

**INDIANA ECONOMIC DEVELOPMENT CORPORATION
REDEVELOPMENT TAX CREDIT AGREEMENT**

(REV: 03/2020)

This Indiana Economic Development Corporation Redevelopment Tax Credit Agreement (“**this Agreement**”) is between the **INDIANA ECONOMIC DEVELOPMENT CORPORATION** (the “**IEDC**”) and Hobbs Station MU Multifamily QOZB, LLC, an Indiana limited liability company (the “**Company**”). The parties to this Agreement, in consideration of the mutual covenants, obligations, and stipulations set forth herein, witness and agree as follows:

1. PURPOSE OF THIS AGREEMENT.

- A. To fulfill the purposes provided in Indiana Code § 5-28-1-1 and Indiana Code § 6-3.1-34, and in accordance with the terms and conditions contained herein, the IEDC awarded a Redevelopment Tax Credit (the “**Tax Credit**”) to the Company.
- B. As set forth in Indiana Code § 6-3.1-34, this incentive award is intended to encourage investment in Qualified Redevelopment Sites as that term is defined in Indiana Code § 6-3.1-34-6) that require significant rehabilitation (Indiana Code § 6-3.1-34-8) to encourage economic growth.
- C. This Agreement specifies the terms of this Tax Credit for the Company, against its Indiana state tax liability (“**State Tax Liability**”), as defined by Indiana Code § 6-3.1-34-9, for each Taxable Year, as the term is defined in Paragraph 4.
- D. By entering into this Agreement in accordance with Indiana Code § 6-3.1-34-17, the Company understands and agrees that the IEDC’s obligations and commitments are made in reliance on and are conditioned upon the representations presented in the Company’s Application for a Redevelopment Tax Credit (the “**Application**”).

2. TERM OF THIS AGREEMENT.

This Agreement shall be effective as of the Commencement Date and shall remain in effect until the Expiration Date (collectively referred to as the “**Term of this Agreement**”), or as otherwise set forth in any applicable survival provisions to this Agreement.

3. DESCRIPTION OF PROJECT.

The Company shall complete the project as set forth in **Exhibit A** (the “**Project**”) and as described in the Company’s Application. The Project will be at the location(s) listed in Exhibit A (collectively, the “**Project Location**”). The Project is anticipated to involve at least the Redevelopment Capital Investment (as referred to in Exhibit A), inclusive of all capital investment from all sources, a portion of which will be Qualified Investment (as defined below and referred to in Exhibit A) to redevelop the Qualified Redevelopment Site at the Project Location, on which Tax Credits may be certified by the IEDC and claimed in accordance with this Agreement. The IEDC’s commitments and obligations are made in reliance on and are conditioned upon these representations.

4. TAXABLE YEAR.

For purposes of this Agreement, the term taxable year (“**Taxable Year**”) shall mean a period beginning on January 1st and ending on December 31st. If the Company or any assignee of the Tax Credit under Indiana Code § 6-3.1-34-14 (a “**Credit Assignee**”) files

its Indiana tax return on a fiscal year basis other than the Taxable Year, neither the Company nor the Credit Assignee are required to change their fiscal filing schedule with the Indiana Department of Revenue (the "IDOR") in order to qualify for, or claim, a Tax Credit under this Agreement. The Taxable Year shall commence on the first eligible tax year (the "First Eligible Tax Year") for which the Company is eligible to earn a Tax Credit under this Agreement.

5. DURATION OF TAX CREDIT.

- A. The Company may claim a Tax Credit for any Taxable Year during the Term of this Agreement in which the Company makes a qualified investment, as defined in Indiana Code § 6-3.1-34-7 ("**Qualified Investment**"), subject to approval by the IEDC. A Tax Credit may first be claimed under this Agreement for the Company's First Eligible Tax Year. Notwithstanding the foregoing or anything in this Agreement to the contrary, the Company shall not be entitled to a Tax Credit for any Qualified Investment made after the Redevelopment Project Investment Deadline. The Company may carry forward any excess Tax Credit for nine (9) consecutive Taxable Years beginning with the Taxable Year after the Taxable Year in which the Company makes the Qualified Investment, even if such Taxable Year extends beyond the Expiration Date of this Agreement.
- B. Pursuant to Indiana Code § 6-3.1-34-13(b), the Company is not entitled to a carry back or refund of any unused Tax Credit.

6. TAX CREDIT AMOUNT ALLOWED FOR EACH TAXABLE YEAR.

- A. Subject to the limitations set forth herein, the Tax Credit allowed for each Taxable Year shall equal the product of the Applicable Percentage multiplied by the amount of the Qualified Investment made by the Company during such Taxable Year, plus any excess Tax Credit carried forward from a prior Taxable Year. Notwithstanding the foregoing or anything in this Agreement to the contrary, the aggregate Tax Credit for all Taxable Years shall not exceed the Maximum Tax Credit.
- B. The Company acknowledges and agrees that the Tax Credit awarded is conditioned upon the representations of the Company in this Agreement. For each Taxable Year, the Company shall compute the amount of the Tax Credit to which it is entitled consistent with the terms and conditions of this Agreement.
- C. The actual amount of the Tax Credit allowable to the Company is subject to final determination by the IDOR under Indiana Code § 6-8.1-3-12 and Indiana Code § 6-8.1-5.

7. DUTIES AND RESPONSIBILITIES OF THE COMPANY.

- A. The Company agrees to substantially complete the Project as set forth in Exhibit A and as required by Paragraph 3 before the Redevelopment Project Investment Deadline. For the purposes of this Agreement, "**Substantially Complete**" or "**Substantial Completion**" shall mean either (1) a certification by the architect

hired for the purposes of designing the Project that the Project construction is complete but for any minor punch list items, which certification shall be submitted in writing to and approved by the IEDC, which approval shall not be unreasonably withheld, or (2) a copy of the certificate of occupancy or substantially similar certificate issued by the applicable government agency confirming the completion of construction submitted to and approved by the IEDC, which approval shall not be unreasonably withheld. If the Project is not Substantially Complete with a total investment equal to or greater than the Redevelopment Capital Investment Amount before the Redevelopment Project Investment Deadline, the IEDC, in its sole and absolute discretion, may make a determination under Paragraph 8 that the Company is noncompliant with the requirements of this Agreement.

- B. When undertaking the Redevelopment Capital Investment, the Company shall use commercially reasonable efforts to contract for or use services with or purchase goods and/or materials from Indiana-based persons/entities, including contracting with Indiana minority, women's, and veteran's business enterprises (the "**Minimum State Investment Percentage**"). The IEDC and the Company acknowledge that the Minimum State Investment Percentage is an aspirational goal and the Company's failure to meet the Minimum State Investment Percentage shall (i) not constitute an event of default under this Agreement, or (ii) otherwise impact the Company's ability to earn the Maximum Credit.
- C. The Company shall submit to the IEDC, no later than the forty-fifth (45th) day following the close of each Taxable Year during the Term of this Agreement an annual report ("**Annual Report**") to the IEDC at reports@iedc.in.gov. The information submitted to the IEDC in the Annual Report must be certified as true and correct by an officer of the Company or similar individual with designated authority. The Annual Report shall contain the information listed below, if applicable:
- 1) The total amount of Redevelopment Capital Investment made during the immediately preceding calendar year, and the cumulative Redevelopment Capital Investment made prior to the Expiration Date.
 - 2) The total amount of Qualified Investment made pursuant to Indiana Code § 6-3.1-34-7 by the Company at the Project Location during the immediately preceding calendar year, certified as true and correct by an officer of the Company and accompanied by a third-party accounting firm's certification.
 - 3) A request for a Certificate of Verification of the Qualified Investment for the preceding calendar year. Notwithstanding the foregoing, the Company may indicate in the Annual Report that the Company is not requesting a Certificate of Verification for all or part of the Qualified Investment until a following year, prior to the Expiration Date.
 - 4) A narrative of progress to date from the Company.

- 5) The total amount, by Taxable Year, of the Tax Credit claimed by the Company or a Credit Assignee under this Agreement in its tax filings.
- 6) Any other information required by the IEDC to perform its duties under Indiana Code § 6-3.10-34 and this Agreement, as long as the Company is given notice of such requirements and reasonable time to prepare such information.

The foregoing information is submitted pursuant to Indiana Code § 6-8.1-7-1, and the IEDC shall further treat the above information as confidential, financial information pursuant to Indiana Code § 5-14-3-4(a)(5), unless the IEDC determines that it is prohibited from doing so by law or court order.

- D. As required under Indiana Code § 6-3.1-34-19, the Company shall submit a copy of the certificate of verification to be issued by the IEDC pursuant to this Agreement, along with its annual State tax return, to the IDOR at the time the Company's annual State tax return is filed. The Company shall send request for the IEDC's certificate of verification to reports@iedc.in.gov.
- E. The Company shall maintain operations at the Qualified Redevelopment Site until the earlier to occur of (i) the expiration of the Term of this Agreement or (ii) the date that the Project and the Qualified Redevelopment Site are sold, transferred and conveyed to an unrelated third-party.
- F. The Company is not entitled to claim the Tax Credit if the IEDC determines that the Company has substantially reduced or ceased its operations in Indiana in order to relocate them within the Qualified Redevelopment Site. A determination that a Company is not entitled to the Tax Credit set forth in Indiana Code § 6-3.1-34 as a result of a substantial reduction or cessation of operations applies to the Tax Credit that would otherwise arise in the Taxable Year in which the substantial reduction or cessation occurs and in all subsequent years.
- G. The Company shall provide written notice to the IEDC not more than thirty (30) days after it makes or receives a proposal that would transfer its State Tax Liability obligations to a successor company. The successor company may only receive the Tax Credit pursuant to this Agreement with the prior written consent of the IEDC, which consent shall not be unreasonably withheld.
- H. Pursuant to Indiana Code § 5-28-6-6(4), the Company must repay the Tax Credit received in the event of an exit from the State of Indiana or closure of the Qualified Redevelopment Site prior to the Expiration Date.

8. DUTIES AND RESPONSIBILITIES OF THE IEDC.

- A. The IEDC shall review the Company's Annual Report, which shall be provided pursuant to Paragraph 7(C). The IEDC is hereby authorized to verify with the appropriate State agencies the information reported by the Company, as well as any

other information submitted by the Company. For Taxable Years for which the Company is seeking the certification of a Tax Credit pursuant to a Tax Credit Certification, the IEDC shall certify the maximum Tax Credit the Company may claim for such Taxable Year as a result of the Qualified Investment previously made by the Company.

- B. Pursuant to Indiana Code § 5-28-6-6, if the IEDC finds the Company has claimed a credit under Indiana Code § 6-3.1-34 to which the Company is not entitled to because of the Company's failure to satisfy the requirements of this Agreement, or the provisions of Indiana Code § 6-3.1-34, the IEDC shall, after giving the Company at least fourteen (14) days' notice and an opportunity to explain the noncompliance (at a closed-door hearing to the extent required by Indiana Code § 5-28-6-6) make a final determination of noncompliance and request the IDOR impose an assessment solely on the Company in an amount that may not exceed the sum of any previously allowed credits, together with interest and penalties required or permitted by law and this Agreement less any principal amounts repaid by the Company under the Note (as defined below) (or this Agreement) or any prior assessment paid (collectively referred to as the "IDOR Assessment"). The IEDC shall also require the Company to forfeit the remaining Tax Credit not previously allowed (collectively referred to as the "Tax Credit Forfeiture"), and, after the IDOR has imposed the IDOR Assessment set forth above, the IEDC may terminate this Agreement.
- C. At the sole discretion of the IEDC, the IEDC may waive or modify the repayment of the Tax Credit or the Repayment Amount (as defined and provided in Paragraph 9), including any interest and penalties, under the Note (or this Agreement) if the IEDC determines that the Company failed to satisfy the requirements for receiving the Tax Credit because of circumstances beyond the Company's control, including:
- 1) Natural disaster;
 - 2) Unforeseen industry trends;
 - 3) Lack of available labor force;
 - 4) Loss of a major supplier or market; or
 - 5) Another circumstance beyond the Company's control, as determined by the IEDC.
- D. The amount of any repayment, assessment, interest and/or penalty shall be a matter of public record.
- E. The IEDC may disclose certain information relating to (i) any reduction or repayment of the Tax Credit provided under this Agreement as a result of the Company's noncompliance; (ii) any waivers or modifications of this Agreement; (iii) information describing any hearings or determinations; and (iv) any other Tax Credit information required to be disclosed by law, as determined by the IEDC.

- F. As set forth in Indiana Code § 6-3.1-34-20(b), no assessment or claim shall be made against a Credit Assignee (or if a Pass Through Entity, its shareholders, partners, beneficiaries or members) related to any Tax Credit provided under this Agreement unless the Credit Assignee (or if a Pass Through Entity, such shareholder, partner, beneficiary or member) is found to have committed fraud against the IEDC or IDOR in the assignment of the Tax Credit to Credit Assignee (collectively referred to as the "Fraud Assessments").
- G. Any assessment related to this Agreement shall look solely to the assets of the Company and such assessment will not be made against the members, managers, shareholders or partners of the Company unless otherwise provided by Indiana Code and applicable case law.

9. REPAYMENT OF THE MAXIMUM TAX CREDIT

- A. The Company shall repay to the IEDC an amount equal to the total Tax Credit actually earned, certified, and claimed by the Company (or any Credit Assignees) (up to the Maximum Tax Credit) less the Non-Repayable Tax Credits actually earned, certified, and claimed by the Company (or any Credit Assignees) up to the Non-Repayment Credit (as defined in Exhibit B) (collectively, the "Repayment Amount") in accordance with the terms and schedules, as applicable, included in Exhibit B. The Repayment Amount shall be reduced from time to time as principal payments are made under the Note (or this Agreement) and by any Recapture Credit Amounts applied against the Repayment Amount in accordance with Paragraph 9(E). Further, the Repayment Amount shall be increased to the extent required by Paragraph 9(D).
- B. Interest shall accrue on the Repayment Amount during the Interest Only Period, as further defined below and in Exhibit B, at a rate equal to the Interest Rate (as defined in Exhibit B).
- C. The Company agrees to pay to the IEDC within 90 days of the Effective Date of this Agreement, as defined in Exhibit A, an amount equal to the Loan Service Convenience Fee (as defined in Exhibit B).
- D. The IEDC and the Company agree that the Repayment Amount shall be increased by the Non-Repayment Credit amount earned, certified and claimed in the event that the Company fails to achieve Substantial Completion of the Redevelopment Project Capital Investment by the Redevelopment Investment Deadline.
- E. The Repayment Amount, along with any interest and penalties due on the Repayment Amount under this Agreement (collectively, the Repayment Obligations") shall be evidenced further by the Note. The IEDC agrees to credit against the Repayment Obligations an amount equal to the aggregate amount of (i) any IDOR Assessment paid by the Company pursuant to Paragraph 8, (ii) any Tax Credit Forfeiture imposed upon the Company pursuant to Paragraph 8, and (iii) any Fraud Assessment paid (collectively referred to as the "Recapture Credit Amount"). The Recapture Credit

Amount shall first be applied to any interest and penalties due on the Repayment Amount and then applied to the Repayment Amount.

- F. Beginning on March 1st of the year following the year in which Substantial Completion of the Project occurs (which commencement date is expected to be March 1, 2026, based upon the projected substantial completion of the Project in 2025), the Company shall make annual interest-only payments (reflecting accrued interest payable in arrears) to the IEDC equal to the Interest Rate multiplied by the Repayment Amount. The Company will make such annual interest-only payments during the Interest Only Period (as defined in Exhibit B).
- G. After the conclusion of the Interest Only Period, or if otherwise provided by the provisions of Exhibit B, the Company agrees to repay to the IEDC the balance of the Repayment Obligations within one hundred eighty (180) days of such conclusion of the Interest Only Period.
- H. The Company agrees that if an Interest Only Period Annual Payment is not received by the IEDC within ten (10) days of the Payment Date, the Company shall immediately pay to the IEDC a late charge in the amount of one half of a percent (0.5%) of the unpaid Annual Payment per month. If the late charges are not paid by the next Payment Date, the amount of the late charge shall be added to the Repayment Amount and shall accrue interest at the same rate set forth in Paragraph 9(B) of this Agreement. Notwithstanding the foregoing, if the Company fails to make an Interest Only Period Annual Payment, the IEDC may, in its sole and absolute discretion, make a determination under Paragraph 8 that the Company is noncompliant with the requirements of this Agreement.
- I. The Company may prepay the principal of the Repayment Amount, in whole or in part and without penalty, at any time. Any partial prepayment shall not reduce or postpone the Company's regularly scheduled Annual Payment obligations. A prepayment of principal of the Repayment Amount, in whole or in part, shall be applied against the Repayment Amount and eliminate previously accrued interest or penalties on that portion of the Repayment Amount. If Company wishes to pay the Repayment Amount in full prior to Substantial Completion, the Company may claim the Non-Repayment Credit at that time and reduce the Repayment Amount accordingly.
- J. The Company may, without the prior written consent of the IEDC, finance (or refinance) the Project provided that the Project Debt, which when combined with the outstanding Repayment Amount, would not exceed 90% of the fair market value of the Project assets as determined by an Appraisal Report prepared by the qualified appraiser of the lender of Secured Loans to the Company.
- K. To the extent that IEDC's consent is required for a sale, transfer or a debt refinancing, or to the extent that such sale, transfer or debt refinancing occurs after the stabilization of the Project, the IEDC may approve, condition, withhold or deny such request in its sole discretion, including requiring the repayment of the outstanding Repayment

Amount or the satisfaction of any other outstanding Repayment Obligations in accordance with Exhibit B.

- L. The IEDC understands and acknowledges that (a) the Company regards the portion of the Tax Credits in an amount equal to the Repayment Amount as determined in accordance with this Agreement (collectively referred to as the "Purchased Tax Credits") as having been purchased from the IEDC; (b) the Company considers its obligation to pay the Repayment amount as "true debt"; and (c) the Company's original basis in the Purchased Tax Credits shall be an amount equal to the Repayment Amount.
- M. Upon the initial certification of Tax Credits in excess of the Non-Repayable Credits, the Company shall execute a Purchase Money Note in substantially the form attached as Exhibit C (the "Note") to evidence the Company's obligation to repay the Repayment Obligations, which amortization schedule and note amounts shall be updated from time to time upon the request of IEDC to accurately reflect the outstanding balance.

10. ACCESS TO RECORDS.

The Company agrees that the IEDC may elect to engage in monitoring practices independently of, or in conjunction with, other appropriate State agencies or departments at all reasonable times during the Term of this Agreement, and thereafter, until the later of three (3) years following the date of claim or the date on which any State or federal audit has been completed and all audit exceptions cleared. Upon reasonable notice, the Company shall make available to the IEDC, its agents, or other appropriate State agencies or officials, all books or records in its possession or control which pertain to this Agreement and the Project, including tax returns, records of personnel, and conditions of employment. If any site visit is made on the premises of the Company or under this Agreement, the Company shall provide reasonable facilities and assistance for the safety and convenience of the IEDC or its representatives in the performance of their duties. All such inspections are to be performed so as not to unreasonably disrupt or interfere with the normal business operations of the Company.

11. SUBSTANTIAL PERFORMANCE.

This Agreement shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any modification thereof. The parties to this Agreement agree that all terms and conditions to this Agreement are essential.

12. STATUTORY AUTHORITY OF THE COMPANY.

As a condition of receiving a Tax Credit, the Company expressly represents and warrants to the IEDC that it is statutorily eligible to receive the Tax Credit under Indiana Code § 6-3.1-34. The Company expressly agrees to promptly pay all taxes previously credited under this Agreement should a legal determination of the Company's ineligibility be made.

13. COMPLIANCE WITH LAWS.

A. The Company agrees to comply with all applicable federal, State, and local laws,

rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. At the request of either party, the enactment of any relevant State or federal statute or the promulgation of regulations thereunder after execution of this Agreement will be reviewed by the IEDC and the Company to determine whether the provisions of this Agreement require formal modification.

- B. The Company and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State of Indiana, as set forth in Indiana Code § 4-2-6, Indiana Code § 4-2-7, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Company is not familiar with these ethical requirements, the Company should refer any questions to the Indiana State Ethics Commission, or visit Inspector General's website at <http://www.in.gov/ig>. If the Company or its agents violate any applicable ethical standards, the IEDC may, in its sole discretion, terminate this Agreement immediately upon notice to the Company. In addition, the Company may be subject to penalties under Indiana Code § 4-2-6, Indiana Code § 4-2-7, Indiana Code § 35-44.1-1-4, and under any other applicable laws.
- C. The Company represents and warrants, by entering into this Agreement, that neither it nor any of its shareholders is presently in arrears in payment of its taxes, permit fees, or other statutory, regulatory, or judicially required payments to the IEDC or the State. Further, the Company agrees that any payments in arrears and currently due to the IEDC or the State may be withheld from Tax Credit or refunds due to the Company. Additionally, further Tax Credit or refunds may be withheld, delayed, or denied and/or this Agreement suspended until the Company is current in its payments and has submitted proof of such payment to the IEDC.
- D. The Company represents and warrants that it has no pending, current, or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the IEDC of any such actions, should they arise. During the term of any such actions, the Company agrees that the IEDC, the State, or any State agency or department may delay, withhold, or deny any Tax Credit issued pursuant to this Agreement or any other agreement with the IEDC, the State, or any State agencies or departments.
- E. If a legitimate dispute exists as to the Company's liability or guilt in any action initiated by the IEDC, the State, or its agencies, and the IEDC decides to delay, withhold, or deny funding or credits to the Company, the Company may request that funding be continued.
- F. The Company represents and warrants that the Company and its subcontractors, if any, will obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, and regulations. Failure to do so is a material breach of this Agreement and is grounds for immediate termination of this Agreement.

- G. The Company represents and warrants that it is properly registered and in good standing with the Indiana Secretary of State (the "SOS"). The Company also has, if required, registered with the Indiana Department of Workforce Development ("DWD") and has no outstanding workforce issues with DWD. The Company further affirms that if required, it has properly registered with the IDOR and has no outstanding issues with IDOR. The Company also affirms that there are no outstanding enforcement actions against it by agencies of the State. The below named signatory hereby warrants that he/she is authorized to make such affirmations to the IEDC.
- H. The Company agrees that the IEDC may confirm, at any time, that no past due liabilities exist to the IEDC or to the State. If any such liabilities are discovered, the Company agrees that the IEDC or the State may bar the Company from contracting with the IEDC or the State in the future, cancel existing contracts, withhold payments to offset such obligations, and/or withhold further payments or purchases until the Company becomes current in its payments on its liability to the IEDC or to the State and has submitted proof of such payment to the IEDC or to the State, or proof that such liability is not actually owed or past due.
- I. Any payments that the IEDC may delay, withhold, deny, or apply under this Agreement shall not be subject to penalty or interest under Indiana Code § 5-17-5.

14. COMPLIANCE WITH TELEPHONE SOLICITATIONS ACT:

- A. As required by Indiana Code § 5-22-3-7 the Company and any principals of the Company certify that:
 - 1) The Company, except for de minimis and nonsystematic violations, has not violated the terms of:
 - a. Indiana Code § 24-4.7 [Telephone Solicitation of Consumers];
 - b. Indiana Code § 24-5-12 [Telephone Solicitations]; or
 - c. Indiana Code § 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and
 - 2) The Company will not violate the terms of Indiana Code § 24-4.7 for the duration of this Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.
- B. The Company and any principals of the Company certify that an affiliate or principal of the Company and any agent acting on behalf of the Company or on behalf of an affiliate or principal of the Company:
 - 1) Except for de minimis and nonsystematic violations, has not violated the terms of

Indiana Code § 24-4.7 in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and

- 2) Will not violate the terms of Indiana Code § 24-4.7 for the duration of this Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.

15. DRUG-FREE WORKPLACE CERTIFICATION.

As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Company hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace at the Qualified Redevelopment Site. The Company will give written notice to the IEDC within ten (10) days after receiving actual notice that the Company, or an employee of the Company in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of payments under this Agreement, termination of this Agreement and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Agreement is in excess of \$25,000.00, the Company agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Company's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Company's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Company of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the IEDC in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance

or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

16. NONDISCRIMINATION.

Pursuant to Indiana Code § 22-9-1-10, the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Company shall not discriminate against any employee or applicant for employment related to this Agreement with respect to the hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, age, disability, national origin, ancestry, or status as a veteran. Breach of this covenant may be regarded as a material breach of this Agreement. Acceptance of this Agreement also signifies compliance with applicable federal and state laws and regulations prohibiting the aforementioned discrimination in the provision of services.

17. NOTICE TO PARTIES.

A. Whenever any notice, statement, or other communication (“**Notice**”) is required under this Agreement, it shall be sent to the following address, unless otherwise advised in writing:

1) Notices to the IEDC shall be sent to:

INDIANA ECONOMIC DEVELOPMENT CORPORATION

Attention: General Counsel

One North Capitol Avenue, Suite 700

Indianapolis, IN 46204-2288

reports@iedc.in.gov

2) Notices to the Company shall be sent to the Company Contract Administrator identified in **Exhibit A**. It is the responsibility of the Company to keep all contact information properly updated using the IEDC’s online system.

B. Notice from the IEDC to the Company may be provided via electronic mail to the Company’s electronic mail address specified at **Exhibit A**, or via certified or registered mail at the option of the IEDC.

18. SUCCESSION AND ASSIGNMENT.

A. Agreement. This Agreement binds the Company’s successors and assignees to all terms and conditions herein. The Company shall not assign, subgrant, or subcontract the whole or any part of the Project or this Agreement without prior written approval of the IEDC, which consent shall not be unreasonably withheld. In the event of any reorganization, transfer of twenty-five percent (25%) or more of Company’s assets, consolidation, merger, or dissolution, the Company must notify the IEDC in writing within thirty (30) days following the reorganization, transfer of 25% or more of

Company's assets, consolidation, merger, or dissolution. The parties agree that the Company may assign the rights hereunder to any affiliated entity to facilitate the construction of the Project and recoument of the Tax Credit in accordance with Section 17(B), below. Notwithstanding the foregoing, the Company shall not, through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, seek to avoid the observance or performance of its obligations to the IEDC under this Agreement.

B. Tax Credit. The Company may elect to assign all or any portion of the Tax Credit due for any Taxable Year, subject to the requirements of Indiana Code § 6-3.1-34. For each Taxable Year the Company makes the election, the Company must notify the IEDC in writing of the election, including:

- 1) the percentage of the Tax Credit that should be assigned,
- 2) the assignee's contact information,
- 3) the assignee's federal tax identification number, and
- 4) the Company's representation that it has complied with Indiana Code § 6-3.1-34 in making the assignment.

The election must be made on or before the reporting deadline of February 15, so that the IEDC may issue the Tax Credit certification directly to the assignee. The Company's failure to make a timely election shall constitute a waiver of the election.

19. INDEMNIFICATION.

The Company agrees to indemnify, defend, and hold harmless the IEDC and the State and their respective agents, officers, employees, and representatives from all third party claims and suits arising from or relating to this Agreement. The Company shall bear all costs, including court costs, attorney's fees, and other expenses caused by any act or omission of the Company and/or its contractors or invitees, if any. The IEDC shall not provide any indemnification whatsoever to the Company or its employees, contractors, agents, or invitees/licenseses.

20. DEBARMENT AND SUSPENSION.

The Company certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or department, the IEDC, or any agency or political subdivision of the State. The term "principal" for purposes of this Agreement means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Company.

21. PENALTIES; INTEREST; ATTORNEY'S FEES.

The IEDC will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or attorney's fees, except as required by Indiana law, including Indiana Code § 5-17-5, Indiana Code § 34-54-8, and Indiana Code § 34-13-1. In the event of legal action or proceedings of any kind, including without limitation enforcement of payment terms, the recapture of Tax Credit, or for an assessment, whether brought by either party, the IEDC shall be entitled to reasonable attorney's fees, court costs, and other related reasonable expenses, plus interest pursuant to Indiana Code § 34-51-4-9.

22. MISCELLANEOUS.

- A. The headings in this Agreement are intended solely for reference and will be given no effect in the construction or interpretation of this Agreement.
- B. The parties agree that this Agreement, including any attached exhibits, supersedes all prior oral and written proposals and communications, if any, and sets forth the entire agreement of the parties with respect to the subject matter hereof.
- C. This Agreement may not be altered or amended except in writing, signed by authorized representatives of the IEDC and the Company. The Maximum Credit Amount may be amended only with the approval of the State Budget Director.
- D. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana. The venue for any court action shall be Marion County, Indiana. The Company hereby consents to the personal jurisdiction of said court.
- E. No waiver of any default, failure to perform, condition, provision, or breach of this Agreement will be deemed to imply or constitute a waiver of any other like default, failure to perform, condition, provision, or breach of this Agreement.
- F. If any paragraph, term, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, or if any paragraph, term, condition, or provision is found to violate or contravene the laws of the State of Indiana, then the paragraph, term, condition, or provision so found will be deemed severed from this Agreement, but all other paragraphs, terms, conditions, and provisions will remain in full force and effect.
- G. The parties to this Agreement, in the performance thereof, will be acting in an individual capacity, and not as agents, employees, partners, joint venturers, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of any other party for any purposes whatsoever. No party will assume any liability for any injury (including death) to any persons or any damage to any property arising out of the acts or omissions of the agents, employees, or subagents of any other party.

- H. The Company shall be responsible for providing all legally required unemployment and workers' compensation insurance for its employees.
- I. Unless otherwise terminated or modified as expressly permitted hereunder, this Agreement shall remain in force during the Term of this Agreement. Notwithstanding anything contained herein to the contrary, provisions of this Agreement which by their nature contemplate rights and obligations of the parties to be enjoyed or performed after the Expiration Date or termination of this Agreement shall survive until their purposes are fulfilled.
- J. This Agreement may be executed through an original or through an electronic facsimile copy, and in duplicate or through counterparts, each of which shall be deemed to be an original, and all of which shall constitute but one and the same Agreement.
- K. The Company understands that this Agreement is a public record as defined by the Indiana Access to Public Records Act (Indiana Code § 5-14-3-1, *et seq.*), and, once fully executed, will be posted in accordance with the on the IEDC's transparency portal. Use by the public of the information contained in this Agreement shall not be considered an act of the IEDC or the State of Indiana. Unless the IEDC determines that it is prohibited from doing so by law or court order, the IEDC shall treat the Application as confidential and not subject to public disclosure pursuant to Indiana Code § 5-14-3-4.
- L. If the Company refers to more than one entity, each entity shall be jointly and severally responsible to satisfy the obligations under this Agreement. In the event of a default, all entities are jointly and severally liable for the repayment obligations in this Agreement, irrespective of which entity caused the default and irrespective of which entity actually received or expended the Tax Credit or any funds.
- M. This Agreement was reviewed and/or revised by legal counsel for the IEDC and the Company, and no presumption or rule that ambiguity shall be construed against the party drafting the document shall apply to the interpretation or enforcement of this Agreement.
- N. Terms not otherwise defined in this Agreement shall have the meanings set forth in Indiana Code § 6-3.1-34.

23. TERMINATION.

- A. The IEDC may terminate this Agreement, and the Company shall be subject to an immediate tax assessment in the amount of any Tax Credit previously claimed under this Agreement, plus any applicable interest and penalties, if any one or more of the following events occur:

- 1) The Company makes an assignment, conveyance, or surrender of the Project facilities for the benefit of creditors;
 - 2) The Company applies to any court for the appointment of a trustee or receiver of any substantial part of the assets of the same or commences any proceedings relating to any of the same under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or other liquidation law of any jurisdiction; or
 - 3) Any application is filed or proceedings are commenced as described above against the Company and the Company indicates its approval, consent, or acquiescence, or an order is entered appointing a trustee or receiver or adjudication of any of the same as a bankrupt or an insolvent or approving the petition in any such proceedings, and such proceedings are not dismissed within ninety (90) days after the filing or commencement of such proceedings.
- B. Should any of the aforementioned events occur, the Company shall immediately provide written notice to the IEDC. This paragraph shall not be construed to limit the ability of the IEDC or the IDOR to collect, or limit the Company's obligation to repay, any Tax Credit claimed under this Agreement, plus any applicable interest and penalties, should any one or more of the aforementioned events occur.
- C. If the Company has not commenced construction of the Project within 90 days of the execution of this Agreement then, at any time until the Company commences construction of the Project, the IEDC may terminate this Agreement, in which event the Company shall have no further rights with respect to this Agreement and/or the Tax Credit.

23. REPRESENTATIONS CONCERNING APPLICATION.

The Company represents and warrants that all representations, statements, and all other matters contained in the Application submitted by the Company to the IEDC are true and complete, to the best of its knowledge, in all material respects, unless disclosed or made a part of this Agreement. It shall be considered a material breach of this Agreement if such representations, statements, and other matters were known to be untrue and incomplete at the time the Application was made.

24. AUTHORITY TO COMMIT TO THIS AGREEMENT.

Notwithstanding anything in this Agreement to the contrary, the signatory for the Company represents that he/she has been duly authorized to execute contracts on behalf of the Company and has obtained all necessary or applicable approvals to make this Agreement fully binding upon the Company when his/her signature is affixed. This Agreement is not subject to further acceptance by the Company once accepted by the IEDC.

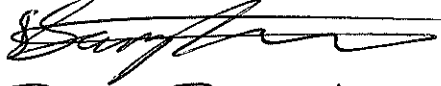
25. NON-COLLUSION AND ACCEPTANCE.

The undersigned attests, subject to the penalties for perjury, that the undersigned is the properly authorized representative, agent, member, or officer of the Company. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent, or officer of the Company, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face hereof.

(Remainder of page intentionally left blank)


IN WITNESS WHEREOF, the Company and the IEDC have, through duly authorized representatives, understood the foregoing terms of this Agreement and do by their respective signatures hereby enter into this Agreement and agree to the terms hereof.

HOBBS STATION MU MULTIFAMILY QOZB, LLC,
an Indiana limited liability company


Isaac Bangbose, Manager
NAME, TITLE

8/3/23
Date

INDIANA ECONOMIC DEVELOPMENT CORPORATION
David Rosenberg, Chief Operating Officer
(Digital Signature Stamp Below)

 8.4.2023

APPROVED:

STATE BUDGET AGENCY


Zachary Q. Jackson, Director

9/8/2023
Date

EXHIBIT A

New City Development

1. PROJECT INFORMATION:

- A. The Project shall consist of the construction of approximately 293 apartment units, and first floor retail and restaurant space totaling 30,000sf. Additionally, phase one will include structured parking and site work for future additions.
- B. The estimated Company capital investment for the entire Project is anticipated to be **\$127,600,000**.
- C. The Project will be located at **2870 Pearson Parkway Plainfield, IN 46168** (the “**Qualified Redevelopment Site**,” defined under Indiana Code § 6-3.1-34-6).

2. SCHEDULE OF TERMS:

A. Time Frames:

- 1) The term “Commencement Date” shall mean **September 6, 2022**
- 2) “First Eligible Tax Year” shall mean the Taxable Year ending on **December 31, 2022**.
- 3) “Redevelopment Project Investment Deadline” shall mean **December 31, 2024**.
- 4) “Expiration Date” shall mean that this Agreement shall end on **December 31, 2029**, unless a survival provision set forth in this Agreement provides otherwise.

B. Financials:

- 1) “Redevelopment Capital Investment” shall mean **\$127,600,000**.
- 2) “Qualified Investment” pursuant to Indiana Code § 6-3.1-34-7 shall mean **\$110,000,000**.
- 3) “Total Development Costs” shall mean **\$110,000,000**.
- 4) “Applicable Percentage” shall mean **30%**.
- 5) “Maximum Credit” shall mean **\$7,000,000**.
- 6) “Minimum State Investment Percentage” shall mean **90%**.

3. COMPANY CONTRACT ADMINISTRATOR:

Isaac Bamgbose
New City Development Partners, LLC
350 Massachusetts Avenue, Suite 300
Indianapolis, IN 46204
608-931-3650
ibamgbose@ncdpartners.com

EXHIBIT B

TERMS FOR REPAYMENT
OF REDEVELOPMENT TAX CREDITS

Gross RTC Award: Up to \$7,000,000

Non-Repayment Credit: Up to \$5,000,000

Repayment Amount: Up to \$2,000,000

Repayment Term: 5 years

Annual interest-only payments (reflecting accrued interest payable in arrears) will commence on March 1st of the year following the year in which substantial completion of the Project occurs (which commencement date is expected to be March 1, 2026, based upon the projected substantial completion of the Project in 2025), and will continue through and including the fourth (4th) anniversary of the first payment date.

Interest Rate: 4.08%

Loan Service Convenience

Fee: 1% of the Repayment Amount

Interest Only Period: 5 years

Interest will accrue on the Repayment Amount at the Interest Rate commencing on March 1st of the year in which substantial completion of the Project occurs (which commencement date is expected to be March 1, 2025, based upon the projected substantial completion of the Project in 2025), and will continue to accrue through and including the day immediately preceding the final interest-only payment date.

Estimated Interest Only
Period Annual Payment: \$81,600

Repayment

Trigger/Forgiveness: In accordance with the terms of Paragraph 9 of this Agreement, the Company will repay to the IEDC the Repayment Amount in accordance with the following terms.

If the Company sells the property after stabilization and the net sale value of the property is:

1. Less than 100% of the Company's Total Development Costs the Repayment Amount will be forgiven.
2. More than 100% but less than 125% of the Company's Total Development Costs shall, within one hundred eighty days (180) of the sale pay to the IEDC fifty percent (50%) of the Repayment Amount together with any applicable interest or penalties. The remaining balance of the Repayment Amount will be forgiven.
3. More than 125% of the Company's Total Development Costs the principal Repayment Amount together with applicable interest and penalties, if any, shall become immediately due and paid to the IEDC within one hundred eighty (180) days of such sale.

In the event no sale of the property occurs after stabilization and within 180 days of the expiration of the Interest Only Period, the IEDC shall order an appraisal of the property at its sole cost and expense. If the appraised value of the property is:

1. Less than 100% of the Company's Total Development Costs the Repayment Amount will be forgiven.
2. More than 100% but less than 125% of the Company's Total Development Costs shall, within one hundred eighty days (180) of the Company's receipt of the appraisal report pay to the IEDC fifty percent (50%) of the Repayment Amount together with any applicable interest or penalties. The remaining balance of the Repayment Amount will be forgiven.
3. More than 125% of the Company's Total Development Costs the principal Repayment Amount together with applicable interest and penalties, if any, shall become immediately due and paid to the IEDC within one hundred eighty (180) days of the receipt of the appraisal report.

EXHIBIT C

PURCHASE MONEY NOTE

PURCHASE MONEY NOTE

Up to [\$XX,XXX,XXX]

[_XXXXXX_], 2023

THIS PURCHASE MONEY NOTE (this "Promissory Note"), dated as of [___], 2023, is made by [COMPANY], an Indiana limited liability company (the "Borrower"), in favor of INDIANA ECONOMIC DEVELOPMENT CORPORATION (the "Lender").

FOR VALUE RECEIVED, the Borrower hereby unconditionally promises to pay to the order of the Lender the principal sum of [XXXXXXXXXX] (\$XXXXXXXXXX) or such lesser principal amount as may be Advanced (as defined below), along with any adjustments (collectively, the "Repayment Amount") under that certain Indiana Economic Development Corporation Redevelopment Tax Credit Agreement, dated as of XXXXXX, 202X (as amended, restated or modified from time to time, the "Tax Credit Agreement"), together with interest from and after the date hereof on the unpaid principal balance outstanding hereunder at the rate provided for herein, commencing on the date of this Promissory Note and continuing until this Promissory Note is paid in full. The Tax Credits are being issued in exchange for this Promissory Note evidencing the Borrower's obligation to repay the Repayment Amount under the Tax Credit Agreement. All terms, covenants, agreements, provisions and conditions of the Tax Credit Agreement are incorporated herein by reference and made a part hereof. All capitalized terms not defined herein shall have the meanings set forth in the Tax Credit Agreement.

For the purposes of this Promissory Note, the following definitions have the following meanings:

"Advance" means the issuance of Tax Credits under the Tax Credit Agreement after issuance of the initial Tax Credits under the Tax Credit Agreement in an amount equal to the Non-Repayment Amount.

"Maturity Date" means [DATE].

Subject to the terms and conditions of this Promissory Note, the outstanding principal amount of the Repayment Amount due under the Tax Credit Agreement shall bear interest at the Interest Rate. All interest payable hereunder shall be payable annually and be computed on the basis of a three hundred sixty (360) calendar day year, consisting of twelve (12) thirty (30) day calendar months (except as otherwise provided in the Tax Credit Agreement).

In no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof or otherwise, shall the amount paid or agreed to be paid to Lender for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable hereto.

The principal amount and accrued interest of this Promissory Note shall be due and payable on the dates and in the manner set forth in the Tax Credit Agreement. An amortization schedule is

attached hereto as Appendix I for illustrative purposes only. The Borrower may prepay all or a portion of the principal at any time, which prepayments shall be applied in accordance with the terms of the Tax Credit Agreement.

The entire outstanding principal balance under this Promissory Note plus all accrued and unpaid interest thereon and any other amounts due hereunder shall become due and payable on the Maturity Date and may be waived, reduced or forgiven as set forth in the Tax Credit Agreement. In the event that Borrower fails to make a timely payment under the Tax Credit Agreement, a late charge will be assessed in accordance with the terms of the Tax Credit Agreement.

Borrower's obligations and agreements under this Promissory Note will be binding upon Borrower's successors and assigns. The rights and remedies granted to Lender under this Promissory Note will inure to the benefit of Lender's successors and assigns, as well as to any subsequent holder or holders of this Promissory Note.

Time is of the essence of this Promissory Note. To the extent not prohibited by applicable law, Borrower, for itself and its successors and assigns, expressly waives presentment, demand, protest, notice of dishonor, and any and all other notices, demands and consents in connection with the delivery, acceptance, performance, default or enforcement of this Promissory Note, and hereby consents to any extensions of time, renewals, releases of any party to or guarantor of this Promissory Note, waivers and any other modifications that may be granted or consented to by Lender from time to time in respect of the time of payment or any other provision of this Promissory Note.

Wherever possible each provision of this Promissory Note shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Promissory Note shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or remaining provisions of this Promissory Note. No delay or failure on the part of Lender in the exercise of any right or remedy hereunder shall operate as a waiver thereof, nor as acquiescence in any default, nor shall any single or partial exercise by Lender of any right or remedy preclude any other right or remedy.

Borrower agrees that, without releasing or impairing Borrower's liability hereunder, Lender at any time may release, surrender, substitute or exchange any collateral securing this Promissory Note and at any time, and in its sole discretion, may release any party primarily or secondarily liable for the indebtedness evidenced by this Promissory Note.

Notwithstanding anything else herein or in the Tax Credit Agreement to the contrary, Borrower, its direct and indirect members, and its or their managers, officers, directors, and employees and their successors or assigns shall have no personal liability under this Promissory Note, but Lender shall instead look only to the Borrower's Project Assets for satisfaction of its debt if Borrower fails to make any payments hereunder when due for whatever reason.

This Promissory Note shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Indiana.

[Signature Page Follows]

IN WITNESS WHEREOF, Borrower has set its signature to this Purchase Money Note as of the date first written above.

BORROWER:
[COMPANY],

[PRINTED NAME _____]
[TITLE _____]

APPENDIX I

AMORTIZATION SCHEDULE

(see attached)