

June 17, 2019

CHN Housing Partners
2999 Payne Avenue, 3rd Floor
Cleveland, Ohio 44114
Attn: Lisa McGovern
Director of Real Estate Development

Re: Letter of Intent – Chevybrook Estates

Ladies and Gentlemen:

This letter (the "Letter of Intent" or "this letter") represents a formal expression of interest in selling the property described below upon the following terms and conditions:

1. Buyer: CHN Housing Partners, an Ohio nonprofit corporation ("Buyer").
2. Seller: The City of Parma, Ohio dba Parma Public Housing Agency, a body corporate and politic of the State of Ohio ("PPHA") and the Parma Community Improvement Corporation ("PCIC"), a body corporate and politic of the State of Ohio, as PPHA's agent for purposes of disposition (collectively, "Seller").
3. Property Description: That certain real property commonly known as Chevybrook Estates, 5617 Chevrolet Boulevard, Parma, Ohio, consisting of 60 apartment units together with 88 surface parking spaces, as more particularly described in Exhibit A, attached hereto and made a part hereof, together with all appurtenances thereto and all buildings and improvements thereon (collectively, the "Real Property"), and (a) all tenant leases for portions of the Real Property that the parties may hereafter agree to assign and assume together with all tenant security deposits relative thereto (collectively, the "Tenant Leases"), (b) all service and other contracts relative to the Real Property that the parties may hereafter agree to assign and assume, (collectively, the "Service Contracts"), and (c) all personal property that is owned by PPHA, is located on the Real Property on the date of Closing (as said term is hereinafter defined), and is used or useful in connection with the ownership and operation of the Real Property (collectively, the "Personal Property"). The Real Property, Tenant Leases, Service Contracts, and Personal Property are herein collectively referred to as the ("Property"). There are no replacement reserves to be transferred. Upon execution of the Option to Purchase (as said term is hereinafter defined), Seller shall deliver to Buyer copies of all Service Contracts, together with related information in its possession or within its control regarding any costs associated with early termination of any of the Service Contracts, and, if applicable, collective bargaining agreements relating to the Service Contracts or that are otherwise applicable to the Property.



4. **Property Condition:** The Property shall be sold as-is, where-is, with all faults, in its present condition, ordinary wear and tear excepted, and without any representations or warranties of any nature or description from Seller.
5. **Purchase Price:** The lesser of (a) the appraised fair market value of the Property (but not less than \$1,100,000), or (b) \$2,570,600, in either case less ground rent payable in one lump sum, in advance, upon commencement of the term of the Ground Lease (as said term is hereinafter defined) to the Cuyahoga County Land Reutilization Corporation (the "Land Bank") of not more than \$150,000, payable as follows:

(i) \$950,000, payable in immediately available Federal funds at Closing (which amount is subject to adjustment based upon any shortfall in the appraised value of the Property); and

(ii) the balance payable by the execution and delivery of a promissory note and mortgage by Buyer to Seller at Closing, such principal amount, together with interest thereon at a rate of interest per annum equal to the long-term "Applicable Federal Rate" promulgated by the Internal Revenue Service (currently 2.70%) and in effect at Closing, to be payable over a term equal to the construction period for the Project (as said term is defined hereinbelow) of approximately two years plus a fixed term thereafter of 30 years (collectively, the "Loan Term") only out of cash flow from the Project. The definition of "cash flow" and the priority of payments on this promissory note to Seller shall be negotiated with the investor and other lenders who are involved in the Project, but it is understood that not less than 25% of "Available Cash Flow" shall be reserved for payment of amounts due Seller under said promissory note, with Available Cash Flow defined as follows:

(x) "Net Cash Flow" or equivalent as typically defined in other similar tax credit transactions involving affordable housing (or, in the absence of a tax credit investor, as defined by Buyer subject to the reasonable approval of Seller), less

(y) Investor fees, tax credit adjuster payments, payment of derred developer fee, reserve deposits or replenishment, and other usual and customary conditions as may, with Seller's reasonable approval, be reasonably required by the investor and by third party lenders.

Any portion of principal and interest accrued thereon that has not been paid as of the end of the Loan Term shall then be due and payable in one lump sum. The priority of this mortgage shall be negotiated with the Project's lenders, but shall not be less than a fourth priority mortgage lien on the Property. The loan documents for the aforescribed financing from Seller shall include provisions consistent with the following elements of the Buyer's December 7, 2018 response to Seller's Request for Proposal dated November 1, 2018 (as such elements may evolve prior to Closing as reflected in an application subject to

Seller's review and approval, in a submission to HUD, or as otherwise reasonably approved by Seller): "occupant information and relocation" provisions, "Schematic Scope of Work Narrative", and "Schematic Sustainability Scope of Work Narrative".

6. Earnest Money Deposit: \$10,000 (the "Deposit"), payable to Escrow Agent within three business days following the full execution of the Option to Purchase (as said term is defined below). The Deposit shall be disbursed to Seller if Buyer terminates the Option to Purchase after December 31, 2019 for any reason other than the default of Seller, or if Buyer defaults under the Option to Purchase. The Deposit shall be disbursed to Buyer (a) if Buyer terminates the Option to Purchase on or prior to December 31, 2019, (b) if Seller defaults under the Option to Purchase, or (c) upon the occurrence of certain events of damage to or destruction of the Property or the taking thereof by condemnation prior to Closing as may be agreed in the Option to Purchase. Otherwise, the Deposit, if actually received by Seller, shall be credited against the Purchase Price at Closing.
7. Project/ Development Plan: The acquisition, refinancing, renovation, re-positioning, and operation of the Property as long-term affordable housing in accordance with rules and regulations of, and requirements promulgated by, the United States Department of Housing and Urban Development, as same may be in force from time to time ("HUD") (collectively, the "Project").

The Property is encumbered by that certain Declaration of Trust dated December 22, 1987 that is filed and recorded in Volume 87-8065 at page 31 of the official land records of Cuyahoga County, Ohio (the "HUD Restrictions"), which places restrictions on the transfer of the Property. Consequently, all aspects of the transaction contemplated hereby are subject to the release of the HUD Restrictions and, to the extent required, final consent thereto by HUD.

Buyer's plan for bringing the Project to fruition is to (i) obtain the approvals, equity investment, and financing described hereinbelow, (ii) form a limited partnership ("Newco") between an affiliate of Buyer as the managing general partner (the "GP"), and a tax credit investor (to be hereafter identified) as the investor/limited partner, and (iii) cause Newco to lease the Property from the Land Bank for an initial and extended use Section 42 tax credit period (a minimum of 30 years, although the lease term may be up to 75-80 years) (the "Ground Lease"). It is further anticipated that, at the end of the initial 15 year tax credit compliance period, CHN or an affiliate will have certain rights to acquire the Property from the then-owner/lessee or acquire the interests of the tax credit investor/limited partner that purchased low income housing tax credits. CHN also intends to serve as the property manager for the Property under a long-term management agreement that complies with HUD requirements.

8. Financing/ Use of: Buyer presently anticipates that the Project will be financed through a combination of (a) tax credit investor equity, (b) a new first mortgage obtained

Funds/Timing: through the Ohio Housing Finance Agency's ("OHFA") Multifamily Loan Program (MLP), (c) Cuyahoga County Home funds, (d) the subordinate purchase money mortgage financing from Seller that is described above, and (e) additional sources of debt and equity as may be needed and hereafter identified by Buyer, including but not limited to Federal Home Loan Bank Affordable Housing Program ("AHP") funds. Buyer's initial statement of sources and uses for the Project is attached hereto and made a part hereof as Exhibit C. Seller acknowledges that the information contained in Exhibit C is only an estimate or projection and is subject to change based on a variety of factors that include but are not limited to whether Buyer can obtain the OHFA MLP funds, Cuyahoga County Home funds, AHP funds, and BGF funds referred to herein, and the amount of any such funds obtained.

These funds will be applied toward the acquisition, hard construction cost, soft cost, financing fees, an operating reserve (presently anticipated to equal to 6 months of operating expenses), debt service and replacement reserves. Future capital reserves will be paid out of operations and set at a level required by the investor and the lenders.

Final Bond Gap Financing ("BGF") applications are expected to be due in July, 2019 for final underwriting with OHFA board approval expected later in 2019 based on the OHFA schedule. Assuming a successful award of BGF in this July 2019 round, Buyer will target a closing in the summer of 2020, as further described in the Initial Timeline referenced below. If the July 2019 BGF application is not successful, Buyer's present intention is to submit a second BGF application to achieve funding from this program as soon as possible in 2020.

Buyer will also pursue an alternative financing strategy that includes AHP funds as a source of capital to fund alternate rehabilitation items included in the schematic scope of work for the Project. If successful, Buyer shall split the increase in paid developer fee with Seller, with 50% to Seller and 50% to Buyer. It is anticipated that the amount payable to Seller under this arrangement will be approximately \$87,000.

9. Time Line: In order to better coordinate their activities and keep track of the progress of those activities with respect to the transactions contemplated hereby, the parties have established the initial time line for said transactions that is set forth in Exhibit B, attached hereto and made a part hereof (the "Initial Timeline"). The parties shall refine and expand the Initial Timeline and shall include a more precise and complete revision thereof in the Option to Purchase. During the term of the Option to Purchase, Buyer shall periodically, and shall upon request from Seller, revise the Initial Timeline to account for circumstances occurring after the date of the last revision thereof. The parties agree to share information and keep each other abreast of their efforts to obtain all approvals and satisfy all conditions that are a prerequisite to the consummation of the subject

transactions.

10. Inspection
Period:

Buyer and Seller have entered into that certain letter agreement dated April 8, 2019 captioned "License for the purpose of conducting certain due diligence activities" (the "License"). Buyer shall have access to the Property at mutually acceptable times during the term of the License and thereafter during the option period under the Option to Purchase (collectively, the "Inspection Period") for the purpose of: (A) conducting, at its sole cost and expense, architectural, engineering, and accessibility assessments and studies, environmental assessments, soils tests, surveys, appraisals, and other customary due diligence investigations, inspections, and analyses as are reasonably necessary to ascertain the Property's fitness for the Project, and (B) preparing applications and other materials for, and obtaining, all required governmental permits, authorizations, and approvals for the Project (collectively, the "Work").

During the Inspection Period, Buyer shall, at its sole cost and expense:

(a) Prepare applications and other materials for, submit such applications and materials, and use reasonable efforts to obtain (i) the equity investments in the Project described herein, and (ii) approval of the loans, grants, subsidies, and other financial assistance for the Project that are described herein; and

(b) Prepare applications and other materials for, submit such applications and other materials, and use reasonable efforts to obtain, all required governmental permits, authorizations and approvals for the Project.

Notwithstanding the foregoing, Buyer agrees with Seller that Buyer shall initiate and complete all of its initial assessments, including appraisal, title and survey, environmental, engineering, and capital needs assessments, during a period commencing on the date hereof and ending on December 31, 2019, as such period may be extended pursuant to the provisions in the Option to Purchase.

During the Inspection Period, Seller shall use reasonable efforts to cooperate with and assist Buyer in applying for any approvals that may be necessary for the Project, and, if required, to join in applications therefor, provided that Seller (x) has the right to review and comment on all documents, applications and submissions, (y) is not thereby prejudiced, and (z) shall not be required to incur any costs, burdens, or obligations in connection therewith, or to agree to any changes in conditions that are applicable to the Property which become effective prior to Closing. After the Inspection Period until the option to purchase has been exercised or expires, Seller shall continue to cooperate with Buyer in the performance of such additional inspections as may reasonably be required as a result of funding applications, due diligence requirements of lenders or investor, NEPA review (as further described below), or other activities as requested by Buyer.

Seller shall be responsible for obtaining all necessary HUD approvals of Requests for Release of Funds pursuant to the National Environmental Protection Act ("NEPA") relative to the disposition of the Project to Buyer, provided that Buyer shall provide to Seller, at Buyer's cost, all necessary environmental assessments, reports, tests, and studies required for same, and Buyer shall assist Seller with making the requisite submissions and, if applicable, securing approvals for the County or OHFA to perform the "Responsible Entity" functions pursuant to NEPA; provided further, that Buyer shall be solely responsible for obtaining and paying for any and all environmental assessments, reports, tests, studies, clearances, and approvals required by OHFA or Cuyahoga County in connection with funding secured by Buyer for the Project's renovation and rehabilitation.

11. HUD
Approval:

Buyer and Seller acknowledge that the Property is currently operated as public housing under Section 9 of the Housing Act of 1937 and encumbered by a Declaration of Trust in favor of HUD that must be released prior to the sale of the Property to Seller. Seller intends to prepare and submit an application to HUD for the voluntary conversion of the existing public housing units to Section 8 tenant based assistance pursuant to PIH Notice 2019-05. Further, Seller, subject to all applicable regulations and other HUD Guidance, may enter into a HAP Contract with Buyer or its permitted nominee hereunder in order to project-base the Section 8 rental assistance once it is converted. Buyer and Seller acknowledge that the existing residents will have the right to retain the Section 8 assistance as tenant-based. Seller, subject to all applicable requirements, may issue a commitment letter to project-base additional Section 8 vouchers in the event any existing tenant moves from the Property so that at all times 100% of the units will receive Section 8 assistance (either project or tenant based). Buyer agrees to cooperate with Seller to complete the application and receive approval for voluntary conversion and, if invited by the Seller, to attend necessary tenant meetings. Further, Buyer agrees that all fees, costs and expenses incurred by Seller in preparing the application or in furtherance of receiving the voluntary conversion approval, not to exceed \$45,000, shall be treated as Project costs (chargeable to Buyer) and reimbursed to Seller at Closing (such fees, costs and expenses, not exceed \$45,000, are herein referred to collectively as the "Seller Conversion Expenses").

Buyer acknowledges and agrees that HUD will likely require as a condition to the aforesaid conversion that some form of affordable housing restrictions be imposed on the Property for a term anticipated to be 30 years, and that if HUD does not do so, Seller will require that the use of the Property be limited to affordable housing for a term of not less than 25 years (any such restrictions are herein referred to as the "Affordable Housing Restrictions").

12. Termination:

Buyer may terminate the Option to Purchase at any time prior to the expiration of the option period if it determines, in its sole discretion, that (a) the results of its due diligence activities with respect to the Property are unsatisfactory, (b)

Buyer does not anticipate that it will be able to obtain, or is unable to obtain, the requisite levels of equity investments and/or loans, grants, subsidies, and other financial assistance for the Project in a timely manner, or (c) Buyer does not anticipate that it will be able to obtain, or is unable to obtain, the necessary permits, authorizations, and/or approvals (as the case may be) for the Project on the terms and conditions contemplated hereby in a timely manner, whereupon the Deposit theretofore paid by Buyer shall be disbursed as provided in paragraph 6 above.

13. Title Insurer & Escrow Agent: Chicago Title Insurance Company, Cleveland, Ohio Attn: Linda Green, Esq. ("Title Insurer" and "Escrow Agent")
14. Title and Survey: Seller will convey to Buyer (or its nominee, as hereinafter provided) fee simple title to the Property that is insurable at standard rates by statutory form limited warranty deed, free and clear of all liens and encumbrances excepting only (a) ad valorem real estate taxes and assessments, both general and special, which are a lien but are not then due and payable, (b) all public rights of way, (c) the standard printed general exceptions customarily set forth in Schedule B II of an ALTA Commitment (06-17-06) for title insurance in Ohio (other than mechanics liens, which exception shall be removed), (d) defects, liens, encumbrances and other matters that arise either (i) out of the acts or omissions of Buyer, or (ii) on and after the Closing Date, (e) the Affordable Housing Restrictions, and (f) any other matters reasonably approved by Buyer, and will furnish to Buyer an ALTA Owner's Policy of Title Insurance (10-17-06) issued by Title Insurer, insuring fee simple title to be good in Buyer as required above (the "Title Policy").
15. Closing: The closing of the purchase and sale of the Property (the "Closing") shall occur within 30 days following the date that both Buyer's conditions to Closing and Seller's conditions to Closing are met and satisfied or waived (the "Closing Date"), but in all events no later than:
 - (a) June 30, 2020 if the Project is awarded BGF in 2019;
 - (b) December 31, 2020 if the Project is not awarded BGF in 2019 (whether or not the Project is awarded BFG in 2020); or
 - (c) December 31, 2021 if the Project is not awarded BGF in 2019 but is awarded BGF in 2020 and on or before December 31, 2020 Buyer pays to Seller a nonrefundable extension fee of \$25,000, \$10,000 of which shall be credited against the purchase price of \$950,000 at Closing, if Closing actually occurs.
16. Closing Conditions: The obligations of Buyer and Seller to consummate the transactions contemplated hereby shall be subject to usual and customary conditions, as well as the following conditions:
 - (a) As to Buyer, that Buyer has obtained (i) a satisfactory appraisal of the

Property, (ii) the private equity investments from tax credit investors and others as herein described, (iii) the necessary loans, grants, subsidies, and other financial assistance for the Project, (iv) the necessary permits, authorizations and approvals for the Project, including those from HUD, Cuyahoga County, and OHFA as herein described, and (v) all HAP Project Based Vouchers and/or tenant-based housing choice vouchers have been approved and/or otherwise made available for the Project as herein described.

(b) As to Seller, that (i) the transactions contemplated hereby have received final approval from (w) the Parma City Council, (x) the Board of Directors of the Parma Public Housing Agency, (y) the Board of Directors of the Parma Community Improvement Corporation, and (z) HUD, and (ii) the HUD Restrictions have been or can be released and terminated at Closing. Seller shall use reasonable efforts to secure the approvals referred to in clauses (w), (x) and (y) of the preceding sentence by December 31, 2019.

17. Prorations: All items of revenue and expense with respect to the Property shall be pro-rated as of the date of transfer of title to the Property such that, Seller shall bear all expenses of ownership and operation of the Property, and shall receive all revenue therefrom, accruing through midnight at the end of the day preceding the date of transfer of title to the Property to Buyer, and Buyer shall bear all such expenses and receive all such revenue accruing thereafter.
18. Closing Costs: (a) Buyer shall be responsible for and shall pay by not later than Closing: (i) the cost of the title examination and title commitment, (ii) the Ohio conveyance fee or realty transfer tax; (iii) the premium for the Title Policy and all of the premiums, costs and charges for any endorsements and special coverages with respect thereto, (iv) all recording charges incident to the recording of the Deed; (v) all fees, costs and expenses of Escrow Agent; (vi) all fees and costs associated with an ALTA or other survey of the Property, (vii) all fees, costs and expenses incurred by Buyer and its employees, agents, contractors, consultants, attorneys, and other advisors in connection with the negotiation and performance of its obligations hereunder and under the Option to Purchase, its due diligence activities, and the consummation of the transaction contemplated hereby, and (viii) the Seller Conversion Expenses.
- (b) Seller shall be responsible for and shall pay by not later than Closing: (i) the cost to satisfy and discharge all mortgages and/or other liens, security interests, judgments, claims, charges, and other matters that encumber or affect the Property which Seller is obligated to satisfy and discharge under the Option to Purchase by not later than Closing, and (ii) all fees, costs and expenses incurred by Seller, PCIC, and their respective employees, agents, contractors, consultants, attorneys, and other advisors in connection with the negotiation and performance of their obligations hereunder and under the Option to Purchase and the consummation of the transaction contemplated hereby (but exclusive of the Seller Conversion Expenses); provided, however, that notwithstanding the

foregoing, at Closing, Buyer shall pay and/or reimburse Seller and PCIC for all of the foregoing fees, costs and expenses (including attorneys' fees, costs and disbursements) incurred by Seller and PCIC up to (but not exceeding) \$30,000 plus the amount of any unexpended or unused portion of the Seller Conversion Expenses, and the balance shall be paid by Seller and PCIC from the proceeds of sale. PPHA shall also pay \$150,000 to PCIC at Closing from the proceeds of sale as full compensation for its services as PPHA's agent with respect to the disposition of the Property as contemplated hereby.

19. No Broker's Commissions: There are no real estate or other brokers, salespersons, or finders involved with respect to the transactions contemplated hereby.

20. Assignment: (a) Except as provided for herein, neither party may assign any of its rights or obligations hereunder or under the Option to Purchase without the prior written consent of the other.

(b) PPHA shall have the right, at any time prior to Closing, to assign and transfer the Option to Purchase and all of its rights and obligations thereunder, and convey, assign, transfer and deliver the Property, to PCIC, as agent for PPHA with respect to the transaction contemplated hereby and disposition of the Property hereunder, and thereupon PPHA shall be released of and from all liability and obligations under the Option to Purchase and with respect to said transaction.

(c) Buyer shall have the right and option to cause the Property to be conveyed to the Land Bank or to an entity that is directly or indirectly owned and controlled by Buyer (as Buyer's nominee) at Closing by written notice given to Seller at least 30 days prior to the Closing Date.

21. Contract: Upon execution of this letter by Seller and Buyer, the parties shall attempt to negotiate a mutually acceptable definitive option to purchase the Property on the terms set forth herein (the "Option to Purchase"). The first draft of the Option to Purchase shall be prepared promptly by Seller's counsel.

22. Expiration: The offer contained in this letter of will expire on June 20, 2019 at 5:00 P.M. Cleveland time if not accepted by that time.

Except as otherwise provided herein, the terms and provisions contained in this letter constitute a non-binding expression of interest and a summary of the negotiations to date regarding the general terms and conditions of a proposed transaction.

It is understood and agreed that (a) this letter does not address all essential terms and conditions of the proposed transaction, (b) additional terms and ancillary issues will arise and will be subject to further negotiation, (c) no obligation on the part of either Seller or Buyer to enter into a purchase and sale agreement with respect to the Property or to consummate the proposed transaction will be deemed created by this letter, and (d) neither Seller nor Buyer shall have any obligation whatsoever to the other or to any third party with respect to the matters set forth in this letter unless and until the preparation,

execution and delivery of a definitive, mutually acceptable purchase and sale agreement and related documents.

Seller and Buyer reserve their respective rights to terminate negotiations and/or participation in the proposed transaction for any reason or no reason at any time prior to the execution and delivery of a definitive, mutually acceptable purchase and sale agreement and related documents.

If this letter accurately sets forth Buyer's understanding with regard to the present status of the negotiations between Seller and Buyer, please sign below and return an original executed copy of this letter to us by the date and time set forth above.

We look forward to a very cordial and mutually beneficial relationship with you.

The legal form and correctness of this Agreement is hereby approved:

City of Parma Law Department
Timothy Dobeck, Director of Law

By: _____

Date: _____

SELLER:

**CITY OF PARMA, OHIO dba PARMA
PUBLIC HOUSING AGENCY**

By: _____

Name: _____

Title: _____

ACCEPTED AND AGREED TO AS OF JUNE 17,
2019.

BUYER:

CHN HOUSING PARTNERS

By: _____

Name: _____

Title: _____

Attached: Exhibit A – Legal Description
Exhibit B – Initial Timeline
Exhibit C – Initial Statement of Sources & Uses

EXHIBIT A

**LEGAL DESCRIPTION
CHEVYBROOK ESTATES**

[Attached]

EXHIBIT A

to

Chevybrook Letter of Intent

That certain parcel of land, together with buildings and improvements thereon, owned by the City of Parma, Ohio, d.b.a. Parma Public Housing Agency, a body corporate and politic of the State of Ohio, as described in Deed in Volume 87-8065, Page 33, and further described as follows:

PPN's 442-43-002, 003, 004 012, 013, 013 and 016

Situated in the City of Parma, County of Cuyahoga and State of Ohio and known as being part of Original Parma Township Lot No. 14, in Tuckerman Tract, being further bounded and described as follows:

Beginning in the centerline of Chevrolet Boulevard (formerly Stumph Road), 80 feet wide, at a point distant South $03^{\circ} 55' 45''$ West, 180.255 feet measured along said centerline from its intersection with the Northerly line of said Original Lot No. 14. said point also being the Northwesterly corner of land conveyed to John J. Lasko by deed dated December 24, 1963 and recorded in Volume 10990, Page 431 of Cuyahoga County Records, being the principal place of beginning of the parcel of land described herein;

Thence South $86^{\circ} 12' 29''$ East along the Northerly line of land so conveyed to said John J. Lasko, 725.38 feet to the Westerly line of San H. Miller Estates Subdivision No. 3 as recorded in Volume 154 of Maps, Page 32 and 33 of Cuyahoga County Records;

Thence South $03^{\circ} 55' 45''$ West along the westerly line of said Sam H. Miller Estates Subdivision No. 3, 359.80 feet to the Southeasterly corner of land conveyed to Gus N. Miranda and Sam Camiola by deed dated April 17, 1974 and recorded in Volume 13617, Page 891 of Cuyahoga County Records;

Thence North $86^{\circ} 14' 25''$ west along the Southerly line of land so conveyed to said Gus N. Miranda and Sam Camiola, 725.38 feet to the centerline of said Chevrolet Boulevard;

Thence North $03^{\circ} 55' 45''$ East along the centerline of said Chevrolet Boulevard, 360.21 feet to the principal place of beginning and containing 5.9949 acres of land (261139 square feet), be the sane more or less, but subject to all legal highways. Bearings are to an assumed meridian and are used to denote angles only.

Excepting therefrom that portion within the bounds of Chevrolet Boulevard, formerly Stumpf Road, as shown on the Widening Map of Stumpf Road from Brookpark Road to Huffman Road recorded in Volume 131 of Maps, Page 470 of Cuyahoga County Records.

Exhibit B
Initial Timeline
Chevybrook Estates

| | | <u>Actions by</u> | |
|-------------------|--|--|--|
| <u>Date</u> | <u>Seller</u> | <u>Buyer</u> | |
| June 1, 2019 | Seller begins Housing Choice Voucher conversion process | Buyer begins due diligence process | |
| June 3, 2019 | Approval of LOI by Parma City Council | | |
| June 30, 2019 | Negotiate/finalize/execute option to purchase | (Same) | |
| July 3, 2019 | | Application to OHFA for 4% LIHTC funding ("BFG") | |
| July - August | Notice and comment periods; resident meetings; other approvals for conversion. | | |
| August 15, 2019 | | OHFA BGF funding awards announced | |
| October, 2019 | Submit conversion application to HUD | County HOME funds awarded | |
| November 15, 2019 | | Final applications to OHFA for BGF due | |
| December, 2019 | HUD approval of conversion application | | |
| December 31, 2019 | | Buyer completes all initial due diligence assessments, reports and studies | |
| January 1, 2020 | Effective date for conversion to Housing Choice Vouchers | | |
| May 30, 2020 | | County Environmental Review complete | |
| July 15, 2020 | | Financial closing | |

Alternate Scenario #1 (if BGF is not awarded to Buyer in 2019 or in 2020)

| <i>Date</i> | <i>Seller</i> | <i>Buyer</i> |
|--|---------------|--|
| <i>July, 2020 (Expected)</i> | | <i>Application #2 to OHFA for 4% LIHTC funding (BGF)</i> |
| <i>August, 2020 (Estimated)</i> | | <i>OHFA BGF funding awards announced</i> |
| <i>December 31, 2021 (Estimated)</i> | | <i>Financial closing</i> |

Alternate Scenario #2 (if BGF is not awarded to Buyer in 2019 but is awarded BFG in 2020 and on or before December 31, 2020, Buyer pays to Seller a non-refundable extension fee of \$25,000)

| Date | Seller | Buyer |
|----------------------------------|--------|--|
| July, 2020 (Expected) | | Application to OHFA for 4% LIHTC funding (BGF) |
| August, 2020 (Estimated) | | OHFA BGF funding awards announced |
| November, 2020 (Estimated) | | Final applications to OHFA for BGF due |
| May, 2021 (Estimated) | | County Environmental Review complete |
| December 31, 2021 (Estimated) | | Financial closing |

Note: 1. Seller acknowledges that the dates and other information contained in the column marked "Buyer" above are aspirational estimates and are subject to change based on a variety of factors that are outside of Buyer's control.

2. Buyer acknowledges that the dates and other information contained in the column marked "Seller" above are aspirational estimates and are subject to change based on a variety of factors that are outside of Seller's control.

EXHIBIT C
Proforma Sources and Uses
Chevybrook Estates

| <i>Project Uses</i> | <i>Costs</i> | <i>Per Unit</i> | <i>% of cost</i> | <i>Construction Cost Breakdown</i> | |
|--------------------------------------|----------------|-----------------|------------------|------------------------------------|-----------------|
| Acquisition/Holding | \$2,570,600.00 | 42843 | 31.15% | Site Work | \$ 71,135.00 |
| Construction (including contingency) | \$2,320,480.00 | 38675 | 28.12% | Building Exterior | \$ 322,000.00 |
| Architecture & Engineering | \$141,024.00 | 2350 | 1.71% | Residential Building Interior | \$ 1,394,426.00 |
| Developer Fees & Misc. Soft Costs | \$2,001,749.00 | 33362 | 24.25% | Laundry Building Interior | \$ 50,940.00 |
| Financing Fees and Interest | \$644,799.00 | 10747 | 7.81% | Alternate 1 an 2 | \$ 609,600.00 |
| Tax Cr. & Syndication Cost | \$153,221.00 | 2554 | 1.86% | Total | \$ 2,448,101.00 |
| Start-up Cost and Reserves | \$421,265.00 | 7021 | 5.10% | Diff | -\$127,621.00 |
| Total Project Uses | \$8,253,138.00 | 137552 | 100.00% | | |

Project Financing Sources

| | <i>Sources</i> | <i>Per Unit</i> | <i>% of total sources</i> |
|-----------------------------------|----------------|-----------------|---------------------------|
| Debt Financing | | | |
| OHFA MLP Loan | \$1,920,000.00 | 32000 | 23.42% |
| OHFA BGF Funds | \$1,500,000.00 | 25000 | 18.29% |
| Cuyahoga County Home | \$450,000.00 | 7500 | 5.49% |
| FHLB AHP Funds | - | - | - |
| CHN Deferred Dev. Fee | \$350,000.00 | 5833 | 4.27% |
| PHA Seller Note | \$1,470,600.00 | 24510 | 17.93% |
| Equity Financing | | | |
| Limited Partner Tax Credit Equity | \$2,168,194.00 | 36317 | 26.44% |
| Other Financing | | | |
| GP Equity | \$100.00 | 2 | 0.00% |
| Construction Period Income | \$21,477.00 | 358 | 0.26% |
| GP Capital Contribution | \$319,483.00 | 5325 | 3.90% |
| | \$8,199,854.00 | | 100.00% |

Project Uses - Project Financing Sources

\$53,284.00