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Revenue Tax:
LISA SMITH RECORDER
Madison County, Iowa

Prepared by and Return to: James Smith, Dorsey & Whitney LLP, 801 Grand, Suite 4100, Des Moines, Iowa 50309, (515) 283-1000

Grantor/Mortgagor/Taxpayer: RD ESW, LLC, c/o National Affordable Housing Foundation, 12289 Stratford Drive #B, Clive, Iowa 50325

Grantee/Mortgagee: Wilmington Trust, National Association , 50 South 6th Street, Minneapolis, Minnesota 55402

Legal Description: See Exhibit A (Page A-1)

LAND USE RESTRICTION AGREEMENT

between

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

and

RD ESW, LLC

Dated as of August 1, 2017

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LAND USE RESTRICTION AGREEMENT

THIS LAND USE RESTRICTION AGREEMENT (including the exhibits attached hereto), dated as of August 1, 2017, by and between RD ESW, LLC, an Iowa limited liability company, and its successors and assigns (the "Borrower") and Wilmington Trust, National Association, Minneapolis, Minnesota (the "Trustee"),

WITNESSETH

WHEREAS, pursuant to Iowa Code, Chapter 16, as amended (the "Act"), and a resolution adopted by the Board of the Issuer on November 4, 2015, as amended by an amending resolution adopted by the Board of the Issuer on December 7, 2016 the Issuer has heretofore issued its \$3,830,000 Multifamily Housing Revenue Bonds (ESW Rural Development Project), Series 2017 (the "Bonds") pursuant to a Trust Indenture, dated as of August 1, 2017 (the "Indenture") between the Issuer and the Trustee and has loaned the proceeds thereof to the Borrower pursuant to a Loan Agreement dated as of August 1, 2017 (the "Loan Agreement") to finance a portion of the costs of the acquisition and renovation of the 79 residential housing units for the elderly, comprised of three properties: a 32-unit residential facility called Beacam Apartments located at 200 SW 6th Street, Stuart, Iowa (the "Stuart Project Facility"), a 23-unit residential facility called Madison Manor Apartments located at 575 NW 6th Street, Earlham, Iowa (the "Earlham Project Facility"), and a 24-unit residential facility called Winterset Park II located at 510 W. Mills Street, Winterset, Iowa (the "Winterset Project Facility") (each of the Stuart Project Facility, the Earlham Project Facility and the Winterset Project Facility are referred to herein from time to time individually as a "Project Facility" and collectively, the "Project Facilities"), (each of the Project Facilities include the land on which each respective Project Facility is located (the "Land", as described in Exhibit A attached hereto)) and to pay the costs of issuance associated with the Bonds.

WHEREAS, the Owner will rent or lease or will hold available for rent or occupancy at least 40% of the completed dwelling units in each Project Facility to individuals or families of lower income, as herein defined, all for the public purpose of assisting such individuals and families to afford the costs of decent, safe and sanitary housing, and

WHEREAS, the exclusion of interest on the Bonds paid to the registered owners of the Bonds from gross income for purposes of federal income taxation is dependent upon the Project and the use of the proceeds of the Bonds complying with certain sections of the Internal Revenue Code of 1986, as amended, and Treasury Regulations applicable thereto (collectively, the "Code") including, without limitation, Section 142(d); and

WHEREAS, compliance by the Project with the Code and the use of the proceeds of the Bonds is in large part within the control of the Borrower; and

WHEREAS, the Borrower shall, by entering into this Land Use Restriction Agreement (this "Land Use Restriction Agreement"), consent to be regulated by the terms of this Land Use

Restriction Agreement to assure compliance with the Code and to preserve the tax-exempt status of the Bonds under the Code:

NOW, THEREFORE, in consideration of the mutual premises and covenants hereinafter set forth, and of other valuable consideration, the Borrower and Trustee agree as follows:

Section 1. Federal Tax Covenants Relating to the Project.

The Borrower represents, warrants and covenants with respect to the Project that:

(a) Each Project Facility will be acquired and constructed for the purpose of providing multifamily residential rental property, and each Project Facility constitutes and will constitute a qualified residential rental project, as such term is used in Section 142(a)(7) of the Code.

(b) At no time will either the Borrower or any related party occupy a unit in the Project other than units occupied or to be occupied by agents, employees or representatives of the Borrower and reasonably required for the proper maintenance or management of any Project Facility. In the event a unit within a Project Facility is occupied by the Borrower, the Project Facility must include no fewer than four units not occupied by the Borrower.

(c) Each Project Facility consists of one "development" and, for this purpose, proximate buildings or structures are part of the same development only if owned for federal income tax purposes by the same person and if the buildings are financed pursuant to a common plan; buildings or structures are proximate if they are all located on a single parcel of land or several parcels of land which are contiguous except for the interposition of a road, street, stream or similar property.

(d) All of the units in each Project Facility will contain complete living, sleeping, eating, cooking, and sanitation facilities for a single person or a family.

(e) None of the units in the Project Facilities will at any time be utilized on a transient basis, or used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium or rest home.

(f) The Borrower shall not restrict Qualifying Tenants (as defined in Section 2(a) hereof) from the enjoyment of unrestricted access to all common facilities and common areas of the Project Facilities.

(g) The Borrower shall not discriminate on the basis of race, creed, color, sex, or national origin in the lease, use or occupancy of the Project Facilities or in connection with the employment or application for employment of persons for the operation and management of the Project Facilities.

(h) No part of any Project Facility constitutes commercial property, and no health care services will be furnished by the Borrower to residents of the Project Facilities.

(i) All records of the Borrower relating to the Project Facilities, including all tenant lists and applications, shall be maintained in the State of Iowa in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Issuer or Trustee.

(j) All tenant leases shall be expressly subordinate to any mortgage on the Project Facilities, with the exception of any restrictions imposed under Section 42(h)(6) of the Code, and all leases of units to Qualifying Tenants shall contain clauses, among others, wherein each individual lessee:

(1) certifies the accuracy of the statements made in its application and Certification of Tenant Eligibility (as hereinafter defined);

(2) agrees that the family income, family composition and other eligibility requirements at the time the lease is executed shall be deemed substantial and material obligations of his or her tenancy; that he or she will comply promptly with all requests for income, family composition and other information relevant to determining low or moderate income status from the Borrower or Trustee; and that his or her failure or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of his or her tenancy; and

(3) agrees that his or her lease may be terminated on thirty (30) days notice after any noncompliance by such tenant if such noncompliance would adversely affect the federal tax-exempt status of interest on the Bonds.

(k) The proceeds of the Bonds will be used in accordance with the representations, warranties and covenants in the Loan Agreement.

Section 2. Occupancy Restrictions.

The Borrower represents, warrants and covenants that, for the period specified in Section 3 hereof:

(a) Federal Tax Requirements. At least forty percent (40%) of the completed units in each Project Facility shall be occupied (or treated as occupied as provided herein) by Qualifying Tenants and such units will be of comparable quality and will be a range of sizes and numbers of bedrooms comparable to those units which are available to other tenants. "Qualifying Tenants" shall mean those persons and families (treating all occupants of a unit as a single family) who shall be determined from time to time by the Borrower to be eligible as "...individuals whose income is sixty percent (60%) or less of area median gross income..." within the meaning of Section 142(d)(1)(B) of the Code. In determining the applicable income limit, the Borrower shall apply the provisions of Revenue Ruling 89-24. "Income" shall be determined in a manner consistent with determinations of lower income families under Section 8 of the United States Housing Act of 1937 (and as presently set forth in 24 CFR 813.106).

For purposes of this definition, the occupants of a residential unit shall not be deemed to be Qualifying Tenants if all the occupants of such residential 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.

The determination of whether an individual or family is of low or moderate income shall be made at the time the tenancy commences and on an ongoing basis thereafter, determined at least annually. Any unit occupied by an individual or family who is a Qualifying Tenant at the commencement of occupancy shall not continue to be treated as if occupied by a Qualifying Tenant during their tenancy in such unit if such individual or family subsequently ceases to be of low or moderate income unless such individual's or family's income does not exceed 140% of the maximum income qualifying as low or moderate income for a family of its size. In the event that a unit does cease to be treated as occupied by a Qualifying Tenant for such reason, and thereupon less than forty percent (40%) of the completed units in such Project Facility would not be occupied (or treated as occupied) by Qualifying Tenants, the next vacant unit of comparable or smaller size not previously occupied by a Qualifying Tenant must be rented to a Qualifying Tenant.

Any completed unit in a Project Facility vacated by a Qualifying Tenant shall be treated as occupied by a Qualifying Tenant until reoccupied (on other than a temporary basis not in excess of 31 days), at which time a redetermination shall be made as to whether the unit is occupied by a Qualifying Tenant. The Borrower shall make reasonable efforts to rent the vacated unit, or the next available unit of comparable or smaller size, to a Qualifying Tenant before any similar units in such Project Facility are rented to tenants not constituting Qualifying Tenants.

(b) Certification of Tenant Eligibility. As a condition to initial and continuing occupancy, each person who is intended to be a Qualifying Tenant on and after the date of this Land Use Restriction Agreement shall be required annually to sign and deliver to the Borrower a Certification of Tenant Eligibility in the general form attached hereto as Exhibit B (the "Certification of Tenant Eligibility"), in which the prospective Qualifying Tenant certifies that he or she or his or her family qualifies as being of low or moderate income. In addition, such person shall be required to provide whatever other information, documents or certifications are necessary to substantiate the eligibility certification, on an ongoing annual basis. The Trustee is entitled to rely upon the Certification of Tenant Eligibility.

(c) Lease Requirements. The form of lease to be utilized by the Borrower in renting any units in the Project Facilities on and after the date of this Land Use Restriction Agreement to any person who is intended to be a Qualifying Tenant shall provide for termination of the lease and consent by such person to immediate eviction in accordance with applicable law for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by such person with respect to the Certification of Tenant Eligibility.

(d) Retention. Certifications of Tenant Eligibility will be maintained on file by the Borrower with respect to each Qualifying Tenant who resides in a Project unit or resided therein

during the immediately preceding calendar year, commencing with the calendar year ending December 31, 2017, and the Borrower will file a copy thereof with the Trustee.

(e) Annual Certification. The Borrower covenants and agrees that during the term of this Land Use Restriction Agreement, on or before June 30 of each calendar year (or on or before such other date as may hereafter be prescribed by the Code), the Borrower shall certify to the United States Treasury Department (on Form 8703 or such other form as may hereafter be prescribed by the Code or the Treasury Department) that each Project Facility continues to meet the requirements of Section 142(d) of the Code, and shall provide a copy of such annual certification to the Trustee. The Borrower shall provide a similar certification to the Trustee more frequently than annually (but not more frequently than quarterly), upon request by the Trustee.

Section 3. Term of Restrictions.

(a) Occupancy Restrictions. The term of the Occupancy Restrictions set forth in Section 2 of this Land Use Restriction Agreement shall be the Qualified Project Period. The Qualified Project Period for any Project Facility means the period which begins the first day on which ten percent (10%) of the residential units in such Project Facility are occupied and shall end on the latest of the following: (i) the date which is 15 years after the date on which at least 50% of the units in such Project Facility were first occupied; (ii) the first day on which none of the Bonds are Outstanding or (iii) the date on which any assistance provided with respect to such Project Facility under Section 8 of the United States Housing Act of 1937 terminates.

(b) Earlier Termination of Restrictions. Notwithstanding the provisions of subsection (a) of this Section 3, this Land Use Restriction Agreement and all other restrictions hereunder shall terminate with respect to a Project Facility upon foreclosure of a mortgage or transfer of title to such Project Facility by deed in lieu of foreclosure and retirement of the Bonds related to such Project Facility; provided, however, that the restrictions pursuant to Section 42(h)(6) of the Code shall survive foreclosure for three (3) years.

In addition, this Land Use Restriction Agreement and the restrictions hereunder shall also cease to apply with respect to a Project Facility in the event of an involuntary noncompliance caused by unforeseen events such as fire, seizure, requisition, a change in federal law or an action of a federal agency after the date of issue of the Bonds which prevents the Trustee from enforcing the requirements of this Land Use Restriction Agreement with respect to such Project Facility or condemnation or similar event; provided in all such cases that: (i) the Bonds related to such Project Facility are retired as soon as reasonably practicable or (ii) any insurance proceeds or condemnation award or other amounts received as a result of such loss or destruction of such Project Facility are used to provide a Project Facility which meets the requirements of Section 142(d) or any successor provision of the Code and applicable Treasury Regulations, or any successor law or regulation, in which case this Land Use Restriction Agreement shall be automatically reinstated as to such successor Project Facility. However, the foregoing provisions of this paragraph shall cease to apply in the event of foreclosure, transfer of title by deed in lieu of foreclosure or similar event if, at any time subsequent to such event and during the Qualified

Project Period, the Borrower or a related person obtains an ownership interest in such Project Facility for federal tax purposes.

(c) Termination of Land Use Restriction Agreement. Unless earlier terminated pursuant to the provisions of paragraph (b) of this Section 3, this Land Use Restriction Agreement shall terminate with respect to any Project Facility upon the later of the termination of the Occupancy Restrictions with respect to such Project Facility as provided in paragraph (a) of this Section 3.

(d) Real Estate Records. Upon delivery by the Borrower to the Trustee of an opinion of Independent Counsel that the conditions to termination of this Land Use Restriction Agreement with respect to any Project Facility have been met, the Trustee shall, upon request by the Borrower or its assigns, file any documentation prepared by the Borrower and approved by Independent Counsel as necessary to terminate this Land Use Restriction Agreement with respect to that Project Facility and record such termination in the real estate records of Madison County, Iowa and Guthrie County, Iowa, as applicable.

Section 4. Transfer Restrictions.

The Borrower covenants and agrees that the Borrower will cause or require as a condition precedent to any conveyance, lease, transfer, assignment or any other disposition of any Project Facility prior to the termination of the Occupancy Restrictions provided herein (the "Transfer") that the transferee of such Project Facility pursuant to the Transfer will assume in writing, in a form acceptable to Bond Counsel, all duties and obligations of the Borrower under this Land Use Restriction Agreement, including this Section 4, in the event of a subsequent Transfer by the transferee prior to expiration of the Occupancy Restrictions provided herein (the "Assumption Agreement"). The Borrower shall deliver the Assumption Agreement to the Trustee prior to the Transfer.

Section 5. Enforcement.

(a) The Borrower shall, upon reasonable notice and during normal business hours, permit any duly authorized representative of the Trustee to inspect any books and records of the Borrower regarding the Project Facilities or any of them and the operation thereof, including the incomes of Qualifying Tenants.

(b) The Borrower shall submit any information, documents or certificates requested by the Trustee or Issuer which any of them deem reasonably necessary to substantiate the Borrower's continuing compliance with the provisions of this Land Use Restriction Agreement or the Code.

(c) The Borrower covenants that it will not knowingly take or permit any action that would adversely affect the exclusion of interest on the Bonds from gross income of the owners thereof for purposes of federal income taxation. Moreover, the Borrower covenants to take any lawful action (including amendment of this Land Use Restriction Agreement as may be

necessary, in the opinion of bond counsel) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations the interest on which is tax-exempt under Section 142(d) or any successor provision of the Code and affecting the Project Facilities.

(d) If the Borrower defaults in the performance or observance of any material covenant, agreement or obligation of the Borrower set forth in this Land Use Restriction Agreement and such default remains uncured for a period of 30 days after notice thereof is given by the Trustee to the Borrower and its investor members, or within such further time as Bond Counsel determines is necessary to correct the violation without loss of tax exemption of interest on the Bonds, but not to exceed any limitations set by applicable regulations, then the Trustee may (i) institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin such default, or to recover money damages caused by such default (except that the Trustee shall not accelerate repayment of amounts due under the Loan Agreement except as may be permitted by the Loan Agreement), and (ii) exercise any remedies available pursuant to the Loan Agreement, the Indenture or any mortgage on the Project Facilities. The Borrower agrees that an action to recover money damages for default will not be an adequate remedy at law, and the Trustee shall have the right to institute an action for and seek specific performance by the Borrower to remedy such default. The provisions hereof are imposed upon and made applicable to each Project Facility and shall run with the Project Facilities and shall be enforceable against the Borrower, each purchaser, grantee, owner or lessee of the Project, and the respective heirs, legal representatives, successors and assigns of the Borrower and each such purchaser, grantee, owner or lessee.

The Trustee hereby agrees that any cure of any default made or tendered by the Borrower's members shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made by the Borrower.

No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the same or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or time.

(e) The Borrower acknowledges that the primary purpose for requiring compliance by the Borrower with the restrictions provided in this Land Use Restriction Agreement is to comply with the Code and to preserve the federal income tax exemption of interest on the Bonds to the owners thereof, and that the Project Facilities are rendered less valuable thereby, and that the Trustee, on behalf of the owners of the Bonds, who are declared to be third-party beneficiaries of this Land Use Restriction Agreement, shall be entitled, for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

Section 6. Indemnification.

The Borrower hereby indemnifies, and agrees to defend and hold harmless, the Trustee from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses), causes of action, suits, allegations, claims, demands and judgments of any nature arising from the consequences of a legal or administrative proceeding or action brought against it, on account of any failure by the Borrower to comply with the terms of this Land Use Restriction Agreement, or on account of any representation or warranty of the Borrower contained herein being untrue, including, without limitation, any action for damages, or for payment or reimbursement of taxes, penalties and interest, brought by the owners of the Bonds or state or federal taxing authorities as a result of the interest on the Bonds becoming includable in gross income of the owners thereof for federal income tax purposes; provided, however, that the Borrower shall not be required to indemnify the Trustee for any claims which arise from the gross negligence or malfeasance of the Trustee, and notwithstanding the foregoing, the Borrower's partners, officers, directors and governors shall not be personally liable for any indemnification obligation under this Agreement which would result in the repayment of principal, premium and/or interest on the Bonds. These provisions shall survive payment of the Bonds and termination of this Land Use Restriction Agreement and the Indenture.

Section 7. Amendment.

It is agreed that the parties hereto shall promptly amend this Land Use Restriction Agreement (in a form suitable for recording) (a) to the extent and when necessary or advisable, in the opinion of bond counsel, to preserve the exclusion of interest on the Bonds from gross income of the owners thereof for purposes of federal income taxation, and (b) to the extent requested by either party if, in the opinion of such bond counsel, such amendment will not adversely affect the federal tax exemption of interest on the Bonds and is in compliance with the Act.

Section 8. Severability.

The invalidity of any clause, part or provision of this Land Use Restriction Agreement shall not affect the validity of the remaining portions thereof.

Section 9. Notices.

All notices to be given pursuant to this Land Use Restriction Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, or hand delivered, to the parties hereto at the addresses set forth below. Each notice, certificate or other communication given hereunder by the Borrower shall be given to the Trustee at the address set forth below. The Borrower and Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. The initial addresses for notices and other communications are as follows:

To the Borrower: RD ESW, LLC
c/o National Affordable Housing Foundation
12289 Stratford Drive #B
Clive, IA 50325
Attention: Jodi Page
Telephone: (515) 223-0300
Facsimile: (515) 223-0303

With a copy to: Hopkins & Huebner, P.C.
2700 Grand Avenue, Suite 111
Des Moines, Iowa 50312-5213
Attention: R. Ronald Pogge
Telephone: (515) 244-0111
Facsimile: (515) 697-4268

And: National Management Corporation
12289 Stratford Drive
Clive, Iowa 50325
Attention: Aaron Walker
Telephone: (515) 223-0300
Facsimile: (515) 223-0303

Investor Member: CREA ESW, LLC
305 Meridian, Suite 400
Indianapolis, Indiana 46204
Attention: Rhonda Lindsey
Telephone: (317) 808-7141

To the Trustee: Wilmington Trust, National Association
50th South 6th Street, Suite 1290
Minneapolis, Minnesota 55402
Attn: Corporate Trust
Telephone: 612-217-5672
Facsimile: 612-217-5651

Section 10. Governing Law.

This Land Use Restriction Agreement shall be governed by the laws of the State of Iowa and, where applicable, the laws of the United States of America.

Section 11. Attorneys' Fees.

In case any action at law or in equity, including an action for declaratory relief, is brought against the Borrower to enforce the provisions of this Land Use Restriction Agreement, the Borrower agrees to pay reasonable attorneys' fees and other reasonable expenses incurred by the Trustee in connection with such action.

Section 12. Land Use Restriction Agreement Binding; Covenants Run with the Land.

The Trustee and the Borrower hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Borrower's legal interest in the Project Facilities may be rendered less valuable thereby. The Trustee and the Borrower further declare their understanding and intent, however, that the covenants, reservations and restrictions set forth herein directly benefit the Land (i) by enhancing and increasing the enjoyment and use of the Project Facilities by Qualifying Tenants, (ii) by making possible the obtaining of advantageous financing for the Project Facilities, and (iii) by furthering the public purposes for which the loan of the proceeds of the Bonds was made.

This Land Use Restriction Agreement and the covenants contained herein shall run with the Land and shall bind the Borrower (including each general, special or limited partner or member of the Borrower, each of whom the Borrower hereby represents to have authorized the Borrower to bind by this Land Use Restriction Agreement, and, to the extent controlled by the Borrower or any of the foregoing, each person who is "related" to any of the foregoing within the meaning of Section 147(a) of the Code), its heirs, legal representatives, executors, administrators, successors in office or interest, and assigns, and all subsequent owners of the Project or any interest therein, and the benefits shall inure to the Trustee and its successors and assigns, for the term of this Land Use Restriction Agreement as provided in Section 3 hereof.

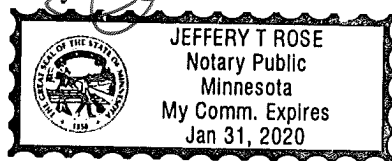
IN WITNESS WHEREOF, the parties have caused this Land Use Restriction Agreement to be signed by their respective duly authorized representatives, as of the day and year first written above.

Wilmington Trust, National Association, as Trustee

By: 
Paul C. Hoek
Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing record was acknowledged before me this 10th day of August, 2017, by Paul C. Hoek, a Vice President of Wilmington Trust, National Association, on behalf said entity.


Notary Public


RD ESW, LLC

By: ESW I, LLC
Its: Managing Member

By: National Affordable Housing Foundation
Its: Sole Member

By: _____
Jodi Page, President

STATE OF Iowa)
) ss.
COUNTY OF Polk)

The foregoing record was acknowledged before me this 10th day of August, 2017, by Jodi Page, President, the President of National Affordable Housing Foundation, the sole member of ESW I, LLC, the Managing Member of RD ESW, LLC, an Iowa limited liability company, on behalf of said company.

Kelly Lynn Karns
Notary Public



(Seal)

EXHIBIT A

Legal Description

The following described real estate located in the counties set forth in the following descriptions:

BeaCam Apartments (the Stuart Project Facility):

The West 122.5 feet of Lot Three (3) of Lot Two (2) of the Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$), and the East 45 feet of the North 209.33 feet of Lot Three (3) of Lot Four (4) of Lot Two (2) of the Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$), all in Section Five (5), Township Seventy-seven (77) North, Range Thirty (30) West of the 5th P.M., Iowa.

Lot Three (3) of Lot Four (4) of Lot Two (2), except the East 45 feet thereof in the Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section Five (5), Township Seventy-seven (77) North, Range Thirty (30) West of the 5th P.M. in the Town of Stuart, Adair County, Iowa.

Madison Manor (the Earlham Project Facility):

A parcel of land located in the Southeast Quarter (1/4) of the Northeast Quarter (1/4) of Section One (1), Township Seventy-seven (77) North, Range Twenty-nine (29) West of the 5th P.M., City of Earlham, Madison County, Iowa, described more particularly as follows, to wit: Commencing at a point 33 feet North and 932 feet West of the Southeast corner of the Northeast Quarter (1/4) of said Section One (1), thence West 360 feet, thence North 00°31' East 330 feet, thence East 360 feet, thence South 00°31' West 330 feet to the point of beginning.

Winterset Park II (the Winterset Project Facility):

Lots Twenty-four (24), Twenty-five (25) and Twenty-six (26), and all that part of Lot Twenty-seven (27) which is West of a line described as commencing at the Northeast corner of Lot Twenty-six (26), and running thence South to the South line of said Lot Twenty-seven (27), all in Northwest Development – Plat 1, to the City of Winterset, Madison County, Iowa.

EXHIBIT B

Form of Income Certification

TENANT INCOME CERTIFICATION ☐ Initial Certification ☐ Recertification ☐ Other _____	Effective Date: _____ Move-in Date: _____ (MM/DD/YY): _____
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PART I. DEVELOPMENT DATA

Property Name: _____	County: _____	BIN #: _____
Address: _____	Unit Number: _____	# Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Br #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Br #	(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 \$5,000		Passbook Rate \$ _____ x 2.00 % = (J) Imputed Income		\$
Enter the greater of the total 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	\$	Household Meets Income Restriction at:	RECERTIFICATION ONLY: Current Income Limit x 140%
		☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ ____%	\$ _____
Current Income Limit per Family Size:	\$ _____		Household income exceeds 140% at recertification:
Household Income at Move-in	\$ _____		☐ Yes ☐ No
			Household Size at Move-in: _____

PART VI. RENT

Tenant Paid Rent Utility Allowance	\$	Rent Assistance:	\$ _____
		Other non-optional charges:	\$ _____
GROSS RENT FOR UNIT: Tenant paid rent plus Utility Allowance and other non-optional charges)		Unit Meets Rent Restriction at:	
		☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ ____%	
Maximum Rent Limit for this unit:	\$ _____		

PART VII. STUDENT STATUS

ARE	Enter 1-4	ME	If yes, enter student explanation** (also attach documentation)	Student explanation:
				1. TANF assistance 2. Job training program 3. Single parent/dependent child 4. Married/joint return*
	☐ yes ☐ no			

*Exception 4 for married/joint return is the only exception available for units necessary to qualify tax-exempt bonds.

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification

a. Tax Credit ☐ b. HOME ☐ c. Tax Exempt ☐ d. AHDP ☐ e. _____ ☐
(Name of Program)

See Part V above.

Income Status

☐ ≤ 50% AMGI
☐ ≤ 60% AMGI
☐ ≤ 80% AMGI
☐ ≤ 0I **

Income Status

☐ 50% AMGI
☐ 60% AMGI
☐ 80% AMGI
☐ 0I **

Income Status

☐ ≤ 50% AMGI
☐ ≤ 80% AMGI
☐ ≤ 0I **

Income Status

☐ _____
☐ _____
☐ ≤ 0I **

** Upon recertification, household was determined over income (OI) according to eligibility requirements of the program(s) marked above.

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 Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER / REPRESENTATIVE

DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date	Enter the date the tenant has or will take occupancy of the unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).
Address	Enter the unit number.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of the household by using one of the following coded definitions:

H	Head of household	S	Spouse
A	Adult co-tenant	O	Other family member
C	Child	F	Foster child
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and Social Security number or alien registration number for each occupant.

If there are more than seven occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the 12 months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.)
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D) above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the 12 months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2 % and enter the amount in (J), Imputed Income.

Row (K) Enter the Greater of the total in Column (I) or (J)

Row (L) Total Annual Household Income from All Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than five days prior to the effective date of the certification.

Part V - Determination of Income Eligibility

Total Annual Household Income from all sources	Enter the number from item (L).
Current Income Limit per size.	Enter the Current Move-in Income Limit for the household
Family Size	
Household income at move-in the	For recertifications only. Enter the household income from
Household size at move-in	move-in certification. On the adjacent line, enter the number of household members from the move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For recertification only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Re	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of <u>non-optional</u> charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.

Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent	Check the appropriate rent restriction that the unit meets according to what is
Restriction at ??	required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full-time* students, check "yes." If at least one household member is not a full-time student, check "no."

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

** Full time is determined by the school the student attends.*

Part VIII - Program Type

Mark the program(s) for which this unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, mark the appropriate box indicating the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER / REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well-trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

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