceeds with respect thereto or replacement thereof, (iii) all moneys (including Eligible Funds received by the Trustee for deposit into the Collateral Fund provided that Mortgage Loan proceeds become part of the Trust Estate concurrently with the Trustee's corresponding disbursement of Bond Proceeds to or at the direction of the Mortgage Lender in accordance with the Indenture) which are at any time or from time to time on deposit in any fund or account created under the Indenture (excluding funds in the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds), the Expense Fund, the Mortgage Loan Prepayment Fund and the Rebate Fund), (iv) all right, title and interest of the Issuer in and to, and remedies under, the Loan Agreement; and (v) all funds, moneys and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Indenture for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which is authorized by the Indenture to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture (the foregoing collectively referred to as the "Trust Estate").

THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE, AS TO PRINCIPAL, PREMIUM, IF ANY, AND INTEREST SOLELY FROM THE TRUST ESTATE AND OTHER FUNDS AND MONEYS AND SECURITY PLEDGED AND ASSIGNED UNDER THE INDENTURE. NEITHER THE ISSUER, THE METROPOLITAN GOVERNMENT, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER. THE BONDS SHALL CONSTITUTE A VALID CLAIM OF THE OWNER OR OWNERS THEREOF AGAINST THE TRUST ESTATE AND OTHER FUNDS AND MONEYS AND SECURITY PLEDGED AND ASSIGNED UNDER THE INDENTURE, WHICH ARE PLEDGED TO SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, AND WHICH SHALL BE USED FOR NO OTHER PURPOSE EXCEPT AS EXPRESSLY AUTHORIZED IN THE INDENTURE.

Repayment of Loan

The Loan Agreement and the Note obligate the Borrower to cause to be paid to the Trustee amounts which shall be sufficient to pay Bond Service Charges coming due on each Interest Payment Date. At all times the Eligible Funds required to be deposited into the Collateral Fund and amounts on deposit in the Bond Fund and the Project Fund, if any, along with interest earnings thereon (without the need for reinvestment), will be sufficient to pay such Bond Service Charges and such amounts will be a credit against the Borrower's payment obligations under the Loan Agreement and the Note.

Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments

On the Closing Date, all amounts on deposit in the Bond Fund and Collateral Fund will be invested in Eligible Investments. It is anticipated that all of the Bond proceeds in the Project Fund will be disbursed to pay Qualified Project Costs on and after the Closing Date and that Bond Service Charges will be paid from amounts on deposit in the Bond Fund and Collateral Fund and any investment earnings thereon.

Additional Bonds

No additional Bonds on parity with the Bonds may be issued pursuant to the Indenture.

PRIVATE PARTICIPANTS

The following information concerning the private participants has been provided by representatives of the private participants and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Borrower

The Borrower for the Project is Artist Lofts, LP, a Tennessee limited partnership (the “Borrower”), a single-asset entity formed for the specific purpose of developing and owning the Project. The Borrower’s general partner is ABC Artist Lofts Nonprofit GP, LLC, a Tennessee limited liability company, which will own a 0.002% interest in the Borrower. The Borrower’s Class B Limited Partner, Artist Lofts HV, LLC, a Tennessee limited liability company (“Class B Limited Partner”), will own a 0.008% interest in the Borrower. USB-Citi LIHTC Fund 1, LLC, a Delaware limited liability company, and U.S. Bancorp Community Development Corporation, a Minnesota corporation (collectively, the “Equity Investor”), will own a 31.47% and 68.52% interest respectively, in the Borrower.

The Equity Investor

Contemporaneously with the issuance of the Bonds, the Equity Investor will acquire a 99.99% ownership interest in the Borrower. In connection with such acquisition, the Equity Investor is expected to fund approximately \$45,954,149* of federal low-income housing tax credit equity (the “Tax Credit Equity”) to the Project, to be paid in stages during and after construction of the Project. These funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the estimates set forth herein and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

The Developer

The developer for the Project is Artist Lofts Developer, LLC, a Tennessee limited liability company whose sole member is Holladay Ventures, LLC, a Tennessee limited liability company (the “Developer”). The Developer was started in 2019 and has six years of experience in affordable housing development. The Developer has a combined 20 years of experience developing and managing affordable housing in Tennessee.

The Borrower has no substantial assets other than the Project and does not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the development and ownership of the Project. However, the members of the General Partner, the Class B Limited Partner, the Equity Investor, and their affiliates are engaged in and will continue to engage in the acquisition, development, ownership and management of similar types of housing projects. They may be financially interested in, as officers, members or

* Preliminary; subject to change.

otherwise, and devote substantial times to, business and activities that may be inconsistent or competitive with the interests of the Project.

The obligations and liabilities of the Borrower under the Loan Agreement and the Note are of a non-recourse nature and are limited to the Project and moneys derived from the operation of the Project. Neither the Borrower nor its partners have any personal liability for payments on the Note to be applied to pay the principal of and interest on the Bonds. Furthermore, no representation is made that the Borrower has substantial funds available for the Project. Accordingly, neither the Borrower's financial statements nor those of its partners are included in this Official Statement.

The Property Manager

The Borrower has entered into a management agreement with Elmington Property Management, LLC, a Tennessee limited liability company (the "Property Manager"), to manage the day-to-day operations of the Project. The Property Manager is not an affiliate of the Developer. The Property Manager has been involved in the management of affordable housing since 2012. The Property Manager currently manages 39,766 apartment units in eighteen states.

The General Contractor

The general contractor for the Project is RC Matthews Contract, LLC (the "General Contractor"). The General Contractor is not an affiliate of the Developer. Based out of Nashville, Tennessee, the General Contractor was formed in 1941 and is a Tennessee-licensed contractor. Since its inception, the General Contractor has built or rehabilitated over 324 units of affordable apartments.

The Architect

The architect for the Project is David Baker, an architectural corporation (the "Architect"). The Architect is not an affiliate of the Developer. The Architect has been a licensed architect for 43 years and has been the principal architect for over 100 multifamily developments with a total of more than 15,000 units.

THE PROJECT

The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Project, to be known as Artist Lofts, will be located in Nashville, Tennessee, on an approximately 3.37-acre site comprising the multi-family housing. The Project will contain 251 apartment units in one building to be located at 3533 Dickerson Pike, Nashville, TN 37207. Common area improvements will include: an office, a lounge, co-working space, exercise room, outdoor area and meeting rooms. Unit amenities will include: stainless steel appliances, washer and dryer, eat-in kitchen, ceiling fans, LVT flooring, and granite countertops. There will be 303 parking spaces for resident use only.

It is anticipated that construction will commence promptly after the issuance of the Bonds and will be completed in approximately 32* months.

* Preliminary; subject to change.

The unit type, the unit mix and approximate square footage for the units of the Project will be as follows:

<u>Unit Type</u>	<u>Number</u>	<u>Approximate Square Feet</u>
Studio	80	365
1 Bedroom	45	530
2 Bedroom	114	830
3 Bedroom	<u>12</u>	1,250
Total	251	

Plan of Financing

The estimated sources and uses of funds for the Project are projected to be approximately as follows:

Sources of Funds*:

Bond Proceeds ¹	\$68,000,000
Tax Credit Equity	45,954,149
Deferred Developer Fee	10,626,033
Subordinate Barnes Fund Loan	4,000,000
Metro Sewer Contribution	1,402,465
Subordinate Amazon Loan	22,590,000
Bond Reinvestment Income	<u>7,908,333</u>
Total Sources	<u>\$160,480,980</u>

Uses of Funds*:

Acquisition Costs	\$6,229,127
Construction Costs	73,302,019
Hard Cost Contingency	3,665,101
Developer Fee	14,000,000
Soft Costs	12,788,127
Financing Costs	11,545,114
Tax Credit & Syndication Costs	1,331,799
Reserves	1,119,693
Short Term Bonds Repayment	<u>36,500,000</u>
Total Uses	<u>\$160,480,980</u>

¹Subject to the satisfaction of the Conditions to Conversion, the Bonds may be subject to mandatory tender prior to the Initial Mandatory Tender Date with certain Eligible Funds, including the purchase price of a portion thereof delivered to the Trustee by Citi. On such tender date, Bonds so tendered may be redeemed in part in an amount sufficient to reduce the outstanding principal balance thereof to the Citi Purchase Price and thereafter converted to the Governmental Lender Note and delivered to Citi.

All costs of issuing the Bonds, including the Underwriter's fee, will be paid by the Borrower.

The Mortgage Loan. The Project will utilize a construction loan in the principal amount of up to \$68,000,000* (the "Mortgage Loan"). The Mortgage Loan will be secured by a senior mortgage on the Project and the obligation to repay the Mortgage Loan will be evidenced by a promissory note (the "Mortgage Note") from the Borrower to U.S. Bank National Association, a national banking association, as administrative agent for itself and for certain additional construction lenders (the "Mortgage Lender"). The Mortgage Note will have a term of 42* months, with the right to one six-month extension, and will bear interest at a rate equal to the SOFR plus 225* basis points per annum, with no payments of principal during the term, and with all unpaid principal and interest due at maturity. The Mortgage Loan proceeds will be disbursed from time to time by the Mortgage Lender to the Trustee for deposit into the Collateral Fund to allow for a corresponding amount of Bond proceeds to be disbursed to the Project.

* Preliminary; subject to change.

The Low Income Housing Tax Credit Proceeds. Contemporaneously with the issuance of the Bonds, the Equity Investor expects to acquire a 99.99% ownership interest in the Borrower. In connection with such acquisition, the funding of the Tax Credit Equity will total approximately \$45,954,149*, with approximately \$4,531,079* expected to be funded in connection with the issuance of the Bonds. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

Deferred Developer Fee. The Project will utilize a deferred developer fee in the anticipated amount of \$10,626,033* as a source of funding. The deferred developer fee will be repaid through surplus cash flow received from the operation of the Project.

The Subordinate Barnes Fund Loan. The Project will also utilize a subordinate loan in the principal amount of \$4,000,000* (the “Subordinate Barnes Fund Loan”). The obligation to repay the Subordinate Barnes Fund Loan will be set forth in a promissory note (the “Subordinate Barnes Fund Note”) from the Borrower to Arts and Business Council of Greater Nashville, Inc. (the “Subordinate Barnes Fund Lender”), and the Subordinate Barnes Fund Loan will be repayable on the terms and conditions set forth therein and will be unsecured. The Subordinate Barnes Fund Note will have a term of 40 years and will bear interest at a rate of 8%* per annum, with annual principal and interest not otherwise paid, due at maturity.

The Subordinate Amazon Loan. The Project will also utilize a subordinate loan in the principal amount of \$22,590,000* (the “Subordinate Amazon Loan”). The obligation to repay the Subordinate Amazon Loan will be set forth in a promissory note (the “Subordinate Amazon Note”) from the Borrower to Amazon.com NV Investment Holdings, LLC (the “Subordinate Amazon Lender”), and the Subordinate Amazon Loan will be repayable on the terms and conditions set forth therein. The Subordinate Amazon Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The Subordinate Amazon Note will have a term of 20 years and will bear interest at a rate of 3.25%* per annum, with annual principal and interest not otherwise paid, due at maturity.

The Metro Sewer Contribution. The Project will also utilize a contribution from the Metropolitan Government of Nashville and Davidson County in the amount of approximately \$1,402,465* for project costs related to certain improvements of the Project.

Project Regulation

In order to obtain low income housing tax credits, the Project will be operated as a qualified residential rental project with 100% of the residential units in the Project occupied by Qualified Tenants during the Qualified Project Period, in accordance with Section 142(d) of the Code. See “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” herein.

In addition to the rental restrictions imposed upon the Project by the Regulatory Agreement (defined below), the Project will be further encumbered by a tax credit restrictive covenant, to be executed by the Borrower in connection with the low-income housing tax credits (the “LIHTCs”) anticipated to be granted for the Project and in compliance with the requirements of Section 42 of the Code. Section 42 of the Code will restrict the income levels of 100% of the residential units in the Project (the “Tax Credit Units”). All 251 units (100%) of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of AM adjusted for family size and the rents which may be charged for occupancy of such units will be restricted to not more than 30% of 60% of AMI, adjusted for family size.

* Preliminary; subject to change.

CERTAIN BONDHOLDERS' RISKS

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

General

Payment of the Bond Service Charges, and the Borrower's obligations with respect to the Bond Service Charges, will be secured by and payable from Bond proceeds held in the Project Fund, if any, and moneys deposited into the Collateral Fund and the Bond Fund, including the Negative Arbitrage Account held in the Bond Fund. Although the Borrower will execute the Note to evidence its obligation to repay the Loan, it is not expected that any revenues from the Project or other amounts, except moneys in the Bond Fund, Project Fund, if any, and Collateral Fund, will be available to satisfy that obligation. The Indenture requires the Trustee to verify, before any disbursement of funds from the Project Fund, that the sum of the funds on deposit in the Project Fund and the Collateral Fund is at least equal to the then outstanding principal amount of the Bonds. It is expected that all of the Bond proceeds in the Project Fund will be disbursed to pay Qualified Project Costs on and after the Closing Date. At all times funds on deposit in the Collateral Fund and Negative Arbitrage Account of the Bond Fund, and the interest earnings thereon (without the need for reinvestment), will be sufficient to pay the debt service on the Bonds.

Limited Security for Bonds

The Bonds are not secured by the Mortgage Loan. Investors should look exclusively to amounts on deposit in the Bond Fund, Project Fund, if any, and Collateral Fund under the Indenture and investment earnings on each as the source of payment of debt service on the Bonds.

Future Determination of Taxability of the Bonds

Failure of the Borrower to have complied with and to continue to comply with certain covenants contained in the Loan Agreement and the Regulatory Agreement could result in interest on the Bonds being taxable retroactive to the date of original issuance of the Bonds. The Bonds are not subject to redemption upon a determination of taxability and are not subject to payment of additional interest in such an event, and neither the Issuer nor the Borrower will be liable under the Bonds, the Indenture or the Loan Agreement for any such payment of additional interest on the Bonds.

Issuer Limited Liability

The Bonds will not be insured or guaranteed by any governmental entity or by the Issuer or any member or program participant of the foregoing. The Bondholders will have no recourse to the Issuer in the event of an Event of Default on the Bonds. The Trust Estate for the Bonds will be the only source of payment on the Bonds.

Enforceability of Remedies upon an Event of Default

The remedies available to the Trustee and the owners of the Bonds upon an Event of Default under the Indenture, the Loan Agreement, the Regulatory Agreement or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Secondary Markets and Prices

No representation is made concerning the existence of any secondary market for the Bonds. The Remarketing Agent will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market

will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist.

Eligible Investments

Proceeds of the Bonds deposited into the Project Fund and Eligible Funds received by the Trustee for deposit into the Collateral Fund are required to be invested in Eligible Investments. See “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto for the definition of Eligible Investments. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Project Fund or the Collateral Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

Rating Based on Eligible Investments

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

Subordination to Mortgage Loan Documents

The Indenture, the Loan Agreement, the Note, and the Regulatory Agreement contain provisions regarding subordination of such documents to the Mortgage Loan Documents. No assurance can be given that such provisions will not impair the excludability of interest on the Bonds from gross income for federal income tax purposes.

Future Legislation; IRS Examination

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

In recent years, the Internal Revenue Service (“IRS”) has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See “TAX MATTERS” herein. No assurance can be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

Potential Impact of Pandemics or Public Health Crises

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a materially adverse impact on the Project’s operating and financial viability. The effects of a pandemic could include, among other things, an increase in the time necessary to complete the construction and/or rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project, increase in the time necessary to conduct lease-up at the Project, and increased delinquencies and/or vacancies, all of which could impact the Borrower’s ability to make payments on the loans and result in a default and acceleration thereof.

Risks of Casualty or Condemnation

Ownership and operation of real estate, such as the Project, involves certain risks, including the possibility of casualty or condemnation by fire, flooding or other force majeure, whether resulting from human activity or natural disasters. If damage or destruction rendered the Project or any portion of the Project uninhabitable, the affected residence units or common areas would not be available during the period of restoration, which could adversely affect the ability of the Project to generate sufficient revenues to pay debt service on the Mortgage Loan.

Natural Disaster Risk. The ability of the Project to generate revenues to pay debt service could be adversely impacted by natural disasters, including extreme weather events associated with climate change such as floods, droughts, tornadoes, hurricanes and wildfires. No assurance can be given that such events will not occur while the Bonds are Outstanding. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the Project. The economic impact of such events could include loss of revenue, interruption of operations, and increased recovery costs.

Insurance May Not Shift Such Risks. Although the Borrower has attempted to mitigate the risk of loss from property damage, destruction or condemnation by purchasing commercial property and casualty insurance, there can be no assurance that such insurance will always be available in sufficient amounts, at a reasonable cost or available at all, or that insurers will pay claims in a timely manner or at all. The Project may suffer losses for which insurance cannot be or has not been obtained. Moreover, the amounts of any such losses or the periods during which the Project cannot generate revenues may exceed the coverage of available insurance policies.

Summary

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

TAX MATTERS

Any tax advice concerning the Bonds, interest on the Bonds or any other federal income tax issues associated with the Bonds, express or implicit in the provisions of this Official Statement, is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on any taxpayer by the Internal Revenue Service. This document supports the promotion or marketing of the transactions or matters addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

General

In the opinion of Bond Counsel, under existing law and subject to certain qualifications described below, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except during any period while a Bond is held by a "substantial user" of the facilities financed by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. The opinion of Bond Counsel is attached hereto at Appendix F.

The Code contains a number of requirements that apply to the Bonds, and the Issuer and the Borrower have made certain representations and have covenanted to comply with each such requirement. Bond Counsel's opinion assumes the accuracy of the representations made by the Issuer and the Borrower and is subject to the condition that the Issuer and the Borrower comply with the above-referenced covenants. If the Issuer or the Borrower fails to comply with such covenants or if the Issuer's or the Borrower's representations are inaccurate or incomplete, interest on the Bonds could be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Bond Counsel is further of the opinion that, under existing law, the Bonds and the interest on the Bonds are

exempt from all state, county and municipal taxation in the State of Tennessee, except to the extent that interest on the Bonds is included within the meaning of certain franchise and excise taxes imposed under Tennessee law.

Except as expressly stated herein, Bond Counsel expresses no opinion regarding any tax consequences related to the ownership, sale or disposition of the Bonds (including purchase or sale at a premium or discount), or the amount, accrual or receipt of interest on, the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

Post-Issuance Matters

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer or the Borrower, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer or the Holders regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer, the Borrower and their appointed counsel, including the Holders, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the Borrower legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer or the Holders to incur significant expense.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Certain requirements and procedures contained in or referred to in the Indenture, the Loan Agreement and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest on any Bond if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Adams and Reese LLP.

UNDERWRITING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement (the "Bond Purchase Agreement"), among Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), the Issuer and the Borrower, the Underwriter has agreed to purchase the Bonds at the price set forth on the cover page hereof. For its services relating to the transaction, the Underwriter will receive a fee of \$_____ plus \$_____, payable in immediately available funds on the Closing Date, from which the Underwriter shall pay certain fees and expenses relating to the issuance of the Bonds[, plus an additional amount of \$_____ (the "Underwriter's Advance") for initial deposits established under the Indenture]. The Underwriter's fee shall not include the fee of its counsel. [The Borrower will reimburse the Underwriter for the Underwriter's Advance on or before the Closing Date.]

The Underwriter's obligations are subject to certain conditions precedent, and the Underwriter will purchase all the Bonds, if any are purchased. Pursuant to the Bond Purchase Agreement, the Borrower has agreed to indemnify the Underwriter and the Issuer against certain civil liabilities, including liabilities under federal securities laws. It is intended that the Bonds will be offered to the public initially at the offering prices set forth on the cover page hereof

and that such offering prices subsequently may change without any requirement of prior notice. The Underwriter may offer the Bonds to other dealers at prices lower than those offered to the public.

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

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Borrower and to persons and entities with relationships with the Issuer and/or the Borrower, for which they received or will receive customary fees and expenses. The Underwriter is not acting as financial advisor to the Issuer or the Borrower in connection with the offer and sale of the Bonds.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and/or the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and/or the Borrower.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer.

In addition to serving as Underwriter, Stifel, Nicolaus & Company, Incorporated has been designated to serve as Remarketing Agent and will receive a fee for its remarketing services in connection with the remarketing, if any, of the Bonds on the Initial Mandatory Tender Date; conflicts of interest could arise.

RATING

Moody's Investors Service, Inc., a Delaware corporation (the "Rating Agency"), has assigned to the Bonds the rating set forth on the cover page hereof. The rating reflects only the view of the Rating Agency at the time the rating was issued and an explanation of the significance of such rating may be obtained from the Rating Agency. The rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Bonds.

The Issuer has not assumed any responsibility either to notify the owners of any proposed change in, suspension or withdrawal of such rating subsequent to the date of this Official Statement, and the Borrower has such responsibility only in connection with the reporting of events as provided in the Continuing Disclosure Agreement. Neither of them has any responsibility to contest any such revision, suspension or withdrawal.

CONTINUING DISCLOSURE

Prior to the issuance of the Bonds, the Borrower will execute and deliver a Continuing Disclosure Agreement pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). Financial statements and other operating data will be provided at least annually to the Municipal Securities Rulemaking Board (the "MSRB") and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access ("EMMA") system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as APPENDIX E.

A failure by the Borrower to comply with the Continuing Disclosure Agreement will not constitute an Event of Default under the Loan Agreement. Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker or dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price and the ability of the Issuer to issue and sell bonds in the future.

The Borrower has not previously been subject to the continuing disclosure requirements of the Rule.

THE ISSUER IS NOT A PARTY TO THE CONTINUING DISCLOSURE AGREEMENT AND SHALL NOT BE LIABLE FOR THE SUFFICIENCY OF THE CONTINUING DISCLOSURE AGREEMENT TO SATISFY THE REQUIREMENTS OF THE RULE. IN ADDITION, THE ISSUER HAS MADE NO UNDERTAKINGS RELATED TO THE RULE IN CONNECTION WITH THE OFFERING, ISSUANCE AND SALE OF THE BONDS. THE ISSUER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE BORROWER'S COMPLIANCE WITH THE BORROWER'S OBLIGATIONS UNDER THE CONTINUING DISCLOSURE AGREEMENT.

The Borrower has engaged U.S. Bank Trust Company, National Association as its dissemination agent to assist with its continuing disclosure undertaking with respect to the Bonds.

Certain affiliates of the Borrower have failed to comply with certain undertakings under the Rule during the five-year period prior to the date of this Official Statement, including instances of late filings for prior transaction. However, as the bonds have already been redeemed, the affiliates for the Borrower are not required to make a remedial filing.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Bonds will be subject to an approving opinion of Adams and Reese LLP, Nashville, Tennessee, as Bond Counsel. Certain legal matters will be passed upon for the Borrower by its counsel, Reno & Cavanaugh, PLLC, Nashville, Tennessee, and for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C. Payment of the fees of certain counsel to the transaction is contingent upon the issuance and delivery of the Bonds as described herein.

ABSENCE OF LITIGATION

The Issuer

To the actual knowledge of the Issuer, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or threatened against the Issuer in any way: (i) affecting the organization of the Issuer, or the legal or corporate existence of the Issuer, or the title of the members of the Issuer to their respective offices, or any powers of the Issuer under the laws of the State pursuant to which the Issuer was created; (ii) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or the collection of revenues from the Borrower derived from payments under the Loan Agreement, or the pledge thereof; (iii) contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents; (iv) contesting the power of the Issuer to enter into, execute and deliver the Issuer Documents or to consummate the transactions contemplated by such documents and this Official Statement; (v) contesting in any way the completeness or accuracy of this Official Statement or any amendment or supplement hereto (nor to the actual knowledge of the Issuer, is there any basis therefor); or (vi) wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Issuer Documents, the financial position or condition of the Issuer or the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

The Borrower

As of the date hereof, there is no action, suit, proceeding, inquiry or investigation of which the Borrower has been notified, at law or in equity, before or by any judicial or administrative court or governmental agency or body, state, federal or other, pending or, to the best knowledge of the Borrower, threatened against the Borrower, affecting

the existence of the Borrower or the titles of its officers to their respective offices, or contesting or affecting as to the Borrower the validity or enforceability of the Bonds, any Borrower Document or the execution and delivery or adoption by the Borrower of any Borrower Document, or in any way contesting or challenging the completeness or accuracy of this Official Statement or the powers of the Borrower or its authority with respect to the Borrower Documents or the consummation of the transactions contemplated hereby or thereby; nor, to the best knowledge of the Borrower, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the Borrower's financial condition or operations or the validity of the authorization, execution, delivery or performance by the Borrower of any Borrower Document.

ADDITIONAL INFORMATION

The summaries and explanation of, or references to, the Act, the Indenture and the Bonds included in this Official Statement do not purport to be comprehensive or definitive. Such summaries, references and descriptions are qualified in their entirety by reference to each such document, copies of which are on file with the Trustee.

The information contained in this Official Statement is subject to change without notice and no implication shall be derived therefrom or from the sale of the Bonds that there has been no change in the affairs of the Issuer from the date hereof.

This Official Statement is submitted in connection with the offering of the Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Official Statement involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer and the owners of any of the Bonds.

[Signature page to follow]

IN WITNESS WHEREOF, the foregoing Official Statement has been executed by the undersigned as of the date first written above.

ARTIST LOFTS, LP,
a Tennessee limited partnership

By: ABC Artist Lofts Nonprofit GP, LLC,
a Tennessee nonprofit limited liability company,
its General Partner

By: Arts and Business Council of Greater Nashville, Inc.
a Tennessee nonprofit corporation,
its Sole Member

By: _____
Jill McMillan Palm
Executive Director

APPENDIX A

DEFINITIONS OF CERTAIN TERMS

Certain capitalized terms used in this Official Statement are defined below. The following is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Trustee.

“Act” means Title 48, Chapter 101, Part 3, Tennessee Code Annotated, as amended.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its commissioners, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Authorized Denomination” means a minimum of \$5,000 and any integral multiple of \$1,000 in excess thereof.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“Bond Counsel” means Adams and Reese LLP or other counsel and nationally recognized as having an expertise in connection with the exclusion of interest on obligations of states and local governmental units from the gross income of holders thereof for federal income tax purposes.

“Bond Fund” means the Bond Fund created in the Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated November __, 2025, by and among the Issuer, the Borrower and Underwriter.

“Bond Service Charges” means, pursuant to the Loan Agreement, payments made by the Borrower to the Issuer in amount sufficient to pay the principal of and interest on the Bonds when due to the extent that amounts otherwise available for such payment are insufficient therefor.

“Bond Year” has the meaning as set forth in the Tax Agreement.

“Bondholder” or **“Holder of the Bonds”** or **“Holder”** or **“Owner of the Bonds”** or **“Owner”** when used with respect to any Bond, means the person or persons in whose name such Bond is registered as the owner thereof on the books of the Issuer maintained at the Trust Office for that purpose.

“Bonds” means the Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025 of the Issuer issued, authenticated and delivered under the Indenture.

“Book-Entry Form” or **“Book-Entry System”** means a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Securities Depository.

“Borrower” means Artist Lofts, LP, a Tennessee limited partnership, and its successors and assigns.

“Borrower Documents” means the Loan Agreement, the Note, the Regulatory Agreement, the Bond Purchase Agreement, the Tax Agreement, the Partnership Agreement, the Continuing Disclosure Agreement and any and all documents, agreements or instruments executed by the Borrower in connection with the Loan evidenced by the Loan Agreement, but excluding the Mortgage Loan Documents.

“Borrower Loan Agreement” means the Borrower Loan Agreement in the form attached as appendix to the Indenture, which Borrower Loan Agreement shall be executed, delivered and become effective on the Conversion Date.

“Borrower Representative” means a person at the time designated and authorized to act on behalf of the Borrower by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by one of its officers, managers, partners or any authorized person(s) which certificate may designate an alternate or alternates.

“Borrower’s Obligations” means the obligations of the Borrower under the Loan Agreement, the Note, and the other Borrower Documents to (a) pay the principal of, and interest on the Note, when and as the same shall become due and payable (whether at the stated maturity thereof, on any payment date or by acceleration of maturity or otherwise), (b) pay all other amounts required by the Loan Agreement, the Note, and the other Borrower Documents to be paid by the Borrower to the Issuer, as and when the same shall become due and payable, and (c) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Borrower is required by the Loan Agreement, the Note, the Regulatory Agreement, and any of the other Borrower Documents, to perform or observe.

“Business Day” or **“business day”** means a day, other than a Saturday or Sunday, or a federally recognized holiday, on which (a) banks located in New York, New York, or in the city in which the Designated Office of the Trustee or the Underwriter is located, are not required or authorized by law or executive order to close for business, and (b) the New York Stock Exchange is not closed.

“Cash Flow Projection” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by, and provided by or on behalf of, the Borrower and acceptable to the Rating Agency, establishing the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges due on the Bonds, any expenses of the Issuer, and the Trustee’s Fee and any expenses of the Trustee, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds, (ii) a proposed remarketing of the Bonds, as provided in the Indenture, (iii) the release of Eligible Funds from the Negative Arbitrage Account of the Bond Fund, as provided in the Indenture, (iv) the sale or other disposition by the Trustee of Eligible Investments prior to maturity at a price below par as permitted under the Indenture; or (v) the optional redemption of the Bonds as provided in the Indenture.

“Certificate of Occupancy” means the temporary or final municipal certificate(s) of occupancy, as the case may be, issued by the Metropolitan Government Codes and Building Safety Department for the multifamily units in the Project, or if certificate(s) of occupancy are not required or provided for multifamily units, then evidence of all final inspection approvals needed to occupy the multifamily units.

“Citi” means Citibank, N.A., a national banking association, and its successors and assigns.

“Citi Forward Commitment” means the Forward Commitment Agreement, dated as of even date with the Indenture, among the Borrower, the Mortgage Lender and Citi, pursuant to which Citi has agreed to purchase the Governmental Lender Note on the Conversion Date, subject to the terms and conditions set forth therein, as such commitment may be amended, modified or supplemented from time to time.

“Citi Purchase Price” means an amount to be funded by Citi on the Conversion Date for the purchase of the Governmental Lender Note pursuant to the Citi Forward Commitment.

“Closing Date” means the date of delivery of the Bonds in exchange for the purchase price thereof.

“Closing Memorandum” means the closing memorandum attached to the initial Requisition delivered on the Closing Date.

“Code” means the Internal Revenue Code of 1986, including applicable final, temporary and proposed regulations and revenue rulings applicable thereto.

“Collateral Fund” means the Collateral Fund created in the Indenture.

“Completion Certificate” means a certificate submitted by the Borrower Representative to the Trustee as provided in the Loan Agreement, a form of which is attached as an exhibit to the Loan Agreement.

“Completion Date” means the date upon which the Completion Certificate and the Certificate of Occupancy are delivered by the Borrower to the Trustee.

“Conditions to Conversion” shall have the meaning given to such term in the Citi Forward Commitment.

“Construction Draw Schedule” means the schedule of the disbursement of the proceeds of the Bonds as provided in an exhibit attached to the Loan Agreement, as the same may be amended from time to time with the consent of the Issuer.

“Construction Phase” means the construction phase of the Loan, which time period shall commence on the Closing Date and remain in effect until, but not including, the Conversion Date.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of November 1, 2025, between the Borrower and the Dissemination Agent, as the same may be amended, restated, supplemented or modified from time to time.

“Conversion” means the conversion of the Loan from the Construction Phase to the Permanent Phase on the Conversion Date pursuant to the provisions of the Citi Forward Commitment.

“Conversion Date” means the date Citi purchases the Governmental Lender Note upon the satisfaction of the Conditions to Conversion, as such Conversion Date is specified by Citi in the Notice of Conversion; provided, however, the Conversion Date shall occur under the Indenture no earlier than December 1, 2028*.

“Costs” with respect to the Project shall be deemed to include all items permitted to be financed under the provisions of the Code and the Act.

“Costs of Issuance” means all fees, costs and expenses payable or reimbursable directly or indirectly by the Issuer or the Borrower and related to the authorization, issuance and sale of the Bonds.

“Costs of Issuance Deposit” means the deposit set forth in the Closing Memorandum.

“Costs of Issuance Fund” means the Costs of Issuance Fund created pursuant to the Indenture.

“Designated Office” of the Trustee or the Underwriter means, respectively, the office of the Trustee or the Underwriter at the respective Notice Address set forth in the Indenture or at such other address as may be specified in writing by the Trustee or the Underwriter, as applicable, as provided in the Indenture.

“Determination of Taxability” means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Bond is or was includable in the gross income of a Holder of the Bonds for Federal income tax purposes (other than an Holder who is a “substantial user” or “related person” to a “substantial user” within the meaning of Section 147(a) of the Code); provided, that no such decree, judgment, or action will be considered final for this purpose unless the Borrower has been given written notice

* Preliminary; subject to change.

and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Holder of a Bond, and until the conclusion of any appellate review, if sought.

“Dissemination Agent” means initially U.S. Bank Trust Company, National Association, or any dissemination agent subsequently appointed in accordance with the Continuing Disclosure Agreement.

“Documents” means and shall include (without limitation), with respect to the Bonds, the Indenture, the Loan Agreement, the Note, the Regulatory Agreement, the Tax Agreement and any and all other documents which the Issuer, the Borrower or any other party or parties or their representatives, have executed and delivered, or may hereafter execute and deliver, to evidence or secure the Issuer’s Obligations or the Borrower’s Obligations, or any part thereof, or in connection therewith, and any and all Supplements thereto, but excluding the Mortgage Loan Documents.

“Eligible Funds” means, as of any date of determination, any of:

- (a) the proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase price thereof by the Underwriter);
- (b) moneys drawn on a letter of credit;
- (c) moneys received by the Trustee representing advances to the Borrower of proceeds of the Mortgage Loan;
- (d) remarketing proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer, any Affiliate of either the Borrower or the Issuer);
- (e) any other amounts, including the proceeds of any refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;
- (f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, *provided* that no Act of Bankruptcy has occurred during such period;
- (g) proceeds of the Citi Purchase Price received from Citi in connection with Citi’s purchase of the Governmental Lender Note on the Conversion Date; and
- (h) investment income derived from the investment of the money described in subsections (a) through (g) hereof.

“Eligible Investments” means, subject to the provisions of the Indenture, any of the following obligations which mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of the Indenture and which at the time are legal investments for moneys of the Issuer:

- (a) Governmental Obligations; and
- (b) Shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security)

(including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor) that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of direct obligations of the government of the United States of America.

“Equity Investor” or **“Investor Limited Partner”** means, collectively, USB-Citi LIHTC Fund 1, LLC, a Delaware limited liability company, and U.S. Bancorp Community Development Corporation, a Minnesota corporation, as the investor partners of the Borrower, and such entities’ successors and assigns.

“Event of Default” or **“Default”** means any of the events described as an Event of Default in the Indenture or the Loan Agreement.

“Expense Fund” means the Expense Fund created pursuant to the Indenture.

“Extension Payment” means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to the Indenture, and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Eligible Funds.

“Funding Loan Agreement” means the Funding Loan Agreement in the form attached as an appendix to the Indenture, which Funding Loan Agreement shall be executed, delivered and become effective on the Conversion Date.

“General Partner” means ABC Artist Lofts Nonprofit GP, LLC, a Tennessee nonprofit limited liability company, as general partner of the Borrower, and its successors and assigns.

“Governmental Authority” means any federal, State or local governmental or quasi-governmental entity, including, without limitation, any agency, department, commission, board, bureau, administration, service, or other instrumentality of any governmental entity.

“Governmental Lender” means the Issuer.

“Governmental Lender Note” means the Governmental Lender Note, a form of which is attached as an exhibit to the Funding Loan Agreement, which Governmental Lender Note shall be executed, delivered and become effective on the Conversion Date.

“Governmental Obligations” means (a) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“Governmental Requirements” means all laws, ordinances, orders, rules or regulations of any Governmental Authority applicable to the Project, the Issuer, the Borrower or any of the Borrower’s assets or other properties, including without limitation, laws, ordinances, orders, rules and regulations relating to securities or other public disclosures, zoning, licenses, permits, subdivision, building, safety, health, and fire protection and all environmental laws.

“Highest Rating Category” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below Aa1 or Aa1/VMIG-1 if rated by Moody’s or A-1+ or AA+ if rated by S&P.

“Indenture” means the Trust Indenture, dated as of November 1, 2025, by and between the Issuer and the Trustee, and any and all Supplements thereto.

“Independent” means any person not an employee or officer of the Borrower or its Affiliates.

“Initial Deposit” means Eligible Funds in the amount of \$_____.

“Initial Interest Rate” means ____%.

“Initial Mandatory Tender Date” means December 1, 2029*.

“Initial Remarketing Date” means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Bonds on such date as provided in the Indenture are satisfied.

“Interest Payment Date” means (a) June 1 and December 1 of each year beginning June 1, 2026*, and (b) each Mandatory Tender Date.

“Interest Period” means, initially, the period from the Closing Date to but not including first Interest Payment Date, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the last day of the month preceding the next Interest Payment Date.

“Interest Rate” means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, as applicable, and thereafter the applicable Remarketing Rate; provided, however, commencing on the Conversion Date the Interest Rate shall be as set forth in the Funding Loan Agreement.

“Issuer” means The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee, a public, nonprofit corporation organized and existing under the laws of the State of Tennessee, and any successor to its powers and duties under the Act.

“Issuer Documents” means the Loan Agreement, the Indenture, the Regulatory Agreement, the Bond Purchase Agreement, the Tax Agreement and any and all documents, agreements or instruments executed by the Issuer in connection with the Loan.

“Issuer’s Obligations” means the obligations of the Issuer under the Bonds, the Indenture, and the other Documents to (a) pay the principal of and interest on the Bonds (including supplemental interest), when and as the same shall become due and payable (whether at the stated maturity thereof, or by acceleration of maturity or after notice of prepayment or otherwise) and, (b) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Issuer is required, by the Bonds, the Indenture, or any of the other Documents, to perform and observe, including payment of fees, expenses and indemnity obligations.

“Loan” means the loan by the Issuer to the Borrower in the principal amount of \$68,000,000* made by the Issuer to the Borrower evidenced by the Note, described in the Loan Agreement and made in connection with the issuance of the Bonds.

“Loan Agreement” means the Loan Agreement dated as of November 1, 2025, between the Issuer and the Borrower and any and all Supplements thereto.

“Loan Payments” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and the Loan Agreement.

“Local Time” means Central time (daylight or standard, as applicable) in Nashville, Tennessee.

“Mandatory Tender Date” means each date on which all Outstanding Bonds are subject to mandatory tender as set forth in the Indenture.

* Preliminary; subject to change.

“Maturity Date” means December 1, 2059*.

“Maximum Interest Rate” means the interest rate equal to the lesser of: (a) 12% per annum, or (b) the maximum interest rate per annum permitted by applicable law.

“Metropolitan Government” means The Metropolitan Government of Nashville and Davidson County, Tennessee.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, acceptable to the Remarketing Agent, that assigns credit ratings.

“Mortgage Lender” means U.S. Bank National Association, as administrative agent for itself and for certain additional construction lenders from time to time party to the Mortgage Loan Agreement, a national banking association, and any successors or assigns.

“Mortgage Loan” means the mortgage loan to be advanced by the Mortgage Lender to the Borrower on behalf of the mortgage lenders from time to time party to the Mortgage Loan Agreement in the principal amount of up to \$68,000,000* with respect to the Project, as described and provided for in the Mortgage Loan Documents.

“Mortgage Loan Agreement” means the Construction Loan Agreement dated November __, 2025, by and among the Borrower, the Mortgage Lender (as administrative agent), and the other mortgage lenders from time to time party thereto, as the same may be amended or modified from time to time.

“Mortgage Loan Documents” means the Mortgage Loan Agreement, the Mortgage Loan Security Instrument, the mortgage note from the Borrower to the Mortgage Lender, and all other documents required by the Mortgage Lender in connection with the Mortgage Loan, including but not limited to the “Loan Documents” as defined in the Mortgage Loan Agreement.

“Mortgage Loan Prepayment Amount” means an amount necessary to prepay in full the outstanding principal amount of the Mortgage Loan, together with accrued interest to, but not including, the Conversion Date, as set forth in a payoff statement submitted by the Mortgage Lender to the Trustee on or prior to the Conversion Date.

“Mortgage Loan Prepayment Fund” means the Mortgage Loan Prepayment Fund created under the Indenture.

“Mortgage Loan Security Instrument” means the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing given by the Borrower in favor of the Mortgage Lender which will secure the Mortgage Loan, as the same may be amended, supplemented or restated.

“Negative Arbitrage Account” means the Negative Arbitrage Account of the Bond Fund created under the Indenture.

“Note” means the Promissory Note dated the Closing Date from the Borrower to the Issuer in substantially the form attached as Exhibit B to the Loan Agreement, and any amendments, Supplements or modifications thereto, which Note has been assigned by the Issuer to the Trustee.

“Notice of Conversion” means a written notice (which may be via email) to be delivered not less than 20 days (or such shorter period as agreed to in writing by all the notice parties) prior to the expected Conversion Date by Citi to the Issuer, the Trustee, the Borrower and the Mortgage Lender (i) stating that the Conditions to Conversion are expected to be satisfied on or before the Termination Date or, if any Condition to Conversion is not expected to be satisfied on or before the Termination Date, stating that such Condition to Conversion has been waived in writing by

* Preliminary; subject to change.

Citi (if a waiver is permitted and is granted by Citi, in its sole and absolute discretion) on or before the Termination Date and (ii) confirming the expected Conversion Date.

“Official Statement” means this Official Statement dated November __, 2025, relating to the Bonds.

“Opinion of Counsel” means an opinion from an attorney or firm of attorneys, acceptable to the addressee thereof, with experience in the matters to be covered in the opinion.

“Optional Call Date” means any date on or between December 1, 2028* and December 1, 2029*.

“Outstanding,” “outstanding” or “Bonds Outstanding” when used with respect to the Bonds means any Bonds theretofore authenticated and delivered under the Indenture, except:

(a) Bonds theretofore canceled by the Trustee or theretofore delivered to the Trustee for cancellation;

(b) Bonds for the payment of which moneys or obligations shall have been theretofore deposited with the Trustee in accordance with the Indenture; or

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Indenture.

“Partnership Agreement” means the Amended and Restated Agreement of Limited Partnership of the Borrower dated as of November __, 2025, as executed by the parties thereto or as thereafter amended, modified or restated in accordance with its terms.

“Permanent Loan Amount” has the meaning set forth in the Citi Forward Commitment.

“Permanent Phase” means the permanent phase of the Loan, which time period shall commence on the Conversion Date and remain in effect through the Maturity Date.

“Person” shall include an individual, association, unincorporated organization, corporation, partnership, joint venture, or government or agency or political subdivision thereof.

“Project” means the multifamily rental housing project to be located at or near 3533 Dickerson Pike in Nashville, Davidson County, Tennessee to be known as Artist Lofts, which, upon completion, will contain approximately 251 affordable rental housing units and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses.

“Project Fund” means the Project Fund created under the Indenture.

“Qualified Project Costs” means any expenditures which (a) are incurred not more than 60 days prior to the date on which the Issuer first declared its “official intent” (within the meaning of Treasury Regulation Section 1.150-2) with respect to the Project (other than preliminary expenditures with respect to the Project in an amount not exceeding 20% of the aggregate principal amount of the Bonds); (b) are made exclusively to provide facilities and improvements that constitute part of a “qualified residential rental project” within the meaning of Section 142(d) of the Code; and (c) are properly chargeable to the Project’s capital account under general federal income tax principles or that would be so chargeable with a proper election or but for a proper election by the Borrower to deduct such expenditure. However, “Qualified Project Costs” do not include (i) issuance costs of the Bonds (within the meaning of Section 147(g) of the Code) or (ii) any fee, charge or profit payable to the Borrower or a “related person” (within the meaning of Section 144(a)(3) of the Code) of the Borrower. As used herein, the term “preliminary expenditures” includes architectural, engineering, surveying, soil testing and similar costs that were incurred prior to the

* Preliminary; subject to change.

commencement of construction of the Project, but does not include land acquisition, site preparation and similar costs incident to commencement of construction of the Project.

“Rating Agency” means any national rating agency then maintaining a rating on the Bonds, and initially means Moody’s.

“Rating Category” means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

“Rebate Amount” means the amount, if any, which is to be paid to the United States of America pursuant to the Section 148(f) of the Code and the Indenture.

“Rebate Analyst” means a certified public accountant, financial analyst or attorney, or any firm of the foregoing, or a financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and selected by the Borrower to calculate the Rebate Amount or, in the event that the Borrower fails to so select a Rebate Analyst one month prior to any date on which calculations are required to be made, any qualified person retained by the Trustee to calculate the Rebate Amount. The initial Rebate Analyst will be Tiber Hudson LLC.

“Rebate Fund” means the Rebate Fund created under the Indenture.

“Record Date” means the 15th day of the month preceding any Interest Payment Date or 45 days prior to any Mandatory Tender Date.

“Redemption Date” means any date under the Indenture on which the Bonds are subject to redemption, including (a) the Maturity Date, (b) the date of acceleration of the Bonds, or (c) pursuant to the Mandatory and Optional Redemption provisions under the Indenture.

“Regulatory Agreement” means the Land Use Restriction Agreement dated as of November 1, 2025, by and between the Issuer and the Borrower relating to the Bonds, and any and all modifications thereof, amendments and Supplements thereto and substitutions therefor.

“Remarketing Agent” means Stifel, Nicolaus & Company, Incorporated, or any successor designated as Remarketing Agent in accordance with the Indenture.

“Remarketing Agent’s Fee” means the fee of the Remarketing Agent for its remarketing services.

“Remarketing Agreement” means the Remarketing Agreement, dated as of November 1, 2025, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Remarketing Date” means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to the Indenture for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“Remarketing Expenses” means the actual costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer (if any) and its counsel, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

“Remarketing Notice Parties” means the Borrower, the Equity Investor, the Issuer, the Trustee, the Remarketing Agent, Citi, the General Partner and the Mortgage Lender.

“Remarketing Period” means the period beginning on a Remarketing Date and ending on the earliest of (i) the last day of the term for which Bonds are remarketed pursuant to the Indenture, (ii) the Conversion Date or (iii) the final Maturity Date of the Bonds.

“Remarketing Proceeds Account” means the Remarketing Proceeds Account of the Bond Fund created under the Indenture.

“Remarketing Rate” means the interest rate or rates established pursuant to the Indenture and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

“Requisition” means the written request to make a disbursement from (i) the Project Fund in substantially the form attached to the Indenture submitted in the manner provided pursuant to the Indenture, or (ii) the Costs of Issuance Fund in substantially the form attached to the Indenture submitted in the manner provided pursuant to the Indenture.

“Reserved Rights of the Issuer” shall mean (a) all rights which the Issuer and its officers, officials, directors, agents and employees may have under the Indenture, the Loan Agreement and the Regulatory Agreement to indemnification by the Borrower and by any other persons and to payments for expenses incurred by the Issuer itself, or its officers, officials, directors, agents or employees; (b) the right of the Issuer to give and receive notices, reports, certifications, or other information under the Indenture, under the Loan Agreement, the Tax Agreement and the Regulatory Agreement; (c) the right of the Issuer to receive its fees and expenses (if any); (d) the Issuer’s approval rights; (e) the rights of the Issuer with respect to inspections; (f) the rights of the Issuer with respect to publicity; (g) the notification, indemnification and enforcement rights of the Issuer in the Loan Agreement; (h) the rights of the Issuer with respect to limited liability; (i) all rights of the Issuer to enforce the covenants and agreements and to take action for the breach of any representation or warranty of the Borrower pertaining in any manner or way, directly or indirectly, to the requirements of the Act or any requirements imposed by the Issuer with respect to the Project, or necessary to assure that interest on the Bonds is excluded from gross income for federal income tax purposes, as are set forth in any of the Documents, including any certificate or agreement executed by the Borrower; (j) all rights of the Issuer in connection with any amendment to or modification of any of the Indenture and the Loan Agreement, or the Regulatory Agreement or any other document related to the transaction insofar as any such amendment or modification would affect the Reserved Rights of the Issuer; (k) all approval rights of the Issuer relating to rent increases as provided in the Regulatory Agreement; and (l) all enforcement rights with respect to the foregoing. All of the foregoing rights of the Issuer under the Indenture, the Regulatory Agreement, the Loan Agreement and all documents related to the transaction contemplated by the Indenture are reserved to the Issuer, as none of these rights are being assigned by the Issuer to the Trustee, the Mortgage Lender or Citi.

“Revenues” means (a) the Loan Payments, (b) the Eligible Funds received by the Trustee for deposit into the Collateral Fund, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Special Funds, and (e) all income and profit from the investment of the foregoing moneys. The term **“Revenues”** does not include any money or investments in the Rebate Fund, the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds) or the Expense Fund, amounts paid as fees, reimbursement for expenses or for indemnification of the Issuer and the Trustee, or amounts paid to or collected by the Issuer in connection with any Reserved Rights of the Issuer.

“S&P” means S&P Global Ratings, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Trustee and the Underwriter.

“Securities Depository” means the Depository Trust Company, its successors and assigns, or any other securities depository for the Bonds designated by the Issuer or the Borrower to the Trustee in writing.

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

“State” means the State of Tennessee.

“Subordinate Debt” means, collectively, pursuant to the Subordinate Loan Documents, a subordinate construction and permanent loan to the Borrower in the maximum amount of \$22,590,000* made as of the Delivery Date by Amazon.com NV Investment Holdings, LLC; and a subordinate construction and permanent loan to the Borrower in the maximum amount of \$4,000,000* made as of the Delivery Date by Arts and Business Council of Greater Nashville, Inc.

“Subordinate Lender” means each subordinate lender in connection with each Subordinate Debt, as applicable.

“Subordinate Loan Documents” means, collectively, all instruments, agreements, and other documents evidencing, securing or otherwise relating to the Subordinate Debt or executed and delivered by the Borrower and/or the Subordinate Lender in connection with the Subordinate Debt.

“Supplement” or **“Supplements”** means any and all extensions, renewals, modifications, amendments, supplements and substitutions.

“Tax Agreement” means Tax Exemption Agreement dated the Closing Date by and between the Issuer and the Borrower.

“Term of Agreement” means the term of the Loan Agreement as specified in the Loan Agreement.

“Termination Date” means June 1, 2029*, subject to extension by Citi as provided in the Citi Forward Commitment.

“Title Company” means Old Republic National Title Insurance Company.

“Trust Estate” has the meaning given such term in the Granting Clauses of the Indenture.

“Trust Office” means the trust office of the Trustee located at the address set forth in the Indenture or such other office designated by the Trustee from time to time, or such other offices as may be specified in writing to the Issuer by the Trustee.

“Trustee” means U.S. Bank Trust Company, National Association, a national banking association, organized and existing under the laws of the United States of America and authorized to conduct business in the State, and its successor or successors in the trust created by the Indenture.

“Trustee’s Fee” means, collectively, (i) a set-up and acceptance fee in the amount of \$2,500 payable on the Closing Date and (ii) an annual fee of \$5,000 per year (of which \$500 is for U.S. Bank Trust Company, National Association’s services as Dissemination Agent), payable in advance on the Closing Date and on each November 1 thereafter. The Trustee’s Fee shall be payable by the Borrower, and not from funds pledged to the benefit of the Trust Estate.

“Undelivered Bond” means any Bond that is required under the Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated.

* Preliminary; subject to change.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Indenture. The following summary does not purport to be complete or definitive and is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Trustee.

Creation of Funds

The following trust funds are created by the Issuer and ordered established with the Trustee, to be maintained in the custody of the Trustee each as a separate bank account, to be used for the purposes as provided in the Indenture:

(a) **Bond Fund.** The Bond Fund and within the Bond Fund, the “Negative Arbitrage Account” and the “Remarketing Proceeds Account.”

(b) **Project Fund.** The Project Fund, which fund shall be administered in accordance with the Indenture.

(c) **Rebate Fund.** The Rebate Fund, which fund shall be administered in accordance with the provisions of the Indenture. Moneys held in the Rebate Fund are not held for the benefit of the Owners and are not part of the Trust Estate.

(d) **Costs of Issuance Fund.** Moneys held in the Costs of Issuance Fund that are not proceeds of the Bonds are not held for the benefit of the Owners and are not part of the Trust Estate. Any moneys held in the Costs of Issuance Fund that are proceeds of the Bonds are held for the benefit of the Owners and are part of the Trust Estate.

(e) **Collateral Fund.** The Collateral Fund, which fund shall be administered in accordance with the Indenture. Moneys held in the Collateral Fund are held for the benefit of the Owners and are part of the Trust Estate.

(f) **Mortgage Loan Prepayment Fund.** The Mortgage Loan Prepayment Fund shall not be pledged to the payment of the Bonds and shall not be part of the Trust Estate.

(g) **Expense Fund.** The Expense Fund, which fund shall be administered in accordance with the provisions of the Indenture. Moneys held in the Expense Fund are not held for the benefit of the Owners and are not part of the Trust Estate.

The Trustee may establish such funds and accounts as it deems necessary or appropriate to fulfill its obligations under the Indenture. Any fund required by the Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the corporate trust industry, to the extent practicable. The Trustee may establish such additional funds and accounts as it deems necessary or appropriate to perform its obligations under the Indenture.

Each fund, account or subaccount therein shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in the Indenture. All money deposited in the funds and accounts created under the Indenture shall be used solely for the purposes set forth in the Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and account, and all disbursements therefrom, in accordance with its general practices and procedures in effect from time to time. The Trustee may also terminate funds and accounts that are no longer needed. In the event certain moneys are deposited

with the Trustee prior to the Closing Date, whether or not pursuant to one or more letters of instruction from the provider or providers of such moneys, such moneys shall be held by the Trustee subject to the terms and conditions of the Indenture, in addition to the terms of any such letter(s) of instruction. For such purpose, the standards of care, any provisions governing the responsibilities and indemnification and other provisions relating to the Trustee contained in the Indenture and in the Loan Agreement (collectively, the “Effective Provisions”) shall be effective as of the first date of receipt by the Trustee of such moneys. The Effective Provisions shall be deemed incorporated into any such letter(s) of instructions.

Deposits into and Use of Moneys in the Bond Fund

On the Closing Date, the Trustee shall deposit the Initial Deposit, if any, in the Negative Arbitrage Account of the Bond Fund; the Bond Fund and amounts on deposit in the Bond Fund are to be invested pursuant to the Indenture. Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to the Indenture shall also be deposited into the Negative Arbitrage Account. The Trustee is authorized to release funds in the Negative Arbitrage Account to the Borrower upon receipt of an updated Cash Flow Projection and a Rating Agency Confirmation.

On each Interest Payment Date, any available interest earnings in the Project Fund, up to an amount equal to the interest due on the Bonds on such Interest Payment Date, shall be transferred to the Bond Fund to make a payment of interest on the Bonds on such Interest Payment Date. Further, to the extent that available interest earnings on the Project Fund transferred to the Bond Fund in accordance with the preceding sentence are insufficient to make necessary interest payments on each Interest Payment Date, interest on the Bonds, when due and payable, shall be paid (a) in the first instance from money on deposit in the Bond Fund (excluding the Negative Arbitrage Account therein), (b) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (c) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (d) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Principal on the Bonds, when due and payable, shall be paid (a) in the first instance from the money on deposit in the Bond Fund, (b) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (c) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Except as provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds when due.

Rebate Fund; Rebate Amount

The Trustee shall deposit into the Rebate Fund amounts paid by the Borrower pursuant to the Tax Agreement.

(a) The determination of the Rebate Amount shall be made in accordance with the Tax Agreement and the Rebate Amount shall be paid at such times and in such installments as provided therein. As further provided in the Tax Agreement, the Borrower shall be responsible for calculating or causing to be calculated and paying the Rebate Amount.

(b) Neither the Issuer nor the Trustee shall be obligated to pay any portion of the Rebate Amount (except from funds on deposit in the Rebate Fund). In addition, neither the Issuer nor the Trustee shall have any responsibility with respect to the calculation of the Rebate Amount.

(c) Any moneys held as part of the Rebate Fund and not immediately required to be paid to the United States pursuant to the Tax Agreement shall be invested or reinvested by the Trustee, at the written direction of the Borrower Representative, in Governmental Obligations or in any money market or short term investment fund investing in or consisting solely of and secured by Governmental Obligations, including any such fund maintained by the Trustee or an affiliate thereof, having maturities consonant with the need for moneys as reasonably estimated by the Borrower. In connection with the investment of moneys held as part

of the Rebate Fund (as provided in the Indenture), interest and other income received on the investment of moneys held as part of the Rebate Fund shall be credited to the Rebate Fund.

(d) As provided in the Tax Agreement, the Borrower is required to (i) obtain a rebate calculation with respect to the Rebate Amount upon the redemption or final maturity of the Bonds and either (ii) (a) pay to the Trustee for deposit into the Rebate Fund an amount of money as determined by such calculation within thirty (30) days of such calculation or (b) provide the Trustee with written notice (signed by the Borrower Representative and the Rebate Analyst) that (1) no deposit is required or (2) the amount in the Rebate Fund is in excess of the amount required to be on deposit as determined by the most recent rebate calculation, in which case the Trustee shall pay such excess over to the Borrower. If the Trustee does not receive either of the items required in (ii)(a) or (ii)(b) above within 30 days after the completion of construction of the Project, the Trustee shall notify the Issuer; provided, however, that the Trustee shall not incur any liability if it should fail to provide such notice but further provided, however, that the Trustee shall make commercially reasonable efforts to provide such notice.

Costs of Issuance Fund

On the Closing Date, the Trustee shall deposit the Costs of Issuance Deposit in the Costs of Issuance Fund to pay the Costs of Issuance from amounts available therein, which Costs of Issuance shall not exceed the amounts set forth in a certificate of the Issuer. The Trustee shall disburse funds on deposit in the Costs of Issuance Fund upon receipt by the Trustee of Requisitions substantially in the form attached as an exhibit to the Indenture. Any funds remaining in the Costs of Issuance Fund more than one hundred eighty (180) days after the Closing Date, and not specifically committed to the payment of Costs of Issuance (excluding, without limitation, \$_____ deposited on the Closing Date to be transferred to the Costs of Issuance Fund under the Funding Loan Agreement upon Conversion to pay costs of issuance relating to the Governmental Lender Note, which amount shall not be returned to the Borrower), shall be returned to the Borrower, to the extent such funds are not Bond proceeds or otherwise restricted funds. If such remaining funds are Bond proceeds or otherwise restricted, such funds shall be deposited by the Trustee into the Bond Fund.

Collateral Fund; Project Fund

The Mortgage Lender shall, from time to time, deposit or cause to be deposited with the Trustee proceeds of the Mortgage Loan into the Collateral Fund, up to the maximum amount of the Bonds, with the balance of the Mortgage Loan subsequently being advanced directly to the Borrower.

To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date. Upon the receipt of requests for disbursement from the Project Fund pursuant to the Indenture and the receipt of Eligible Funds in amounts equal to or greater than such requests, the Trustee shall concurrently take the following steps:

- (i) deposit such Eligible Funds into the Collateral Fund; and
- (ii) disburse Bond proceeds from the Project Fund in an amount equal to the Eligible Funds received and deposited pursuant to subparagraph (i) above, in accordance with the Indenture: provided to the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee shall not sell or otherwise terminate such Eligible Investments prior to their stated maturity date and instead the Trustee is instructed to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (a) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund, and (b) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund to be disbursed in accordance with this subparagraph (ii).

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions of the Indenture.

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

When the aggregate principal amount on deposit in the Collateral Fund, together with the scheduled investment earnings thereon, equals the expected Bond Service Charges to be paid on the Bonds to and including the Initial Mandatory Tender Date, and the tender price on the Mandatory Tender Date, the excess amounts shall be transferred upon receipt to the Project Fund and used to pay Qualified Project Costs in accordance with the Loan Agreement or to the Mortgage Loan Prepayment Fund, as directed by the Mortgage Lender.

The Borrower expects that the Project will proceed substantially in accordance with the Construction Draw Schedule. Each Requisition submitted to the Trustee shall evidence and request disbursements from the Project Fund and/or the Costs of Issuance Fund.

Notwithstanding any other provision of the Indenture to the contrary, after the Closing Date the Trustee shall not disburse moneys from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until the Trustee receives satisfactory evidence that Eligible Funds in an amount equal to or greater than the requested disbursement amount (the "Collateral Deposit") has been deposited in the Collateral Fund. Prior to making any disbursement from the Project Fund, the Trustee shall verify that upon making the disbursement, the aggregate amount to be held in (i) the Collateral Fund and (ii) the Project Fund, together with projected investment earnings thereon, will be sufficient to pay Bond Service Charges on the outstanding Bonds as and when they become due. In the event that, following receipt of the Collateral Deposit, the Trustee determines that it cannot correspondingly disburse Bond proceeds to or at the direction of the Borrower, the Mortgage Lender or other collateral providers, if any, the Trustee shall immediately notify the Borrower and the Mortgage Lender, or other collateral providers, as applicable, of the reason for such determination and shall, immediately upon the request of the Borrower, the Mortgage Lender, or other collateral provider return the subject Collateral Deposit to the party that deposited such Collateral Deposit with the Trustee.

The proceeds of the Bonds shall be allocated exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 142(d) of the Code; and (ii) shall be deemed allocated on a pro rata basis to each building in the Project and the Borrower's interest in the land on which it is located, so that each building and the Borrower's interest in the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or Event of Default under the Indenture.

Upon the occurrence and continuance of an Event of Default under the Indenture because of which the principal amount for the Bonds has been declared to be due and immediately payable under the Indenture, any moneys remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund for payment of Bond Service Charges.

Procedure for Making Disbursements from Project Fund

Upon the deposit of Eligible Funds into the Collateral Fund, as provided in the Indenture, the Trustee shall disburse the Bond proceeds on deposit in the Project Fund on such date solely to pay the Costs of the Project and only upon the receipt by the Trustee of (1) Requisitions in substantially the form attached as an exhibit to the Indenture, and (2) certification by a Borrower Representative that such costs are qualified costs pursuant to Section 142 of the

Code. The Trustee shall not disburse money from the Project Fund, other than to pay interest and principal on the Bonds, unless and until Collateral Deposits or other Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the Collateral Fund; provided, however, that the Trustee shall transfer funds from the Project Fund to the Collateral Fund upon receipt of an opinion of Bond Counsel to the effect that such transfer shall not cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes. To the extent money on deposit in the Project Fund is invested in Eligible Investments and the Borrower has requested that the Trustee not sell or otherwise terminate such Eligible Investments prior to their stated maturity date, the Trustee is authorized by the Indenture to make the following allocations and exchanges in accordance with the Indenture, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (i) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund and (ii) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund.

Each Requisition submitted to the Trustee shall evidence and thereby request disbursements from (i) the Project Fund, and/or (ii) the Costs of Issuance Fund.

The Trustee shall not disburse money from the Project Fund other than to pay interest and principal on the Bonds as otherwise permitted under the Indenture, unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the Collateral Fund in accordance with the Indenture. In accordance with the Loan Agreement, and prior to making any disbursement from the Project Fund (except to make necessary interest and principal payments on the Bonds as otherwise permitted under the Indenture), the Trustee shall reasonably determine that the aggregate account balance in (a) the Collateral Fund, (b) the Project Fund, and (c) the Bond Fund is at least equal to the then-Outstanding principal amount of the Bonds.

Money in the Project Fund shall be disbursed in accordance with the provisions of the Loan Agreement and the Indenture. To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date.

Notwithstanding anything contained in the Indenture or any of the Borrower Documents to the contrary: (a) with respect to Eligible Funds funded by the Mortgage Lender for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Mortgage Lender, the Borrower or the Title Company pursuant to a Requisition as directed by the Mortgage Lender; and (b) with respect to Eligible Funds funded by other collateral providers (if any) for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Borrower or the Title Company as directed by the collateral provider pursuant to a Requisition. Such disbursements shall be made pursuant to a Requisition and shall not be made more frequently than once per month, unless approved by the Mortgage Lender, in its sole discretion.

Subject to the Trustee's obligation to return the Eligible Funds to the Mortgage Lender or other collateral providers (if any) as set forth above, the Trustee and the Issuer shall not, in any event, be responsible or liable to any person (other than the Borrower, but only in the case of the Trustee, and only in the event of a failure by the Trustee to make disbursements following request for disbursements in accordance with the Documents, when such failure is within the Trustee's sole control, and after receipt of written notice of such failure and a 3-day opportunity to cure such failure) for the disbursement of, or failure to disburse, moneys from the Project Fund or any part thereof, and no contractor, subcontractor or material or equipment supplier or their respective successors and assigns shall have any right or claim against the Trustee or the Issuer under the Indenture.

Investment of Bond Fund, Project Fund and Collateral Fund

Money in all funds or accounts including the Bond Fund, the Project Fund, and the Collateral Fund shall be invested and reinvested by the Trustee, and at all times held in Eligible Investments at the written direction of the Borrower. In the absence of written direction of the Borrower, any moneys held under the Indenture shall be invested in First American Treasury Obligation Fund (FATXX).

At no time shall the Borrower direct that (a) any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code or (b) any funds be held other than in Eligible Investments.

Investments of money in the Bond Fund, Project Fund, and the Collateral Fund shall mature or be redeemable at the option of the Trustee in its reasonable discretion at the times and in the amounts necessary to provide money to pay any amounts due on the Bonds as they become due on each Interest Payment Date or at stated maturity or on a Mandatory Tender Date. In addition, investments of money in the Project Fund shall be allocated and exchanged in accordance with the Indenture at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund.

The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable under the Indenture to and at times required for the purposes of paying any amounts due on the Bonds, and shall do so without necessity for any order on behalf of the Issuer or the Borrower and without restriction by reason of any order. An investment made from money credited to an applicable fund or account shall constitute part of that respective fund or account. All investment earnings from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. Notwithstanding anything in the Indenture to the contrary, (i) earnings received by the Trustee with respect to Governmental Obligations purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and the initial deposit to the Negative Arbitrage Account shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything in the Indenture to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and the initial deposit to the Negative Arbitrage Account shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Any investments may be purchased from or sold to the Trustee, or any bank, trust company or savings and loan association which is an affiliate or subsidiary of the Trustee; provided that all such investments must be Eligible Investments.

The Trustee shall not be liable for losses on investments made in compliance with the provisions of the Indenture.

If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par in connection with a mandatory tender prior to the Initial Mandatory Tender Date, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any.

Although each of the Issuer and the Borrower recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, each of the Issuer and the Borrower agrees that confirmations of Eligible Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Trustee may conclusively rely upon the Borrower's and Issuer's written instructions as to both the suitability and legality of the directed investments.

Investment of Rebate Fund

Any moneys held as part of the Rebate Fund, and not immediately required for the purposes of the Rebate Fund, shall be invested or reinvested by the Trustee, at the written direction of the Borrower Representative, in Governmental Obligations or in any money market or short-term investment fund investing in or consisting solely of and secured by Governmental Obligations, including any such fund maintained by the Trustee or an affiliate thereof having maturities consonant with the need for funds as estimated by the Borrower. All investment earnings, gains

resulting from the sale of, or income from, any investment made from amounts on deposit in the Rebate Fund shall be retained therein.

Discharge of Lien

If and when the Bonds secured by the Indenture shall become due and payable in accordance with their terms as provided in the Indenture, or otherwise, and the whole amount of the principal and the interest so due and payable upon all of the Bonds, together with all other amounts payable under the Indenture by the Issuer and all fees and expenses of the Trustee and the Issuer (if any), shall be paid, or provision shall have been made for the payment of the same, then the right, title and interest of the Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, upon written request of the Issuer and subject to the provisions of the Indenture, the Trustee shall turn over to the Borrower, so long as there shall have occurred no Event of Default which is uncured and continuing, any surplus in the Bond Fund and all balances remaining in any other fund created under the Indenture and shall assign and transfer to the Issuer all other property then held by the Trustee under the Indenture and shall execute such documents as may be reasonably required by the Issuer.

If and when the Trustee shall hold sufficient moneys under the Indenture, as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations, to provide for payment of the whole amount of the principal and interest due and payable and thereafter to become due and payable upon all the Bonds, together with all other amounts (exclusive of amounts in the Rebate Fund or the Expense Fund) payable or which may thereafter become payable under the Indenture by the Issuer, notwithstanding that all the Bonds have not yet become due and payable and that consequently the right, title and interest of the Trustee in and to the Trust Estate shall not have ceased, terminated and become void pursuant to the foregoing provisions of this heading, the Trustee, on demand of the Issuer but subject to the provisions of the Indenture, shall turn over to the Borrower, so long as there shall have occurred no Event of Default which is uncured and continuing, or to such person, body or authority as may be entitled to receive the same, any surplus in the Bond Fund in excess of the amount sufficient to pay the whole amount of the principal and interest due and payable and thereafter to become due and payable upon all Bonds together with all other amounts payable or which may thereafter become payable under the Indenture by the Issuer.

All Outstanding Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed above if (a) there shall have been deposited with the Trustee (as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations) either (i) moneys in an amount which shall be sufficient, or (ii) Governmental Obligations which are not subject to redemption prior to maturity, the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal and interest due and to become due on such Bonds on the maturity date thereof, and (b) the Issuer shall have given the Trustee, in form satisfactory to it irrevocable instructions to give, as soon as practicable, a notice to the Holders of such Bonds and the Rating Agency that the deposit required by subclause (a) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this heading and stating such maturity upon which moneys are to be available for the payment of the principal of and interest on such Bonds.

Neither the securities nor moneys deposited with the Trustee pursuant to this heading nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on such Bonds; provided that any cash received from such principal or interest payments on such securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested, as directed by the Borrower, in Governmental Obligations (including any short-term investment fund rated Aaa or VMIG-1 by the Rating Agency and secured by and investing solely in Governmental Obligations) maturing at times and in amounts sufficient to pay when due the principal and interest to become due on such Bonds on and prior to such maturity dates thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Borrower, as received by the Trustee, free and clear of any trust, lien or pledge.

The release of the obligations of the Issuer under this heading shall be without prejudice to the right of the Trustee provided in the Indenture to be paid reasonable compensation for all services rendered by it under the Indenture and all its fees and reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on behalf of the Trustee in connection with the trust created by the Indenture and the performance of its powers and duties under the Indenture, and shall not affect the obligations of the Borrower to make the payments required by the Loan Agreement or the Note.

Events of Default and Acceleration

If any of the following events occur, it is defined as and declared to be and to constitute an “Event of Default” under the Indenture:

- (a) any interest on any Bond is not paid on the date on which the same becomes due; or
- (b) any principal of any Bond is not paid on the date on which the same becomes due, whether at the stated maturity thereof, by acceleration or otherwise; or
- (c) an Event of Default occurs under the Loan Agreement; or
- (d) the Issuer fails to duly and promptly perform, comply with, or observe any covenant, condition, agreement or provision (other than as specified in (a) or (b) of this section) contained in the Bonds or in the Indenture on the part of the Issuer to be performed, and such failure shall continue for a period of ninety (90) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Issuer, and the Borrower and the Equity Investor by the Trustee, which notice shall be given by the Trustee at the written request of the Holders of not less than 100% in principal amount of the Bonds then Outstanding; provided, however, that if such default be such that it is correctable but cannot be corrected within ninety (90) days, it shall not be an Event of Default if the Issuer, the Borrower or the Equity Investor is taking appropriate corrective action to cure such failure and if such failure will not impair the security for the Loan or the Bonds.

If any other default shall occur under the provisions of this section, the Trustee shall, within thirty (30) days after having actual knowledge of such default, use its best efforts to give written notice of such default to the Issuer, the Borrower, the Mortgage Lender, the Equity Investor, Citi and the Holders of the Bonds. A default or an Event of Default specified in (a) through (d) above shall occur even though the Trustee fails to give the notice required by this paragraph, the giving of such notice being intended solely to aid in the enforcement of the rights of Bondholders and not in limitation of such rights.

If an Event of Default specified in (a) or (b) of this section shall occur and be continuing, the Trustee shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Equity Investor, the Mortgage Lender, Citi and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

If an Event of Default specified in (c) or (d) of this section shall occur and be continuing, the Trustee, upon written request of the Holders of a majority in principal amount of the Bonds then Outstanding shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Equity Investor, the Mortgage Lender, Citi and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

The Equity Investor shall be entitled to cure any Event of Default under the Indenture within the time frame provided to the Borrower. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Equity Investor shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Remedies in Addition to Acceleration

Upon the occurrence of, and during the continuance of, any Event of Default, then and in every such case the Trustee in its discretion may, and upon the written request of the Holders of not less than 51% in principal amount of the Bonds then Outstanding and receipt of satisfactory indemnity shall (in addition to its right or duty to accelerate as provided in the Indenture):

- (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Issuer or the Borrower to carry out any agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act and the Documents;
- (b) bring suit upon the Bonds; or
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

Termination of Proceedings

In case any proceeding taken by the Trustee on account of any default or Event of Default shall have been discontinued or abandoned for any reason, the default or Event of Default has been cured, or shall have been determined adversely to the Trustee, then and in every such case, the Issuer, the Trustee, the Bondholders, and the Borrower shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Right of Bondholders to Direct Proceedings

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Indenture, or any other remedy under the Indenture or on the Bonds, unless such Holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Indenture and unless also the Holders of not less than 51% in principal amount of the Bonds then outstanding shall have made written request of the Trustee to do so, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of the Indenture or for any other remedy under the Indenture; it being understood and intended that no one or more Holders of the Bonds secured by the Indenture shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right under the Indenture or under the Bonds, except in the manner provided in the Indenture and for the equal benefit of all Holders of Outstanding Bonds. For purposes of the foregoing sentence, the Trustee shall be deemed to have failed to act within a reasonable time if it fails to take action within sixty (60) days after receipt of notice and compliance with the foregoing terms and conditions, whereupon, the Holders of 51% aggregate principal amount of the Bonds may take such action in the place of the Trustee. Nothing contained in the Indenture shall, however, affect or impair the right of any Holder of Bonds to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest, on each of the Bonds issued under the Indenture to the respective Holders of the Bonds at the time, place, from the source and in the manner in the Indenture and in such Bonds expressed.

Remedies Vested in Trustee

All rights of action under the Indenture or under any of the Bonds secured by the Indenture which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall

be brought in its name for the equal and ratable benefit of the Holders of the Bonds, subject to the provisions of the Indenture.

Application of Moneys

All moneys or property received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and property and of any and all the accrued fees, expenses and advances incurred or made by the Trustee, and then to the accrued fees and expenses and advances made by the Issuer (if any), be deposited in the Bond Fund and all moneys so deposited in the Bond Fund during the continuance of an Event of Default (other than moneys for the payment of Bonds which have matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default, which moneys shall continue to be held for such payments) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become, or shall have been declared, due and payable, all such moneys shall be applied:

First — To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the direct order of the maturity of the installments of such interest and, if the amounts available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second — To the payment to the persons entitled thereto of the unpaid principal, on any of the Bonds, which shall have become due (other than Bonds which have matured or otherwise become payable prior to such Event of Default and moneys for the payment of which are held in the Bond Fund or otherwise held by the Trustee), and if the amount available shall not be sufficient to pay in full the amount of principal, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege;

Third — To the payment to the persons entitled thereto of all other of the Issuer's Obligations and the Borrower's Obligations, and, if the amount available shall not be sufficient to pay such Obligations in full, then to the payment ratably, according to the amounts then due, to the persons entitled thereto without discrimination or privilege; and

Fourth — The remainder, if any, shall be paid over to the Borrower, its successors or assigns, or whomever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal of and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto without any discrimination or privilege. Any remaining funds shall be applied in accordance with the paragraphs designated "Third" and "Fourth" of subsection (a) above.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts or principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to

make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Amendments to Indenture and Loan Agreement Not Requiring Consent of Bondholders

The Issuer and the Trustee may, from time to time and at any time, without the consent of Bondholders, enter into agreements supplemental to the Indenture and the Loan Agreement as follows:

- (i) to specify and determine any matters and things relative to Bonds which shall not materially adversely affect the interest of the Bondholders;
- (ii) to cure any formal defect, omission, mistake or ambiguity in the Indenture or the Loan Agreement if such action does not materially adversely affect the rights of the Bondholders;
- (iii) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with the Indenture as theretofore in effect;
- (iv) to add to the covenants and agreements of the Issuer in the Indenture or the Loan Agreement other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Indenture or the Loan Agreement as theretofore in effect;
- (v) to add to the limitations and restrictions in the Indenture or the Loan Agreement, other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Indenture or the Loan Agreement as theretofore in effect;
- (vi) to confirm, as further assurance, any pledge under and the subjection to any claim, lien or pledge created, or to be created by, the Indenture, of the Revenues or of any other moneys, securities or funds;
- (vii) to achieve compliance of the Indenture with any applicable federal securities or tax law;
- (viii) to make amendments to the provisions hereof relating to arbitrage matters under Section 148 of the Code, if, in the opinion of Bond Counsel, those amendments would not adversely affect the Federal Tax Status of the Bonds which amendments may, amongst other things, change the responsibility for making the relevant calculations required under Section 148 of the Code; or
- (ix) to modify, amend or supplement the Indenture or the Loan Agreement in any respect which, in the judgment of the Issuer and/or Borrower, is not materially adverse to the interests of the owners of the Bonds.

Before the Issuer shall enter into any agreement supplemental to the Indenture pursuant to this section, there shall have been filed with the Trustee an opinion of Bond Counsel stating that (1) such supplemental indenture is authorized or permitted by the Indenture and complies with its terms, and that upon adoption it will be valid and binding upon the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Trustee shall send written notice to the Borrower, the Equity Investor, the Mortgage Lender and the Rating Agency of any amendment to the Indenture or the Loan Agreement and, if requested, copies of any such amendments.

Amendments to Indenture Requiring Consent of Bondholders

Subject to the terms and provisions contained in this section and not otherwise, the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, to consent to and approve the execution and delivery by the Issuer and the Trustee of any agreement supplemental to the Indenture

as shall be deemed necessary or desirable by the Issuer and the Trustee for the purposes of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in the Indenture; provided, however, that, unless approved in writing by the Holders of all of the Bonds then Outstanding, nothing in the Indenture contained shall permit, or be construed as permitting, (i) a change in the terms of maturity of the principal of or the interest on any Outstanding Bond, or a reduction in the principal amount of any Outstanding Bond or the rate of interest thereon, or (ii) the creation of a claim or lien upon, or a pledge or assignment of, the Trust Estate ranking prior to or on a parity with the claim, lien, assignment or pledge created by the Indenture, or the release of the Trust Estate or any part thereof (except to the extent permitted pursuant to the Documents), or (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for any action or consent by Bondholders set forth in the Indenture, including (without limitation) that required for consent to such supplemental indentures. This section shall not limit or otherwise affect the ability of the Issuer to enter into agreements supplemental to the Indenture without the consent of the Bondholders pursuant to the Indenture.

If at any time the Issuer and the Trustee shall determine to enter into any supplemental indenture for any of the purposes of this section, the Trustee shall cause written notice of the proposed supplemental indenture to be given to all Holders of the Bonds; provided, however, that failure to give such notice or any defect therein, shall not affect the validity of any proceedings pursuant to the Indenture. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that a copy thereof is on file at the Trust Office for inspection by all Bondholders.

Within one hundred twenty (120) days after the date of giving such notice, the Issuer and the Trustee may enter into such supplemental indenture in substantially the form described in such notice only if there shall have first been filed with the Issuer (i) the written consents of Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding (or 100% if required under the Indenture) and (ii) an opinion of counsel stating that (1) such supplemental indenture is authorized or permitted by the Indenture and complies with its terms, and that upon adoption it will be valid and binding upon the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income taxes.

If the Holders of not less than the percentage of Bonds required by this section shall have consented to and approved the supplemental indenture as provided in the Indenture, no Holder of any Bond shall have any right to object to such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety thereof, or to enjoin or restrain the Issuer or the Trustee from entering into the same or from taking any action pursuant to the provisions thereof.

Upon the effectiveness of any supplemental indenture entered into pursuant to the provisions of this section, the Indenture shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the Issuer, the Trustee and all Holders of Bonds then outstanding shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modifications and amendments.

The Trustee shall send written notice to the Rating Agency of any amendment to the Indenture.

Supplemental Indentures Part of Indenture

Any supplemental indenture entered into in accordance with the provisions of the Indenture shall thereafter form a part of the Indenture and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be and shall be deemed to be a part of the terms and conditions of the Indenture for any and all such purposes.

Amendments to Documents Requiring Consent of Bondholders

Except as provided in the Indenture, the Issuer and the Trustee shall not consent to any amendment, change or modification of the Documents without the giving of written notice and the written approval or consent of the Holders of the Bonds at the time Outstanding given and procured as provided in the Indenture; provided, however, no

such separate approval or consent shall be required in connection with the issuance of refunding bonds if any required consent of the required number of Holders to the issuance thereof shall have been previously obtained. If at any time the Issuer and the Borrower shall request in writing the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall cause notice of such proposed amendment, change, or modification to be given in the same manner as provided by the Indenture with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Trust Office for inspection by all Bondholders.

Conversion Date

On the Conversion Date and upon the execution and delivery of the Funding Loan Agreement, the Governmental Lender Note and the Borrower Loan Agreement, the Indenture, the Loan Agreement and the Bonds shall be deemed amended, restated and superseded in full by the terms thereof. The requirements of the Indenture shall not apply to such amendment and restatement.

Severability

In case any one or more of the provisions of the Indenture or of the Bonds for any reason, is held to be illegal or invalid such illegality or invalidity shall not affect any other provisions of the Indenture or the Bonds, and the Indenture and the Bonds shall be construed and enforced to the end that the transactions contemplated by the Indenture be effected and the obligations contemplated by the Indenture be enforced as if such illegal or invalid provisions had not been contained therein.

Mortgage Loan Documents Independent

Enforcement of the covenants in the Indenture will not result in, and neither the Issuer nor the Trustee has or shall be entitled to assert, any claim against the Borrower, the Project, the Mortgage Loan proceeds, any reserves or deposits required by the Mortgage Lender in connection with the Mortgage Loan transaction, or the rents or deposits or other income of the Project.

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Indenture or any of the Borrower Documents will not serve as a basis for default on the Mortgage Loan, the underlying mortgage, or any of the other Mortgage Loan Documents, except to the extent expressly set forth in the Mortgage Loan Documents.

Notwithstanding anything in the Indenture, the Loan Agreement, the Note or the Bond Purchase Agreement to the contrary, (i) the Property (as defined in the Mortgage Loan Security Instrument) shall not include any portion of the Trust Estate and the Mortgage Lender shall not have any claim to or lien upon the Trust Estate under the Indenture and funds held by the Trustee under the Indenture and pledged to secure the repayment of the Bonds, except for Eligible Funds that may be returned to the party that deposited said funds with the Trustee as may be required under the Indenture and (ii) the Trust Estate shall not include any portion of the Property (as defined in the Mortgage Loan Security Instrument).

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

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

Disbursements from the Project Fund

In the Indenture, the Issuer has authorized and directed the Trustee to make disbursements from the Project Fund to pay Costs of the Project upon satisfaction of the requirements of the Indenture. The Trustee is directed in the Indenture to make disbursements from the Project Fund as provided in the Indenture, and pursuant to the receipt of a Requisition in substantially the form attached to the Indenture as an exhibit; provided, that the initial disbursement from the Project Fund on the Closing Date shall be made by the Trustee at the direction of the Borrower.

The Borrower's right to request disbursements from the Project Fund is limited to the principal amount of the Loan and conditioned upon the deposit of Eligible Funds into the Collateral Fund as set forth in the Indenture.

Borrower Required to Pay in the Event Project Fund Is Insufficient

In the event the moneys in the Project Fund are not sufficient to pay the Costs of the Project in full, the Borrower agrees to complete the Project and to pay in immediately available funds that portion of the Costs of the Project in excess of the moneys available therefor in the Project Fund. The Issuer does not make any warranty, either express or implied, that the moneys paid into the Project Fund and available for payment of the Costs of the Project will be sufficient to pay all of the Costs of the Project. The Borrower agrees that if after exhaustion of the moneys in the Project Fund, the Borrower shall pay any portion of the Costs of the Project pursuant to the provisions of this section, the Borrower shall not be entitled to any reimbursement therefor from the Issuer, the Trustee or the Holders of any of the Bonds, nor shall the Borrower be entitled to any diminution of the amounts payable under the Loan Agreement.

Loan of Proceeds

The Issuer agrees, upon the terms and conditions of the Loan Agreement and the Indenture, to lend to the Borrower the proceeds received by the Issuer from the sale of the Bonds. Such proceeds shall be disbursed to or on behalf of the Borrower as provided in the Loan Agreement.

Mortgage Loan to Borrower

Contemporaneously with the issuance of the Bonds, it is expected that the Borrower shall proceed with obtaining the Mortgage Loan from the Mortgage Lender. In particular, the Borrower will promptly take all necessary actions on its part to close the Mortgage Loan.

As a condition to the disbursement of the Bond proceeds into the Project Fund, the Borrower shall cause the Mortgage Lender, from time to time, to deliver Eligible Funds to the Trustee for deposit into the Collateral Fund to enable the Trustee to disburse an equal amount of Bond proceeds from the Project Fund as approved by the Mortgage Lender in connection with a completed and fully executed Requisition, in substantially the form attached to the Indenture as an exhibit.

Borrower's Obligations Upon Tender of Bonds

If any tendered Bond is not remarketed on any Mandatory Tender Date and a sufficient amount is not available in the Collateral Fund, the Negative Arbitrage Account of the Bond Fund, or the Project Fund as provided in the Indenture for the purpose of paying the purchase price of such Bond, the Borrower will cause to be paid to the

Trustee by the applicable times provided in the Indenture, an amount equal to the amount by which the principal amount of all Bonds tendered and not remarketed, together with interest accrued to the Mandatory Tender Date, exceeds the amount otherwise available pursuant to the Indenture.

Option to Terminate

The Borrower shall have the option to cancel or terminate the Loan Agreement at any time when (a) the Indenture shall have been released in accordance with its provisions, and (b) sufficient money or security acceptable to the Trustee are on deposit with the Trustee, to meet all Loan Payments due or to become due through the date on which the last of the Bonds is then scheduled to be retired or redeemed and (c) the Mortgage Loan shall be repaid in full. Such option shall be exercised by the Borrower, in accordance with its governing documents, giving the Issuer and the Trustee five (5) days' notice in writing of such cancellation or termination and such cancellation or termination shall become effective at the end of such notice period. The provisions of this section shall not be deemed to permit a prepayment of the Note other than in accordance with its terms.

Defaults Defined

The following shall be "Defaults" under the Loan Agreement and the term "Default" shall mean, whenever it is used in the Loan Agreement, any one or more of the following events:

- (a) Failure by the Borrower to pay any amount required to be paid under the Loan Agreement.
- (b) Failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Loan Agreement other than as referred to in subsection (a) of this Section or failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Tax Agreement, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, will have been given to the Borrower and the Equity Investor by the Issuer or the Trustee; provided, with respect to any such failure covered by this subsection (b), no event of default will be deemed to have occurred so long as a course of action adequate to remedy such failure will have been commenced within such 60-day period and will thereafter be diligently prosecuted to completion and the failure will be remedied thereby within 180 days from the provision of such notice.
- (c) The dissolution or liquidation of the Borrower, or the voluntary initiation by the Borrower of any proceeding under any federal or state law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Borrower of any such proceeding which shall remain undismissed for ninety (90) days, or failure by the Borrower to promptly have discharged any execution, garnishment or attachment of such consequence as would impair the ability of the Borrower to carry on its operations at the Project, or assignment by the Borrower for the benefit of creditors, or the entry by the Borrower into an agreement of composition with its creditors or the failure generally by the Borrower to pay its debts as they become due.
- (d) The occurrence of an Event of Default under the Indenture (other than under clause (d) under the heading "APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE — Events of Default and Acceleration").

The provisions of subsection (b) of this section are subject to the following limitation: if by reason of force majeure it is impossible for the Borrower in whole or in part, despite its commercially reasonable efforts, to carry out any of its agreements contained in the Loan Agreement (other than its obligations contained in the Loan Agreement), the Borrower shall not be deemed in Default during the continuance of such inability. Such force majeure event does not affect any obligations of the Borrower other than the timing of performance of such obligations. The term "force majeure" as used in the Loan Agreement shall mean, without limitation, the following: acts of God; strikes or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or of any of their departments, agencies or officials, or of any civil or military authority; insurrections; riots; terrorism; landslides; earthquakes; fires; storms; droughts; floods; explosions; pandemics; public

health crises; governmental shutdowns; and events not reasonably within the control of the Borrower. The Borrower agrees, however, to use commercially reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing the Borrower from carrying out its agreement. The settlement of strikes and other industrial disturbances shall be entirely within the discretion of the Borrower and the Borrower shall not be required to settle strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Borrower unfavorable to the Borrower.

Remedies on Default

Whenever any Default referred to under the section “Defaults Defined” above shall have happened and be continuing beyond the expiration of any applicable cure period, the Trustee, or the Issuer (in the event the Trustee fails to act), may take one or any combination of the following remedial steps:

(a) If the Trustee has declared the Bonds immediately due and payable pursuant to the Indenture, by written notice to the Borrower, declare an amount equal to all amounts then due and payable on the Bonds, whether by acceleration of maturity (as provided in the Indenture) or otherwise, to be immediately due and payable, whereupon the same shall become immediately due and payable; and

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Loan Agreement, the Note, the Regulatory Agreement or any other Document in the event of default thereunder.

Any amounts collected pursuant to action taken under this section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

No Remedy Exclusive

Except as otherwise indicated in the Indenture, no remedy conferred upon or reserved to the Issuer or the Trustee by the Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Loan Agreement, the Regulatory Agreement or the Note, or now or thereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power nor shall it be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in the Loan Agreement, it shall not be necessary to give any notice, other than such notice as may be required in the Loan Agreement. Such rights and remedies as are given the Issuer under the Loan Agreement shall also extend to the Trustee, and the Trustee and the Holders of the Bonds, subject to the provisions of the Indenture, including, but not limited to the Reserved Rights of the Issuer, shall be entitled to the benefit of all covenants and agreements contained in the Loan Agreement.

No Additional Waiver Implied by One Waiver

In the event any agreement contained in the Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under the Loan Agreement.

Mortgage Loan Documents Independent

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Loan Agreement, the Indenture or the other Borrower Documents will not serve as a basis for default on the Mortgage Loan, the underlying Mortgage Loan Security Instrument, or any of the other Mortgage Loan Documents.

To the extent not otherwise set forth above in this section, the provisions of the Indenture are incorporated in the Loan Agreement by reference to the same extent as if set forth in the Loan Agreement in full.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT

The following is a brief summary of the Land Use Restriction Agreement (the "Regulatory Agreement"). The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Regulatory Agreement, a copy of which is on file with the Borrower.

Residential Rental Property

The Borrower acknowledges and agrees by the Regulatory Agreement that the Project will be owned, leased, managed and operated as a "qualified residential rental project" (within the meaning of Section 142(d) of the Code) for a term equal to the Qualified Project Period. To that end, and for the term of the Regulatory Agreement, the Borrower represents, covenants, warrants and agrees by the Regulatory Agreement as follows:

(a) The Project has been developed for the purpose of providing multifamily residential rental property, and the Borrower owns, manages and operates the Project and will continue to operate the Project as a project to provide multifamily residential rental property comprising a building or structure or several interrelated buildings or structures, together with any Functionally Related and Subordinate facilities, and no other facilities in accordance with Section 142(d) of the Code and Section 1.103-8(b) of the Regulations and the Act, as the same shall be amended from time to time, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) All of the Dwelling Units in the Project are similarly constructed units, and each Dwelling Unit in the Project will be separate and distinct from every other Dwelling Unit and contains complete facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range (or a multiple-burner cooktop and a convection microwave oven), a sink and a refrigerator.

(c) None of the Dwelling Units in the Project will at any time be utilized on a transient basis; none of the Dwelling Units in the Project have been or will be leased or rented for a period of less than six (6) months; and neither the Project nor any portion thereof have been or will be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, trailer park, trailer court, mobile home park, or recreational vehicle park or by a cooperative housing corporation (as defined in section 216(b)(1) of the Code).

(d) No part of the Project will at any time be owned by a cooperative housing corporation, nor shall the Borrower take any steps in connection with a conversion to such ownership or uses.

(e) Each Dwelling Unit will be available for rental on a continuous basis to members of the general public on a nontransient basis, and the Borrower has not and will not give preference to any particular class or group in renting the Dwelling Units in the Project, except to the extent that Dwelling Units are required to be leased or rented to Low Income Tenants.

(f) The Project Site consists of a parcel or parcels that are contiguous except for the interposition of a road, street or stream, and all of the Project Facilities comprise a single geographically and functionally integrated project for residential rental property, which have similarly constructed units financed pursuant to a common plan, together with Functionally Related and Subordinate facilities which shall be owned (for federal tax purposes) by the Borrower or a related person (as such term is used in Section 147(a)(2) of the Code) as evidenced by the ownership, management, accounting and operation of the Project.

(g) No dwelling unit in the Project shall be occupied by the Borrower; provided, however, that if the Project contains five (5) or more Dwelling Units, this subsection shall not be construed to prohibit

occupancy of not more than one dwelling unit by one or more resident managers or maintenance personnel any of whom may be the Borrower.

(h) The Borrower shall not discriminate on the basis of race, religion, creed, color, ethnic group identification, sex, source of income (e.g., AFDC, SSI), mental or physical disability, national origin or marital status in the rental, lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project.

(i) The Borrower will accept as tenants, on the same basis as all other prospective tenants, persons who are holders of vouchers or certificates for federal housing assistance payments for existing housing pursuant to Section 8 of the Housing Act or a successor federal program, and, in connection therewith, the Borrower has not and will not apply tenant selection criteria to such voucher or certificate holders which are more burdensome than the criteria applied to any other prospective tenants.

(j) The Borrower will not discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, state or local program or on the basis that they have a minor child or children living with them.

Low Income Tenants; Records and Reports

Pursuant to the requirements of the Code, the Borrower represents, warrants and covenants by the Regulatory Agreement as follows:

(a) The Borrower will rent on a continuous basis to Low Income Tenants at least 40% of the Available Units in the Project; provided, however, that, as provided in Section 142(d)(3)(B) of the Code, any Available Unit occupied by a Low Income Tenant at the commencement of occupancy shall continue to be treated as if occupied by a Low Income Tenant during tenancy of such Available Unit by such Low Income Tenant even though such Low Income Tenant may subsequently cease to be a Low Income Tenant, so long as the Adjusted Income of such Low Income Tenant as of the most recent certification pursuant to subsection (c) below does not exceed 140% of the Applicable Income Limit as of such certification. In the event that the Adjusted Income of a Low Income Tenant shall exceed 140% of such Applicable Income Limit, if (treating such tenant as if it were not a Low Income Tenant) less than 40% of the Available Units in the Project are occupied by Low Income Tenants, the Borrower shall rent the next Available Unit in the Project of comparable or smaller size to a Low Income Tenant (provided, however, that any Available Unit in the Project of a larger size may be rented to a tenant who is not a Low Income Tenant if such Available Unit was previously occupied by such a tenant) and, upon renting such Available Unit to such Low Income Tenant, the Borrower shall make a new certification pursuant to subsection (c). In addition, any Available Unit vacated by a Low Income Tenant shall be treated as being occupied by such vacating Low Income Tenant until reoccupied by another tenant (other than occupancy for thirty-one (31) days or less) at which time the character of the Available Unit shall be redetermined, provided that reasonable attempts are made to rent the Available Unit and no other Available Units of comparable or smaller size in the Project are rented to a tenant who is not a Low Income Tenant before such Available Unit is rented. Notwithstanding the foregoing, unless more than ninety percent (90%) of the Units in the Project are not Available Units at any time within sixty (60) days after the later of (i) the date the Project is acquired by the Borrower or (ii) the issue date of the Bonds, for a period of twelve (12) months beginning on the issue date of the Bonds (the "Transition Period"), the failure to satisfy the requirements described above will not cause the Project to not be a qualified residential rental project (as defined in the Code), provided, in any event, the Borrower shall satisfy the Low Income Tenant requirements described above no later than the end of such Transition Period.

(b) The Borrower will obtain, complete, and maintain on file Income Certifications (substantially in the form attached as an exhibit to the Regulatory Agreement) from each Low Income Tenant, including (i) an Income Certification dated immediately prior to the initial occupancy of such Low Income Tenant in the Project and (ii) thereafter, annual Income Certifications which must be filed no later than each

1. The Borrower will obtain such additional information as may be required in the future by the Governmental Lender and by Section 142(d) of the Code, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures,

Regulations or other official statements now or thereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to obligations which are Tax-exempt under Section 142(d) of the Code. A rent roll showing the Low Income Tenants in the Project, their most recent certified incomes and their unit numbers together with, if requested by the Funding Lender, a copy of the most recent Income Certification for Low Income Tenants commencing or continuing occupation of a Low and Moderate Income Unit (and not previously filed with the Funding Lender) shall be attached to the Certificate of Continuing Compliance which is to be filed with the Funding Lender no later than the fifteenth (15th) day of the first month of each calendar quarter following the date of the Regulatory Agreement, until the end of the Qualified Project Period. The Borrower shall make a good faith effort to verify that the income information provided by an applicant in an Income Certification is accurate by taking one or more of the following steps as part of the verification process: (1) obtain a pay stub for the most recent pay period, (2) obtain an income tax return for the two most recent tax years, (3) conduct a TRW or similar search or (4) contact the applicant's current employer.

(c) The Borrower will maintain complete and accurate records pertaining to the Low Income Units and will with reasonable notice permit any duly authorized representative of the Governmental Lender, the Funding Lender, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Borrower pertaining to the Project, including those records pertaining to the occupancy of the Low Income Units.

(d) On or before each March 15 during the Qualified Project Period the Borrower has and will submit to the Funding Lender a draft of the completed Internal Revenue Code Form 8703 or such other annual certification required by the Code to be submitted to the Secretary of the Treasury as to whether the Project continues to meet the requirements of Section 142(d) of the Code. On or before each March 31 during the Qualified Project Period the Borrower will submit such completed form to the Secretary of the Treasury.

(e) Each lease or rental agreement pertaining to a Low Income Unit shall contain a provision to the effect that the Borrower has relied on the Income Certification and supporting information supplied by the Low Income Tenant in determining qualification for occupancy of the Low Income Unit, and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease or rental agreement. Each such lease or rental agreement shall also provide that the tenant's income is subject to annual certification in accordance with the Regulatory Agreement and to recertification if the number of occupants in the units increases.

(f) At the request of the Borrower, the Governmental Lender elects that the requirements of subparagraph (B) of Section 142(d)(1) of the Code (the "40-60 Test") be applied to the Project.

Sale or Transfer of the Project

Except for a transfer of the Project pursuant to a foreclosure or a deed or assignment in lieu of foreclosure or a similar event where the Regulatory Agreement terminates pursuant to the provisions of subparagraph (c) under the heading "Term" below, and except in connection with transfers of Investor Limited Partner interests in the Borrower or removal of the General Partner or the Class B Limited Partner pursuant to the Partnership Agreement, the Borrower covenants and agrees that the Borrower will cause or require as a condition precedent to any conveyance, transfer, assignment or any other disposition of the Project prior to the termination of the Qualified Project Period provided in the Regulatory Agreement (the "Transfer") that the transferee of the Project, pursuant to the Transfer, assume in writing, in a form acceptable to the Governmental Lender and the Funding Lender, all duties and obligations of the Borrower under the Regulatory Agreement, including this section in the event of a subsequent Transfer by the transferee prior to expiration of the Qualified Project Period provided in the Regulatory Agreement (the "Assumption Agreement"). The Borrower shall deliver the Assumption Agreement to the Governmental Lender prior to the Transfer. No Transfer shall operate to release the Borrower from its obligations under the Regulatory Agreement, arising before the date of the Transfer.

Term

(a) The Regulatory Agreement and all and each of the provisions of the Regulatory Agreement shall become effective upon its execution and delivery, and shall remain in full force and effect for the periods provided in the Regulatory Agreement and, except as otherwise provided in this section, shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions of the Regulatory Agreement are intended to survive the retirement of the Bonds, discharge of the Borrower Loan and termination of the Borrower Loan Agreement and the Funding Loan Agreement.

(b) Notwithstanding the foregoing, the provisions of the Regulatory Agreement shall, (i) in the case of the Funding Lender, survive the term of the Regulatory Agreement or the replacement of the Funding Lender, but only as to claims arising from events occurring during the term of the Regulatory Agreement, and shall, in the case of the Governmental Lender, survive the term of the Regulatory Agreement, but only as to claims arising from events occurring during the term of the Regulatory Agreement.

(c) The terms of the Regulatory Agreement to the contrary notwithstanding, the requirements set forth in the Regulatory Agreement shall terminate and be of no further force and effect in the event of involuntary noncompliance with the provisions of the Regulatory Agreement caused by fire, seizure, requisition, foreclosure or transfer of title by deed or assignment in lieu of foreclosure, change in a federal law or an action of a federal agency after the Closing Date which prevents the Governmental Lender or the Funding Lender from enforcing the provisions of the Regulatory Agreement, or condemnation or a similar event, but only if, within a reasonable period thereafter, either the portion of the Bonds attributable to the Project is retired or amounts received as a consequence of such event are used to provide a project which meets the requirements of the Code set forth in the Regulatory Agreement. The provisions of the preceding sentence shall cease to apply and the requirements referred to therein shall be reinstated if, at any time during the Qualified Project Period after the termination of such requirements as a result of involuntary noncompliance due to foreclosure, transfer of title by deed or assignment in lieu of foreclosure or similar event, the Borrower or any related person (within the meaning of Section 147(a)(2) of the Code) obtains an ownership interest in the Project for tax purposes; provided, however, that any reinstatement of such provisions shall only be in effect during any period of time such Borrower or related person holds such ownership interest. The Borrower agrees by the Regulatory Agreement that, following any foreclosure, transfer of title by deed or assignment in lieu of foreclosure or similar event, neither the Borrower nor any related person as described above (other than a limited partner of the Borrower or any related person (within the meaning of Section 147(a)(2) of the Code) to such limited partner that is otherwise subject to the immediately preceding sentence) will obtain an ownership interest in the Project for tax purposes.

(d) Upon the termination of the terms of the Regulatory Agreement, the parties to the Regulatory Agreement agree to execute, deliver and record appropriate instruments of release and discharge of the terms of the Regulatory Agreement (which shall be prepared, completed and recorded at the expense of the Borrower); provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of the Regulatory Agreement in accordance with its terms.

Covenants to Run with the Land

The Borrower subjects the Project (including the Project Site) to the covenants, reservations and restrictions set forth in the Regulatory Agreement. The Governmental Lender and the Borrower declare their express intent that the covenants, reservations and restrictions set forth in the Regulatory Agreement shall be deemed covenants running with the land and shall pass to and be binding upon the Borrower's successors in title to the Project; provided, however, that on the termination of the Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument thereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

No breach of any of the provisions of the Regulatory Agreement shall impair, defeat or render invalid the lien of any mortgage, deed of trust or like encumbrance made in good faith and for value encumbering the Project or any portion thereof.

Default; Enforcement

If the Borrower defaults in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in the Regulatory Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the Governmental Lender or the Funding Lender to the Borrower, then the Funding Lender shall declare an “Event of Default” to have occurred under the Regulatory Agreement provided, however, that if the default stated in the notice is of such a nature that it cannot be corrected within thirty (30) days, such default shall not constitute an Event of Default under the Regulatory Agreement so long as (i) the Borrower institutes corrective action within said thirty (30) days and diligently pursues such action until the default is corrected, and (ii) in the opinion of Bond Counsel, the failure to cure said default within thirty (30) days will not adversely affect the Tax-exempt status of interest on the Bonds.

The Governmental Lender agrees that the Investor Limited Partner may act to cure any default under of the Regulatory Agreement and that it shall accept such cure as though made by the Borrower. Any notice of default delivered to the Funding Lender or the Governmental Lender to the Borrower shall be contemporaneously delivered to the Investor Limited Partner.

Following the declaration of an Event of Default under of the Regulatory Agreement, the Funding Lender may, at its option, but shall have no obligation, and subject to the provisions of the Funding Loan Agreement and the Borrower Loan Agreement, take any one or more of the following steps:

- (i) by mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Borrower to perform its obligations and covenants under the Regulatory Agreement or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer, the Governmental Lender of the Funding Lender under the Regulatory Agreement;
- (ii) have access to and inspect, examine and make copies of all of the books and records of the Borrower pertaining to the Project; and
- (iii) enforce the obligations, covenants and agreements of the Borrower under the Regulatory Agreement by an action for specific performance.

The Funding Lender shall have the right, in accordance with this section and the provisions of the Funding Loan Agreement, subject to such consent, approval or knowledge of the Governmental Lender or other third parties as the Funding Loan Agreement or the Borrower Loan Agreement may require, to exercise any or all of the rights or remedies of the Governmental Lender under the Regulatory Agreement, provided that prior to taking any such act the Funding Lender shall give the Governmental Lender written notice of its intended action. All fees, costs and expenses of the Funding Lender incurred in taking any action pursuant to this section shall be the sole responsibility of the Borrower.

After the Funding Loan Agreement has been terminate, the Governmental Lender may act on its own behalf to declare an “Event of Default” to have occurred and to take any one or more of the steps specified above to the same extent and with the same effect as if taken by the Funding Lender.

In the event the Borrower shall fail to submit to the Funding Lender the Income Certifications or the Certificates of Continuing Compliance at the times set forth under the heading “Low Income Tenants; Records and Reports” above and the Governmental Lender or the Funding Lender shall determine to inspect the books and records of the Borrower to determine whether the Borrower is in compliance with the terms of the Regulatory Agreement, the Borrower shall, upon demand by the Governmental Lender or the Funding Lender, pay all expenses and costs of the Governmental Lender, the Funding Lender in determining whether or not the Borrower is in compliance with the terms of the Regulatory Agreement.

Amendments

The Regulatory Agreement shall be amended only by a written instrument executed by the parties to the Regulatory Agreement or their successors in title (except as otherwise provided in the Regulatory Agreement), and duly recorded in the land records of Davidson County, Tennessee and only upon receipt by the Governmental Lender of an opinion from Bond Counsel that such amendment will not adversely affect the Tax-exempt status of interest on the Bonds and is not contrary to the provisions of the Act.

Anything to the contrary contained in the Regulatory Agreement notwithstanding, the Governmental Lender and the Borrower agree by the Regulatory Agreement to amend the Regulatory Agreement to the extent required, in the opinion of Bond Counsel, in order that interest on the Bonds remains Tax-exempt. The party or parties requesting such amendment shall notify the other parties to the Regulatory Agreement of the proposed amendment, with a copy of such requested amendment to Bond Counsel and a request that such Bond Counsel render to the Governmental Lender an opinion as to the effect of such proposed amendment upon the Tax-exempt status of interest on the Bonds.

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$68,000,000*

**The Health and Educational Facilities Board of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Multifamily Housing Revenue Bonds
(Artist Lofts) Series 2025**

This Continuing Disclosure Agreement, dated as of November 1, 2025 (this “Continuing Disclosure Agreement”), is executed and delivered by Artist Lofts, LP, a Tennessee limited partnership (the “Borrower”), and U.S. Bank Trust Company, National Association, as dissemination agent (the “Dissemination Agent”), in connection with the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of November 1, 2025 (the “Indenture”), between The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Issuer”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Pursuant to the Indenture and the Loan Agreement, dated as of November 1, 2025, between the Issuer and the Borrower (the “Loan Agreement”), the Dissemination Agent and the Borrower covenant and agree as follows:

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

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

“*Annual Report*” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement.

“*Audited Financial Statements*” means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean U.S. Bank Trust Company, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

“*MSRB*” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the MSRB

* Preliminary; subject to change.

pursuant to this Continuing Disclosure Agreement shall use the MSRB's Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

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

Section 3. Provision of Annual Reports.

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Borrower's fiscal year, commencing with the fiscal year ending on December 31, 2026, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 4. Content of Annual Reports. The Borrower's Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower's Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an "Obligated Person" (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format ("PDF") or other acceptable electronic form. Neither the Dissemination Agent nor the Trustee shall have any obligation to examine the contents of any Annual Report in order to verify compliance with this Section 4.

Section 5. Reporting of Listed Events.

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

(i) Principal and interest payment delinquencies;

- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;
- (xv) Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Borrower or obligated person, any of which reflect financial difficulties; and
- (xvii) The Project's being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project's being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit D hereto or such other form as may be approved by the Dissemination Agent. Notice of the Project being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C hereto or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), “financial obligation” is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the “Adopting Release”).

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice (by mail). While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv) above without the Dissemination Agent having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xiv) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and instructions pursuant to subsections (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under “Provision of Annual Reports,” “Contents of Annual Reports” or paragraph (a) under “Reporting of Listed Events,” it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an “Obligated Person” (as defined in the Rule) with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, which such opinion shall be delivered to the Dissemination Agent and Trustee, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of nationally recognized bond counsel, which such opinion shall be delivered to the Dissemination Agent and Trustee, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative

explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking, or specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

Section 8. Beneficiaries. This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other person or entity.

Section 9. Reserved.

Section 10. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Provided the Trustee is acting as Dissemination Agent, Article X of the Indenture is hereby made applicable to this Continuing Disclosure Agreement as if this Continuing Disclosure Agreement were (solely for this purpose) contained in the Indenture and the Trustee and Dissemination Agent shall be entitled to the protections, limitations from liability and indemnities afforded the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The Borrower agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. Unless otherwise provided by contract with the Dissemination Agent, the Borrower shall pay

or cause to be paid to the Dissemination Agent, reasonable reimbursement for its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents, and employees, incurred in and about the performance of its powers and duties hereunder. None of the provisions contained in this Continuing Disclosure Agreement shall require the Dissemination Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of its rights or powers under this Continuing Disclosure Agreement.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

Section 12. Notices. All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below:

<i>If to the Borrower:</i>	Artist Lofts, LP 400 Overbeck Lane Suite 202 Nashville, TN 37204 Attention: Evan Holladay
<i>With copies to:</i>	ABC Artist Lofts Nonprofit GP, LLC c/o Arts and Business Council of Greater Nashville, Inc. 1900 Belmont Boulevard Nashville, TN 37212 Attention: Jill McMillan Palm
<i>If to the Equity Investor:</i>	U.S. Bancorp Community Development Corporation 505 North Seventh Street St. Louis, MO 63101 SL-MO-T10F Attention: Director of LIHTC Asset Management
<i>If to the Dissemination Agent:</i>	U.S. Bank Trust Company, National Association 333 Commerce Street, Suite 900 Nashville, TN 37201 Attention: Corporate Trust Department
<i>If to the Trustee:</i>	U.S. Bank Trust Company, National Association 333 Commerce Street, Suite 900 Nashville, TN 37201 Attention: Corporate Trust Department

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

Section 14. Termination of this Continuing Disclosure Agreement. The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, tender, conversion or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

Section 15. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

BORROWER:

ARTIST LOFTS, LP,
a Tennessee limited partnership

By: ABC Artist Lofts Nonprofit GP, LLC,
a Tennessee nonprofit limited liability company,
its General Partner

By: Arts and Business Council of Greater Nashville, Inc.
a Tennessee nonprofit corporation,
its Sole Member

By: _____
Jill McMillan Palm
Executive Director

[Signatures continue on following page]

[Dissemination Agent's Signature Page to Continuing Disclosure Agreement]

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Dissemination Agent

By: _____
Authorized Officer

[Dissemination Agent's Signature Page – Artist Lofts]

EXHIBIT A
ANNUAL REPORT

\$68,000,000*
The Health and Educational Facilities Board of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Multifamily Housing Revenue Bonds
(Artist Lofts) Series 2025

CUSIP: _____

Annual report for the period ending December 31, _____

THE PROJECT

Name of the Project:	Artist Lofts
Address:	3533 Dickerson Pike, Nashville, TN 37207
Number of Units:	251

INFORMATION ON THE BONDS

Original principal amount of bonds:	
Outstanding principal amount of bonds:	

OPERATING HISTORY OF THE PROJECT

The following table sets forth a summary of the operating results of the Project for fiscal year ended December 31, 20__, as derived from the Borrower's audited financial statements [or unaudited financial statements].

Financial Results for Fiscal Year Ending December 31, _____	
Revenues	
Operating Expenses ¹	
Net Operating Income	
Debt Service on the Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

¹ Excludes depreciation and other non-cash expenses, includes management fee.

Occupancy Results for Fiscal Year Ending December 31, _____	
Physical Occupancy	%
Economic Occupancy ¹	%

¹ The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

* Preliminary; subject to change.

AUDITED FINANCIAL STATEMENTS

_____ Attached

_____ Audited financial statements of the Borrower for the period ending December 31, 20__ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

_____ No audited financial statements of the Borrower were prepared for the period ending December 31, 20__; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

EXHIBIT B

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

Name of Issuer: The Health and Educational Facilities Board of The Metropolitan Government of
Nashville and Davidson County, Tennessee

Name of Issue: Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025

Name of Borrower: Artist Lofts, LP

CUSIP: _____

Date of Issuance: November __, 2025

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the “Borrower”) has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by _____.

DATED: _____

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT C

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF
PROJECT PLACED IN SERVICE**

Name of Issuer: The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee

Name of Bond Issue: Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025

Name of Borrower: Artist Lofts, LP

Name of Project: Artist Lofts

Address of Project: 3533 Dickerson Pike, Nashville, TN 37207

Date of Issuance: November __, 2025

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of November 1, 2025, between the above-referenced borrower (the “Borrower”) and U.S. Bank Trust Company, National Association, as Dissemination Agent, that the Borrower has certified that the above-referenced project (the “Project”) is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT D

FORM OF NOTICE OF PLACED IN SERVICE

\$68,000,000*

**The Health and Educational Facilities Board of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Multifamily Housing Revenue Bonds
(Artist Lofts) Series 2025**

The undersigned hereby provides notice to U.S. Bank Trust Company, National Association, a national banking association, as dissemination agent (the “Dissemination Agent”) that the multifamily rental housing facility to be known as Artist Lofts (the “Project”) has been placed in service in accordance with the Trust Indenture, dated as of November 1, 2025, between The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Issuer”) and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the “Trustee”), pursuant to which the above-captioned bonds were issued, as further evidenced by the attached Certificate of Completion.

BORROWER:

ARTIST LOFTS, LP,
a Tennessee limited partnership

By: ABC Artist Lofts Nonprofit GP, LLC,
a Tennessee nonprofit limited liability company,
its General Partner

By: Arts and Business Council of Greater Nashville, Inc.
a Tennessee nonprofit corporation,
its Sole Member

By: _____
Jill McMillan Palm
Executive Director

* Preliminary; subject to change.

ATTACHMENT

Certificate of Completion

APPENDIX F

FORM OF BOND COUNSEL OPINION

Upon the issuance of the Bonds, Adams and Reese LLP, Bond Counsel for the Issuer, proposes to issue an opinion in substantially the following form:

November __, 2025

The Health and Educational Facilities Board
of The Metropolitan Government
of Nashville and Davidson County, Tennessee
Nashville, Tennessee

U.S. Bank Trust Company, National Association, as Trustee
Nashville, Tennessee

Re: \$68,000,000* The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Issuer”), a public, nonprofit corporation organized and existing under the laws of the State of Tennessee, pursuant to the provisions of Title 48, Chapter 101, Part 3, Tennessee Code Annotated, as amended (the “Act”), of its Multifamily Housing Revenue Bonds (Artist Lofts) Series 2025, in the aggregate principal amount of \$68,000,000*, dated the date of original issuance and delivery (the “Bonds”). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Bonds are issued under, and are equally and ratably secured by, a Trust Indenture (the “Indenture”), dated as of November 1, 2025, from the Issuer to U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

The Bonds are being issued to provide funding for a loan (the “Loan”) to be made by the Issuer to Artist Lofts, LP, a Tennessee limited partnership (the “Borrower”). The proceeds of the Loan are being used to finance a portion of the costs of the acquisition, construction, and equipping of a multifamily residential rental project to be located in Nashville, Davidson County, Tennessee (the “Project”).

The Loan is being made pursuant to a Loan Agreement, dated as of November 1, 2025 (the “Loan Agreement”) by and between the Issuer and the Borrower. The Loan will be evidenced by a Promissory Note (the “Promissory Note”) executed by the Borrower in favor of the Issuer and endorsed by the Trustee.

The Borrower has been required to enter into a Land Use Restriction Agreement (the “Regulatory Agreement”), dated as of November 1, 2025, by and between the Issuer and the Borrower. The Borrower has covenanted, subject to certain limitations, to comply with the requirements of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”). Those requirements must be continuously met subsequent to the date of issue of the Bonds in order that interest on the Bonds, commencing from the dated date of the Bonds, be exempt from federal income taxation. The Regulatory Agreement obligates the Borrower and its successors to operate the Project as a qualified residential rental project, as defined in Section 142(d) of the Code and the Regulations promulgated thereunder by the United States Department of the Treasury, and further requires that at least forty percent (40%) of the residential units in such Project be occupied by individuals whose income is sixty percent (60%) or less of area

* Preliminary; subject to change.

median gross income as defined under Section 142(d)(2)(B) for the qualified project period and as otherwise required under Section 142(d)(2)(A).

The Issuer and the Borrower have also been required to enter into a Tax Exemption Agreement, dated as of the date hereof (the "Tax Exemption Agreement"), which sets forth certain terms and conditions relating to the use and investment of proceeds of the Bonds and of certain other moneys relating to the Bonds in order to comply with certain requirements of the Code.

The Bonds are issued as fully registered bonds and numbered as provided in the Indenture. The Bonds bear interest on the principal amount thereof at the rate, the principal thereof matures on the date, and the Bonds are subject to redemption prior to maturity at the times, in the manner, and upon the terms, set forth in such Bonds and in the Indenture. In the Indenture, the Issuer has assigned to the Trustee the rights of the Issuer (excepting only certain rights expressly excluded from such Indenture as more fully specified therein) in and to the Loan Agreement, as security for the payment by the Issuer of the principal of, and the premium, if any, and interest on, the Bonds.

Based upon such examination and such other documents, showings, and related matters of law as we deem necessary to render this opinion, we are of the opinion that, under existing law:

(1) The Issuer is a public, nonprofit corporation duly organized and validly existing under the laws of the State of Tennessee, with full power to enter into, execute, deliver and perform its obligations under, and accept, as applicable, the Indenture, the Loan Agreement, and the Regulatory Agreement, and to issue, sell, and deliver the Bonds.

(2) The execution and delivery of the Indenture, the Loan Agreement, and the Regulatory Agreement have been duly authorized by all necessary action on the part of the Issuer, and the Indenture, the Loan Agreement, and the Regulatory Agreement have been duly executed and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other interested parties thereto (other than the Issuer), constitute legal, valid and binding instruments enforceable against the Issuer in accordance with their respective terms, except to the extent the enforceability thereof may be limited by future proceedings under bankruptcy, reorganization, debt arrangement, insolvency, or other laws of general application or principles of equity relating to or affecting the enforcement of creditors' rights generally.

(3) The Bonds are valid and legally binding upon the Issuer according to the import thereof, except to the extent the enforceability thereof may be limited by future proceedings under bankruptcy, reorganization, debt arrangement, insolvency, or other laws of general application or principles of equity relating to or affecting the enforcement of creditors' rights generally. The Bonds are payable solely from the revenues and property pledged under the Indenture, including certain receipts derived under the Loan Agreement. The Indenture creates a valid pledge of the Trust Estate (as defined in the Indenture) for payment of the Bonds in accordance with the terms of the Indenture.

(4) The Bonds are an exempted security which does not require registration under the United States Securities Act of 1933, and the Indenture is not required to be qualified under the United States Trust Indenture Act of 1939.

(5) Interest on the Bonds is excludable from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of Section 147(a) of the Code. In addition, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer and the Borrower comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer and the Borrower have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences

arising with respect to the Bonds. We have not undertaken to advise in the future whether any events after the date of execution and delivery of the Bonds may affect the tax status of the interest on the Bonds.

(6) The Bonds and the interest on the Bonds are exempt from all state, county, and municipal taxation in the State of Tennessee except to the extent that interest on the Bonds is included within the measure of certain privilege and excise taxes imposed under Tennessee law. We express no opinion regarding taxation of the Bonds or interest on the Bonds in any state other than Tennessee.

In rendering this opinion, we have assumed (a) the proper and authorized authentication of the Bonds by the Trustee in accordance with the Indenture and the proper and authorized execution and delivery of the Indenture by the Trustee, and (b) continuous compliance with certain covenants in the Indenture, the Loan Agreement, the Regulatory Agreement, and the Tax Exemption Agreement designed to meet the requirements of the Act and the requirements of the Code and the regulations thereunder.

In addition, in rendering this opinion, we have further relied upon: (1) the opinion of even date herewith of Reno & Cavanaugh, PLLC, Nashville, Tennessee, counsel to the Borrower, with respect to, among other things, (i) the due organization and good standing of the Borrower, (ii) the due authorization, execution, and delivery by the Borrower of the Loan Agreement and the Regulatory Agreement, and (iii) matters which might be disclosed by an examination of agreements or instruments to the Borrower is a party or by which the Borrower or any of its property or assets is bound; and, (2) representations and certifications of the Borrower, without undertaking to verify the same by independent investigation.

We express no opinion as to the title to, or the description of, the real property described in the Loan Agreement or the Regulatory Agreement.

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

Yours truly,

ADAMS AND REESE LLP