

NEW ISSUE – Book-Entry Only

**RATING: Moody’s “Aa1/VMIG 1”
SEE “RATING” herein.**

In the opinion of McGuireWoods LLP, under current laws and assuming compliance with certain covenants and agreements and the accuracy of certain representations and certifications described herein, interest on the Bonds is excludable from the gross income of the holder(s) of the Bonds for purposes of federal income taxation pursuant to the Internal Revenue Code of 1986, as amended (the “Code”), except as provided in Section 147(a) of the Code with respect to any period during which the Bonds are held by a person who is a “substantial user” of any facility financed or refinanced by the Bonds or by a “related person,” as such terms are used in Section 147(a) of the Code and the regulations adopted thereunder, and except as set forth herein under the heading “TAX MATTERS.” For purposes of federal income taxation, interest on the Bonds is not treated as a specific item of tax preference for purposes of calculating the federal alternative minimum tax on individuals. However, such interest is included in the “adjusted financial statement income” (as defined in Section 56A of the Code) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. Bond Counsel is further of the opinion that under current law, the interest on the Bonds is excludable from gross income for purposes of income taxation by the Commonwealth of Virginia. See further discussion under the heading “TAX MATTERS” herein.

\$4,000,000*
Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026

Dated: Date of Delivery
Initial Interest Rate: _____ %
Initial Offering Price: _____ %

Optional Call Date: June 1, 2027*
Maturity Date: December 1, 2028*
Initial Mandatory Tender Date: December 1, 2027*
CUSIP: _____

The Industrial Development Authority of Brunswick County, Virginia (the “Issuer”) is issuing its Multifamily Housing Revenue Bonds (Pinecrest Apartments), Series 2026 (the “Bonds”) pursuant to a Trust Indenture dated as of May 1, 2026 (the “Indenture”), by and between the Issuer and UMB Bank, 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 to but not including the Initial Mandatory Tender Date set forth above (the “Initial Mandatory Tender Date”), payable on each June 1 and December 1 commencing December 1, 2026*. See “THE BONDS” herein.

The Bonds are being issued to finance a loan (the “Loan”) to TTG Pinecrest Limited Partnership, a Virginia limited partnership (the “Borrower”) to enable the Borrower to pay all or part of the cost of acquiring, constructing, rehabilitating, renovating, constructing and equipping of an approximately 70-unit affordable housing development located in Lawrenceville, Virginia (the “Project”). The Loan will be made to the Borrower pursuant to a Loan Agreement, dated as of May 1, 2026 (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, together with interest earnings thereon (without the need for reinvestment), 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 \$4,000,000* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

Pursuant to the Construction Loan Disbursement and Title Policy Updates Agreement with respect to the Project, the Borrower will close on a \$8,545,300* Mortgage Loan with JLL Real Estate Capital, LLC, a Delaware limited liability company (the “Mortgage Lender”), and cause Eligible Funds (as defined herein) of up to \$4,000,000* to be deposited in the Collateral Fund established under the Indenture, allowing the Trustee to disburse a like amount of Bond proceeds from the Project Fund to the Borrower to pay costs of the Project pursuant to the terms of the Indenture and the Loan Agreement. It is anticipated that the principal of and interest on the Bonds will be paid from amounts on deposit in the Bond Fund, the Collateral Fund, and the Project Fund (together, the “Special Funds”).

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 optional and mandatory redemption prior to maturity as set forth herein.

At all times the Bonds will be secured by amounts on deposit under the Indenture, which amounts shall constitute Eligible Funds (as defined herein) and shall be invested in Eligible Investments, and such amounts will be sufficient (along with investment 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 on the earlier of any Mandatory Tender Date or any Redemption Date, as further described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

THE ISSUER SHALL NOT IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS, OR FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WHICH MAY BE UNDERTAKEN BY THE ISSUER EXCEPT FROM THE SOURCES SPECIFICALLY PLEDGED THERETO PURSUANT TO THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE AGREEMENTS OR OBLIGATIONS OF THE ISSUER SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR TO CREATE IN ANY MANNER A DEBT, LIABILITY OR OBLIGATION OF THE COMMONWEALTH OR OF ANY MUNICIPALITY OR

* Preliminary, subject to change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Official Statement. The Bonds may not be sold, nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OR A GRANT OF THE FAITH AND CREDIT OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY SUCH POLITICAL SUBDIVISION, BUT SHALL BE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SECURITY AND OTHER FUNDS PLEDGED THEREFOR AND SHALL NOT BE PAYABLE FROM ANY OTHER ASSETS OR FUNDS OF THE ISSUER, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY POLITICAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

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 McGuireWoods LLP, Tysons Corner, Virginia, and certain other conditions. Certain legal matters will be passed upon for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., and for the Borrower by its counsel, Applegate & Thorne-Thomsen, P.C., Chicago, Illinois. 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 May __, 2026.

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: May __, 2026

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 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.

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws, 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 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.

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.

UMB Bank, 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.

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OFFICIAL STATEMENT

\$4,000,000*
Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026

INTRODUCTION

This Official Statement (this “Official Statement”) has been prepared in connection with the issuance of the above-captioned Bonds (the “Bonds”) by the Industrial Development Authority of Brunswick County, Virginia (the “Issuer”) a political subdivision of the Commonwealth of Virginia (the “Commonwealth”), duly organized and validly existing under the laws of the Commonwealth. The Issuer has authorized the issuance of the Bonds by its duly adopted resolution dated March 10, 2026 (the “Bond Resolution”) and the Bonds are issued pursuant to a Trust Indenture dated as of May 1, 2026 (the “Indenture”), by and between the Issuer and UMB Bank, 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 the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), for the purpose of providing funds to make a loan (the “Loan”) to TTG Pinecrest Limited Partnership, a Virginia limited partnership (the “Borrower”) to enable the Borrower to pay a portion of the cost of acquiring, constructing, renovating, rehabilitating and equipping of an approximately 70-unit affordable housing development located in Lawrenceville, Virginia (the “Project”). See “PRIVATE PARTICIPANTS” and “THE PROJECT” herein.

The Loan will be made to the Borrower under a Loan Agreement dated as of May 1, 2026 (the “Loan Agreement”), by and between the Issuer and the Borrower. Pursuant to the Loan Agreement, the Borrower has agreed to make payments to the Issuer in amounts sufficient, together with interest earnings thereon, 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 \$4,000,000* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

Pursuant to the Construction Loan Disbursement and Title Policy Updates Agreement, dated as of May 1, 2026, by and among JLL Real Estate Capital, LLC, a Delaware corporation (the “Mortgage Lender”), the Borrower, the Contractor named therein, the Escrow Agent named therein, the Bridge Lender named therein, the Investor Limited Partner, as maker of the Bridge Loan, the Trustee and (the “Disbursement Agreement”), the Borrower will close on the Mortgage Loan with the Mortgage Lender, and cause Eligible Funds (as defined herein) of up to \$4,000,000* to be deposited into the Collateral Fund established under the Indenture, allowing the Trustee to disburse a like amount of Bond proceeds from the Project Fund to the Borrower to pay costs of the Project pursuant to the terms of the Indenture and the Loan Agreement. See “THE PROJECT — Plan of Financing” herein.

Amounts on deposit in the Collateral Fund, the Bond Fund and the Project Fund (collectively, the “Special Funds”) will be invested in Eligible Investments. It is anticipated that the aggregate Eligible 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. It is anticipated that the Bond Service Charges will be paid from amounts on deposit in the Special Funds, along with investment earnings thereon (without the need for reinvestment). 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 interest rate set forth on the cover page hereof (the “Initial Interest Rate”) from their date, to but not including, December 1, 2027*

* Preliminary, subject to change.

(the “Initial Mandatory Tender Date”), payable on each June 1 and December 1, commencing December 1, 2026* (each an “Interest Payment Date”) and on each Mandatory Tender Date and each Redemption 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 the Initial Mandatory Tender Date. A new interest rate for the Bonds may be determined on the 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 optional and mandatory redemption prior to maturity as set forth herein under “THE BONDS.”

Brief descriptions of the Issuer, the Borrower, 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 entirety 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 entirety 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, the Mortgage Lender nor any of their respective counsel, members, officers or employees make any representations as to the accuracy or sufficiency of such information.

The Issuer is a political subdivision of the Commonwealth of Virginia authorized and empowered under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act") to issue its revenue bonds from time to time and to use the proceeds thereof for the purpose of, among other purposes, the financing and refinancing of certain facilities used for multifamily residences.

THE BONDS

Terms of Bonds Generally

The Bonds shall be issued in Authorized Denominations (as defined herein) and shall mature on December 1, 2028* (the “Maturity Date”). The Bonds are dated their date of delivery and shall bear interest at the Initial Interest Rate from their date of delivery, to but not including the Initial Mandatory Tender Date, payable on each Interest Payment Date, commencing December 1, 2026*, and on each Mandatory Tender Date and each Redemption Date.

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

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 by check or draft which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond (or one or more Predecessor Bonds) is registered at the close of business of the Regular Record Date applicable to that Interest Payment Date on the Register at the address appearing therein.

* Preliminary, subject to change.

Special Obligations

THE ISSUER SHALL NOT IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS, OR FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WHICH MAY BE UNDERTAKEN BY THE ISSUER EXCEPT FROM THE SOURCES SPECIFICALLY PLEDGED THERETO PURSUANT TO THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE AGREEMENTS OR OBLIGATIONS OF THE ISSUER SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR TO CREATE IN ANY MANNER A DEBT, LIABILITY OR OBLIGATION OF THE COMMONWEALTH OR OF ANY MUNICIPALITY OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OR A GRANT OF THE FAITH AND CREDIT OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY SUCH POLITICAL SUBDIVISION, BUT SHALL BE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SECURITY AND OTHER FUNDS PLEDGED THEREFOR AND SHALL NOT BE PAYABLE FROM ANY OTHER ASSETS OR FUNDS OF THE ISSUER, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY POLITICAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Redemption of the Bonds

Optional Redemption of Bonds. The Bonds are subject to optional redemption prior to their maturity, at direction of the Authorized Borrower Representative, either in whole or in part on any Business Day on or after the later to occur of (a) the date that the Project is placed in service, as certified in writing by the Borrower to the Trustee, and (b) the Optional Call Date (as defined herein), at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to the date fixed for redemption.

Mandatory Redemption of Bonds. The Bonds shall be redeemed in whole at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the Redemption Date, if any, on any Mandatory Tender Date upon the occurrence of any of the following events: (i) the Borrower has not elected to request 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 Bond Fund at 11:00 a.m. Eastern time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Negative Arbitrage Account of the Bond Fund, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the written direction of the Borrower.

Purchase in Lieu of Redemption. At the election of the Borrower upon a redemption in whole of the Bonds, by written notice to the Trustee and the Remarketing Agent given not less than five (5) Business Days in advance of such redemption date, the Bonds will be deemed tendered for purchase in lieu of the redemption on such date and the call for redemption shall be cancelled. The purchase price of Bonds so purchased in lieu of redemption shall be the principal amount thereof together with all accrued and unpaid interest to the date of redemption and any prepayment fee, if due, and shall be payable on the date of redemption thereof. Bonds so purchased in lieu of redemption shall remain outstanding and shall be registered to or upon the written direction of the Borrower.

Partial Redemption. In the case of a partial redemption of Bonds when Bonds of denominations greater than \$5,000 are then Outstanding, each \$5,000 unit of face value of principal thereof shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all of the \$5,000 units of face value represented by a Bond are to be called for redemption, then upon notice of redemption of a \$5,000 unit or units, the Holder of that Bond shall surrender the Bond to the Trustee (a) for payment of the redemption price of the \$5,000 unit or units of face value called for redemption (including without limitation, the interest accrued to the date fixed for redemption and any premium), and (b) for issuance, without charge to the Holder thereof, of a new Bond or Bonds of the same series, of any Authorized Denomination or Denominations in an aggregate principal amount equal

to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

If less than all of an Outstanding Bond of one maturity in a Book Entry System is to be called for redemption, the Trustee shall give notice to the Depository or the nominee of the Depository that is the Holder of such Bond, and the selection of the Beneficial Ownership Interests in that Bond to be redeemed shall be at the sole discretion of the Depository and its participants.

Notice of Redemption

Unless waived by any Holder of Bonds to be redeemed, official notice of redemption will be given by the Trustee on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail, postage prepaid, return receipt requested, to the Holder of each Bond to be redeemed, at the address of such Holder shown on the Register at the opening of business on the fifth day prior to such mailing, not less than 30 days nor more than 60 days prior to the date fixed for redemption. A second notice of redemption will be given, as soon as practicable, by registered or certified mail to the Holder of each Bond which has been so called for redemption (in whole or in part) but has not been presented and surrendered to the Trustee within 60 days following the date fixed for redemption of that Bond.

Mandatory Tender

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

Mandatory Tender Dates. The Mandatory Tender Dates shall consist of (i) the Initial Mandatory Tender Date and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower with the consent of the Remarketing Agent in connection with a remarketing of the Bonds pursuant to the Indenture.

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

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

Purchase of Tendered Bonds. 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 in 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, 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) 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 written direction of the Borrower.

Undelivered Bonds. Bonds shall be deemed to have been tendered for purposes of the Indenture whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee, and subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds 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.

Notice of Mandatory Tender

Notice to Holders. Not less than 30 days preceding a Mandatory Tender Date, the Trustee will give written notice of mandatory tender to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Investor Limited Partner and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (a) 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 noon Local Time on the Mandatory Tender Date and (c) Holders will not have the right to elect to retain their Bonds;

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

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date; 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 30th day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in the Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of the Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price or redemption price applicable to the Bond.

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

Book-Entry Only System

The following information on the Book-Entry System applicable to all Bonds has been supplied by DTC and neither the Issuer, the Borrower nor 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 an 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 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 affect 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 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. 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) the Revenues, including, without limitation, all Loan Payments, Eligible Funds and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan, (ii) the Special Funds, including all accounts in such Special Funds and all money deposited therein and the investment earnings on such money, (iii) all right, title and interest of the Issuer in the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds are invested, and (except for money required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, as and for additional security under the Indenture 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, (iv) the Note, except for the Reserved Rights, and (v) the Loan Agreement, except for the Reserved Rights (the foregoing collectively referred to as the "Trust Estate").

THE ISSUER SHALL NOT IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS, OR FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WHICH MAY BE UNDERTAKEN BY THE ISSUER EXCEPT FROM THE SOURCES SPECIFICALLY PLEDGED THERETO PURSUANT TO THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE AGREEMENTS OR OBLIGATIONS OF THE ISSUER SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR TO CREATE IN ANY MANNER A DEBT, LIABILITY OR OBLIGATION OF THE COMMONWEALTH OR OF ANY MUNICIPALITY OR ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OR A GRANT OF THE FAITH AND CREDIT OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY SUCH POLITICAL SUBDIVISION, BUT SHALL BE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SECURITY AND OTHER FUNDS PLEDGED THEREFOR AND SHALL NOT BE PAYABLE FROM ANY OTHER ASSETS OR FUNDS OF THE ISSUER, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH, ANY MUNICIPALITY OR ANY POLITICAL SUBDIVISION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

The bonds and the interest thereon are limited obligations of the Borrower, payable solely from the Trust Estate pledged therefor under the Indenture. None of the Borrower's partners, nor any of their members, officers, directors or affiliates shall in any event be liable for the payment of the principal, interest or premium if any, on the Bonds, nor for the performance of any pledge, obligation or agreement whatsoever with respect thereto.

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 Bond Payment Date, however, Eligible Funds required to be deposited in the Collateral Fund and amounts on deposit in the Special Funds 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.

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 TTG Pinecrest Limited Partnership, a Virginia limited partnership, a single asset entity formed for the specific purpose of acquiring, owning, and operating the Project. The general partner of the Borrower is TTG Pinecrest GP LLC, a Virginia limited liability company (the "General Partner"), which will own a 0.01% ownership interest in the Borrower. TTG Pinecrest HCDC Investor, LLC, a Delaware limited liability company (the "Investor Limited Partner"), will own a 99.99% interest in the Borrower.

The Investor Limited Partner

Contemporaneously with the issuance of the Bonds, the Investor Limited Partner expects to acquire a 99.99% ownership interest in the Borrower. In connection with such acquisition, the equity funding arrangements for the funding of the federal low-income housing tax credit equity (the "Tax Credit Equity") are expected to be in the total amount set forth under "THE PROJECT — Plan of Financing" herein paid in stages during and after rehabilitation 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.

Limited Assets and Obligation of Borrower, General Partner and Investor Limited Partner

The Borrower and the General Partner have no substantial assets other than the Project and do not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the ownership of the Project. However, the Investor Limited Partner, and the affiliates of the General Partner and Investor Limited Partner 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, partners or 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 Developer

The Transcend Development Group LLC, a Delaware limited liability company (the "Developer"), will act as the developer for the Project. The principals of the Developer have been directly involved in the creation and preservation of over 8,000 units and the Developer has (or its principals have) created and preserved more than 9,000 units and successfully acquired projects in eight states.

The Architect

The architect for the Project is Bialosky and Partners Architects, LLC (the "Architect"). The Architect is not an affiliate of the Developer. The Architect has been a licensed architect for 70 years and has been the principal architect for approximately 60 multifamily developments in over six states, including Virginia.

The General Contractor

The general contractor for the Project is Equitable Housing Construction Partners, LLC (the "General Contractor"). The General Contractor is not an affiliate of the Developer. Based out of Glendale, Arizona, the General Contractor was formed in 2022 and is a Virginia-licensed contractor. The principals of the General Contractor have built or rehabilitated over 11,000 units of affordable apartments in over 75 affordable housing communities throughout 24 states.

The Property Manager

The Borrower has entered into a management agreement with Wingate Management Company, LLC (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 residential housing for over 60 years. The Property Manager currently manages over 23,000 apartment units in 17 states.

The Mortgage Lender

JLL Real Estate Capital, LLC, a Delaware limited liability company (the "Mortgage Lender"), will, upon satisfaction of certain conditions precedent, make the Mortgage Loan to the Borrower. The Mortgage Lender is a mortgage banking firm specializing in FHA-insured construction and permanent mortgage loans, Fannie Mae forward commitments and permanent mortgage loans, and both Fannie Mae and FHA bond credit enhancements for multifamily and seniors housing projects across the United States. The Mortgage Lender has been approved by HUD as an eligible issuer and servicer of loans guaranteed by GNMA. To be approved by GNMA to issue GNMA guaranteed certificates with respect to long-term mortgages on multifamily projects, the Mortgage Lender is required to have a net worth (based on audited financial statements) equal to at least \$500,000 plus 0.2% of any securities outstanding in excess of \$35 million.

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, known as Pinecrest Apartments, is located in Lawrenceville, Virginia, on an approximately 15-acre site. The Project contains 70 apartment units in nine buildings located at 27 Crestview Road, Lawrenceville, Virginia. Common area improvements will include a revitalized community building including a new community

room with kitchen, business center, exercise area and leasing office, as well as enhanced community amenities including a community garden, dog park, bbq/picnic area and new playground facilities. Unit amenities include all-new EnergyStar kitchen appliances, new bathroom and kitchen fixtures, upgraded kitchen cabinets and countertops and revitalized unit interiors including new LED lighting fixtures, new HVAC units and new flooring throughout. There are 146 parking spaces for resident use only.

It is anticipated that rehabilitation will commence promptly upon the issuance of the Bonds and funding of the initial installment of the Tax Credit Equity and will be completed in approximately 10 months.

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

Unit Type	Average Square Feet	Number of Units
2 bedroom 1 bath	891	32
3 bedroom 1.5 bath	994	32
4 bedroom 2 bath	1,107	<u>6</u>
TOTAL		<u>70</u>

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	\$4,000,000
Mortgage Loan	8,545,300
Federal Tax Credit Equity	5,059,827
Net Operating Income During Construction	605,529
Deferred Developer Fee	<u>209,820</u>
Total	<u>\$18,420,476</u>
Uses of Funds*	
Acquisition Costs	\$1,856,200
Construction Costs	7,062,029
Architect/Engineer/Third Party	2,102,985
Reserves	517,606
Costs of Issuance	1,595,058
Developer Fee	1,286,598
Payment of Bond Principal	<u>4,000,000</u>
Total	<u>\$18,420,476</u>

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

The Mortgage Loan. The Project will utilize a mortgage loan (the "Mortgage Loan") insured by the Federal Housing Administration ("FHA") under Section 221(d)(4) of the National Housing Act of 1934, as amended, and applicable regulations promulgated thereunder. The Mortgage Loan is expected to close simultaneously with the issuance of the Bonds.

The Mortgage Loan is expected to be in the original principal amount of \$8,545,300* and is expected to bear interest at the estimated rate of 5.505%* per annum. The Mortgage Loan proceeds will be disbursed by the Mortgage Lender to the Borrower based upon approved advances. Such advances will be evidenced by the Mortgage Note, secured by the Mortgage on the Project, and the Mortgage Lender will issue, with respect to the Mortgage Note, fully

* Preliminary, subject to change.

amortized mortgage-backed securities (“GNMA Securities”) guaranteed as to timely payment of principal and interest by the Government National Mortgage Association (“GNMA”). The Mortgage Loan will be amortized over 40 years.

The Low Income Housing Tax Credit Proceeds. Contemporaneously with the issuance of the Bonds, the Investor Limited Partner 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 \$5,059,827*, with approximately \$505,973* 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.

The Bridge Loan. The Project will also utilize an equity bridge loan in the principal amount of \$2,840,000* (the “Bridge Loan”). The obligation to repay the Bridge Loan will be set forth in a promissory note (the “Bridge Note”) from the Borrower to The Huntington National Bank (the “Bridge Lender”), and the Bridge Loan will be repaid with capital contributions of the Tax Credit Equity from the Investor Limited Partner on the terms and conditions set forth therein. The Bridge Note will be secured by, among other things, a pledge of capital contributions from the Investor Limited Partner. The Bridge Note will have a term of up to 18 months* with one 6-month extension option and will bear interest at a rate of Floating One Month Term SOFR plus 3.25% spread per annum*, with annual principal and interest not otherwise paid, due at maturity.

Net Operating Income During Construction. The Project will also utilize pre-stabilized interim operating income from the Project in the amount of \$605,529* as a source of funding.

Deferred Developer Fee. The Project will also utilize a deferred developer fee in the amount of \$209,820* as a source of funding. The deferred developer fee will be repaid through surplus cash flow received from the operation of the Project.

HAP Contract

The Borrower will receive the benefit of a Section 8 Housing Assistance Payment Contract (the “HAP Contract”) covering all 70 units at the Project.

Funding under the HAP Contract is subject to annual Congressional appropriations, as more particularly described below. The Section 8 project-based housing assistance payment program (the “Section 8 Program”) is authorized by Section 8 of the United States Housing Act of 1937, as amended, and in the case of Section 8 contracts is administered by local public housing authorities. Renewals of Section 8 HAP contracts are governed by the Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended (“MAHRA”). The Section 8 Program authorizes housing assistance payments to owners of qualified housing for the benefit of low-income families (defined generally as families whose incomes do not exceed 80% of the area median income (“AMI”) for the area as determined by HUD), and very low-income families (defined generally as families whose income do not exceed 50% of the AMI as determined by HUD). Section 8 housing assistance payments generally represent the difference between the “contract rent” for the unit approved by HUD and the eligible tenant’s contribution, which is generally 30% of income, as adjusted for family size and certain expenses, subject to a minimum rent contribution. The rents approved by HUD for the Project, as they may be adjusted from time to time with procedures set forth in MAHRA and the HAP Contract, are the “contract rents” for the Project. The HAP Contract will require the Borrower to maintain the Project in decent, safe and sanitary condition and to comply with other statutory and regulatory requirements governing the operation of the Project, use of project funds, and other matters. If the Borrower fails to comply with the terms of the HAP Contract, HUD or the contract administrator could seek to abate or terminate the payments under the HAP Contract or impose other sanctions. MAHRA requires that upon the request of the Borrower, HUD shall renew the HAP Contract under the Section 8 Program. However, because the HAP Contract is subject to receipt of annual appropriations by Congress, there is no assurance that the HAP Contract will be renewed or replaced upon its expiration. Funding for HAP contracts is appropriated by Congress on an annual basis, and there is no assurance that adequate funding will be appropriated each year during the term of the HAP Contract. Since payments received under

* Preliminary, subject to change.

the HAP Contract constitute a primary source of revenues for the Project, the expiration of the HAP Contract, or the failure of Congress to appropriate funds sufficient to fund the HAP Contract during each year of its term, would have a material adverse effect on the ability of the Project to generate revenues.

Project Regulation

The Borrower intends to operate the Project as a qualified residential rental project in accordance with the provisions of Section 142(d) of the Code. Concurrently with the issuance of the Bonds, the Borrower, the Trustee and the Issuer will enter into a Regulatory Agreement dated as of May 1, 2026 (the “Regulatory Agreement”). Under the Regulatory Agreement, the Borrower will agree that, at all times during the qualified project period (as defined in the Regulatory Agreement), the Borrower will rent at least 100% of the units in the Project to persons whose adjusted family income (determined in accordance with the provisions of the Code) is no more than 60% of the area median income (adjusted for family size) (“AMI”). See “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” herein.

In addition to the rental restrictions imposed upon the Project by the Tax Regulatory Agreement, the Project will be further encumbered by a tax credit restrictive covenant, to be executed by the Borrower in connection with the federal low-income housing tax credits 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”). 34 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 the AMI adjusted for family size and 36 of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 50% of the AMI 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.

Additional restrictions are imposed on the Project pursuant to the HUD Regulatory Agreement entered into by the Borrower in connection with the Mortgage Loan.

CERTAIN BONDHOLDERS’ RISKS

The following is a summary of certain risks associated with a purchase of the Bonds. There are other possible risks not discussed below. The Bonds are payable from the payments to be made by the Borrower under the Loan Agreement and the Note, and from amounts on deposit in the Special Funds and the interest earnings thereon. The Borrower’s obligation to make payments pursuant to the Loan Agreement and the Note are nonrecourse obligations with respect to which the Borrower and its partners have no personal liability (except as otherwise provided in the Note) and as to which the Borrower and its partners have not pledged any of their respective assets.

General

Payment of the Bond Service Charges, and the Borrower’s obligations with respect to the Bond Service Charges, will be primarily secured by and payable from Bond proceeds held in the Project Fund 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 Special Funds, 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. Funds on deposit in the Collateral Fund and Negative Arbitrage Account of the Bond Fund will be sufficient to pay the debt service on the Bonds.

Early Redemption of the Bonds

Any person who purchases a Bond should consider the fact that the Bonds are subject to redemption upon the occurrence of certain events. See “THE BONDS – Redemption of the Bonds” herein.

Limited Security for Bonds

The Bonds are not secured by the Mortgage Loan. Investors should look exclusively to amounts on deposit in the Special Funds 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 Underwriter 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 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, Commonwealth and federal governments and their agencies. There can be no assurance that relevant local, Commonwealth 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.

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

Opinion of Bond Counsel – Federal Income Tax Status of Interest

Except as qualified below, in the opinion of McGuireWoods LLP, Bond Counsel, assuming continuous compliance with the covenants in the Tax Certificate and Agreement to be delivered by the Borrower and the Issuer in connection with the delivery of the Bonds (the “Tax Certificate”), and based on existing statutes, court decisions, regulations and rulings, and subject to the qualifications described in the remaining paragraphs under this heading, interest on the Bonds (a) is excludable from the gross income of the holders of the Bonds for purposes of federal income taxation pursuant to the Internal Revenue Code of 1986, as amended (the “Code”) under existing statutes, regulations and decisions, except as provided in Section 147(a) of the Code with respect to any period during which the Bonds are held by a person who is a “substantial user” of the Project or by a “related person,” as such terms are used in Section 147(a) of the Code and the regulations adopted thereunder, and (b) is not a specific item of tax

preference for purposes of the federal alternative minimum tax on individuals. However, such interest is included in the “adjusted financial statement income” (as defined in Section 56A of the Code) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. In the event of noncompliance with certain covenants contained in the Tax Certificate, interest on the Bonds would be subject to income taxation by the United States from the date of issue. The proposed form of the opinion of Bond Counsel appears as Appendix F hereto.

Bond Counsel’s opinion speaks as of its date, is based on current legal authority and precedent, covers certain matters not directly addressed by such authority and precedent, and represents Bond Counsel’s judgment as to the excludability of interest on the Bonds for federal income tax purposes. Bond Counsel’s opinion does not contain or provide any opinion or assurance regarding the future activities of the Issuer or the Borrower or about the effect of future changes in the Code, the applicable regulations, or the interpretation or the enforcement thereof by the Internal Revenue Service (the “IRS”) and the courts.

Although Bond Counsel is of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, Bonds may otherwise affect the federal tax liability of an owner of the Bonds. The nature and extent of these other federal tax consequences depend on the owner’s particular tax status and levels of other income or deductions. Bond Counsel will express no opinion regarding any such other tax consequences and prospective purchasers of the Bonds should consult their own tax advisors with respect thereto.

Reliance and Assumptions; Effect of Certain Changes

In delivering its opinion regarding the federal tax treatment of interest on the Bonds, Bond Counsel is relying upon and assuming the accuracy of certifications and representations of the Issuer, the Borrower, and other persons to facts material to the opinion, which Bond Counsel has not independently verified.

In addition, Bond Counsel is assuming continuing compliance with the Covenants (as hereinafter defined) by the Issuer and the Borrower. The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied after the issuance of the Bonds in order for interest on the Bonds to be and remain excludable from gross income for purposes of federal income taxation. These requirements include, by way of example and not limitation, restrictions on the use, expenditure and investment of the proceeds of the Bonds and the use of the property financed by the Bonds, limitations on the source of the payment of and the security for the Bonds, and the obligation to rebate certain excess earnings on the gross proceeds of the Bonds to the Treasury of the United States (the “Treasury”). The Indenture, the Loan Agreement, and the Tax Certificate contain covenants (the “Covenants”) under which the Issuer and the Borrower have agreed to comply. A failure to comply with the Covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to their date of issue. If such a failure were to occur, the available enforcement remedies may be limited by applicable provisions of law and, therefore, may not be adequate to prevent interest on the Bonds from becoming includable in gross income for federal income tax purposes. Compliance by the Issuer with its respective Covenants does not require the Issuer to make any financial contribution for which it does not receive funds from the Borrower.

Bond Counsel has no responsibility to monitor compliance with the Covenants after the date of issue of the Bonds.

Certain requirements and procedures contained, incorporated or referred to in the Indenture, the Loan Agreement, and the Tax Certificate, including the Covenants, may be changed and certain actions may be taken or omitted subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion concerning any effect on the excludability of interest on the Bonds from gross income for federal income tax purposes of any such subsequent change or action that may be made, taken or omitted upon the advice or approval of counsel other than Bond Counsel.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner thereof. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning or disposing of the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, banks and financial institutions, certain insurance companies, dealers in tax-exempt obligations, certain corporations (including S corporations and foreign corporations), certain foreign corporations subject to the “branch profits tax,” individual recipients of Social Security or Railroad Retirement benefits, owners of an interest in a financial securitization trust, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers attempting to qualify for the earned income tax credit.

Original Issue Premium

Bonds purchased in the initial public offering with yields lower than their applicable interest rates, as shown on the inside cover page hereof, have been sold with “bond premium.” Each such Bond is referred to below as an “OIP Bond.” The excess of (i) the owner’s basis in the OIP Bond immediately after acquisition over (ii) the amount payable at maturity (excluding qualified stated interest) as determined under Section 171 of the Code constitutes the amount of the bond premium. Under the Code, the bond premium is amortized based on the owner’s yield over the remaining term of the OIP Bond (or, in the case of certain callable OIP Bonds, to an earlier call date that results in a lowest yield on the OIP Bond). The owner of an OIP Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period against the bond premium allocable to that period. No deduction is allowed for such amortization of bond premium even though the owner is required to decrease the adjusted basis in the owner’s OIP Bond by the amount of the amortizable bond premium, which will result in an increase in the gain (or decrease in the loss) recognized for federal income tax purposes upon a sale or disposition of the OIP Bond prior to its maturity.

Prospective purchasers of any OIP Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, sale, exchange, or other disposition of, and amortization of bond premium on, such OIP Bonds.

Information Reporting and Backup Withholding

Prospective purchasers should be aware that the interest on the Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if the interest is paid to an owner who or which (i) is not an “exempt recipient” and (ii) (A) fails to furnish an accurate U.S. taxpayer identification number in the manner required, (B) has been notified of a failure to report all interest and dividends required to be shown on federal income tax returns or (C) fails to certify under penalty of perjury that the owner is not subject to withholding. Individuals generally are not exempt recipients, although corporations and other entities generally are.

The reporting and backup withholding requirements do not in and of themselves affect the excludability of interest on the Bonds from gross income for federal income tax purposes, and amounts withheld under the backup withholding rules may be refunded or credited against the owner’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Internal Revenue Service Audits

The IRS has established a program to audit tax-exempt obligations to determine whether the interest thereon is includable in gross income for federal income tax purposes. If the IRS does audit the Bonds, the IRS will, under its

current procedures, treat the Issuer as the taxpayer. As such, the beneficial owners of the Bonds will have only limited rights, if any, to participate in the audit or any administrative or judicial review or appeal thereof. Any action of the IRS, including but not limited to the selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the marketability or market value of the Bonds.

Opinion of Bond Counsel – Virginia Income Tax Consequences

In the opinion of Bond Counsel, under current law, interest on the Bonds is excludable from gross income for purposes of income taxation by the Commonwealth of Virginia (the “Commonwealth”). Bond Counsel will express no opinion regarding (i) other tax consequences arising with respect to the Bonds under the laws of the Commonwealth or (ii) any consequences arising with respect to the Bonds under the tax laws of any state or local jurisdiction other than the Commonwealth. Prospective purchasers of the Bonds should consult their own tax advisors regarding such other Virginia tax consequences or the tax status of interest on the Bonds in a particular state or local jurisdiction other than the Commonwealth.

Changes in Federal and State Tax Law and Regulations

Legislation affecting tax-exempt obligations is regularly considered by the U.S. Congress and various state legislatures. Such legislation may effect changes in federal or state income tax rates and the application of federal or state income tax laws (including the substitution of another type of tax), or may repeal or reduce the benefit of the excludability of interest on the tax-exempt obligations from gross income for federal or state income tax purposes.

The U.S. Department of the Treasury and the IRS and state regulatory authorities are continuously drafting regulations to interpret and apply the provisions of the Code and state law and court proceedings may be filed, the outcome of which could modify the federal or state tax treatment of tax-exempt obligations.

There can be no assurance that legislation proposed or enacted after the date of issue of the Bonds, regulatory interpretation of the Code or state laws or actions by a court involving either the Bonds or other tax-exempt obligations will not have an adverse effect on the Bonds’ federal or state tax status, marketability or market price or on the economic value of the tax-exempt status of the interest on the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential consequences of any such proposed or pending federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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 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. An explanation of the significance of such rating may be obtained from the Rating Agency. The rating of the Bonds reflects only the views of the Rating Agency at the time such rating was given, and neither the Issuer nor the Borrower nor the Underwriter makes any representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the Rating Agency, if in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

UNDERTAKING TO PROVIDE 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.

For certain projects, 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 failure to timely file financial and/or operating data without notice of late filing.

A failure by the Borrower to comply with the Continuing Disclosure Agreement will not constitute an Event of Default under the Indenture. 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.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Bonds will be subject to an approving opinion of McGuireWoods LLP, Tysons Corner, Virginia, as Bond Counsel. Certain legal matters will be passed upon for the Borrower by its counsel, Applegate & Thorne-Thomsen, P.C., Chicago, Illinois, 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

On the date of issuance of the Bonds, the Issuer will deliver certificates to the effect that, to the knowledge of the Issuer, no litigation is pending or threatened against the Issuer (i) to restrain or enjoin the issuance of the Bonds, or contesting or questioning the validity of the Bonds or the proceedings and authority under which the Bonds have been authorized and are to be issued, or the pledge or application of any money or security provided for the payment of the Bonds or (ii) which questions the validity of the Indenture, the Loan Agreement, the Regulatory Agreement or the Bonds.

The Borrower

On the date of issuance of the Bonds, the Borrower will deliver a certificate that there is no pending or, to the knowledge of the Borrower, any threatened litigation in writing against the Borrower adversely affecting the power or authority of the Borrower to enter into the Financing Documents or that would materially adversely affect the Borrower's obligations under the Financing Documents.

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 the Official Statement involving matters of opinion or estimate, whether or not expressly 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 pages to follow]

This Official Statement has been duly authorized, executed and delivered by the undersigned.

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF BRUNSWICK COUNTY, VIRGINIA**

By: _____
Name:
Title:

[Signatures continue on next page]

[Borrower signature page to the Official Statement]

TTG PINECREST LIMITED PARTNERSHIP,
a Virginia limited partnership

By: TTG Pinecrest GP LLC,
a Virginia limited liability company

By: _____
Charles Treach, Manager

By: _____
Nicholas Tufano, Manager

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 Issuer or the Trustee.

“Act” means the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as now in effect and as from time to time hereafter amended or supplemented.

“Act of Bankruptcy” means written notice to the Trustee that the Borrower has become insolvent or has failed to pay its debts generally as such debts become due or has admitted in writing its inability to pay any of its indebtedness or has consented to or has petitioned or applied to any court or other legal authority for the appointment of a receiver, liquidator, trustee or similar official for itself or for all or any substantial part of its properties or assets or that any such trustee, receiver, liquidator or similar official has been appointed or that a petition in bankruptcy, insolvency, reorganization or liquidation proceedings (or similar proceedings) have been instituted by or against the Borrower; provided that, if in the case of an involuntary proceeding, such proceeding is not dismissed within 90 days after commencement thereof.

“Additional Payments” means the amounts required to be paid by the Borrower pursuant to the Loan Agreement.

“Administrative Expenses” means the Ordinary Trustee Fees and Expenses, the Dissemination Agent Fee and the Ordinary Issuer Fees.

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

“Authorized Borrower Representative” means any person who, at any time and from time to time, is designated as the Borrower’s authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized General Partner of the Borrower, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person’s authority to act in such capacity.

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

“Authorized Official” means the Chair or Vice Chair of the Issuer and any other officer or employee of the Issuer designated by certificate of any of the foregoing as authorized by the Issuer to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Official is an Authorized Official until such time as such provider files with it a written certificate identifying a different person or persons to act in such capacity.

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

“Beneficial Owner” means with respect to the Bonds, the Person owning the Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

“Beneficial Ownership Interest” means the right to receive payments and notices with respect to the Bonds held in a Book-Entry System.

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

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

“Bond Payment Date” means each Interest Payment Date and any other date Bond Service Charges on the Bonds are due, whether at maturity, upon redemption, Mandatory Tender or acceleration or otherwise.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated May __, 2026, among the Underwriter, the Issuer and the Borrower.

“Bond Resolution” means the certain resolution relating to the issuance and sale of the Bonds, adopted by the Governing Body on March 10, 2026.

“Bond Service Charges” means, for any period or payable at any time, the principal of and interest on the Bonds for that period or payable at that time whether due at maturity or upon redemption, Mandatory Tender, acceleration or otherwise.

“Bonds” means the Multifamily Housing Revenue Bonds (Pinecrest Apartments), Series 2026 of the Issuer authorized in the Bond Resolution and the Indenture in an amount not to exceed \$4,000,000*.

“Book-Entry Form” or “Book-Entry System” means, with respect to the Bonds, a form or system, as applicable, under which (a) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates “immobilized” in the custody of the Depository and (b) the ownership of book entry interests in Bonds and Bond Service Charges thereon may be transferred only through a book entry made by others than the Issuer or the Trustee. The records maintained by others than the Issuer or the Trustee constitute the written record that identifies the owners, and records the transfer, of book entry interests in those Bonds and Bond Service Charges thereon.

“Borrower” means TTG Pinecrest Limited Partnership, a Virginia limited partnership.

“Borrower Documents” means the Financing Documents and the Mortgage Loan Documents to which the Borrower is a party.

“Bridge Lender” means The Huntington National Bank, a national banking association, its successors and assigns.

“Bridge Loan” means the loan made by the Bridge Lender to the Borrower in the original principal amount of up to \$2,840,000*.

“Business Day” means a day other than a Saturday or a Sunday, on which (a) banking institutions or trust companies in the City of New York, Kansas City, Missouri, Costa Mesa, California, or in the city in which the principal office of the Trustee or the Remarketing Agent is located are not authorized or obligated by law, regulation or executive order to be closed, or (b) The Federal Reserve Bank of New York or The New York Stock Exchange is not closed, and on which the United States Government makes payments of principal and interest on its Treasury obligations.

“Cash Flow Projection” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the

* Preliminary, subject to change.

preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Rating Agency, establishing, to the satisfaction of the Rating Agency, the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges and the Administrative Expenses, 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 purchase, sale or exchange of Eligible Investments as provided in the Indenture and (v) the sale or other disposition by the Trustee of Eligible Investments prior to maturity at a price below par in connection with an optional redemption prior to the Initial Mandatory Tender Date. The Trustee shall be entitled to assume any Cash Flow Projection delivered to it is acceptable to the Rating Agent and shall not be obligated to seek approval from the Rating Agency of such Cash Flow Projection.

“Closing Date” means May __, 2026.

“Code” means the Internal Revenue Code of 1986, as amended, in full force and effect on the date of the Indenture.

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

“Commonwealth” means the Commonwealth of Virginia.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of May 1, 2026, between the Borrower and the Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Controlling Holders” means in the case of consent or direction to be given under the Indenture, the Holders of the majority in aggregate principal amount of the Outstanding Bonds.

“Controlling HUD and GNMA Requirements” means the National Housing Act and any applicable HUD or GNMA regulations, and related HUD or GNMA administrative requirements and prohibitions.

“Costs of Issuance” means the “issuance costs” with respect to the Bonds within the meaning of Section 147(g) of the Code.

“Costs of Issuance Fund” means the Costs of Issuance Fund created in the Indenture.

“Depository” means, with respect to the Bonds, DTC, until a successor Depository shall have become such pursuant to the applicable provisions of the Indenture, and thereafter, Depository shall mean the successor Depository. Any Depository shall be a securities depository that is a clearing agency under a federal law operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of Book-Entry interests in Bonds or Bond Service Charges thereon, and to effect transfers of Book-Entry interests in Bonds.

“Designated Office” of the Trustee or the Remarketing Agent means, respectively, the office of the Trustee or the Remarketing Agent 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 Remarketing Agent, as applicable.

“Determination of Taxability” means the receipt by the Trustee of (1) a copy of written notice from the Commissioner or any District Director of the Internal Revenue Service or a determination by any court of competent jurisdiction, or (2) an Opinion of Bond Counsel, in either case to the effect that interest on the Bonds is not excludable for regular federal income tax purpose under Section 103(a) of the Code from gross income of any Holders of the Bonds (other than a Holder who is a substantial user of the Project or a related person as defined in the Code).

“Disbursement Agreement” means the Construction Loan Disbursement and Title Policy Updates Agreement, dated as of May 1, 2026, by and among the Mortgage Lender, the Borrower, the Contractor named therein, the Escrow Agent named therein and the Trustee.

“Dissemination Agent” means UMB Bank, National Association, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

“Dissemination Agent Fee” means the fee payable to the Dissemination Agent as compensation for its services and expenses in performing its obligations under the Continuing Disclosure Agreement; provided, however, the amount of the Dissemination Agent Fee payable under the Indenture is limited to money withdrawn from the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Dissemination Agent Fee pursuant to the Loan Agreement.

“DTC” means The Depository Trust Company (a limited purpose trust company), Brooklyn, New York, and its successors or assigns.

“DTC Participant” means any participant contracting with DTC under its Book-Entry system and includes securities brokers and dealers, banks and trust companies and clearing corporations.

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

- (a) the proceeds of the Bonds (including any additional amount paid by the Underwriter to the Trustee as the purchase price of the Bonds);
- (b) money received by the Trustee from Lender Funds, and Bridge Loan proceeds;
- (c) remarketing proceeds of the Bonds (including any additional amount paid by the Remarketing Agent to the Trustee as the remarketing price of the Bonds) 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);
- (d) any other amounts, including the proceeds of 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 or 550 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;
- (e) the proceeds of draws by the Trustee on any letter of credit provided to the Trustee for the benefit of the Borrower;
- (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) the proceeds of draws by the Trustee on any letter of credit provided to the Trustee for the benefit of the Borrower;
- (h) money received by the Trustee in connection with recycling of volume cap as described in the Indenture; and
- (i) investment income derived from the investment of the moneys described in (a) through (g) above.

“Eligible Investments” means, subject to the provisions of the Indenture, and to the extent permitted under the laws of the Commonwealth of Virginia, 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:

(a) Government 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 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.

“Event of 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 in 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 which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency.

“Extraordinary Issuer Fees and Expenses” means the expenses and disbursements payable to the Issuer under the Indenture or the other Financing Documents for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by Bond Counsel and counsel to the Issuer which are to be paid by the Borrower pursuant to the Loan Agreement.

“Extraordinary Services” and “Extraordinary Expenses” mean all services rendered and all reasonable expenses properly incurred by the Trustee or the Issuer (including fees, costs and expenses of counsel) under the Indenture or the other Financing Documents, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include, but are not limited to, services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, an Event of Default (including fees, costs and expenses of counsel).

“Federal Tax Status” means, as to the Bonds, the status of the interest on the Bonds as excludible from gross income for federal income tax purposes of the Holders of the Bonds (except on Bonds while held by a substantial user or related person, each as defined in the Code).

“FHA” means the Federal Housing Administration of HUD or any successor entity and any authorized representatives or agents thereof, including the Secretary of HUD, the Federal Housing Commissioner and their representatives or agents.

“FHA Commitment” means the Commitment for Insurance of Advances issued by FHA with respect to FHA Insurance on the Mortgage Loan, as the same may be amended.

“FHA Insurance” means the insurance on the mortgage note by FHA pursuant to Section 221(d)(4) of the National Housing Act.

“Financing Documents” means the Indenture, the Bonds, the Loan Agreement, the Note, the Tax Agreement, the Regulatory Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Disbursement Agreement, and any other instrument or document executed in connection with the Bonds, together with all modifications, extensions, renewals and replacements thereof, but excluding the GNMA Documents and the Mortgage Loan Documents.

“Force Majeure” means any of the causes, circumstances or events described as constituting Force Majeure in the Loan Agreement.

“GNMA” means the Government National Mortgage Association, an organizational unit within HUD, or any successor entity and any authorized representatives or agents thereof, including the Secretary of HUD and his representatives or agents.

“GNMA Certificate” means a mortgage backed security issue by the Mortgage Lender, guaranteed as to timely payment of principal and interest by GNMA pursuant to the National Housing Act and the regulations thereunder, and issued with respect to and backed by the Mortgage Loan.

“GNMA Documents” means any GNMA Certificate, the “Ginnie Mae MBS Guide” (Ginnie Mae 5500.3, Rev. 1) pursuant to which GNMA will guarantee the GNMA Certificate and all other documents, certifications and assurances executed and delivered by the Mortgage Lender, GNMA or the Borrower in connection with the GNMA Certificate.

“Governing Body” means the Board of Directors of the Issuer or any governing body that succeeds to the functions of the Board of Directors of the Issuer.

“Government” shall mean the government of the United States of America, the government of any other nation, any political subdivision of the United States of America or any other nation (including, without limitation, any state, territory, federal district, municipality or possession) and any department, agency or instrumentality thereof; and “Governmental” shall mean of, by, or pertaining to any Government.

“Government Obligations” means (i) 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 (ii) 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 (i) or (ii) 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.

“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.

“Holder,” “Holder of a Bond” or “Bondholder” means the Person in whose name a Bond is registered on the Register.

“HUD” means the United States Department of Housing and Urban Development.

“HUD Regulatory Agreement” means the Regulatory Agreement for Multifamily Projects between the Borrower and HUD with respect to the Project, as the same may be supplemented, amended or modified from time to time.

“Indenture” means the Trust Indenture, dated as of May 1, 2026, between the Issuer and the Trustee, as amended or supplemented from time to time.

“Independent” when used with respect to a specified Person means such Person has no specific financial interest direct or indirect in the Borrower or any Affiliate of the Borrower and in the case of an individual is not a director, trustee, officer, member, partner, or employee of the Borrower or any Affiliate of the Borrower and in the case of an entity, does not have a member, partner, director, trustee, officer, or employee who is a director, trustee, officer or employee of any partner of the Borrower or any Affiliate of the Borrower.

“Initial Interest Rate” means ____%.

“Initial Mandatory Tender Date” means December 1, 2027*.

“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 December 1, 2026*, (b) each Redemption Date, and (c) each Mandatory Tender Date. In the case of payment of defaulted interest, “Interest Payment Date” also means the date of such payment established pursuant to the Indenture.

“Interest Rate” means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, and thereafter the applicable Remarketing Rate.

“Investor Limited Partner” means TTG Pinecrest HCDC Investor, LLC, a Delaware limited liability company, and its respective successors and assigns.

“Issuer” means the Industrial Development Authority of Brunswick County, Virginia, a political subdivision of the Commonwealth, duly organized and validly existing under the laws of the Commonwealth, and its successors and assigns.

“Issuer Documents” means the Financing Documents to which the Issuer is a party.

“Issuer Fees and Expenses” means, collectively, the Ordinary Issuer Fees and the Extraordinary Issuer Fees and Expenses.

“Lender Funds” means warehouse funds or other funds of the Mortgage Lender to be advanced by the Mortgage Lender to the Trustee and/or proceeds, if any, received from the issuance by the Mortgage Lender of GNMA Certificates, which, in the aggregate, do not exceed the amount set forth in the Indenture.

“Loan” means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Bonds.

“Loan Agreement” means the Loan Agreement dated as of even date with the Indenture, between the Issuer and the Borrower and assigned by the Issuer, except for Reserved Rights, to the Trustee, as amended or supplemented from time to time.

“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 Eastern Time (daylight or standard, as applicable) in the Town of Lawrenceville, Virginia.

“Mandatory Tender” means a tender of Bonds required by the Indenture.

“Mandatory Tender Date” means the latest of (a) the Initial Mandatory Tender Date and (b) if the Bonds Outstanding on such date or on any subsequent Mandatory Tender 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.

“Maturity Date” means December 1, 2028*.

* Preliminary, subject to change.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, 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 Remarketing Agent.

“Mortgage Lender” means JLL Real Estate Capital, LLC, a Delaware limited liability company, and its successors and assigns.

“Mortgage Loan” means the mortgage loan made by the Mortgage Lender to the Borrower pursuant to the Mortgage Loan Documents.

“Mortgage Loan Documents” means the Note (Multistate), the Multifamily Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing, and all other documents required by the Mortgage Lender and/or FHA in connection with the Mortgage Loan.

“National Housing Act” means the National Housing Act of 1937, as amended, and the applicable regulations thereunder.

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

“Note” means the promissory note of the Borrower, dated as of even date with the Bonds initially issued, in the form attached to the Loan Agreement as an exhibit and in the principal amount of up to \$4,000,000*, evidencing the obligation of the Borrower to make Loan Payments.

“Opinion of Bond Counsel” means an opinion of Bond Counsel.

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

“Optional Call Date” means June 1, 2027*.

“Ordinary Issuer Fees” means \$_____ due and payable on the Closing Date and 0.125% of the then-outstanding principal amount of the Bonds due and payable on each anniversary of the Closing Date, plus counsel fees, payable on the Closing Date, payable from money withdrawn from the Expense Fund and the Borrower will be responsible for paying the remaining amount of the Ordinary Issuer Fees and Expenses pursuant to the Loan Agreement.

“Ordinary Services” and “Ordinary Expenses” mean those services normally rendered, and those expenses normally incurred, by a trustee under instruments similar to the Indenture.

“Ordinary Trustee Fees and Expenses” means amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under the Indenture, payable annually in advance on the Closing Date, and each anniversary thereof, in an amount equal to the agreed upon fee schedule; provided, however, the amount of Ordinary Trustee Fees and Expenses payable from funds held under the Indenture is limited to money withdrawn from the Expense Fund and the Borrower will be responsible for paying the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to the Loan Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid as provided in the Indenture or directly by the Borrower pursuant to the Loan Agreement.

“Organizational Documents” means the Amended and Restated Agreement of Limited Partnership of the Borrower dated May __, 2026, as the same may be amended.

* Preliminary, subject to change.

“Outstanding Bonds,” “Bonds outstanding” or “outstanding” as applied to Bonds mean, as of the applicable date, all Bonds which have been authenticated and delivered, or which are being delivered by the Trustee under the Indenture, except:

- (a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment on or prior to that date;
- (b) Bonds, or the portion thereof, for the payment or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee on or prior to that date for that purpose (whether upon or prior to the maturity of those Bonds);
- (c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of the Indenture; and
- (d) Bonds in lieu of which others have been authenticated under the Indenture.

“Person” or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, limited liability companies, public or governmental bodies, other legal entities and natural persons.

“Plans and Specifications” means the plans and specifications describing the Project as now prepared and as they may be changed as in the Loan Agreement.

“Predecessor Bond” of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by the particular Bond. For the purposes of this definition, any Bond authenticated and delivered under the Indenture in lieu of a lost, stolen or destroyed Bond shall, except as otherwise provided in the Indenture, be deemed to evidence the same debt as the lost, stolen or destroyed Bond.

“Project” means the acquisition, renovation, rehabilitation, construction and equipping of an affordable housing development known as Pinecrest Apartments, consisting of approximately 70 units and other site work and community-related improvements, and located at 27 Crestview Road, Lawrenceville, VA.

“Project Costs” means the costs of the Project specified in the Loan Agreement.

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

“Rating Agency” means Moody’s, S&P or any other nationally recognized securities rating agency rating the Bonds, or such rating agency’s successors or assigns, and initially means Moody’s so long as Moody’s is rating the Bonds.

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

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

“Redemption Date” means any date in the Indenture on which Bonds are to be redeemed, including (a) the Maturity Date, (b) the date of acceleration of the Bonds and (c) pursuant to the Indenture.

“Register” means the books kept and maintained by the Trustee for registration and transfer of Bonds pursuant to the Indenture.

“Regular Record Date” means, with respect to any Bond, the fifth Business Day preceding each Interest Payment Date.

“Regulatory Agreement” means the Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 1, 2026, among the Issuer, the Borrower, and the Trustee, as in effect on the Closing Date and as it may thereafter be amended and supplemented from time to time in accordance with its terms.

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

“Remarketing Agreement” means the Remarketing Agreement dated as of May 1, 2026, 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 Period” means the period beginning on a Remarketing Date and ending on the last day of the term for which Bonds are remarketed pursuant to the Indenture or the final Maturity Date of the Bonds, as applicable.

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

“Reserved Rights” of the Issuer means (a) the right of the Issuer to amounts payable to it pursuant to the Loan Agreement, (b) all rights which the Issuer or its members, directors, commissioners, officers, officials, agents or employees may have under the Indenture and the Financing Documents to indemnification by the Borrower and by any other persons and to payments for expenses incurred by the Issuer itself, or its members, directors, commissioners, officers, officials, agents or employees; (c) the right of the Issuer to receive notices, reports or other information, make determinations and grant approvals under the Indenture and under the other Financing Documents; (d) all rights of the Issuer to enforce the representations, warranties, covenants and agreements of the Borrower pertaining in any manner or way, directly or indirectly, to the requirements of the Act or of the Issuer, and set forth in any of the Financing Documents or in any other certificate or agreement executed by the Borrower; (e) all rights of the Issuer in connection with any amendment to or modification of the Financing Documents; and (f) all enforcement remedies with respect to the foregoing.

“Revenues” means (a) the Loan Payments, (b) 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, (c) any money and investments in the Special Funds, and (d) all income and profit from the investment of the foregoing money. The term “Revenues” does not include any money or investments in the Rebate Fund.

“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 Remarketing Agent.

“Secretary” means the person serving as the Secretary of the Issuer, or, in his or her absence, the acting or assistant secretary of the Issuer.

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

“Special Record Date” means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest or principal on that Bond.

“Supplemental Indenture” means any indenture supplemental to the Indenture entered into between the Issuer and the Trustee in accordance with the Indenture.

“Surplus Cash” has the meaning specified in the HUD Regulatory Agreement.

“Tax Agreement” means the Tax Certificate and Agreement, dated the Closing Date, executed and delivered by the Issuer and the Borrower.

“Tendered Bond” means any Bond which has been tendered for purchase pursuant to a Mandatory Tender.

“Trust Estate” means the property rights, money, securities and other amounts pledged and assigned to the Trustee under the Indenture pursuant to the Granting Clauses of the Indenture.

“Trustee” means UMB Bank, National Association, or a successor Trustee appointed pursuant to the applicable provisions of the Indenture, and thereafter, “Trustee” shall mean the successor Trustee.

“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.

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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 Issuer or the Trustee.

Creation of Funds

There are established by the Indenture with the Trustee the following funds and accounts to be held in trust and maintained by the Trustee under the Indenture:

- (a) the Bond Fund, and therein the Negative Arbitrage Account and the Remarketing Proceeds Account (but only at such times as money is to be deposited or held in such Accounts as provided in the Indenture);
- (b) the Project Fund;
- (c) the Costs of Issuance Fund;
- (d) the Collateral Fund;
- (e) the Rebate Fund; and
- (f) the Expense Fund.

Each fund and account 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 accurate 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.

The Trustee shall, at the written direction of an Authorized Borrower Representative, and may, in its discretion, establish such additional accounts within any fund, and subaccounts within any of the accounts, as the Issuer or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that fund and its accounts, or for the purpose of complying with the requirements of the Code, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of the Indenture with respect to a deposit or use of money in the Special Funds or the Rebate Fund, or result in commingling of funds not permitted under the Indenture.

Bond Fund

On the Closing Date, there shall be deposited in the Negative Arbitrage Account of the Bond Fund the amount set forth in 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 in the Negative Arbitrage Account.

So long as there are any Outstanding Bonds, to the extent the Borrower has not received a credit against Loan Payments, all Loan Payments under the Loan Agreement shall be paid on or before each Interest Payment Date directly to the Trustee, and deposited in the Bond Fund, in at least the amount necessary to pay the interest and the principal due on the Bonds on such Bond Payment Date.

The Bond Fund (and accounts therein for which provision is made in the Indenture) and the money and Eligible Investments therein shall be used solely and exclusively for the payment of Bond Service Charges as they become due.

Bond Service Charges shall be payable, as they become due (a) in the first instance from the money on deposit in the Bond Fund (other than 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.

Upon receipt by the Trustee of a Cash Flow Projection, the Trustee is authorized by the Indenture to release from the Negative Arbitrage Account the amount set forth in the Cash Flow Projection to be released to or at the written direction of the Borrower from such account.

Project Fund

Upon the deposit of Eligible Funds in the Collateral Fund as provided in the Indenture, the Trustee shall disburse a corresponding amount of Bond proceeds on deposit in the Project Fund to, or at the written direction of, the Mortgage Lender, for use by the Borrower to pay Project Costs in accordance with the Loan Agreement. The Trustee shall disburse funds from the Project Fund in accordance with the Loan Agreement on the same Business Day that it receives the Eligible Funds but only if (i) the Trustee receives the fully-signed and completed disbursement request by at least 2:00 PM Local Time on the Business Day immediately prior to such Business Day and (ii) the Trustee receives the Eligible Funds with respect to such disbursement request prior to 10:30 AM Local Time on such Business Day; provided that the initial disbursement from the Project Fund on the Closing Date shall be made in accordance with the Closing Memorandum for the Bonds executed by the Borrower. If the Trustee receives Eligible Funds after 10:30 AM Local Time, the disbursement shall be made on the next succeeding Business Day. Notwithstanding any provisions to the contrary, upon satisfaction of the conditions set forth in the Loan Agreement, the Trustee shall be unconditionally and irrevocably obligated to disburse funds from the Project Fund to or at the written direction of the Mortgage Lender. The Trustee shall not disburse money from the Project Fund unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited in the Collateral Fund. In accordance with the Loan Agreement, and prior to making any disbursement, the Trustee shall determine that the aggregate account balance in (a) the Collateral Fund and (b) the Project Fund (less the amount to be disbursed in accordance with the Disbursement Request) is at least equal to the then-Outstanding principal amount of the Bonds; provided, however, to the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee is authorized by the Indenture 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 Project Costs: (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 a like amount of Eligible Funds on deposit in the Collateral Fund to the Project Fund, in exchange for an allocation of a like amount of Eligible Investments held therein. Upon receipt of Eligible Funds from the Mortgage Lender, if the Trustee is not prepared to immediately make the foregoing disbursement from the Project Fund to the Mortgage Lender, the Trustee shall return such Eligible Funds to the Mortgage Lender.

Money in the Project Fund shall be disbursed in accordance with the provisions of the Loan Agreement, the Disbursement Agreement and this section. To the extent money is not otherwise available to the Trustee, including money on deposit in the Bond Fund and the Collateral Fund, the Trustee shall transfer from the Project Fund to the Bond Fund sufficient money to make the necessary interest and principal payments, if any, on each Interest Payment Date without further written direction.

On any Redemption Date, the Trustee will transfer any amounts then on deposit in the Project Fund into the Bond Fund to pay Bond Service Charges on the Bonds.

Upon the occurrence and continuance of an Event of Default under the Indenture as a result of which the principal amount of the Bonds has been declared to be due and immediately payable pursuant to the Indenture, any money remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund.

Collateral Fund

The Trustee shall deposit in the Collateral Fund all Eligible Funds received by the Trustee for deposit into the Collateral Fund. The Loan Agreement and the Disbursement Agreement require the Borrower to deposit, or cause to be deposited, Eligible Funds with the Trustee for deposit into the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, the amount of Bond proceeds on deposit in the Project Fund to be disbursed by the Trustee to pay Project Costs.

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 transfer money in the Collateral Fund as follows: (i) on the Mandatory Tender Date, to the Bond Fund, the amount necessary to pay the purchase price of the Bonds, to the extent amounts on deposit in the Remarketing Proceeds Account and the Negative Arbitrage Account of the Bond Fund are insufficient therefor; and (ii) on any Redemption Date or the Maturity Date of the Bonds, to the Bond Fund the amount, together with amounts on deposit in the Bond Fund, necessary to pay the principal and interest due on the Bonds on such date.

On any Redemption Date, the Trustee will transfer funds held in the Collateral Fund into the Bond Fund to pay Bond Service Charges on the Bonds.

Amounts on deposit in the Collateral Fund in excess of the amount required to pay Bond Service Charges after payment in full of the Bonds may be transferred to the Project Fund and used to pay Project Costs as provided in the Loan Agreement.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the Collateral Fund is transferred to the Bond Fund and applied to the payment of the principal of any of the Bonds, the principal component of the redemption price of any of the Bonds or the principal component of the tender price of any of the Bonds, all as provided in the Indenture.

Investment of Special Funds and Rebate Fund

Except as otherwise set forth in this section, moneys in the Special Funds and the Rebate Fund shall be invested and reinvested by the Trustee in Eligible Investments at the written direction of the Authorized Borrower Representative. At no time shall the Authorized Borrower Representative direct that any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code. Investments of moneys in the Special Funds shall mature or be redeemable without penalty at such time as may be necessary to make payments from the Special Funds, including on each Interest Payment Date. Any of those investments may be purchased from or sold to the Trustee, the Registrar, an authenticating agent or a paying agent, or any bank, trust company or savings and loan association affiliated with any of the foregoing. The Trustee shall sell or redeem investments credited to the Special Funds to produce sufficient moneys applicable under the Indenture to and at the times required for the purposes of paying Bond Service Charges when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any order. An investment made from moneys credited to the Special Funds shall constitute part of that respective Fund. All investment earnings from amounts on deposit in the Project Fund shall be credited to the Negative Arbitrage Account of the Bond Fund. All investment earnings from amounts on deposit in the Collateral Fund shall be credited to the Negative Arbitrage Account of the Bond Fund. All gains resulting from the sale of, or income from, any investment made from moneys credited to the Special Funds shall be credited to and become part of the Special Fund from which the investment was made. Any investment losses from moneys credited to a Special Fund shall be charged against that Special Fund. The Trustee shall not be liable for losses on any investment or sale of investment made in compliance with the provisions of this Indenture. In the absence of written directions of an Authorized Borrower Representative as provided above, the Trustee shall keep the moneys held by it hereunder fully invested in Goldman Sachs Treasury #525 money market fund (CUSIP No. 38142B708), which fund qualifies as an Eligible Investment on the date hereof to the extent such investment remains available and to the extent such investment is not available at any time, the Trustee shall, at the written direction of the Borrower, invest in another fund that satisfies paragraph (b) of the definition of Eligible Investments. If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at price below par in connection with an optional redemption 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. Following the Closing Date, at the written direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein 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 deposit of Eligible Funds to the Negative Arbitrage Account pursuant to the Indenture shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

The Trustee is authorized, in making or disposing of any investment permitted by the Indenture, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Trustee or for any third person or dealing as principal for its own account. The Trustee shall not be liable for losses on any investment or sale of investment made in compliance with the provisions of the Indenture. The parties to the Indenture acknowledge and agree that the Trustee is not providing investment supervision, recommendations, or advice.

Defaults; Events of Default

The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default under the Indenture:

- (a) Payment of any interest on any Bond shall not be made when and as that interest shall become due and payable;
- (b) Payment of the principal of any Bond shall not be made when and as that principal shall become due and payable, whether at stated maturity, upon acceleration or otherwise;
- (c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in the Indenture or in the Bonds, which failure shall have continued for a period of 30 days after written notice, by registered or certified mail, to the Issuer, the Borrower, and the Investor Limited Partner specifying the failure and requiring that it be remedied, which notice shall be given by the Trustee at the written request of the Holders of not less than 50% in aggregate principal amount of Bonds then Outstanding; and
- (d) The occurrence and continuance of an Event of Default as defined in the Loan Agreement.

The term "default" or "failure" as used in the Indenture means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in the Indenture or in the Bonds, or (ii) a default or failure by the Borrower under the Loan Agreement, exclusive of any period of grace or notice required to constitute a default, failure or an Event of Default, as provided above or in the Loan Agreement.

The Trustee and the Issuer agree that notwithstanding the provisions of the Indenture, no default under the terms of the Indenture shall constitute or be construed as resulting in a default under the Mortgage Loan Documents unless such event also constitutes a default thereunder.

Acceleration

Upon the occurrence of an Event of Default described in clauses (a) or (b) under "Defaults; Events of Default" above, the Trustee shall be entitled (but not obligated) to declare, and upon the written request of the Holders of not less than a majority in aggregate principal amount of Bonds then Outstanding the Trustee shall declare, by a notice in writing delivered to the Borrower and the Investor Limited Partner, the principal of all Bonds then Outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. Upon the occurrence of any Event of Default other than those described in clauses (a) or (b) under "Defaults; Events of Default" above, the Trustee may, with the written consent of all Holders of Bonds then Outstanding, declare by a notice in writing delivered to the Borrower and the Investor Limited Partner, the principal of all Bonds then Outstanding (if not then

due and payable), and the interest thereon, to be due and payable immediately. Upon such declaration, that principal and interest shall become and be due and payable immediately. Interest on the Bonds shall accrue to the date determined by the Trustee for the tender of payment to the Holders pursuant to that declaration; provided, that interest on any unpaid principal of Bonds Outstanding shall continue to accrue from the date determined by the Trustee for the tender of payment to the Holders of those Bonds.

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

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

(b) all existing Events of Default shall have been cured, then and in every case, the Trustee shall waive the Event of Default and its consequences and shall rescind and annul that declaration. No waiver or rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair any rights consequent thereon.

Other Remedies; Rights of Holders

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

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested so to do in writing by the Holders of at least 50% in aggregate principal amount of Bonds Outstanding, the Trustee (subject to the provisions of the Indenture), shall exercise any rights and powers conferred by the Indenture.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by the Indenture is intended to be exclusive of any other remedy. Subject to the provisions of the Indenture, each remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or otherwise to the Trustee or to the Holders now or hereafter existing.

No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

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

As the assignee of all right, title and interest of the Issuer in and to the Loan Agreement (except for the Reserved Rights), the Trustee is empowered to enforce each remedy, right and power granted to the Issuer under the Loan Agreement. In exercising any remedy, right or power under the Loan Agreement or under the Indenture, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in the Indenture, subject to the provisions of the first paragraph of this section.

Rights of Holders to Direct Proceedings

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

Application of Money

After payment of any costs, expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of money and to all Ordinary Trustee Fees and Expenses and fees of the Trustee for Extraordinary Services and Extraordinary Expenses (including without limitation, reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under the Indenture), all money received by the Trustee, shall be applied as follows, subject to the provisions of the Indenture:

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

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

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

(b) If the principal of all of the Bonds shall have become due or shall have been declared to be due and payable pursuant to the Indenture, all of such money shall be deposited into the Bond Fund and shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds shall have been declared to be due and payable pursuant to the Indenture, and if that declaration thereafter shall have been rescinded and annulled under the provisions of the Indenture, subject to the provisions of the preceding paragraph, in the event that the principal of all of the Bonds shall become due and payable later, the money shall be deposited in the Bond Fund and shall be applied in accordance with the provisions of the Indenture.

(d) Whenever money is to be applied pursuant to the provisions of this section, such money shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of money available for application and the likelihood of additional money becoming available for application in the future. Whenever the Trustee shall direct the application of such money, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the money is available therefor. The Trustee shall give notice of the deposit with it of any money and of the fixing of that date, all consistent with the requirements

of the Indenture for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

Remedies Vested in Trustee

All rights of action (including without limitation, the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the Outstanding Bonds, subject to the provisions of the Indenture.

Rights and Remedies of Holders

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

- (a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in the Indenture, or of which it is deemed to have notice under that paragraph,
- (b) the Holders of at least 50% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted in the Indenture or to institute the suit, action or proceeding in its own name, and shall have offered indemnity to the Trustee as provided in the Indenture, and
- (c) the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name.

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

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

Termination of Proceedings

In case the Trustee shall have proceeded to enforce any remedy, right or power under the Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Issuer and the Holders 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 if no suit, action or proceedings had been taken.

Waivers of Events of Default

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

(a) at least a majority in aggregate principal amount of all Bonds then Outstanding in respect of which an Event of Default in the payment of Bond Service Charges exists, or

(b) at least 50% in aggregate principal amount of all Bonds then Outstanding, in the case of any other Event of Default.

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

Supplemental Indentures Not Requiring Consent of Holders

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

- (a) To cure any ambiguity, inconsistency or formal defect or omission in the Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;
- (c) To assign additional revenues under the Indenture;
- (d) To accept additional security and instruments and documents of further assurance with respect to the Project;
- (e) To add to the covenants, agreements and obligations of the Issuer under the Indenture, other covenants, agreements and obligations to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in the Indenture;
- (f) To evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under the Indenture, the Loan Agreement and the Bonds;
- (g) To facilitate (i) the transfer of Bonds issued by the Issuer under the Indenture and held in Book Entry Form from one Depository to another and the succession of Depositories, or (ii) the withdrawal of Bonds issued by the Issuer under the Indenture and delivered to a Depository for use in a Book Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Depository;
- (h) To permit the Trustee to comply with any obligations imposed upon it by law;
- (i) To specify further the duties and responsibilities of the Trustee;
- (j) To achieve compliance of the Indenture with any applicable federal securities or tax law;
- (k) To make amendments to the provisions hereof relating to arbitrage matters under Section 148 of the Code, if, in the Opinion of Bond Counsel, those amendments would not adversely affect the Federal Tax Status of the Bonds which amendments may, among other things, change the responsibility for making the relevant calculations, provided that in no event shall such amendment delegate to the Trustee,

without its consent, in its sole discretion the obligation to make or perform the calculations required under Section 148 of the Code; and

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

The provisions of subsections (h) and (j) above shall not be deemed to constitute a waiver by the Trustee, the Issuer or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to the Indenture or the Bonds.

Supplemental Indentures Requiring Consent of Holders

Exclusive of Supplemental Indentures to which reference is made above and subject to the terms, provisions and limitations contained in this section, and not otherwise, with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, evidenced as provided in the Indenture, and with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, evidenced as provided in this Indenture, and with the consent of the Borrower if required by the Indenture, the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in the Indenture shall permit, however, or be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or

(b) without the consent of the Holders of all Bonds then Outstanding, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

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

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this section. Any failure of that nature shall not affect the validity of the Supplemental Indenture when there has been consent thereto as provided in this section. The notice shall set forth briefly the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Designated Office of the Trustee for inspection by all Holders.

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

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor

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

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

Consent of Borrower

Anything contained in the Indenture to the contrary notwithstanding, a Supplemental Indenture executed and delivered in accordance with the Indenture which affects in any material respect any rights or obligations of the Borrower shall not become effective unless and until the Borrower and the Investor Limited Partner shall have consented in writing to the execution and delivery of that Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture and a copy of the proposed Supplemental Indenture to be mailed to the Borrower and the Investor Limited Partner, as provided in the Indenture, (a) at least 30 days (unless waived by the Borrower and the Investor Limited Partner) before the date of the proposed execution and delivery in the case of a Supplemental Indenture to which reference is made in the Indenture, and (b) at least 30 days (unless waived by the Borrower and the Investor Limited Partner) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Indenture for which provision is made in the Indenture.

Opinion of Counsel

Before the Trustee shall enter into any Supplemental Indenture, there shall have been delivered to the Trustee an Opinion of Counsel to the effect that (a) any proposed Supplemental Indenture complies with the provisions of the Indenture, and (b) it is proper for the Trustee to join in the execution of that Supplemental Indenture under the provisions of the Indenture.

Release of Indenture

If (a) the Issuer shall pay all of the Outstanding Bonds, or shall cause them to be paid and discharged, or if there otherwise shall be paid to the Holders of the Outstanding Bonds, all Bond Service Charges due or to become due thereon, and (b) provision also shall be made for the payment of all other sums payable under the Indenture or under the Loan Agreement, the Regulatory Agreement and the Note, then the Indenture shall cease, terminate and become null and void (except for those provisions surviving by as described below in the event the Bonds are deemed paid and discharged as described below), and the covenants, agreements and obligations of the Issuer under the Indenture shall be released, discharged and satisfied.

Thereupon, and subject to the provisions of the Indenture described below, if applicable,

(a) the Trustee shall release the Indenture (except for those provisions surviving as described under the heading "Survival of Certain Provisions" below in the event the Bonds are deemed paid and discharged as described under the heading "Payment and Discharge of Bonds" below), and shall execute and deliver to the Issuer any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Issuer,

(b) the Trustee shall release and satisfy the Note and deliver such release and satisfaction to the Borrower; and

(c) the Trustee shall assign and deliver to the Borrower any property subject at the time to the lien of the Indenture which then may be in its possession, except amounts in the Bond Fund required (i) to be paid to the Borrower under the Indenture, or (ii) to be held by the Trustee under the Indenture or otherwise for the payment of Bond Service Charges.

Payment and Discharge of Bonds

All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of the Indenture, including without limitation, under the heading "Release of Indenture" above, if:

(a) the Trustee as paying agent shall have received, in trust for and irrevocably committed thereto, sufficient money, or

(b) the Trustee shall have received (i) in trust for and irrevocably committed thereto, noncallable Government Obligations; (ii) certification by an Independent public accounting firm of national reputation to the effect that the Government Obligations have such maturities or redemption dates and interest payment dates, and bear such interest, as will be sufficient together with any money to which reference is made in subparagraph (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided herein), for the payment of all Bond Service Charges on those Bonds at their maturity; and (iii) an Opinion of Bond Counsel to the effect that the conditions of this section have been satisfied.

Any money held by the Trustee in accordance with the provisions of this section may be invested by the Trustee only in noncallable Government Obligations having maturity dates, or having redemption dates which, at the option of the Holder of those obligations, shall be not later than the date or dates at which money will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this section is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this section, that income, interest or increment shall be transferred at the time of that determination in the manner provided in the Indenture for transfers of amounts remaining in the Bond Fund.

If any Bonds shall be deemed paid and discharged pursuant to this section, then within 15 days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, set forth a description of the obligations held pursuant to subparagraph (b) of the first paragraph of this section.

Survival of Certain Provisions

Notwithstanding the foregoing, any provisions of the Bond Resolution and the Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of money in trust, and repayments to the Borrower from the Bond Fund, the rebate of money to the United States in accordance with the Indenture, and the rights and duties of the Trustee in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee and the Holders notwithstanding the release and discharge of the Indenture. The provisions of this section shall survive the release, discharge and satisfaction of the Indenture. The obligations of the Borrower to pay the Trustee its fees and expenses under the Indenture shall survive the release, discharge and satisfaction of the Indenture. The indemnification obligation to the Issuer and its commissioners, officials, directors, officers and employees shall survive the payment of the bonds or the termination of the Indenture.

Volume Cap Recycling Transactions

Notwithstanding any provisions of the Indenture or the Bonds to the contrary, the Trustee shall be permitted to direct that payments representing prepayments or repayments of principal on the Note be delivered to a custodian or trustee, in lieu of application to repay a like portion of the Bonds, so long as other funds are applied to repay such portion of the Bonds. The preceding provisions shall apply only for purposes of preserving or "recycling" private

activity bond volume cap in accordance with Section 146(i)(6) of the Code. For purposes of effectuating the foregoing, the Trustee is, under the Indenture, authorized and directed to open and create such funds or accounts, which may be temporary in nature, as may be necessary or desirable, and to close such funds or accounts following the completion of the transfers.

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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.

The Loan

The Issuer agrees, upon the terms and conditions in the Loan Agreement, to make the Loan to the Borrower with the proceeds received by the Issuer from the sale of the Bonds by causing such proceeds to be deposited with the Trustee for disposition as provided in the Indenture. The obligation of the Issuer to finance the Loan shall be deemed fully discharged, and the principal amount of the Bonds shall be deemed fully advanced to the Borrower under the Note, upon the deposit of the proceeds of the Bonds with the Trustee. The Loan shall be evidenced by the Note payable to the Issuer and assigned to the Trustee.

Mortgage Loan to Borrower

To provide and secure funds for the repayment of the Loan, and to provide for the delivery of the Eligible Funds, the Borrower shall simultaneously with the execution and delivery of the Loan Agreement proceed with obtaining the Mortgage Loan from the Mortgage Lender and enter into the Disbursement Agreement. In particular, the Borrower will promptly take all necessary actions on its part to close the Mortgage Loan and satisfy all other terms and conditions of the FHA Commitment and the requirements of the Mortgage Lender.

The Borrower represents that the Mortgage Loan is to be insured by FHA pursuant to and in accordance with the provisions of Section 221(d)(4) of the National Housing Act and applicable regulations thereunder, and that the Mortgage Loan will be in the maximum original principal amount set forth in the FHA Insurance commitment. The Mortgage Loan will be secured on a non-recourse basis pursuant to the Mortgage Loan Documents.

In connection with the Mortgage Loan, the Borrower shall execute and deliver such documents as may be customarily utilized for insured mortgage loans under the provisions of Section 221(d)(4) of the National Housing Act and applicable regulations thereunder, with such omissions, insertions and variations as may be permitted by such regulations and as may be consistent with the terms and provisions of the FHA Insurance commitment.

The Borrower will deposit, or cause to be deposited, Eligible Funds with the Trustee in exchange for disbursement by the Trustee of an equal amount of Bond proceeds. Over the course of construction, the Borrower shall deposit, or cause to be deposited, funds in the aggregate amount set forth in the Loan Agreement with the Trustee for deposit into the Collateral Fund to enable the Trustee to disburse the full amount of Bond proceeds from the Project Fund as approved by the Mortgage Lender. Each deposit of Eligible Funds will be made in connection with a completed and fully executed Disbursement Request in the form attached as an exhibit to the Loan Agreement. Any Bond proceeds so approved by the Mortgage Lender for disbursement to, or at the written direction of, the Mortgage Lender for the benefit of the Borrower which are related to a deposit of Eligible Funds from the Mortgage Lender shall constitute an FHA-insured advance of the Mortgage Loan.

Disbursements from the Project Fund

Subject to the provisions below, disbursements from the Project Fund shall be made only to pay any of the following Project Costs:

- (a) Costs incurred directly or indirectly for or in connection with the acquisition, construction, renovation, rehabilitation, improvement and equipping of the Project, including costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, accounting, consulting, supervisory and other services; labor, services and materials; and recording of documents and title work.

(b) Premiums attributable to any surety bonds and insurance required to be taken out and maintained during the construction period with respect to the Project.

(c) Taxes, assessments and other governmental charges in respect of the Project that may become due and payable during the construction period.

(d) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project.

(e) Subject to the limitations set forth in the Tax Agreement, Costs of Issuance of the Bonds, including, financial, legal, accounting, printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds, including, without limitation, the fees and expenses of the Trustee properly incurred under the Indenture that may become due and payable during the construction period.

(f) Any other costs, expenses, fees and charges properly chargeable to the cost of acquisition, construction, renovation, rehabilitation, improvement and equipping of the Project.

(g) Payment of interest on the Bonds.

(h) Payments to the Rebate Fund.

Disbursements from the Project Fund for the payment of Project Costs shall be made by the Trustee only to, or at the written direction of, the Mortgage Lender upon satisfaction of all of the following conditions:

(i) The receipt by the Trustee of notice and instruction of a completed disbursement request (a "Disbursement Request") in the form attached as an exhibit to the Loan Agreement, signed by an Authorized Borrower Representative and approved by the Mortgage Lender, providing the amount of the disbursement request (a "Disbursement Amount") and the expected date of disbursement (a "Disbursement Date").

(ii) Promptly upon receipt of a completed and fully-executed Disbursement Request, the Trustee will confirm in writing to the Mortgage Lender (A) that the account balance of the Collateral Fund plus the account balance of the Project Fund is at least equal to the then-outstanding principal amount of the Bonds and (B) whether the Trustee has actual knowledge that an Event of Default (as determined in accordance with the Indenture) or a Determination of Taxability has occurred. If an Event of Default or a Determination of Taxability has occurred to the actual knowledge of the Trustee, the Trustee shall make no further disbursements from the Project Fund so long as such Event of Default or Determination of Taxability continues to exist except in accordance with the Indenture.

(iii) Upon receipt of confirmation from the Trustee of the matters described in clause (ii) above and on or before the expected Disbursement Date, the Borrower will transfer, or cause to be transferred, to the Trustee, by immediately available funds, the Eligible Funds equal to the Disbursement Amount, which, in the case of a transfer from the Mortgage Lender, will be made in accordance with the Disbursement Agreement.

(iv) Upon receipt by the Trustee of the Eligible Funds in an amount equal to the Disbursement Amount, such Eligible Funds shall be deposited in the Collateral Fund as provided in the Loan Agreement. In the event that the amount of the Eligible Funds received by the Trustee does not equal the amount of the Disbursement Request, the Trustee shall promptly return such Eligible Funds to the depositor.

(v) Upon satisfaction of the conditions set forth in clauses (i) through (iv) above, the Trustee shall be unconditionally and irrevocably obligated to disburse funds from the Project Fund in accordance with the Disbursement Request. The Trustee shall disburse funds from the Project Fund in accordance with

the instructions contained in the Disbursement Request (A) on the same Business Day that it receives the Eligible Funds in the event the Trustee receives the Eligible Funds with respect to such Disbursement Request prior to 10:30 AM Local Time on such Business Day or (B) on the next succeeding Business Day if the Trustee receives the Eligible Funds after 10:30 AM Local Time.

The Borrower acknowledges and agrees by the Loan Agreement that it shall submit Disbursement Requests to the Trustee no more frequently than once each calendar month and that it shall, simultaneously with the submission of each Disbursement Request to the Trustee, provide a copy of such request to the Mortgage Lender. Each such Disbursement Request shall be consecutively numbered. Proceeds of the Bonds disbursed pursuant to the provisions of the Loan Agreement may only be used to pay those Project Costs identified in the Sources and Uses of Funds attached as an exhibit to the Loan Agreement, as it may be amended pursuant to the agreement of FHA, the Mortgage Lender and the Borrower.

The Borrower's right to request disbursements from the Project Fund is limited to the principal amount of the Loan.

The Borrower agrees that it will not request disbursement for any item not described in, or the cost for which item is other than as described in, the information statement filed by the Issuer in connection with the issuance of the Bonds as required by Section 149(e) of the Code, and in the notice of public hearing pertaining to the Bonds unless the Borrower provides to the Mortgage Lender, with a copy to the Trustee and the Issuer, an Opinion of Bond Counsel to the effect that such disbursement will not adversely affect the Federal Tax Status of the Bonds.

Any money in the Project Fund remaining after the Completion Date and payment, or provision for payment, in full of the Project Costs, at the written direction of the Authorized Borrower Representative, promptly shall be paid into the Bond Fund for payment of Bond Service Charges.

Notwithstanding any provision of the Loan Agreement or any provision of the Indenture to the contrary, the Trustee shall not disburse funds from the Project Fund unless and until the Trustee confirms that the account balance of the Collateral Fund plus the account balance of the Project Fund, less the amount of the requested disbursement from the Project Fund, is at least equal to the then-outstanding principal amount of the Bonds.

Borrower Required to Pay Costs in Event Project Fund Insufficient

If money in the Project Fund is not sufficient to pay all Project Costs, the Borrower, nonetheless, will complete the Project in accordance with the Plans and Specifications and shall pay all such additional Project Costs from its own funds. The Borrower shall pay all Costs of Issuance of the Bonds in excess of the amount permitted by the Tax Agreement. The Borrower shall not be entitled to any reimbursement for any such additional Project Costs or payment of Costs of Issuance from the Issuer, the Trustee or any Holder; nor shall it be entitled to any abatement, diminution or postponement of any Loan Payments or other amounts to be paid under the Loan Agreement.

Completion Date

The Borrower shall notify the Issuer and the Trustee of the Completion Date (as defined in the Loan Agreement) by the delivery of a Completion Certificate signed by the Authorized Borrower Representative substantially in the form attached as an exhibit to the Loan Agreement. The Completion Certificate shall be delivered as promptly as practicable after the occurrence of the events and conditions referred to in paragraphs (a), (b), and (d) of the Completion Certificate and an accountant's determination has been made that the representation in the Loan Agreement is true and correct. The date of delivery of the Completion Certificate is referred to in the Loan Agreement as the "Completion Date".

Loan Repayment; Delivery of Note

In consideration of and in repayment of the Loan, the Borrower shall deliver or cause to be delivered to the Trustee on or before each Bond Payment Date, Loan Payments equal to the amount necessary to pay interest on and principal of the Bonds due on the next Bond Payment Date. All such Loan Payments shall be paid to the Trustee in

accordance with the terms of the Note for the account of the Issuer and shall be held and disbursed in accordance with the provisions of the Indenture and the Loan Agreement.

The Borrower shall be entitled to a credit against the Loan Payments required to be made with respect to the Bonds on any date equal to the available money in the Bond Fund or transferred thereto from the Collateral Fund or the Project Fund for the payment of Bond Service Charges on that date.

To evidence the Borrower's obligations under the Loan Agreement, the Borrower shall execute and deliver the Note concurrently with the issuance and delivery of the Bonds.

Payments on the Note shall inure equally and ratably to the benefit of the Holders of all Outstanding Bonds. So long as no Event of Default has occurred and is subsisting under the Loan Agreement, payments by the Borrower on the Note shall be used by the Trustee to make a like payment of Bond Service Charges and shall constitute Loan Payments.

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

Eligible Funds

In consideration of and as a condition to the disbursement of Bond proceeds in the Project Fund to pay Project Costs, and to secure the Borrower's obligation to make Loan Payments, the Borrower shall deliver or cause to be delivered to the Trustee on or before each such disbursement Eligible Funds equal to the amount of the proposed disbursement from the Project Fund. Any excess deposits to the Collateral Fund required to fully disburse the Bond Proceeds shall be funded by the Borrower. All such amounts shall be paid to the Trustee for the benefit of the Holders and shall be held in the Collateral Fund and disbursed in accordance with the provisions of the Indenture. Upon receipt of Eligible Funds and satisfaction of the other conditions set forth in the Loan Agreement, the Trustee shall be unconditionally and irrevocably obligated to disburse an equal amount of funds in the Project Fund to, or at the written direction of, the Mortgage Lender as provided in the Loan Agreement. In no event may funds held in the Collateral Fund be used to pay Project Costs.

Optional Prepayment

Provided no Event of Default shall have occurred and be continuing and the Project has placed into service, at any time and from time to time following placement in service of Project, the Borrower may deliver money to the Trustee in addition to Loan Payments or Additional Payments required to be made as a prepayment, in whole or in part, of the Loan and direct the Trustee to use the money so delivered for the purpose of purchasing Bonds, in accordance with the Indenture. Pending application for those purposes, any money so delivered shall be held by the Trustee in a special account in the Bond Fund and delivery of such money shall not operate to abate or postpone Loan Payments or Additional Payments otherwise becoming due or to alter or suspend any other obligations of the Borrower under the Loan Agreement.

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

Events of Default

Each of the following shall be an Event of Default under the Loan Agreement:

(a) The Borrower shall fail to pay any Loan Payment on or prior to the date on which that Loan Payment is due and payable to the extent amounts on deposit in the Bond Fund, including amounts transferred from the Collateral Fund and the Project Fund are insufficient to pay the Bond Service Charges due on the next Bond Payment Date;

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

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

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

(e) There shall occur an "Event of Default" (as defined in the Indenture) by the Borrower or an event of default shall have occurred beyond applicable notice and cure periods under the Regulatory Agreement.

Notwithstanding the foregoing, if, by reason of Force Majeure, the Borrower is unable to perform or observe any agreement, term or condition above which would give rise to an Event of Default under subsection (b) above, the Borrower shall not be deemed in default during the continuance of such inability. However, the Borrower shall

promptly give notice to the Trustee and the Issuer of the existence of an event of Force Majeure and shall use commercially reasonable efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within the Borrower's discretion.

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

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

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

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

Remedies on Default

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

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

(b) The Trustee shall be entitled (but not obligated) to exercise any or all or any combination of the remedies specified in the Loan Agreement or any other Financing Document;

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

(d) The Issuer or the Trustee shall be entitled (but not obligated) to pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under the Loan Agreement and the Regulatory Agreement and the Note or to enforce the performance and observance of any other obligation or agreement of the Borrower under those instruments.

Notwithstanding the foregoing, neither the Issuer nor the Trustee shall be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a security or indemnity (satisfactory to the Issuer and the Trustee, as applicable, in the sole and absolute discretion of each of the foregoing) has been furnished to the Issuer and/or the Trustee, as applicable, at no cost or expense to the Issuer or the Trustee. Any amounts collected as Loan Payments or applicable to Loan Payments and any other amounts which would be applicable to payment of Bond Service Charges collected pursuant to action taken under this section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Outstanding Bonds have been paid and discharged in accordance with the provisions of the Indenture, shall be paid as provided in the Indenture for transfers of remaining amounts in the Bond Fund.

The provisions of this section are subject to the further limitation that the rescission by the Trustee of its declaration that all of the Bonds are immediately due and payable also shall constitute an annulment of any corresponding declaration made pursuant to paragraph (a) of this section and a waiver and rescission of the

consequences of that declaration and of the Event of Default with respect to which that declaration has been made, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

No Remedy Exclusive

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 hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in the Loan Agreement, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made in the Loan Agreement.

No Waiver

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

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APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT

The following is a summary of certain provisions of 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 Trustee.

The Issuer, the Borrower and the Trustee will enter into a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) in order to set forth certain terms and conditions relating to the rehabilitation and operation of the Project. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture and the Regulatory Agreement.

Qualified Residential Rental Project

The Issuer and the Borrower declare by the Regulatory Agreement their understanding and intent that the Project is to be owned, managed and operated, as a Qualified Residential Rental Project. The Issuer hereby elects the “40-60” test as set forth in Section 142(d)(1)(B) of the Code. To that end, and in compliance with the Act, the Borrower represents, covenants and agrees by the Regulatory Agreement as follows:

(a) that the Project is being acquired, constructed, renovated, rehabilitated and equipped for the purpose of providing multifamily residential rental property, and the Project shall be owned, managed and operated as multifamily Rental Housing, all in accordance with Section 142(d)(1) of the Code and Section 1.103-8(b) of the Income Tax Regulations, as the same may be amended from time to time and applicable to the Project;

(b) that all of the dwelling units in the Project will be similarly constructed and each such dwelling unit shall contain complete facilities for living, sleeping, eating, cooking and sanitation for a single person or a family;

(c) that during the Qualified Project Period:

(i) none of the dwelling units in the Project shall ever be leased or rented for a period of less than thirty (30) days; and

(ii) neither the Project nor any portion thereof shall ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, or trailer court or park;

(d) that during the Qualified Project Period (i) the dwelling units in the Project shall be leased and rented or made available for rental on a continuous basis to members of the general public (subject to applicable income restrictions), (ii) at least 40% of the Available Units in the Project shall be leased and rented or made available for rental on a continuous basis to Low Income Tenants; and (iii) the Borrower shall not give preference in renting dwelling units in the Project to any particular class or group of persons, other than Low Income Tenants as provided in the Regulatory Agreement; provided, however, that an insubstantial number of dwelling units in the Project, may be occupied by maintenance, security or managerial employees of the Borrower or its property manager, which employees must be reasonably necessary for operation of the Project;

(e) that during the Qualified Project Period no part of the Project will at any time be owned or used by a cooperative housing corporation;

(f) that the Project will consist of one or more discrete edifices or other man-made construction, each consisting of an independent foundation, outer walls and roof, all of which will be (i) owned by the same person for federal tax purposes, (ii) located on a common tract of land or two or more

tracts of land which are contiguous except for being separated only by a road, street, stream or similar property (tracts are contiguous if their boundaries meet at one or more points), and (iii) financed by the Loan of the Issuer or otherwise pursuant to a common plan of financing, and which will consist entirely of:

- (i) units which are similarly constructed; and
- (ii) facilities functionally related and subordinate in purpose and size to property described in (i) above, e.g., parking areas, laundries, swimming pools, tennis courts and other recreational facilities (none of which may be unavailable to any person because such person is a Low Income Tenant) and other facilities which are reasonably required for the Project, e.g., heating and cooling equipment, trash disposal equipment or units for residential managers or maintenance personnel;
- (g) that during the Qualified Project Period the Project will not include a unit in a building where all units in such building are not also included in the Project;
- (h) that during the Qualified Project Period the Borrower will not convert the Project from residential rental property to condominium ownership or other use;
- (i) that during the Qualified Project Period no dwelling unit in the Project shall be occupied by the Borrower at any time unless the Borrower resides in a dwelling unit in a building or structure which contains at least five dwelling units and unless the resident of such dwelling unit is a resident manager or other necessary employee (e.g., maintenance and security personnel);
- (j) that less than 25% of the proceeds of the Bonds will be used for the acquisition of land;
- (k) that during the Qualified Project Period, the Borrower will not discriminate on the basis of age, race, creed, religion, color, sex, marital status, or national origin in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project; and
- (l) that during the Qualified Project Period, the Borrower will require all tenants moving into units with existing leases, which units have previously qualified as Low Income Tenant units, to be put on the lease in addition to the current tenant on the lease and to require recertification of said unit.

Unless the above provisions of this section are amended as permitted under the Regulatory Agreement, the above provisions of this section shall remain in effect during the Qualified Project Period; provided, however, the Borrower may be discharged from its obligations under the above provisions of this section and the provisions described under the heading "Low Income Tenants" below to the extent only that the same are assumed by any successor in interest to the Borrower pursuant to the provisions described under the heading "Sale, Lease or Transfer of Project" below.

Low Income Tenants

In order to satisfy the requirements of the Act and Section 142(d) of the Code, the Borrower represents, covenants and agrees that by the Regulatory Agreement, as follows:

- (a) (i) commencing on the later of the first date on which 10% of the units in the Project are occupied or the issue date of the Bonds, (1) at least 40% of the Available Units in the Project shall be occupied by Low Income Tenants before any Available Units are rented or leased to any other tenants and (2) after initial rental occupancy of such dwelling units by Low Income Tenants, at least 40% of the Available Units in the Project at all times shall be rented to and occupied (or held available for rent if previously rented to and occupied by a Low Income Tenant) by Low Income Tenants as required by Section 142(d) of the Code. For the purpose of the requirement that not less than 40% of the Available Units be occupied by Low Income Tenants, if a tenant qualified as a Low Income Tenant upon occupancy, the income of that tenant

shall be treated as continuing to not exceed the applicable income limit, notwithstanding that such tenant's income may subsequently exceed the applicable income limit; provided, however, that such person shall no longer be qualified as a Low Income Tenant as of the most recent determination (as provided in paragraph (e) below) if the tenant's Adjusted Family Income exceeds 140% of the then applicable income limit. If it is determined that a tenant's Adjusted Family Income exceeds 140% of the applicable income limit, the Borrower may avoid non-compliance with the rules set forth in the Regulatory Agreement if the next available unit of comparable or smaller size not counted as occupied by a Low Income Tenant is rented to a qualifying Low Income Tenant;

(ii) notwithstanding paragraph (a)(i) above, if the proceeds of the Bonds are financing the acquisition and rehabilitation of an existing residential rental project (other than Substantial Rehabilitation, to which paragraph (a)(i) above will apply), the Borrower shall have twelve months beginning on the date of issuance of the Bonds (the "Transition Period") to satisfy the requirement that at least 40% of the Available Units are occupied by Low Income Tenants. The failure to satisfy the set-aside requirement of this Section 4(a)(ii) by the last day of the Transition Period will cause the Project not to be a Qualified Residential Rental Project as of the issue date of the Bonds issued to finance the Project unless the Bonds issued to finance the Project are redeemed as soon as possible, but in no event later than eighteen months after the issue date of the Bonds;

(b) the income of all tenants who occupy or will occupy the units in the Project will be verified by the Borrower by obtaining an Income Certification and with respect to Low Income Tenants, (i) if the occupant is employed, an employer's written verification of current anticipated annual income or (ii) if the occupant is self-employed, the occupant shall provide an annualized profit and loss statement or (iii) if the occupant is not employed, the occupant shall provide evidence of governmental income or rental assistance and of any other income. Each such certification shall be dated (i) not later than the date of execution of the lease, but in no event more than five days prior to the initial occupancy of such tenant in the Project (and the Borrower shall require such tenant to notify the Borrower of any material change of information in the Income Certification between execution thereof and initial occupancy of such tenant in the Project), and (ii) at least annually thereafter, in each case in the form and containing such information as may be required by Section 142(d) of the Code, initially in the form attached as an exhibit to the Regulatory Agreement, as the same may be from time to time amended by the Borrower with the consent of the Issuer on the advice of Bond Counsel (a copy of which amendments shall be provided to the Issuer, the Trustee and the Mortgage Lender), or in such other form and manner as may be required by applicable rules, rulings, procedures, official statements, regulations or policies now or hereafter promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to obligations issued under Section 142(a)(7) of the Code;

(c) during the Qualified Project Period, the Borrower shall maintain complete and accurate records pertaining to the dwelling units occupied or to be occupied by Low Income Tenants, including Income Certifications, and will permit any duly authorized representative of the Issuer, the Trustee, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Borrower pertaining to the Income Certifications of Low Income Tenants residing in the Project for the purpose of verifying compliance by the Borrower hereunder upon reasonable notice and at reasonable times and subject to the rights of the Tenants. The Borrower agrees that in the event of an Internal Revenue Service, Department of Treasury or Issuer audit of compliance with the Regulatory Agreement as authorized by this paragraph (c), the Borrower will pay all reasonable fees and expenses of the Issuer, its authorized representatives, and its counsel in connection with such audit. The Borrower shall keep information as set forth in this paragraph (c) for a period of three years following the end of the Qualified Project Period;

(d) during the Qualified Project Period, (i) the Borrower shall immediately notify the Trustee and the Issuer if at any time the dwelling units in the Project are not occupied or available for occupancy as provided in paragraph (a) above, (ii) the Borrower shall prepare and submit to the Issuer and the Mortgage Lender, not later than the fifteenth (15th) day of the month following the initial occupancy of any of the units in the Project and not later than the fifteenth (15th) day following the end of each six months thereafter, a Compliance Certificate substantially in the form attached as an exhibit to the Regulatory Agreement executed by the Borrower stating, among other matters, the number of dwelling units of the Project which were occupied or were deemed to be occupied by Low Income Tenants during such period and (iii) so long as any

Bonds remain Outstanding, the Borrower shall maintain a copy of each Compliance Certificate required under clause (ii) of this subsection and submit copies thereof to the Trustee upon request;

(e) during the Qualified Project Period, the Borrower shall make the determination of whether the income of a tenant of a unit in the Project exceeds the applicable limit at least annually on the basis of the current income of the tenant by causing each tenant to execute a recertification of their annual income. The Borrower shall require in the lease of each Low Income Tenant that the tenant fill out an annual income recertification to help the Borrower determine whether the tenant still qualifies as a Low Income Tenant. The Borrower shall provide in each tenant's lease that completion and execution of such certificates by the tenant is a substantial obligation, noncompliance with which can result in termination of tenancy. Copies of the recertification of a tenant shall be provided to the Trustee as provided in paragraph (b) above; and

(f) the Borrower shall prepare and file with the Trustee, the Mortgage Lender and the Issuer true copies of each IRS Form 8703 — “Annual Certification of a Residential Rental Project” (or any successor form thereto) as completed and filed with the Internal Revenue Service for each calendar year during the Qualified Project Period, which certification shall be filed within thirty (30) days after each anniversary of the Completion Date (as defined in the Loan Agreement) or at such other times as may be prescribed in the Income Tax Regulations promulgated under Section 142(d)(7) of the Code.

The benefits of this section and the section titled “Qualified Residential Rental Project” above shall inure to, and may be enforced by, the Trustee and the Issuer and their successors and assigns for the Qualified Project Period.

Sale, Lease or Transfer of Project

Except as may be permitted by the Loan Documents, the Borrower shall not sell, lease (other than to resident tenants in the normal course of business), exchange, assign, convey, transfer or otherwise dispose of all or substantially all of the Project or shall not have a change in the General Partner or Investor Limited Partner of the Borrower (in the Regulatory Agreement collectively called “Disposition”) without the prior written consent of the Issuer and the Mortgage Lender (such Issuer consent not unreasonably to be withheld). Notwithstanding anything to the contrary contained in the Loan Documents, the withdrawal, removal and/or replacement of Borrower's General Partner for cause in accordance with Borrower's Amended and Restated Agreement of Limited Partnership (the “Partnership Agreement”) shall not require the consent of Issuer and shall not constitute a default under any of the Loan Documents or accelerate the maturity of the Loan so long as the General Partner is replaced with an affiliate of the Investor Limited Partner. Issuer shall not unreasonably withhold its consent to the substitute general partner if it is other than an affiliate of the Investor Limited Partner. Notwithstanding the foregoing, any substitute general partner or limited partner shall assume all of the rights and obligations of the removed general partner or limited partner under all of the Loan Documents. It is expressly agreed that in connection with determining whether to grant or withhold such consent to a Disposition, the Issuer and the Mortgage Lender may (but are not obligated to) (i) consider the creditworthiness of the party to whom such Disposition will be made, its ability to provide services specifically to Low Income Tenants, its prior operation of lower income rental housing, its operation of other housing facilities in the Town of Lawrenceville, Virginia, if any, and its management ability with respect to the Project; (ii) consider whether or not any security for the performance of the obligations hereunder will be impaired in any material way by the proposed Disposition; (iii) consider such other factors as the Issuer and the Mortgage Lender may reasonably deem appropriate; (iv) require that the Issuer and the Mortgage Lender be reimbursed for all reasonable costs and expenses incurred by the Issuer for investigating the creditworthiness and management ability of the party to whom such Disposition will be made and in determining whether the Issuer's and the Mortgage Lender's security will be impaired by the proposed Disposition; (v) require the payment to the Issuer of a transfer fee equal to the reasonable costs of investigating and approving the Disposition and documenting the Disposition in its records; (vi) require the payment of its reasonable attorney's fee in connection with such Disposition; and (vii) require the execution of modification agreements, supplemental security documents and financing statements, where appropriate, reasonably satisfactory in form and substance to the Issuer and the Mortgage Lender, it being understood and agreed that no material change shall be required to any of the terms and conditions of the Loan Agreement, the Regulatory Agreement or any related instrument or agreement as a condition for the approval of any such Disposition. The foregoing provisions shall not operate to limit in any manner any requirements that the Borrower obtain the consent of any other party to such Disposition under the terms of the Loan Agreement or any of the other documents executed in connection with the Bonds.

The Borrower covenants that upon a Disposition, it will require the party to whom a Disposition will be made to assume in writing, in a form acceptable to the Issuer, the Mortgage Lender and the Trustee, all duties and obligations of the Borrower under the Regulatory Agreement, including this section, in the event of a subsequent Disposition by such party prior to expiration of the Qualified Project Period. The Borrower shall deliver the assumption agreement to the Issuer, the Trustee and the Mortgage Lender concurrently with the Disposition.

It is expressly stipulated and agreed by the Regulatory Agreement that any Disposition of the Project by the Borrower in violation of this section shall be null, void and without effect, and shall be ineffective to relieve the Borrower of its obligations under the Regulatory Agreement and the Loan Agreement. The Borrower shall include by incorporation by reference or verbatim the requirements and restrictions contained in the Regulatory Agreement in any deed or other documents transferring any interest in the Project to another person to the end that such transferee has notice of and is bound by such restrictions, and shall obtain the express agreement from any transferee so to abide. In the event that the Issuer approves the Disposition of the Project in accordance with this section, and the transferee has agreed to perform the obligations of the Borrower under the Loan Agreement and the Regulatory Agreement in accordance with the terms and conditions of the Loan Agreement and the Regulatory Agreement, the Borrower shall be released from its obligations under the Regulatory Agreement automatically and without further action by the Issuer, and the Issuer shall confirm such release by recordable written instrument, if requested to do so by the Borrower.

Except as permitted in the first paragraph of this section, so long as any portion of the Bonds remains outstanding, there shall be no transfer by any party of more than a 50% ownership interest in the Borrower, nor shall there be any other similarly significant change in the ownership interest, control or relative distribution thereof, of the Borrower by any other method or means including, but not limited to, increased capitalization, merger, corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise, without the prior written consent of the Issuer, which consent shall not be unreasonably withheld; provided, however, that this paragraph shall not apply to transfers of the interests of the Investor Limited Partner in the Borrower or transfers of partnership interests in the Investor Limited Partner.

Any Disposition will be subject to the Issuer, the Mortgage Lender and the Trustee receiving an opinion of Bond Counsel that the transaction contemplated and as carried out will not adversely affect the exclusion of the interest on the Bonds of the holders thereof from gross income for federal income tax purposes.

The restrictions contained in the foregoing provisions of this section shall not be applicable to any of the following exceptions, and the prior consent of the Issuer shall not be required as to such exceptions: (i) any transfer pursuant to or in lieu of a foreclosure under the Mortgage or other similar disposition of the Project, (ii) grants of utility related easements and utility and other service related leases or easements, including without limitation, laundry service leases or television cable easements, over portions of the Project, provided the same are granted in the ordinary course of business in connection with the operation of the Project as contemplated by the Regulatory Agreement, (iii) leases of apartment units to Low Income Tenants or other tenants in accordance with the requirements of the Regulatory Agreement, (iv) any sale or conveyance to a condemning governmental authority as a direct result of a condemnation or a governmental taking or a threat thereof, and (v) any change in allocations of preferred return capital, depreciation or losses or any final adjustments in capital accounts (all of which may be freely transferred or adjusted by Borrower pursuant to Borrower's Partnership Agreement).

Enforcement

The Issuer, the Borrower and the Trustee each covenants that it will not knowingly take or permit any action that would adversely affect the exemption from federal income taxation of interest on the Bonds. Moreover, each covenants to take, at the expense of the Borrower, any lawful action (including amendment of the Regulatory Agreement as may be necessary, in the opinion of Bond Counsel) to comply with the requirements of the Act and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations the interest on which is tax-exempt under Section 142(d) of the Code and affecting the Project.

If the Borrower defaults in the performance of its obligations under the Regulatory Agreement or breaches any covenant, agreement or warranty of the Borrower set forth in the Regulatory Agreement, and if such default

remains uncured for a period of 60 days after notice thereof shall have been given by the Trustee or the Issuer to the Borrower (or for an extended period approved in writing by Bond Counsel if such default stated in such notice can be corrected, but not within such 60 day period, and if the Borrower commences such correction within such 60 day period, and thereafter diligently pursues the same to completion within such extended period), then the Issuer or (solely upon written direction pursuant and subject to the terms of the Indenture and solely at the expense of the Borrower) the Trustee, may apply to any court, state or federal, for specific performance of the Regulatory Agreement or an injunction against any violation of the Regulatory Agreement or any other remedies at law or in equity or any such other actions as it may deem necessary or desirable so as to correct noncompliance with the Regulatory Agreement. Any cure of any event of default under the Regulatory Agreement made or tendered by the Investor Limited Partner shall be deemed to be cure by the Borrower, and shall be accepted or rejected by the Issuer and Trustee on the same basis as if made or tendered by the Borrower.

Notwithstanding anything to the contrary stated in the Regulatory Agreement, the Indenture or the Loan Agreement, the Issuer and the Trustee shall have the right (but not the obligation) to seek specific performance of any of the covenants and requirements of the Regulatory Agreement concerning the acquisition, construction, renovation, rehabilitation, equipping and operation of the Project. The Trustee and the Issuer shall have the right (but not the obligation), either jointly or severally, to enforce the Regulatory Agreement and require curing of defaults in such shorter periods than specified above as Bond Counsel may determine necessary to maintain the tax-exempt status of interest on the Bonds. The Trustee shall have the right (but not the obligation) in accordance with this section, solely upon written direction pursuant and subject to the terms of the Indenture and solely at the expense of the Borrower and following written notice to the Issuer, to exercise any or all of the Issuer's rights or remedies under the Regulatory Agreement.

The Issuer shall receive any reports submitted by the Borrower pursuant to the Regulatory Agreement and shall monitor or cause to be monitored any such reports in accordance with the standards set forth below. In performing their duties and obligations under the Regulatory Agreement, the Issuer, the Trustee and their respective counsel may conclusively rely upon statements and certificates of the Borrower and tenants and upon audits of the books and records of the Borrower pertaining to occupancy of the Project.

The Borrower and the Issuer each acknowledges that the primary purposes for requiring compliance by the Borrower with the restrictions provided in the Regulatory Agreement are to comply with the requirements of the Act and to preserve the federal income tax exemption of interest on the Bonds to the Bondholders, and that the Trustee on behalf of the Bondholders who are declared to be third-party beneficiaries of the Regulatory Agreement shall be entitled, for any breach of the provisions of the Regulatory Agreement, but not obligated, to exercise all remedies both at law and in equity in the event of any default under the Regulatory Agreement.

Notwithstanding the foregoing, enforcement of the Regulatory Agreement shall not serve as a basis for a declaration of default under the Mortgage or acceleration of the Loan or result in any claim under such Loan, or claim against the Project, the proceeds of the Loan, or against the rents or other income from the Project (other than Surplus Cash) for payment under the Regulatory Agreement.

Amendment

Subject to the provisions of the second paragraph of this section, the Regulatory Agreement may not be amended except (i) by a writing duly executed by each of the parties to the Regulatory Agreement, (ii) with an opinion of Bond Counsel selected by the Issuer to the effect that such amendment does not adversely affect the exclusion of the interest on the Bonds of the holders thereof from gross income for federal income tax purposes, and (iii) with the consent of the Mortgage Lender.

To the extent the Code and the regulations promulgated thereunder, or any amendments thereto, shall impose requirements upon the ownership or operation of the Project, which requirements shall be applicable by their terms to the Project and which are more restrictive than those imposed by the Regulatory Agreement, the Borrower and the Issuer agree to give notice thereof to the Trustee and that the Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements; and subject to any HUD approval, the Borrower, the Trustee (solely upon the written direction of and at the sole expense of the Borrower), and the Issuer shall execute, deliver and, if applicable, file of record any and all documents and instruments necessary in the opinion

of Bond Counsel to maintain the exclusion from gross income of the interest on the Bonds, and if the Borrower, the Trustee or the Issuer defaults in the performance of their obligation to execute such an amendment under this section, the Borrower and the Issuer appoint by the Regulatory Agreement the Trustee as their true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Borrower, or the Issuer, as is applicable, any such document or instrument.

Covenants Run With the Land and the Real Property; Term

The Issuer, the Trustee and the Borrower declare by the Regulatory Agreement their express intent that the covenants, reservations and restrictions set forth in the heading “Qualified Residential Rental Project” above (exclusive of the last paragraph thereof) and under the heading “Low Income Tenants” shall be deemed covenants running with the land, shall run with the Real Property, and shall pass to and be binding upon the Borrower’s successors in title and the Borrower’s successors and assigns. Each and every contract, deed or other instrument executed after the Regulatory Agreement covering or conveying the Real Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, regardless of whether or not such covenants are set forth in such contract, deed or other instrument. Unless sooner terminated in accordance with the Regulatory Agreement, such covenants shall continue in full force and effect for the Qualified Project Period, it being expressly agreed and understood that the provisions of the Regulatory Agreement are intended to survive the expiration of the Indenture and the retirement of the Bonds, if such expiration and retirement occur prior to the end of the Qualified Project Period. Upon the expiration of the Qualified Project Period, or if the provisions of the Regulatory Agreement are terminated (in the opinion of Bond Counsel), the Issuer and the Trustee covenant, at the Borrower’s expense, by the Regulatory Agreement to execute a release of the covenants of the Borrower in the Regulatory Agreement and provide such release to the Borrower for recordation in the real property records of the Town of Lawrenceville, Virginia.

HUD Rider

The terms and provisions set forth in the HUD Rider attached to the Regulatory Agreement are incorporated by reference into the Regulatory Agreement.

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$4,000,000*

**Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026**

This Continuing Disclosure Agreement, dated as of May 1, 2026 (this “Continuing Disclosure Agreement”), is executed and delivered by TTG Pinecrest Limited Partnership, a Virginia limited partnership (the “Borrower”), and UMB Bank, National Association, a national banking association, duly organized and existing under the laws of the United States and authorized to conduct business in the Commonwealth of Virginia (the “Commonwealth”), as dissemination agent (the “Dissemination Agent”), for the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of May 1, 2026 (the “Indenture”) between the Industrial Development Authority of Brunswick County, Virginia (the “Issuer”) and UMB Bank, National Association, as trustee (the “Trustee”). Pursuant to the Indenture and the Loan Agreement, dated as of May 1, 2026, 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 (defined below). 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 UMB Bank, 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.

* Preliminary, subject to change.

“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 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, 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.

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 a financial obligation of the Borrower, any of which reflect financial difficulties; and

(xvii) The Project being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit D 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 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 facsimile transmission confirmed by telephone or by email). 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’s 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) - (xvii) 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 subsection (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, 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, 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(f) 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) 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 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 or telecopied to the telecopier number of the recipient, with confirmation of transmission, indicated below:

(i) *If to the Borrower:*

TTG Pinecrest Limited Partnership
601 Cypress Avenue, Suite 301
Hermosa Beach, CA 90254
Attention: Charles Treatch

(ii) *If to the Dissemination Agent:*

UMB Bank, National Association
3070 Bristol Street, Suite 300
Costa Mesa, CA 92626
Attention: John Deleray

Section 13. Governing Law.

This Continuing Disclosure Agreement shall be governed by the laws of the Commonwealth.

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 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.

TTG PINECREST LIMITED PARTNERSHIP,
a Virginia limited partnership

By: TTG Pinecrest GP LLC,
a Virginia limited liability company

By: _____
Charles Treach, Manager

By: _____
Nicholas Tufano, Manager

[Signatures continued on next page]

[Counterpart Signature Page to Continuing Disclosure Agreement]

UMB BANK, NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

ANNUAL REPORT

\$4,000,000*

**Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026**

CUSIP: _____

Annual report for the period ending December 31, _____

THE PROJECT

Name of the Project:	Pinecrest Apartments
Address:	27 Crestview Road, Lawrenceville, VA 23868
Number of Units:	70

INFORMATION ON THE BONDS

Original principal amount of Bonds:	
Outstanding principal amount of Bonds:	

OPERATING HISTORY OF THE PROJECT

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, _____, 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 Series 2026 Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

¹ Excludes depreciation and other non-cash expenses.

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

¹ The physical occupancy rate is the proportion of units that are occupied or leased by tenants.

* 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: Industrial Development Authority of Brunswick County, Virginia
Name of Issue: Multifamily Housing Revenue Bonds (Pinecrest Apartments), Series 2026
Name of Borrower: TTG Pinecrest Limited Partnership
CUSIP: _____
Date of Issuance: May __, 2026

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:

UMB BANK, 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: Industrial Development Authority of Brunswick County, Virginia
Name of Bond Issue: Multifamily Housing Revenue Bonds (Pinecrest Apartments), Series 2026
Name of Borrower: TTG Pinecrest Limited Partnership
Name of Project: Pinecrest Apartments
Address of Project: 27 Crestview Road, Lawrenceville, VA 23868
Date of Issuance: May __, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of May 1, 2026, between the above-referenced borrower (the “Borrower”) and UMB Bank, National Association, a national banking 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:

UMB BANK, NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT D

FORM OF NOTICE OF PLACED IN SERVICE

\$4,000,000*

**Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026**

The undersigned hereby provides notice to UMB Bank, National Association, a national banking association, as dissemination agent (the "Dissemination Agent") that the multifamily rental housing facility known as Pinecrest Apartments (the "Project") has been placed in service in accordance with the Trust Indenture, dated as of May 1, 2026, between Industrial Development Authority of Brunswick County, Virginia (the "Issuer") and UMB Bank, 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 Occupancy.

TTG PINECREST LIMITED PARTNERSHIP,
a Virginia limited partnership

By: TTG Pinecrest GP LLC,
a Virginia limited liability company

By: _____
Charles Treach, Manager

By: _____
Nicholas Tufano, Manager

* Preliminary, subject to change.

ATTACHMENT
Certificate of Occupancy

APPENDIX F

FORM OF BOND COUNSEL OPINION

Set forth below is the proposed form of the opinion letter of McGuireWoods LLP, Bond Counsel. It is preliminary and subject to change prior to the delivery of the Bonds.

May __, 2026

Industrial Development Authority of Brunswick County, Virginia
Lawrenceville, Virginia

\$4,000,000*
Industrial Development Authority of Brunswick County, Virginia
Multifamily Housing Revenue Bonds
(Pinecrest Apartments),
Series 2026

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the issuance and sale by the Industrial Development Authority of Brunswick County, Virginia (the “Issuer”) of its \$4,000,000* Multifamily Housing Revenue Bonds (Pinecrest Apartments), Series 2026, dated the date hereof (the “Bonds”). The Issuer issued the Bonds pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended (the “Act”), and pursuant to the terms of the Trust Indenture dated as of May 1, 2026 (the “Indenture”), between the Issuer and UMB Bank, National Association, as trustee (the “Trustee”). Unless otherwise defined, each capitalized term used in this opinion shall have the meaning given it in the Indenture.

The Issuer loaned the proceeds of the Bonds to TTG Pinecrest Limited Partnership, a Virginia limited partnership (the “Borrower”) under the Loan Agreement dated as of May 1, 2026 (the “Loan Agreement”), between the Issuer and the Borrower, for the purpose of financing a portion of the cost of the acquisition, construction, rehabilitation, renovation and equipping of an affordable housing development known as Pinecrest Apartments, consisting of approximately 70 units (the “Project”) and located in the County of Brunswick, Virginia (the “County”).

The use and operation of the Project are subject to the provisions of a Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 1, 2026 (the “Regulatory Agreement”), executed by the Borrower for the benefit of the Issuer and the Trustee. The Regulatory Agreement requires, among other things, that the Project be operated as “qualified residential rental project” within the meaning of and for the period required by Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”). The Borrower’s obligation to make payments under the Loan Agreement is evidenced by a promissory note dated the date hereof (the “Note”) from the Borrower to the Issuer, which the Issuer has assigned to the Trustee.

The Bonds are secured by the Indenture, which assigns to the Trustee (except Reserved Rights), as security for the Bonds, all right, title and interest of the Issuer in and to (i) the Revenues, including, without limitation, all Loan Payments, Eligible Funds and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan, (ii) the Special Funds, including all accounts in such Special Funds and all money deposited therein and the investment earnings on such money, (iii) the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds are invested, and (except for money required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, as and for additional security under the Indenture by the Issuer or by anyone on its behalf, or with its written consent, to the Trustee, which is authorized to receive any and all such property at any and all times and to

* Preliminary, subject to change.

hold and apply the same subject to the terms of the Indenture, (iv) the Note and (v) the Loan Agreement, except for the Reserved Rights.

In connection with this opinion, we have examined (a) the Constitution of the Commonwealth of Virginia, (b) the applicable laws of (i) the Commonwealth of Virginia, including, without limitation, the Act, and (ii) the United States of America, including, without limitation, the Code, and (c) copies of proceedings and other documents relating to the sale and issuance of the Bonds by the Issuer, including the resolution adopted by the Issuer on March 10, 2026, authorizing the issuance of the Bonds, as we have deemed necessary to render the opinions contained herein.

As to questions of fact material to our opinion, we have relied upon, and are assuming the accuracy of, certifications and representations of the Issuer, the Borrower, officers of the Borrower and other public officials and certain other third parties contained in certificates and other documents delivered at closing, including, without limitation, certifications as to the use of proceeds of the Bonds, without undertaking to verify them by independent investigation.

We have assumed that all signatures on documents, certificates and instruments examined by us are genuine, all documents, certificates and instruments submitted to us as originals are authentic and all documents, certificates and instruments submitted to us as copies conform to the originals. In addition, we have assumed that all documents, certificates and instruments relating to this financing have been duly authorized, executed and delivered by all parties other than the Issuer, and we have further assumed the due organization, existence and powers of such other parties other than the Issuer.

Based on the foregoing, we are of the opinion that, under current law:

1. The Issuer is validly organized and existing under Virginia law and has the power to execute and deliver the Financing Documents to which it is a party, to perform the agreements on its part contained in the Financing Documents to which it is a party, to issue the Bonds and to apply the proceeds from the issuance and sale of the Bonds as set forth in the Indenture.

2. The Bonds have been duly authorized, executed and delivered in accordance with the Act and, subject to the exceptions set forth below, are valid and binding limited obligations of the Issuer payable solely from the revenues and receipts derived under the Indenture and the Trust Estate. The Bonds do not create or constitute a debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including without limitation, the County or the Issuer.

3. The Financing Documents to which the Issuer is a party have been duly authorized, executed and delivered by the Issuer and, subject to the exceptions set forth below, constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms.

4. Under current law, interest on the Bonds (a) is excludable from gross income for purposes of federal income taxation (except during any period while the Bonds are held by a “substantial user” of the Project or a “related person” within the meaning of Section 147(a) of the Code) and (b) is not a specific item of tax preference for purposes of the federal alternative minimum tax on individuals. However, such interest is included in the “adjusted financial statement income” (as defined in Section 56A of the Code) of certain corporations in determining the applicability and amount of the federal corporate alternative minimum tax imposed under Section 55(b) of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

In delivering this opinion, we are assuming continuing compliance with the Covenants (as defined below) by the Issuer and the Borrower, so that interest on the Bonds will remain excludable from gross income for federal income tax purposes. The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied after the issuance of the Bonds in order for interest on the Bonds to be and remain excludable from gross income for purposes of federal income taxation. These requirements include, by way of example and not limitation, restrictions on the use, expenditure and investment of the proceeds of the Bonds and the use of the property financed by the Bonds, limitations on the source of the payment of and the security for the Bonds, and the obligation to rebate certain excess earnings on the gross proceeds of the Bonds to the United States Treasury. The Financing Documents

delivered by the Issuer and the Borrower at closing contain covenants (the “Covenants”) with which the Issuer and the Borrower have agreed to comply. Failure by the Issuer or the Borrower to comply with their respective Covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to their date of issue. In the event of noncompliance with the Covenants, the available enforcement remedies may be limited by applicable provisions of law and, therefore, may not be adequate to prevent interest on the Bonds from becoming includable in gross income for federal income tax purposes. Compliance by the Issuer with its respective Covenants does not require the Issuer to make any financial contribution for which it does not receive funds from the Borrower.

We have no responsibility to monitor compliance with the Covenants after the date of issue of the Bonds.

Certain requirements and procedures contained, incorporated or referred to in the Financing Documents, including the Covenants, 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. We express no opinion concerning any effect on the excludability of interest on the Bonds from gross income for federal income tax purposes of any such subsequent change or action that may be made, taken or omitted upon the advice or approval of counsel other than this firm.

5. Interest on the Bonds is not subject to taxation as income by the Commonwealth of Virginia.

The enforceability of the obligations of the parties under the Financing Documents is subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium and similar laws, now or hereafter in effect, relating to or affecting the enforcement of creditors’ rights. The enforceability of such obligations is also subject to usual equitable principles, which may limit the specific enforcement of certain remedies but which do not affect the validity of such documents. Certain indemnity provisions may be unenforceable pursuant to court decisions invalidating such indemnity agreements on grounds of public policy.

Our services as Bond Counsel to the Issuer have been limited to rendering the foregoing opinion based on our review of such legal proceedings and other documents as we deem necessary to approve the validity of the Bonds and the income tax status of the interest on them and the enforceability of the Financing Documents. We express no opinion as to the business or financial resources of the Issuer or the Borrower or the ability of the Issuer or the Borrower to provide for the payment of the Bonds or the accuracy, completeness or sufficiency of any information that may have been relied upon by any owner of the Bonds in making the decision to purchase the Bonds. The opinions set forth herein are made as of the date hereof, and we assume no obligation to supplement this opinion letter if any applicable laws change after the date hereof or if we become aware after the date hereof of any facts that might change the opinions expressed herein.

Very truly yours,