EXHIBIT C

. . . . . .SPACE ABOVE THIS LINE FOR RECORDER'S USE . . . . . .

After Recording Return To:

McCall, Parkhurst & Horton L.L.P.
717 North Harwood, Suite 900
Dallas, Texas 75201
Attention: Mark A. Malveaux

REGULATORY AND LAND USE RESTRICTION AGREEMENT

AMONG

AUSTIN HOUSING FINANCE CORPORATION,
as Issuer,

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Fiscal Agent,

AND

CREEKSIDE SENIOR HOUSING LIMITED PARTNERSHIP

as Owner

Dated as of _____, 2022

Relating to

$_____
AUSTIN HOUSING FINANCE CORPORATION
MULTIFAMILY MORTGAGE REVENUE NOTE
(ARBORS AT CREEKSIDE)
SERIES 2022A-1

And

$_____
AUSTIN HOUSING FINANCE CORPORATION
MULTIFAMILY MORTGAGE REVENUE NOTE
(ARBORS AT CREEKSIDE)
SERIES 2022A-2

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REGULATORY AND LAND USE RESTRICTION AGREEMENT

THIS REGULATORY AND LAND USE RESTRICTION AGREEMENT (as the same may be amended, modified or supplemented, this "Agreement" or this "Regulatory Agreement") dated as of _____, 2022, among the Austin Housing Finance Corporation, a public non-profit housing finance corporation organized and existing under the laws of the State of Texas (together with its successors and assigns, the "Issuer"), Wilmington Trust, National Association, a national banking association organized and existing under the laws of the United States of America, as Fiscal Agent (together with any successor or Fiscal Agent under the Funding Loan Agreement (as defined below) and their respective successors and assigns, the "Fiscal Agent") under the hereinafter-defined Funding Loan Agreement, and Creekside Senior Housing Limited Partnership, a limited liability company organized and existing under the laws of the State of Texas (together with its permitted successors and assigns, the "Owner"),

W I T N E S S E T H:

WHEREAS, pursuant to the Act (as hereinafter defined), the Issuer is authorized to issue one or more series of its revenue bonds and to loan the proceeds thereof to finance the acquisition, construction and equipping of residential rental housing for persons of low and moderate income; and

WHEREAS, the Owner has requested the assistance of the Issuer in financing a multifamily residential affordable housing project located on the real property described in Exhibit A hereto (the "Project Site") and described in Exhibit B hereto (the "Project Facilities" together with the Project Site, the "Project" or "Development"), and, as a condition to such financial assistance, the Owner has agreed to enter into this Regulatory Agreement, setting forth certain restrictions with respect to the Project; and

WHEREAS, the Issuer has determined to assist in the financing of the Project by issuing its Multifamily Mortgage Revenue Note (Arbors at Creekside) Series 2022A-1 in the original aggregate principal amount of $_____ and Multifamily Mortgage Revenue Note (Arbors at Creekside) Series 2022A-2 in the original aggregate principal amount of $_____ (collectively, the “Note”), and making a loan to the Owner of proceeds of the Note, upon the terms and conditions set forth in the Loan Agreement (as hereinafter defined);

WHEREAS, in order for interest on the Note to be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and the federal income tax regulations (including temporary and final regulations) and rulings with respect to the Code, and in order to comply with the requirements of the Act, relating to the Note, the use and operation of the Project must be restricted in certain respects; and

WHEREAS, the Issuer, the Fiscal Agent and the Owner have determined to enter into this Regulatory Agreement in order to set forth certain terms and conditions relating to the acquisition, construction, equipping and operation of the Project and in order to ensure that the Project will be acquired, constructed, equipped, used and operated in accordance with the Code and the Act.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Issuer, the Fiscal Agent and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. In addition to terms defined above, capitalized terms shall have the respective meanings assigned to them in this Section 1 or the Funding Loan Agreement unless the context in which they are used clearly requires otherwise:

"Act" means the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended.

"Affiliated Party" means a member of the Owner, a Person whose relationship with the Owner would result in a disallowance of losses under section 267 or 707(b) of the Code or a Person who, together with the Owner, is a member of the same controlled group of corporations (as defined in section 1563(a) of the Code, except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein).

"Agreement" or "Regulatory Agreement" means this Regulatory and Land Use Restriction Agreement, as it may be amended, modified or supplemented from time to time.

"Anticipated Annual Income" means the anticipated annual income of a person (together with the anticipated annual income of all persons who intend to reside with such person in one Unit), as determined in accordance with Section 1.167(k)-3(b)(3) of the Regulations (prior to its withdrawal by T.D. 8473, April 27, 1993) or with such other Regulations as may be imposed pursuant to section 142(d) of the Code.

“Closing Date” means the date of delivery of the Note.

"Compliance Monitoring Report" means the certified residential affordable housing program compliance report to be filed by the Owner with the Issuer pursuant to Section 4(b)(iv) hereof and the Loan Agreement with respect to the Project, in substantially the form attached hereto as Exhibit D, or in such other form as the Issuer may reasonably prescribe.

"Computation Date" means each Installment Computation Date and the Final Computation Date.

"Eligible Tenants" means persons of low and moderate income whose adjusted gross income, together with the adjusted gross income of all persons who intend to reside with those persons in one dwelling unit, did not for the preceding tax year exceed the maximum amount constituting moderate income under the Issuer’s rules, resolutions relating to the issuance of debt, or financing documents relating to the issuance of debt, which as of the date hereof, is 100% of median family income.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel, addressed to the Issuer and the Fiscal Agent, to the effect that the action to be taken will not adversely affect the excludability of interest on the Note from gross income for federal income tax purposes, is not contrary to the provisions of the Act, and is permitted under the Funding Loan Agreement and other documents governing the financing.

"Final Computation Date" means the date the last Bond is discharged.

"Gross Proceeds" means any Proceeds and any Replacement Proceeds of the Note.

"Funding Loan Agreement" means the Funding Loan Agreement of even date herewith by and between the Issuer, the Fiscal Agent and the Owner, relating to the issuance of the Note, and any supplements thereto.

"Inducement Date" means September 2, 2021.

"Installment Computation Date" means the last day of each fifth year, commencing January 31, 2024, and the date on which the final payment in full of the Outstanding Note is made.

"Investment" has the meaning set forth in section 1.148-1(b) of the Regulations.

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"Investment Proceeds" means any amounts actually or constructively received from investing Proceeds.

"Issue Price" means "issue price" as defined in sections 1273 and 1274 of the Code, unless otherwise provided in Sections 1.148-0 through 1.148-11 of the Regulations and, generally, is the aggregate initial offering price to the public (excluding bond houses, brokers and other intermediaries acting in the capacity of wholesalers or underwriters) at which a substantial amount of each maturity of the Note is sold.

"Loan" means the loan to be made to the Owner pursuant to the Loan Agreement.

"Loan Agreement" means the Project Loan Agreement of even date herewith among the Issuer, Fiscal Agent and Owner related to the Note as may be amended, modified, supplemented or restated from time to time.

"Low-Income Tenants" means persons whose aggregate Anticipated Annual Income does not exceed 60% of the Median Gross Income for the Area. For purposes of this definition, the occupants of a Unit shall not be deemed to be Low-Income Tenants if all the occupants of such Unit at any time are "students", as defined in section 151(c)(4) of the Code, no one of whom is entitled to file a joint return under section 6013 of the Code.

"Low-Income Unit" means a Unit which is included as a Unit satisfying the requirements of the Set Aside.

"Median Gross Income for the Area" means, with respect to the Project, the median income for the households in the area which includes the standard metropolitan statistical area in which the Project is located, as determined from time to time by the Secretary of Housing and Urban Development, under Section 8 of the United States Housing Act of 1937, as amended (or if such program is terminated, median income determined under the program in effect immediately before such termination), in each case as adjusted for family size.

"Net Proceeds" means any Net Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Note.

"Net Sale Proceeds" means the Sale Proceeds of the Note less any such proceeds deposited into a Reasonably Required Reserve or Replacement Fund under section 148(d) of the Code.

"Nonpurpose Investments" means any "investment property," within the meaning of section 148(b) of the Code, acquired with the Gross Proceeds of the Note.

"Owner Representative" means any Person who at the time and from time to time may be designated as such, by written certificate furnished to the Issuer and the Fiscal Agent containing the specimen signature of such Person and signed on behalf of the Owner by the general partner, which certificate may designate an alternate or alternates.

"Person" means any individual, entity, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any Issuer or political subdivision thereof.

"Proceeds" means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Note.

"Project" means the Project Facilities and the Project Site.

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"Project Costs" means, to the extent authorized by the Act, any and all costs incurred by the Owner with respect to the acquisition, construction of and equipping, as the case may be, of the Project, whether paid or incurred prior to or after the date of this Regulatory Agreement, including, without limitation, costs for site preparation, the planning of housing and improvements, the removal or demolition of existing structures, and all other work in connection therewith, and all costs of financing, including, without limitation, the cost of consultant, accounting and legal services, other expenses necessary or incident to determining the feasibility of the Project, contractor's and Owner's overhead and supervisor's fees and costs directly allocable to the Project, administrative and other expenses necessary or incident to the Project and the financing thereof.

"Project Facilities" means the multifamily affordable housing complex set forth in Exhibit B hereto.

"Project Site" means the parcel or parcels of real property described in Exhibit A, which is attached hereto and by this reference incorporated herein, and all rights and appurtenances appertaining thereunto.

"Qualified Project Costs" means the Project Costs incurred no earlier than 60 days prior to the Inducement Date (or which are qualifying preliminary expenditures) and no earlier than 3 years prior to the date reimbursed with Proceeds, but in no event shall such costs have been incurred with respect to a portion of the Project that is placed in service, within the meaning of Section 1.150-2 of the Regulations, earlier than 18 months prior to the date the related costs are reimbursed with Proceeds; provided that such costs are chargeable to a capital account with respect to the Project for federal income tax and financial accounting purposes, or would be so chargeable either with a proper election by the Owner or but for the proper election by the Owner to deduct those amounts; provided, however, that, if any portion of the Project is being constructed by the Owner or an Affiliated Party (whether as a general contractor or a subcontractor), "Qualified Project Costs" shall include only (a) the actual out-of-pocket costs incurred by the Owner or such Affiliated Party in constructing the Project (or any portion thereof), (b) any reasonable fees for supervisory services actually rendered by the Owner or such Affiliated Party (but excluding any profit component), and (c) any overhead expenses incurred by the Owner or such Affiliated Party which are directly attributable to the work performed on the Project and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of section 1504 of the Code) participating in the construction of the Project or payments received by such Affiliated Party due to early completion of the Project (or any portion thereof). Qualified Project Costs do not include Costs of Issuance.

"Qualified Project Period" means, with respect to the Project, the period beginning on first day on which 10 percent of the Units are occupied and ending on the latest of (i) the date which is 15 years after the date on which 50% of the Units in the Project are occupied, (ii) the first date on which no tax-exempt bond issued with respect to the Project is outstanding for federal income tax purposes, or (iii) the first date on which the Project no longer receives assistance under Section 8 of the United States Housing Act of 1937, as amended.

"Reasonably Required Reserve or Replacement Fund" means any fund described in section 148(d) of the Code, provided that the amount thereof allocable to the Note invested at a Yield materially higher than the Yield on the Note does not exceed 10% of the proceeds of the Note, within the meaning of section 148(d) of the Code, and does not exceed the size limitations in Section 1.148-2(f)(2)(ii) of the Regulations.

"Rebate Amount" has the meaning ascribed in Section 1.148-3(b) of the Regulations and generally means the excess as of any date of the future value of all receipts on Nonpurpose Investments over the future value of all payments on Nonpurpose Investments all as determined in accordance with section 1.148-3 of the Regulations. In the case of any Spending Exception Issue, the "Rebate Amount" as of any

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Computation Date shall be limited to the "Rebate Amount" attributable to any Reasonably Required Reserve or Replacement Fund.

"Regulations" means the applicable proposed, temporary or final Income Tax Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

"Replacement Proceeds" has the meaning set forth in Section 1.148-1(c) of the Regulations.

"Sale Proceeds" means any amounts actually or constructively received from the sale (or other disposition) of any Bond, including amounts used to pay underwriters' discount or compensation and accrued interest other than pre-issuance accrued interest. Sale Proceeds also include amounts derived from the sale of a right that is associated with any Bond and that is described in Section 1.148-4 of the Regulations.

"Set Aside" has the meaning assigned to such term in Section 2(i) hereof.

"Spending Exception Issue" means any issue of the Note that meets either the 6-month exception or the 18-month exception set forth in section 1.148-7 of the Regulations.

"Stated Maturity," when used with respect to the Note or any installment of interest thereon, means any date specified in the Note as a fixed date on which the principal of the Note or a portion thereof or such installment of interest is due and payable.

"Tenant Income Certification" means a certification as to income and other matters executed by the household members of each tenant in the Project, in substantially the form of Exhibit C attached hereto, or in such other form as reasonably may be required by the Issuer all in satisfaction of the requirements of Regulations Section 1.167(k)-3(b)(3) (prior to its withdrawal by T.D. 8473, April 27, 1993) and other regulations of the Issuer and as described in Section 4(b)(ii), including the Tenant Income Certification Form as set forth in Exhibit C .

"Transferred Proceeds" means, with respect to any portion of the Note that is a refunding issue, proceeds that have ceased to be proceeds of a refunded issue and are transferred proceeds of the refunding issue by reason of Section 1.148-9 of the Regulations.

"Unit" means a residential accommodation containing separate and complete facilities for living, sleeping, eating, cooking and sanitation located within the Project.

"Yield" means yield as determined in accordance with section 148(h) of the Code, and generally, is the yield which when used in computing the present worth of all payments of principal and interest to be paid on an obligation produces an amount equal to the Issue Price of such obligation.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender, and words of the singular number shall be construed to include the plural number, and vice versa. This Regulatory Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The defined terms used in the preamble and recitals of this Regulatory Agreement have been included for convenience of reference only, and the meaning, construction and interpretation of all defined terms shall be determined by reference to this Section 1, notwithstanding any contrary definition in the preamble or recitals hereof. The titles and headings of the sections of this Regulatory Agreement have been

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inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 1A. Acquisition, Construction and Equipping of the Project. The Owner hereby represents, as of the date hereof, covenants and agrees as follows;

(a) The Owner has incurred, or will incur within 6 months after the Bond Closing Date, a substantial binding obligation to commence the construction of Project Facilities, pursuant to which the Owner is or will be obligated to expend at least 5 % of the Sale Proceeds of the Note.

(b) The Owner's reasonable expectations respecting the total cost of the acquisition, construction and equipping of the Project are accurately set forth in the Tax Certificate and any attachments thereto.

(c) The Owner has commenced or will commence the acquisition, construction and equipping of the Project and will proceed with due diligence to complete the same.

(d) The Owner reasonably expects to expend not less than 85 % of the Sale Proceeds of the Note for Project Costs prior to the date that is 3 years after the Bond Closing Date.

(e) The statements made in the various certificates delivered by the Owner to the Issuer, Bond Counsel and/or the Fiscal Agent are true and correct in all material respects.

(f) The Owner will submit, or cause to be submitted, to the Fiscal Agent, on or before the date of each disbursement of Proceeds of the Note from the Project Fund, if any, held by the Fiscal Agent under the Funding Loan Agreement, a requisition in substantially the form required by the reimbursement documents, duly executed by an Owner Representative and certifying that the full amount of such disbursement will be applied to pay or to reimburse the Owner for the payment of Project Costs and that, after taking into account the proposed disbursement, the aggregate disbursements from the Project Fund will have been applied to pay or to reimburse the Owner for the payment of Qualified Project Costs in an amount equal to 95% or more of the aggregate disbursements from such fund.

(g) The Owner (and any Affiliated Party) will not take or omit to take, as is applicable, any action if such action or omission would in any way cause the Proceeds of the Note to be applied in a manner contrary to the requirements of the Funding Loan Agreement, the Loan Agreement or this Regulatory Agreement. The Owner acknowledges that such requirements have been designed for the purpose of ensuring compliance with the provisions of the Act or the Code applicable to the Owner and the Project.

Section 2. Tax-Exempt Status of the Notes. The Owner shall not take any action or omit to take any action which, if taken or omitted, respectively, would adversely affect the excludability of interest on the Note from the gross income (as defined in section 61 of the Code) of the holders of the Note for federal income tax purposes. With the intent not to limit the generality of the foregoing, the Owner covenants and agrees that prior to the final maturity of the Note, unless it has received and filed with the Issuer and the Fiscal Agent a Favorable Opinion of Bond Counsel to the effect that failure to comply with any such covenant or agreement, in whole or in part, will not adversely affect the exclusion from gross income for federal income tax purposes of interest paid or payable on the Note:

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(a) The Owner's use of the Net Proceeds of the Note shall at all times satisfy the following requirements:

(i) At least 95% of the Net Proceeds of the Note shall be used to pay Qualified Project Costs that are costs of a "qualified residential rental project" (within the meaning of sections 142(a)(7), 142(d) and 145(d) of the Code and section 1.103-8(b)(4) of the Regulations) and property that is "functionally related and subordinate" thereto (within the meaning of Sections 1.103-8(a)(3) and 1.103-8(b)(4)(iii) of the Regulations), all of which costs shall be properly chargeable to the Project's capital account or would be so chargeable either with a proper election by the Owner or but for a proper election by the Owner to deduct such amounts.

(ii) Less than 25% of the Net Proceeds of the Note actually expended will be used, directly or indirectly, for the acquisition of land or an interest therein. Notwithstanding the immediately preceding sentence no portion of the Net Proceeds of the Note will be used, directly or indirectly, for the acquisition of land or an interest therein to be used for farming purposes.

(iii) No portion of the Net Proceeds of the Note will be used for the acquisition of any existing property or an interest therein unless (i) the first use of such property is pursuant to such acquisition or (ii) the rehabilitation expenditures with respect to any building and the equipment therefor equal or exceed 15% of the cost of acquiring such building financed with the proceeds of the Note (with respect to structures other than buildings, this clause shall be applied by substituting 100% for 15%). For purposes of the preceding sentence, the term "rehabilitation expenditures" shall have the meaning set forth in section 147(d)(3) of the Code.

(iv) The Owner covenants and agrees that the Costs of Issuance financed with the proceeds of the Note shall not exceed 2% of the Sale Proceeds.

(v) The Owner shall not use or permit the use of any Net Proceeds of the Note or any income from the investment thereof to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(b) The Owner shall not take any action or omit to take any action with respect to the Gross Proceeds of the Note which, if taken or omitted, respectively, would cause any Note to be classified as an "arbitrage bond" within the meaning of section 148 of the Code.

(c) Except as provided in the Funding Loan Agreement and the Loan Agreement, the Owner shall not pledge or otherwise encumber, or permit the pledge or encumbrance of, any money, investment, or investment property as security for payment of any amounts due under the Loan Agreement relating to the Note, shall not establish any segregated reserve or similar fund for such purpose and shall not prepay any such amounts in advance of the redemption date of an equal principal amount of the Note, unless prior to taking any action described in this subsection (c), the Owner has obtained and delivered to the Fiscal Agent a Favorable Opinion of Bond Counsel.

(d) The Owner shall not, at any time prior to the final maturity of the Note, direct or permit the Fiscal Agent to invest Gross Proceeds of the Note in any Investment (or to use Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments acquired with Gross Proceeds (or with money replaced thereby) on or prior to the date of such

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investment exceeds the Yield of the Note to Stated Maturity, except as permitted by section 148 of the Code or as provided in the Tax Certificate.

(e) Except to the extent permitted by section 149(b) of the Code, neither the Issuer nor the Owner shall take or omit to take any action which would cause the Note to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(f) (i) Unless the Owner delivers to the Issuer, the Fiscal Agent and the Bondholder Representative a Favorable Opinion of Bond Counsel that the Owner does not need to comply with this Section 2(f), the Owner shall cause to be delivered, to the Fiscal Agent, within 25 days after each Computation Date:

(A) a statement of the Rebate Amount, if any, as of such Computation Date; and

(B) (1) if such Computation Date is an Installment Computation Date, an amount that, together with any amount then held for the credit of the Rebate Fund, is equal to at least 90% of the Rebate Amount as of such Installment Computation Date, less any "previous rebate payments" made to the United States (as that term is used in the Regulations), or (2) if such Computation Date is the Final Computation Date, an amount that, together with any amount then held for the credit of the Rebate Fund, is equal to the Rebate Amount as of such Final Computation Date, less any "previous rebate payments" made to the United States (as that term is used in the Regulations); and

(C) if a Rebate amount is due, an Internal Revenue Service Form 8038-T properly signed and completed as of such Computation Date.

The foregoing notwithstanding, the Owner shall not be required to deliver the foregoing to the Fiscal Agent if the Owner certifies that the Note is excepted from the requirements of section 148(f) of the Code.

(ii) If the Owner shall discover or be notified as of any date:

(A) that any amount required to be paid to the United States pursuant to this Section 2(f)(ii) and the Funding Loan Agreement has not been paid as required; or

(B) that any payment paid to the United States pursuant to this Section and the Funding Loan Agreement shall have failed to satisfy any requirement of the Regulations (whether or not such failure shall be due to any default by the Owner or the Fiscal Agent), the Owner shall

(X) deliver to the Fiscal Agent (for deposit to the Rebate Fund) and cause the Fiscal Agent to pay to the United States from the Rebate Fund (I) the Rebate Amount that the Owner failed to pay, plus any interest, specified in the Regulations, if such correction payment is delivered to and received by the Fiscal Agent within 175 days after such discovery or notice, or (II) if such correction payment is not delivered to and received by the Fiscal Agent within 175 day after such discovery or

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notice, the amount determined in accordance with clause (I) of this subparagraph (X) plus the 50% penalty required by the Regulations; and

(Y) deliver to the Fiscal Agent an Internal Revenue Service Form 8038-T properly signed and completed as of such date.

(iii) The Owner shall retain all of its accounting records relating to the funds established under the Funding Loan Agreement and all calculations made in preparing the statements described in this Section 2(f) for at least 6 years after the date the last Bond is discharged.

(iv) The Owner agrees to pay all of the reasonable and actual fees and out-of-pocket expenses of the Rebate Analyst, charged at rates substantially similar to the rate by such party for work of this type which may be Bond Counsel, a certified public accountant and any other necessary consultant employed by the Owner in connection with computing the Rebate Amount.

(g) The Owner covenants and agrees that not more than 50% of the Proceeds of the Note will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more within the meaning of section 149(g)(3)(A)(ii) of the Code, and the Owner reasonably expects that at least 85% of the spendable Proceeds of the Note will be used to carry out the governmental purposes of such issue of Note within the 3-year period beginning on the Closing Date.

(h) The Owner hereby covenants and agrees that the Project will be operated as a "qualified residential rental project" within the meaning of sections 142(a)(7), 142(d), 145(d) of the Code and section 1.103-8(b)(4) of the Regulations, on a continuous basis during the longer of the Qualified Project Period or the period during which any Note remains outstanding, to the end that the interest on the Note shall be excluded from gross income for federal income tax purposes. In particular, the Owner covenants and agrees, and will cause the general partner of the Owner to covenant and agree for the longer of the Qualified Project Period or the period during which any Note remains outstanding, as follows:

(i) The Project Facilities qualify as residential rental property and will be owned, managed and operated at all times during the term specified above as a qualified residential rental project comprised of residential dwelling units and facilities functionally related and subordinate thereto, in accordance with section 142(d) of the Code;

(ii) The Project Facilities will consist of one building or structure or several proximate and interrelated buildings or structures, each of which will be a discrete edifice or other man-made construction consisting of an independent foundation, outer walls and a roof, and all of which (A) will be located on a single tract of land or two or more parcels of land that are contiguous (i.e., their boundaries meet at one or more points) except for the interposition of a road, street, stream or similar property, (B) are owned by the same Person for Federal tax purposes, and (C) were financed pursuant to a common plan;

(iii) Substantially all of the Project will consist of similarly constructed Units together with functionally related and subordinate facilities for use by Project tenants, such as swimming pools, other recreational facilities, parking areas, heating and cooling equipment, trash disposal equipment, units for resident managers, security personnel or maintenance personnel and other facilities that are reasonably required for the Project;

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(iv) Each Unit in the Project will contain complete facilities for living, sleeping, eating, cooking and sanitation, e.g., a living area, a sleeping area, bathing and sanitation facilities, and cooking facilities equipped with a cooking range, refrigerator and sink, all of which will be separate and distinct from other Units;

(v) Each Unit in the Project will be rented or available for rental on a continuous basis to members of the general public at all times during the term specified above (unless occupied by or reserved for a resident manager, security personnel or maintenance personnel);

(vi) The Owner will operate and lease the Project in a manner that is consistent with housing policy governing nondiscrimination, as evidenced by rules or regulations of the Department of Housing and Urban Development (HUD), which generally provide that no discrimination can be made on the basis of race, color, religion, sex, national origin, age, familial status, disability and handicap (see HUD handbook 4350.03, or its successor);

(vii) At no time during the term specified above will any Unit in any building or structure in the Project which contains fewer than 5 Units be occupied by the Owner;

(viii) At no time during the term specified above will any of the Units in the Project be utilized on a transient basis by being leased or rented for a period of less than 30 days or by being used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, trailer park or trailer court;

(ix) The land and the facilities will be functionally related and subordinate to the Units comprising the Project and will be of size and character which is commensurate with the size and number of such Units; and

(i) The Owner hereby represents, covenants and agrees, continuously during the Qualified Project Period, as follows:

(i) Forty percent 40% of the Units (except for manager, security personnel and maintenance units that are reasonably required for the Project) (the "Set Aside") within the Project (and any other building which is comprised of similarly constructed Units, will be owned by the Owner for federal income tax purposes, will be located on the same or contiguous tract that is not separated from the Project except by a road, street, stream, or similar property, and is financed by the Note) that are available for occupancy, including expiration or lawful termination of an existing lease, shall be occupied or held vacant and available for occupancy at all times by Low-Income Tenants. For the purposes of this subparagraph (i), a vacant Unit which was most recently occupied by a Low-Income Tenant is treated as rented and occupied by a Low-Income Tenant until reoccupied, at which time the character of such Unit shall be redetermined.

(ii) The Owner shall maintain complete and accurate records pertaining to Low-Income Tenants and file all documents as required by section 142(d) of the Code and this Agreement, including Tenant Income Certifications attached as Exhibit C hereto.

(iii) No tenant qualifying as a Low-Income Tenant shall be denied continued occupancy of a Unit in the Project because, after admission, such tenant's Anticipated Annual Income increases to exceed the qualifying limit for Low-Income Tenants; provided, however, that, should a Low-Income Tenant's Anticipated Annual Income, as of the most recent determination thereof, exceed 140% of the then applicable income limit for

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a Low-Income Tenant of the same family size and such Low-Income Tenant constitutes a portion of the Set Aside, the next available Unit of comparable or smaller size must be rented to (or held vacant and available for immediate occupancy by) a Low-Income Tenant and such new Low-Income Tenant will then constitute a portion of the Set Aside requirement of paragraph (i) of this Section 2(i); and provided, further, that, until such next available Unit is rented to a tenant who is a Low-Income Tenant, the former Low-Income Tenant who has ceased to qualify as such shall be deemed to continue to be a Low-Income Tenant for purposes of the requirement of subparagraph (i) of this Section 2(i).

The parties hereto recognize that the requirements stated in Section 2(h) and this Section 2(i) shall continue in effect until the termination of the Qualified Project Period.

(j) The Owner further covenants and agrees to prepare and submit to the Fiscal Agent, no more than 60 days prior to the last day of the Qualified Project Period a certificate setting forth the date on which the Qualified Project Period will end, which certificate shall be in recordable form. The Issuer need not affirmatively consent to the termination of the covenants.

(k) Anything in this Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer and the Fiscal Agent may rely conclusively on the truth and accuracy of any certificate, opinion, notice, representation or instrument made or provided by the Owner in order to establish the existence of any fact or statement of affairs solely within the knowledge of the Owner, and which is required to be noticed, represented or certified by the Owner hereunder or in connection with any filings, representations or certifications required to be made by the Owner in connection with the issuance and delivery of the Note.

(l) The Owner shall provide to the Fiscal Agent, a certificate certifying (i) within 90 days thereof, the date on which 10% of the Units in the Project are occupied; and (ii) within 90 days thereof, the date on which 50% of the Units in each Project are occupied.

Section 3. Modification of Tax Covenants. Subsequent to the issuance of the Note and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Funding Loan Agreement), this Agreement may not be amended, changed, modified, altered or terminated except as permitted in Section 19 and by the Funding Loan Agreement. Anything contained in this Agreement or the Funding Loan Agreement to the contrary notwithstanding, the Issuer, the Fiscal Agent and the Owner, hereby agree upon the written request of one of the parties hereto, to amend this Agreement and, if appropriate, the Funding Loan Agreement and the Loan Agreement, to the extent required, in the written opinion of Bond Counsel delivered to the Issuer, the Owner and the Fiscal Agent, in order for interest on the Note to remain excludable from gross income for federal income tax purposes. The party requesting such amendment shall notify the other parties to this Agreement in writing of the proposed amendment and send a copy of such requested amendment to Bond Counsel. After review of such proposed amendment, Bond Counsel shall render to the Fiscal Agent, the Owner and the Issuer, an opinion to the effect that such amendments are permitted, necessary and sufficient in order to enable compliance with the provisions of the Code such that the interest on the Note will remain excludable from gross income for purposes of federal income taxation. The Owner shall pay all necessary fees and expenses incurred with respect to such amendment, including necessary reasonable and actual attorney's fees and expenses incurred by Bond Counsel in rendering such opinion. The Owner, the Issuer and, where applicable, the Fiscal Agent pursuant to written instructions from the Issuer, shall execute, deliver and, if applicable, the Owner shall file of record, any and all documents and instruments, including without limitation, an amendment to this Regulatory Agreement, necessary to effectuate the intent of this Section 3, and the Owner and the Issuer hereby appoint the Fiscal Agent as their true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Owner or the Issuer, as is applicable, any

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such document or instrument (in such form as may be approved by and upon instruction of Bond Counsel) if either the Owner or the Issuer defaults in the performance of its obligation under this Section 3; provided, however, that the Fiscal Agent shall take no action under this Section 3 without first notifying the Owner or the Issuer, as is applicable, in writing of its intention to take such action and providing the Owner or the Issuer, as is applicable, 10 Business Days after delivery of such notice to comply with the requirements of this Section 3.

Section 4. Residential Development. The Issuer and the Owner hereby recognize and declare their understanding and intent that the Project is to be owned, managed and operated as a "residential development," as such term is defined in Section 394.003(13) of the Act, and in compliance with applicable restrictions and limitations as provided in the Act and the rules of the Issuer, until the expiration of the Qualified Project Period or for as long as any portion of the Note remains outstanding and unpaid, whichever is longer.

(a) The Owner hereby represents, as of the date hereof, and covenants and agrees for the term of this Regulatory Agreement that at least 90% of the Units shall be rented to Eligible Tenants and that the Owner shall not rent or lease any Unit to a person not an Eligible Tenant if such rental would cause less than 90% of the Units to be rented to Eligible Tenants.

(b) The Owner hereby represents, covenants and agrees as follows:

(i) To assure that 40% of the occupied Units at the Project are occupied at all times by Low Income Tenants;

(ii) To obtain a Tenant Income Certification from each tenant in the Project not later than the date of such tenant's initial occupancy of a Unit in the Project and to maintain a file of all such Tenant Income Certifications, together with all supporting documentation, for a period of not less than 3 years following the end of the Qualified Project Period;

(iii) To obtain from each tenant in the Project, at the time of execution of the lease pertaining to the Unit occupied by such tenant, a written certification, acknowledgment and acceptance that (A) such lease is subordinate to the Mortgage and this Regulatory Agreement, (B) all statements made in the Tenant Income Certification submitted by such tenant are accurate, (C) the family income and eligibility requirements of this Agreement and the Loan Agreement are substantial and material obligations of tenancy in the Project, (D) such tenant will comply promptly with all requests for information with respect to such requirements from the Owner, the Fiscal Agent and the Issuer, and (E) failure to provide accurate information in the Tenant Income Certification or refusal to comply with a request for information with respect thereto will constitute a violation of a substantial obligation of the tenancy of such tenant in the Project;

(iv) To cause to be prepared and submitted to the Issuer for the first calendar quarter that includes the 1st day of the Qualified Project Period, and thereafter for each calendar quarter by the 25th calendar day of each April, July, October, and January, as applicable, or other quarterly schedule as determined by the Issuer, a certified Compliance Monitoring Report and Occupancy Summary in a form attached hereto as Exhibit D or at the reasonable request of the Issuer in such other form provided by the Issuer from time to time;

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(v) To the extent legally permissible and subject to the rights of tenants to permit any duly authorized representative of the Issuer or the Fiscal Agent (without any obligation to do so) to inspect the books and records of the Owner pertaining to the Project or the incomes of Project tenants, including but not limited to tenant files, during regular business hours and to make copies therefrom if so desired and file such reports as are necessary to meet the Issuer's requirements; and

(vi) The Owner will obtain a Tenant Income Certification from each tenant at least annually after the tenant's initial occupancy or as otherwise directed by the Issuer in writing.

Section 5. [Reserved].

Section 6. Consideration. The Issuer has issued the Note to provide funds to make the Loan to finance the Project, all for the purpose, among others, of inducing the Owner to acquire the Project Site, construct, equip and operate the Project. In consideration of the issuance of the Note by the Issuer, the Owner has entered into this Regulatory Agreement and has agreed to restrict the uses to which this Project can be put on the terms and conditions set forth herein.

Section 7. Reliance. The Issuer, the Fiscal Agent and the Owner hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons interested in the legality and validity of the Note, and in the excludability from gross income for purposes of federal income taxation of the interest on the Note. In performing their duties and obligations hereunder, the Issuer and the Fiscal Agent may rely upon statements and certificates of the Low-Income Tenants and the Owner and upon audits of the books and records of the Owner pertaining to the Project. In addition, the Issuer, the Owner and the Fiscal Agent may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Issuer, the Owner or the Fiscal Agent hereunder in good faith and in conformity with such opinion. In determining whether any default by the Owner exists under this Regulatory Agreement, the Fiscal Agent shall not be required to conduct any investigation into or review of the operations or records of the Owner and may rely on any written report, notice or certificate delivered to the Fiscal Agent by any Person retained to review the Owner's compliance with this Regulatory Agreement or by the Owner or the Issuer with respect to the occurrence or absence of a default unless it has actual knowledge that the report, notice or certificate is erroneous or misleading.

Section 8. Project in Austin, Texas. The Owner hereby represents that the Project is located entirely within the City of Austin, Texas.

Section 9. Sale or Transfer of the Project. The Owner covenants and agrees not to sell, transfer or otherwise dispose of the Project prior to the expiration of the Qualified Project Period or the date on which the Note have been paid in full, whichever is later, without (i) complying with any applicable provisions of the Loan Agreement and this Regulatory Agreement, and (ii) obtaining the prior written consent of the Issuer. Such consent of the Issuer shall not be unreasonably withheld or delayed and shall be given if all conditions to the sale set forth in the Loan Agreement and this Regulatory Agreement are met or are waived in writing by the Issuer, including (1) there is delivered to the Fiscal Agent and the Issuer a written Opinion of Counsel reasonably satisfactory to the Fiscal Agent and the Issuer, addressed to the Fiscal Agent and the Issuer concluding that the transferee has duly assumed all of the rights and obligations of the Owner under the Loan Agreement (to the extent still in effect) and this Regulatory Agreement and that each of the documents executed by the transferee in connection therewith has been duly authorized, executed and delivered by the transferee and is a valid and enforceable obligation of the transferee, subject to customary qualifications, (2) the Fiscal Agent and the Issuer receives a Favorable Opinion of Bond Counsel, which opinion shall be furnished at the expense of the Owner or the transferee, regarding such

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sale, transfer or disposition, (3) the proposed purchaser or assignee executes any document reasonably requested by the Issuer with respect to assuming the obligations of the Owner under the Loan Agreement (to the extent still in effect) and this Regulatory Agreement, and (4) the Issuer shall not have any reason to believe that the purchaser or assignee is incapable, financially or otherwise, of complying with, or may be unwilling to comply with, the terms of all agreements and instruments binding on such proposed purchaser or assignee relating to the Project, including but not limited to the Loan Agreement (to the extent still in effect) and this Regulatory Agreement. The Owner hereby expressly stipulates and agrees that any sale, transfer or other disposition of the Project in violation of this subsection shall be ineffective to relieve the Owner of its obligations under this Agreement. Upon any sale, transfer or other disposition of the Project in compliance with this Agreement, the Owner so selling, transferring or otherwise disposing of the Project shall have no further liability for obligations under the Loan Agreement or this Regulatory Agreement arising after the date of such disposition. The foregoing notwithstanding, the duties and obligations of the Owner as set forth in the Loan Agreement and this Regulatory Agreement with respect to matters arising prior to the date of such sale, transfer or other disposition shall not terminate upon the sale, transfer or other disposition of the Project. The foregoing restrictions on transfer shall not apply to foreclosures, deeds in lieu of foreclosure, transfer by exercise of the power of sale or other similar transfer. Any such sale or transfer shall be subject to the Issuer's multifamily rules.

The Owner shall not change or cause to be changed the general partner of the Owner (or cause the Owner to have more than one general partner) without the prior written consent of the President, Vice President or Treasurer of the Issuer, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the general partner of the Owner may be removed and replaced by any partner or member of the Owner or any of its affiliates, in accordance with the Owner's operating agreement, as it may be amended from time to time, and subject to the satisfaction of the requirements of the Loan Agreement.

Section 10. Term. This Regulatory Agreement and all and each of the provisions hereof shall become effective upon its execution and delivery, shall remain in full force and effect for the periods provided herein and, except as otherwise provided in this Section 10, shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are intended to survive the retirement of the Note, discharge of the Loan, termination of the Loan Agreement and defeasance or termination of the Funding Loan Agreement.

The terms of this Regulatory Agreement to the contrary and notwithstanding, this Regulatory Agreement, the Loan Agreement and the Funding Loan Agreement shall terminate, without the requirement of any consent by the Issuer and the Fiscal Agent, and be of no further force and effect in the event of involuntary noncompliance with the provisions of this Regulatory Agreement caused by fire, seizure, requisition, change in a federal law or an action of a federal agency after the Bond Closing Date which prevents the Issuer or the Fiscal Agent from enforcing the provisions hereof, or foreclosure or transfer of title by deed in lieu of foreclosure or exercise of the power of sale, condemnation or a similar event, but only if, within a reasonable period thereafter, either the Note is retired in full or amounts received as a consequence of such event are used to provide a qualified residential rental project which meets the requirements of the Code set forth in Sections 1A through 4 of this Regulatory Agreement and the Act. The provisions of the preceding sentence shall cease to apply and the requirements referred to therein shall be reinstated if, at any time during the Qualified Project Period after the termination of such requirements as a result of involuntary noncompliance due to foreclosure, transfer of title by deed in lieu of foreclosure or exercise of power of sale or similar event, the Owner or any related Person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Project for federal income tax purposes. The Issuer shall not be required to consent to termination of this Regulatory Agreement for any reason other than those specified above.

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Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Agreement in accordance with its terms. All costs, including reasonable and actual fees and expenses of the Issuer and the Fiscal Agent, incurred in connection with the termination of this Regulatory Agreement shall be paid by the Owner and its successors in interest.

Section 11. Covenants To Run With the Land. The Owner hereby subjects the Project to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The Issuer, the Fiscal Agent and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project; provided, however, that upon the termination of this Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

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

Section 12. Burden and Benefit. The Issuer, the Fiscal Agent and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The Issuer, the Fiscal Agent and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by Low-Income Tenants, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Note was issued.

Section 13. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use, development and improvement of the Project Site.

Section 14. Default; Enforcement. If the Owner defaults in the performance or observance of any covenant, agreement or obligation of the Owner set forth in this Regulatory Agreement, and if such default remains uncured for a period of 60 days after written notice thereof shall have been given by the Issuer or the Fiscal Agent to the Owner in accordance with the Funding Loan Agreement, then the Fiscal Agent, acting on its own behalf or on behalf of the Issuer, provided a responsible officer of the Fiscal Agent actually knows of such default pursuant to written notification, shall declare an "Event of Default" to have occurred hereunder; provided, further, however, that, if the default stated in the notice is of such a nature that it cannot be corrected within 60 days, such default shall not constitute an Event of Default hereunder so long as (i) the Owner institutes corrective action within said 60 days and diligently pursues such action until the default is corrected, and (ii) in the written opinion of Bond Counsel delivered to the Fiscal Agent, the failure to cure said default within 60 days will not adversely affect the exclusion from gross income of interest on the Note for federal income tax purposes. The Issuer and the Fiscal Agent agree that a cure of any Event of Default made or tendered by any partner or member of Owner, or a guarantor of any of Owner’s obligations, shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if tendered by Owner.

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Following the declaration of an Event of Default hereunder, the Fiscal Agent, subject to being indemnified to its satisfaction with respect to the costs and expenses of any proceeding, or the Issuer may, at its option, take any one or more of the following steps:

(i) by mandamus or other suit, action or proceeding for specific performance, including injunctive relief, require the Owner to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer or the Fiscal Agent hereunder;

(ii) have access to and inspect, examine and make copies of all of the books and records of the Owner pertaining to the Project; and

(iii) take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Owner hereunder.

The Owner hereby agrees that specific enforcement of the Owner's agreements contained herein is the only means by which the Issuer and the Fiscal Agent may obtain the benefits of such agreements made by the Owner herein, and the Owner therefore agrees to the imposition of the remedy of specific performance against it in the case of any Event of Default by the Owner hereunder.

All rights and remedies herein given or granted to the Issuer and the Fiscal Agent are cumulative, nonexclusive and in addition to any and all rights and remedies that the Issuer and the Fiscal Agent may have or may be given by reason of any law, statute, ordinance, document or otherwise. Notwithstanding the availability of the remedy of specific performance provided for in this Section 14, promptly upon determining that a violation of this Regulatory Agreement has occurred, the Issuer shall to the extent that it has actual knowledge thereof, give written notice to the Fiscal Agent and the Owner that a violation of this Regulatory Agreement has occurred.

Section 15. The Fiscal Agent. The Fiscal Agent shall act as specifically provided herein and in the Funding Loan Agreement. No implied covenants shall be read into this Agreement against the Fiscal Agent. Subject to the right of the Fiscal Agent to be indemnified as provided in the Funding Loan Agreement and Loan Agreement, the Fiscal Agent shall act as the agent of and on behalf of the Issuer when requested in writing by the Issuer to do so, and any act required to be performed by the Issuer as herein provided shall be deemed taken if such act is performed by the Fiscal Agent. The Fiscal Agent is entering into this Regulatory Agreement solely in its capacity as Fiscal Agent under the Funding Loan Agreement, and the duties, powers, rights and obligations of the Fiscal Agent in acting hereunder shall be subject to the provisions of the Funding Loan Agreement, including, without limitation, the provisions of Article 9 thereof, which are incorporated by reference herein. The incorporated provisions of the Funding Loan Agreement are intended to survive the retirement of the Note, discharge of the Mortgage, termination of the Loan Agreement and defeasance or termination of the Funding Loan Agreement.

Neither the Fiscal Agent nor any of its officers, directors or employees shall be liable for any action taken or omitted to be taken by it or them hereunder or in connection herewith except for its or their own gross negligence, bad faith, fraud or willful misconduct. No provision of this Regulatory Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that the payment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Fiscal Agent shall review all documents prepared by the Owner and furnished to the Fiscal Agent to determine whether such documents materially conform on their face to the requirements of this Regulatory Agreement (which shall not require the Fiscal Agent to determine compliance with the

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covenants herein), provided that the Fiscal Agent shall bear no liability for the determination so made. The Fiscal Agent shall notify the Issuer and the Owner in writing if the Fiscal Agent does not receive any document from the Owner at the time required under this Regulatory Agreement or if such document does not conform on its face to the requirements of this Regulatory Agreement. The Fiscal Agent may conclusively rely on and shall be protected in acting or omitting to act in good faith upon the certificates and other writings, which materially conform on their face to the requirements of this Regulatory Agreement, as the Fiscal Agent may receive in connection with the administration of its obligation hereunder and has no duty or obligation to make an independent investigation with respect thereto.

Section 16. Recording and Filing. The Owner shall cause this Regulatory Agreement, and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of Travis County, Texas and in such other places as the Issuer or the Fiscal Agent may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording. This Agreement is subject to and subordinate to all matters of record as of the date hereof.

Section 17. Reimbursement of Expenses. Notwithstanding any prepayment of the Loan or redemption of the Note and notwithstanding a discharge of the Funding Loan Agreement, throughout the term of this Regulatory Agreement, the Owner shall continue to pay to the Issuer and the Fiscal Agent reimbursement for all fees and expenses actually incurred thereby required to be paid to the Issuer and the Fiscal Agent by the Owner pursuant to the Loan Agreement.

Section 18. Governing Law. This Regulatory Agreement shall be governed by the laws of the State (other than in respect of conflicts of laws). The Fiscal Agent's rights, duties, powers and obligations hereunder are governed in their entirety by the terms and provisions of this Agreement and the Funding Loan Agreement.

Section 19. Amendments. Subject to the provisions of Section 3 hereof, this Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto, or their successors in title and duly recorded in the real property records of Travis County, Texas and only upon receipt by the Issuer, the Owner and the Fiscal Agent of a Favorable Opinion of Bond Counsel regarding such amendment.

Section 20. Notices. Any notice required to be given hereunder to the Issuer and the Fiscal Agent, or the Owner shall be given in the manner and to the address as set forth in the Funding Loan Agreement.

Section 21. Severability. If any provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 22. Multiple Counterparts. This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

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Section 23. Authorization to Act for Issuer. To the extent allowed by law, the Issuer may authorize the Owner to take on behalf of the Issuer actions required or permitted to be taken by it hereunder, or under the Funding Loan Agreement and the Loan Agreement and to make on behalf of the Issuer all elections and determinations required or permitted to be made by the Issuer hereunder or under the Funding Loan Agreement and the Loan Agreement. In addition, to the extent allowed by law, the Issuer may authorize the Owner to exercise, on behalf of the Issuer, any election with respect to the Note pursuant to the Code or the Regulations, and in such case, the Issuer will cooperate with the Owner and execute any form of statement required by the Code or the Regulations required to effectuate any such election. Any authorization by the Issuer under this Section 23 shall be in writing.

[EXECUTION PAGES FOLLOW]

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IN WITNESS WHEREOF, the Issuer, the Fiscal Agent and the Owner have executed this Regulatory Agreement by duly authorized representatives, all as of the date first above written.

AUSTIN HOUSING FINANCE CORPORATION

By:_____
Name: Mandy DeMayo
Title: Deputy Director

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WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Name:
Title:

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BORROWER:

CREEKSIDE SENIOR HOUSING LIMITED PARTNERSHIP,
a Texas limited partnership

By: AHFC Arbors Non-Profit Corporation,
a Texas nonprofit corporation,
its general partner

By: _____
Name: Rosie Truelove
Title: Vice President

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ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This Regulatory Agreement was acknowledged before me on _____, 2022, by Rebecca Giello, Deputy Director of Austin Housing Finance Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____
Notary Public Signature

My Commission expires: _____

(Personalized Seal)

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ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by _____, _____ of Wilmington Trust, National Association

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____
Notary Public Signature

My Commission expires: _____

(Personalized Seal)

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ACKNOWLEDGMENT

STATE OF _____ §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2022, by Rebecca Giello, Secretary/Treasurer of Austin Housing Finance Corporation, a Texas housing finance corporation, sole member of AHFC Arbors Non-Profit Corporation, a Texas nonprofit corporation, the general partner of Creekside Senior Housing, LP, a Texas limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____
Notary Public Signature

My Commission expires: _____

(Personalized Seal)

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EXHIBIT A

Legal Description for Title Commitment attached on next page

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EXHIBIT B

PROJECT AND OWNER

Owner:	Creekside Senior Housing Limited Partnership
Project Site:	1026 Clayton Lane, Austin, Texas 78723
Project Facilities	Approximately 176-units

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EXHIBIT C

TENANT INCOME CERTIFICATION

Austin Housing Finance Corporation

Multifamily Mortgage Revenue Note

(Arbors at Creekside)

Series 2022A-1 and A-2

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INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other* _____

Effective Date: _____
Move-in Date: _____ (MM/DD/YYYY)
*Transfer from Unit: _____

PART I – DEVELOPMENT DATA

Property _____ County:_____ BIN #: _____

Name: AHFC# _____ Unit Number:_____ # Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	Student Status *(circle one)*	Last 4 digits of Social Security Number
1			HEAD		FT / PT / NA	
2					FT / PT / NA	
3					FT / PT / NA	
4					FT / PT / NA	
5					FT / PT / NA	
6					FT / PT / NA	
7					FT / PT / NA	

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D) above — TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		TOTALS:	$	$

Enter Column (H) Total If over $5000 $ _____ — Passbook Rate *X* .06% (effective 2/1/2015) = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income — **TOTAL INCOME FROM ASSETS (K)** $

(L) Total Annual Household Income from all Sources [Add (E) + (K)] $

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

_____ _____ _____ _____
Signature *(Date)* **Signature** *(Date)*

_____ _____ _____ _____
Signature *(Date)* **Signature** *(Date)*

PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1 $ _____

Mark the program(s) listed below for which this household's income will be counted toward the property's occupancy requirements.

☐ HTC or Exchange	☐	30%	☐	40%	☐	50%	☐	60%	☐	OI***	
☐ TCAP	☐	30%	☐	40%	☐	50%	☐	60%	☐	OI***	
☐ HOME	☐	30%	☐	40%	☐	50%	☐	60%	☐	80%	☐ OI***
☐ BOND	☐	30%	☐	50%	☐	60%	☐	80%	☐	OI***	☐ ET
☐ HTF	☐	ELI	☐	VLI	☐	LI	☐	OI***			
☐ NSP	☐	30%	☐	40%	☐	50%	☐	60%	☐	80%	☐ 120%
☐ CDBG	☐	30%	☐	40%	☐	50%	☐	60%	☐	80%	☐ 120%
☐ Other _____	☐										

*** Upon Recertification household was determined to be over income (OI) according to eligibility requirements of the programs marked above.

PART VI. RENT

A. Tenant Paid Rent: $ _____

B. Utility Allowance: $ _____

C. Rent Assistance: $ _____

D. Other non-optional charges and mandatory fees: $ _____

E. Gross Rent For Unit (See Instructions): $ _____ / _____

Mark the program(s) listed below for which this household's rent will be counted toward the property's occupancy requirements.

☐ HTC or Exchange	☐	30%	☐	40%	☐	50%	☐	60%
☐ TCAP	☐	30%	☐	40%	☐	50%	☐	60%
☐ HOME	☐	Low HOME	☐	High HOME	☐	_____		
☐ BOND	☐	30%	☐	50%	☐	60%	☐	80%
☐ HTF	☐	30%	☐	50%	☐	60%	☐	80%
☐ NSP	☐	30%	☐	40%	☐	Low HOME	☐	High HOME
☐ CDBG	☐	30%	☐	40%	☐	Low HOME	☐	High HOME
☐ Other _____	☐	_____						

PART VII. STUDENT STATUS (HTC, TCAP, Exchange, and BOND only)

ARE ALL OCCUPANTS FULL TIME STUDENTS?

☐ Yes ☐ No

If yes, Enter student explanation* (also attach documentation)

Enter 1-5

*Student Explanation:
1. TANF assistance
2. Job Training Program
3. Single parent/dependent child
4. Married/joint return
5. Previous Foster Care

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of program's rules, regulations and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

_____ _____

SIGNATURE OF OWNER/REPRESENTATIVE DATE

Supplement to the Income Certification

Unit #: _____ **Date:** _____

See below for Ethnicity, Race, and Other codes that characterize household composition. **Enter both Ethnicity and Race** codes for each household member, if applicable. Also indicate if an individual in the household is elderly and/or disabled.

HH Mbr #	Sex – enter M or F	Age	Ethnicity	Race	Elderly Enter Y or N	Disabled Enter Y or N
1						
2						
3						
4						
5						
6						
7						

The AHFC requests this information in order to comply with HUD's required reporting requirements. Although AHFC would appreciate receiving this information, you may choose not to furnish it. You may not be discriminated against on the basis of this information, or on whether or not you choose to furnish it. If you do not wish to furnish this information, please initial below.

RESIDENT/APPLICANT: I do not wish to furnish information regarding ethnicity, race, sex, age and other household composition. (*Initials*) _____

The following Ethnicity codes should be used:	**The following Race codes should be used:**
A Hispanic	A White
B Not Hispanic	B Black/African American
	C Asian
	D American Indian/Alaska Native
	E Native Hawaiian/Other Pacific Islander
	F American Indian/Alaska Native & White
	G Asian & White
	H Black/African American & White
	I American Indian/Alaska Native & Black/African American
	J Other Multi Racial

DEFINITIONS

Ethnic categories:

A. Hispanic – A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. Terms such as "Latino" or "Spanish Origin" apply to this category.
B. Not Hispanic – A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

Racial categories:

A. White – A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.
B. Black/African American – A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" apply to this category.
C. Asian – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
D. American Indian/Alaskan Native – A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
E. Native Hawaiian/Other Pacific Islander – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

Note: The remaining racial categories (F-I) are multi racial categories made up of combinations of the single race categories defined above (A-E). If the appropriate multi-racial category is not listed, use the "Other Multi Racial" (J) category.

Disabled:

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment; or being regarded as having such an impairment. For a definition of "physical or mental impairment" and other terms used in this definition, please see 24 CFR 100.201.

"Handicap" does not include current, illegal use of or addiction to a controlled substance.

Revised January 26, 2015

EXHIBIT D

COMPLIANCE MONITORING REPORT

TO: Austin Housing Finance Corporation
1000 E. 11th Street
Austin, Texas 78702
Attention: Program Manager

Wilmington Trust, National Association, as Fiscal Agent
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248
Attention: Corporate Trust Department

Austin Housing Finance Corporation
Multifamily Mortgage Revenue Notes
(Arbors at Creekside)
Series 2022A-1 and A-2

Creekside Senior Housing Limited Partnership (the "Owner") and _____ (the "Administrative Partner"), hereby represent and warrant that:

1. A review of the activities of the Owner during the period of _____ through _____ and of the Owner's performance under the Loan Agreement and the Regulatory Agreement (as each is defined below), has been made by the Administrative Partner and reviewed by _____ (the "General Partner") on behalf of the Owner.

2. The Owner owns Arbors at Creekside (the "Project").

3. The Project was financed, in substantial part, as a result of the loan of the proceeds of the above-captioned Notes (the "Notes") from the Austin Housing Finance Corporation (the "Issuer" or "Governmental Lender") to the Owner.

4. The Administrative Partner and the General Partner have read and are thoroughly familiar with the provisions of (1) the Regulatory Agreement and Land Use Restriction Agreement (the "Regulatory Agreement"), dated as of _____, 2022, among the Owner, the Issuer and Wilmington Trust, National Association, as Fiscal Agent (the "Fiscal Agent"); and (2) the Borrower Loan Agreement, dated as of _____, 2022, among the Owner, the Fiscal Agent and the Issuer (the "Loan Agreement"). The Regulatory Agreement was executed, delivered, and recorded against the Project in connection with the issuance of the Notes. Hereinafter, unless otherwise expressly provided herein or unless the context requires otherwise, the capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Regulatory Agreement.

5. The Project's Qualified Project Period with respect to the Project is the period beginning on the first day on which 10 percent of the residential units in the Project are occupied and ending on the later of (i) the date which is 15 years after the date on which 50 percent of the residential units in the Project are occupied, (ii) the first date on which no tax-exempt private activity bond issued with respect to the Project are outstanding, or (iii) the first date

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on which the Project no longer receives assistance under Section 8 of the United States Housing Act of 1937, as amended. The Qualified Project Period began on _____, 20__.

6. For the entire Qualified Project Period, at least 40% of the Units at each Project Facility shall at all times be rented to and occupied by Low Income Tenants.

7. As of the end date of the period covered by this Compliance Monitoring Report, the following percentages of completed Units in the Project (i) were occupied by Low Income Tenants or (ii) were vacant and held available for such occupancy by Low Income Tenants:

Occupied by Low Income Tenants: ____ percent

Held vacant for occupancy continuously since last occupied by Low Income Tenant: ____ percent

8. At no time since the date of filing of the last Compliance Monitoring Report has less than all of the units in the Project been occupied by or, if vacant, been last occupied by Low Income Tenants, provided that any vacant units must have been last occupied by Low-Income Tenants.

9. To the best knowledge of the Administrative Partner, after due inquiry, and to the best knowledge of the General Partner based solely on information received by it from the Administrative Partner, (i) as of the end of the period covered by this Compliance Monitoring Report, all completed Units were rented or available for rental on a continuous basis to members of the general public, and (ii) the Owner is not now and has not been in default under the terms of the above-referenced Regulatory Agreement and, to the best knowledge of the undersigned, no Determination of Taxability has occurred with respect to the Notes.

10. (If the Owner is in default under the terms of the Regulatory Agreement or the Owner has actual knowledge of a Determination of Taxability with respect to the Notes, such knowledge should be detailed here:)

11. The Owner has not transferred any interest in the Project since the date of submission of the Compliance Monitoring Report last submitted to the Fiscal Agent and the Issuer with respect to the Project. (If the Owner has transferred any interest in the Project, such transfer should be detailed here:)

Attached is a separate sheet (the "Occupancy Summary") listing, among other items, the percentage of units which are occupied by Low Income Tenants and which became Low Income Units since the filing of the last Compliance Monitoring Report. The information contained thereon is, to the best knowledge of the Owner and the Administrative Partner (based upon information supplied by tenants of the Project), true and accurate.

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CREEKSIDE SENIOR HOUSING LIMITED PARTNERSHIP,
a Texas limited partnership

By: AHFC Arbors Non-Profit Corporation,
a Texas nonprofit corporation,
its general partner

By: Austin Housing Finance Corporation,
a Texas housing finance corporation,
its sole member

By: _____
Rebecca Giello, Secretary/Treasurer

ADMINISTRATIVE PARTNER

[ADD ADMINISTRATIVE PARTNER SIG BLOCK]

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