

TRUST INDENTURE

between

CITY OF CHICAGO,
as Issuer

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

relating to

 \$[PAR]
 City of Chicago
Multifamily Housing Revenue Bonds
 (Lathrop IC)
 Series 2026

Dated as of _____ 1, 2026

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TRUST INDENTURE

THIS TRUST INDENTURE is entered into as of _____ 1, 2026 (this “Indenture”), by and between the **CITY OF CHICAGO** (the “Issuer”) a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “State”), and **ZIONS BANCORPORATION, NATIONAL ASSOCIATION**, a national banking association, duly organized and existing under the laws of the United States and authorized to conduct business in the State, as trustee (together with any successor trustee hereunder, the “Trustee”).

RECITALS

A. Certain of the capitalized terms and words used but not defined in these Recitals, and in the following Granting Clauses and Agreements, are defined in Section 1.01 of this Indenture.

B. Pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the hereinafter defined Ordinance of the Issuer, the Issuer is authorized to exercise any power and perform any function pertaining to its government and affairs, including the power to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low and moderate income persons or families within the Issuer, which constitutes a valid public purpose for the issuance of revenue bonds by the Issuer.

C. Pursuant to its home rule authority and an Ordinance adopted by the City Council of the Issuer on April __, 2026 (the “Ordinance”), the Issuer has determined to issue and sell its \$[PAR] City of Chicago Multifamily Housing Revenue Bonds (Lathrop IC) Series 2026 (the “Bonds”), and use the proceeds thereof to make a loan to Lathrop Preservation Phase IC, LP, an Illinois limited partnership (the “Borrower”), upon the terms and conditions of a promissory note dated the Closing Date from the Borrower to the Issuer in the original principal amount of \$[PAR] (the “Note”) and the Loan Agreement dated as of the same date as this Indenture between the Issuer and the Borrower (the “Loan Agreement”), for purposes of funding a portion of the costs of (a) the third phase of the Lathrop Redevelopment Project that will include the renovation of seven (7) existing buildings that will result in 250 residential rental units and the demolition of three (3) existing buildings to make room for the construction of one (1) new construction building that will generate 59 additional residential rental units and functionally related and subordinate facilities all located in the City of Chicago, Illinois generally at 2600-2618, 2601-2631, 2628-2662, 2664-2704, 2633-2667, 2740, and 2750-2768 North Hoyne and 2731-2759 North Leavitt (the “Project”) and (b) paying fees, expenses and costs incurred in connection with the authorization, issuance and sale of the Bonds.

D. The Borrower has delivered the Note to the Issuer, evidencing the Borrower’s obligation to repay the Loan. The Issuer has made the Loan to the Borrower, subject to the terms and conditions of the Loan Agreement and this Indenture, including the terms and conditions thereof and hereof governing the disbursement of advances and the investment earnings thereon, and the Note has been assigned by the Issuer to the Trustee.

E. The obligations of the Borrower under the Loan Agreement and the Note will be secured by the Trust Estate established hereunder.

F. Bank of America N.A. (the “Mortgage Lender”) has agreed to provide a taxable construction loan (the “Mortgage Loan”) to the Borrower, the proceeds of which shall be advanced pursuant to the Mortgage Loan Documents and used (i) to finance a portion of the costs of the Project and (ii) to make deposits into the Collateral Fund. The Mortgage Lender will administer the Mortgage Loan in accordance with the Mortgage Loan Documents.

G. The Chicago Housing Authority (the “CHA”) has agreed to make a loan (the “CHA Loan”) to the Borrower that will be subordinate to the Mortgage Loan, the proceeds of which shall be advanced pursuant to the terms of the CHA Loan to finance a portion of the costs of the Project and to make deposits into the Collateral Fund.

H. Pursuant to that certain Forward Commitment Agreement dated _____, 2026 (as may be amended, modified or supplemented from time to time, the “Forward Commitment Agreement”), between Citibank, N.A. (in such capacity, “Citibank”) and the Borrower, Citibank has agreed, subject to the satisfaction of the terms and conditions set forth therein (the “Conditions to Funding”), to make a loan to the Issuer (the “Funding Loan”) pursuant to the provisions of the Funding Loan Agreement to be evidenced by the Governmental Lender Note executed on the Initial Mandatory Tender Date or any subsequent Mandatory Tender Date established upon a remarketing of the Bonds (such date being the “Funding Date”) which proceeds shall be deposited into the Funding Loan Fund and will be used by the Trustee to pay the purchase price of the Bonds as described below.

I. The Bonds shall be subject to mandatory tender on the Initial Mandatory Tender Date in accordance with Section 3.01 hereof, and on the Funding Date: (i) the purchase price of the Bonds shall be paid by the Trustee with the proceeds of the Funding Loan received from Citibank to purchase the Governmental Lender Note, (ii) the Funding Loan Agreement in substantially the form attached hereto as Appendix C and the Borrower Loan Agreement in substantially the form attached hereto as Appendix D shall be delivered by the respective parties and become effective and shall supersede this Indenture and the Loan Agreement, respectively, (iii) the Bonds shall be removed from the Book-Entry System and exchanged for a physical note (the “Governmental Lender Note”), in the form attached as Exhibit A to the Funding Loan Agreement, which shall be purchased by Citibank, (iv) the Mortgage Loan shall be repaid in full with amounts on deposit in the Collateral Fund and certain other funds of the Borrower; and (v) thereafter all of the Trustee’s duties and obligations with respect to the Bonds, the Governmental Lender Note, this Indenture, the Loan Agreement, and the related documents (other than the Tax Regulatory Agreement in accordance with the terms thereof) will cease and terminate.

J. The issuance, sale and delivery of the Bonds and the execution and delivery of this Indenture and the Loan Agreement have been in all respects duly and validly authorized, and the sale, execution and exchange of the Governmental Lender Note for the Bonds and the execution and delivery of the Funding Loan Agreement and the Borrower Loan Agreement on the Funding Date have been in all respects duly and validly authorized by the Issuer.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of any or all of the Bonds issued and sold by the Issuer from time to time under this Indenture by those who shall hold the same from time to time, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal of and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Issuer of the covenants set forth herein and in the Bonds and the payment and performance of all other of the Issuer's Obligations, the Issuer does hereby grant, bargain, sell, convey, pledge and assign, without recourse, unto the Trustee and unto its successors and assigns in trust forever, and grants to the Trustee and to its successors in trust, a security interest in, the following, which excludes in all cases the hereinafter defined Reserved Rights (such property being herein referred to as the "Trust Estate"):

I.

All right, title and interest of the Issuer in and to all Revenues, derived or to be derived by the Issuer or the Trustee for the account of the Issuer under the terms of this Indenture and the Loan Agreement, together with all other Revenues received by the Trustee for the account of the Issuer arising out of or on account of the Trust Estate;

II.

All right, title and interest of the Issuer in and to the Note including all payments and proceeds with respect thereto or replacement thereof;

III.

All moneys (including the Eligible Funds received by the Trustee for deposit into the Collateral Fund provided that Mortgage Loan proceeds become part of the Trust Estate concurrently with the Trustee's corresponding disbursement of Bond proceeds to or at the direction of the Mortgage Lender in accordance with Section 4.08 hereof) which are at any time or from time to time on deposit in any fund or account created under this Indenture (excluding funds in the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds), the Expense Fund, the Funding Loan Fund and the Rebate Fund);

IV.

All right, title and interest of the Issuer in and to, and remedies under, the Loan Agreement; and

V.

All funds, moneys and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which

is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof;

PROVIDED, HOWEVER, that there shall be excluded from the granting clauses of this Indenture all the Reserved Rights, including, without limitation, all amounts paid or collected by the Trustee on behalf of the Issuer or the Issuer in connection therewith, and all amounts on deposit in the Rebate Fund (including any accounts thereof), which shall be held for the sole benefit of the United States of America;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee and its successors in trust forever.

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all Holders from time to time of the Bonds issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds.

PROVIDED, HOWEVER, that if the Issuer shall well and truly pay, or cause to be paid, the principal of the Bonds issued hereunder, and interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as required under Article VIII hereof or by depositing or causing to be deposited with the Trustee the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all of the covenants and conditions pursuant to the terms of this Indenture and all other of the Issuer's Obligations to be kept, performed and observed by it, the Rebate Amount shall be paid in full and there shall be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payment, as further provided in Section 8.01 hereof, and the termination of the Loan Agreement, this Indenture and the rights hereby granted shall cease, terminate and be completely discharged; otherwise, this Indenture shall remain in full force and effect.

AND IT IS EXPRESSLY DECLARED that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all such property, moneys, revenues and receipts hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted and does hereby agree and covenant with the Trustee and with the respective holders from time to time of the Bonds, or any part thereof, as follows:

ARTICLE I

DEFINITIONS AND CONSTRUCTION

Section 1.01. Definitions. As used in this Indenture, the following terms shall have the meanings given to them in this Section unless the context clearly indicates otherwise; provided, however, that certain terms used in this Indenture are defined in the Loan Agreement and in the form of Funding Loan Agreement attached as Appendix C hereto, and when and if used herein and

not otherwise defined herein, such terms shall have the meanings given to them by the Loan Agreement and such Funding Loan Agreement, unless the context clearly indicates otherwise.

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

“Arbitrage Certificate” means the Certificate of the Issuer re Arbitrage dated the Closing Date and executed by the Issuer and the Borrower.

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

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

“Authorized Issuer Representative” means any person or persons specifically authorized by the Ordinance to take the action intended.

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

“Beneficial Owner” shall have the meaning given such term in Section 2.11(b) herein.

“Bond Counsel” or *“Co-Bond Counsel”* means Ice Miller LLP and Clark Hill PLC, or other counsel retained by the Issuer, the Borrower or the Underwriter and acceptable to the Issuer, which counsel shall be nationally recognized as having an expertise in connection with the excludability of interest on obligations of states and local governmental units from the gross income of holders thereof for federal income tax purposes.

“Bond Fund” means the Bond Fund established pursuant to Section 4.01 hereof.

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

“*Bond Service Charges*” means, pursuant to Section 4.02 of the Loan Agreement, payments made by the Borrower to the Trustee for the account of the Issuer in amount sufficient to pay the principal of and interest on the Bonds when due to the extent that amounts otherwise available for such payment are insufficient therefor.

“*Bond Year*” means each annual period of twelve months ending on _____ 1 as applicable; provided, however, that the first annual period commences on the date of the original issuance and delivery of the Bonds and ends on _____ 1, 2027 and the last of which ends on the maturity of the Bonds.

“*Bondholder*” or “*Holder of the Bonds*” or “*Holder*” or “*Owner of the Bonds*” or “*Owner*” when used with respect to any Bond, means the person or persons in whose name such Bond is registered as the owner thereof on the books of the Issuer maintained by the Trustee at the Trust Office for that purpose. For purposes of this Indenture, however, the Beneficial Owners shall have all the rights of the Bondholders to direct the actions of the Trustee, execute consents, waivers, amendments, give indemnities, and otherwise give directions and approve actions taken by the Trustee. The Trustee will verify the identity of the Beneficial Owners of the Bonds by any reasonable manner the Trustee deems satisfactory.

“*Bonds*” means the City of Chicago Multifamily Housing Revenue Bonds (Lathrop IC) Series 2026 authorized to be issued under and in accordance with this Indenture.

“*Book-Entry Form*” or “*Book-Entry System*” means a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Securities Depository.

“*Borrower*” means Lathrop Preservation Phase IC, LP, an Illinois limited partnership, organized and existing under the laws of the State, and its permitted successors and assigns.

“*Borrower Documents*” means the Loan Agreement, the Note, the Tax Regulatory Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Arbitrage Certificate, the Tax Representation Certificate and any and all documents, agreements or instruments executed by the Borrower in connection with the Loan evidenced by the Loan Agreement, but excluding the Mortgage Loan Documents.

“*Borrower Loan Agreement*” means the Borrower Loan Agreement, the form of which is attached hereto as Appendix D, which Borrower Loan Agreement shall be completed, executed, and delivered and become effective on the Funding Date.

“*Borrower Representative*” means a person at the time designated and authorized to act on behalf of the Borrower by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by one of its officers, which certificate may designate an alternate or alternates.

“*Borrower’s Obligations*” means, without limitation, the obligations of the Borrower under the Loan Agreement, the Note, and the other Borrower Documents, including to (a) pay the

principal of, and interest on the Note, when and as the same shall become due and payable (whether at the stated maturity thereof, on any payment date or by acceleration of maturity or otherwise), (b) pay all other amounts required by the Loan Agreement (including, without limitation, the Issuer Fees and Expenses and all indemnification payments due under the Loan Agreement), the Note, and the other Borrower Documents to be paid by the Borrower to the Issuer, as and when the same shall become due and payable, and (c) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Borrower is required by the Loan Agreement, the Note, the Tax Regulatory Agreement, and any of the other Borrower Documents, to perform or observe.

“*Business Day*” or “*business day*” means any day other than (a) a Saturday or a Sunday, or (b) a day on which (i) banking institutions in the City of New York or in the city in which the Designated Office of the Trustee or Remarketing Agent is located is authorized or obligated by law or executive order to be closed, or (ii) the New York Stock Exchange is closed, and on which the United States Government makes payments of principal and interest on its Treasury obligations. Unless referred to specifically herein as a “Business Day,” all references to “day” or “days” shall be to calendar days.

“*Cash Flow Projection*” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by, and provided by or on behalf of, the Borrower and acceptable to the Rating Agency, establishing, to the satisfaction of the Rating Agency, the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges due on the Bonds, the Issuer Fees and Expenses, and Trustee’s Fee and expenses, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds, (ii) a proposed remarketing of the Bonds, as provided in Section 3.03 hereof, (iii) the release of Eligible Funds from the Negative Arbitrage Account of the Bond Fund, as provided in Section 4.02 hereof, (iv) the purchase, sale or exchange of Eligible Investments as permitted hereunder; (v) the sale or other disposition by the Trustee of Eligible Investments prior to maturity at a price below par or (vi) the optional redemption of the Bonds as provided in Section 3.05 hereof.

“*Certificate of Occupancy*” means the temporary or final certificate(s) of occupancy, as the case may be, issued by the City of Chicago for the multifamily units in the Project, or if certificate(s) of occupancy are not required or provided for multifamily units, or otherwise not available, then evidence of all final inspection approvals needed to occupy the multifamily units.

“*CHA*” means the Chicago Housing Authority.

“*CHA Loan*” means the loan from the CHA to the Borrower in an amount not to exceed \$_____ which will be available as of the Closing Date and disbursed pursuant to the terms of the CHA Loan.

“*CHA ROFR Agreement*” means that certain Chicago Housing Authority Option and Right of First Refusal Agreement among the CHA, the Borrower and the General Partner and consented to by the Investor Limited Partner.

“*Citibank*” means Citibank, N.A., a national banking association, and its successors and assigns.

“*Closing Date*” means _____, 2026, the date of delivery of the Bonds in exchange for the purchase price therefor.

“*Closing Memorandum*” means the closing memorandum signed by the Borrower to be delivered on or before the Closing Date.

“*Code*” means the Internal Revenue Code of 1986, as amended, including applicable final, temporary and proposed regulations and revenue rulings applicable thereto.

“*Collateral Fund*” means the Collateral Fund established pursuant to Section 4.01 hereof.

“*Completion Certificate*” means a certificate submitted by the Borrower Representative to the Issuer and the Trustee as provided in Section 3.05 of the Loan Agreement, a form of which is attached as Exhibit C to the Loan Agreement.

“*Completion Date*” means the date upon which the Completion Certificate and the Certificate of Occupancy are delivered by the Borrower to the Issuer and the Trustee.

“*Conditions to Funding*” has the meaning given to that term in the Forward Commitment Agreement.

“*Confirmation of Rating*” means a written confirmation, obtained by the Borrower (at the expense of the Borrower) prior to the event or action under scrutiny, from the Rating Agency to the effect that, following the proposed action or event under scrutiny at the time such confirmation is sought, the rating of the Rating Agency with respect to all Bonds then Outstanding and then rated by the Rating Agency will not be downgraded, suspended, qualified or withdrawn as a result of such action or event, or an equivalent confirmation, or, if applicable, confirmation from the Rating Agency that it is no longer able to provide such a confirmation as a matter of policy or practice.

“*Construction Draw Schedule*” means the schedule of the disbursement of the proceeds of the Bonds as provided in Exhibit B attached to the Loan Agreement, as the same may be amended from time to time with the consent of the Mortgage Lender (to the extent consent is required by the Mortgage Loan Documents).

“*Continuing Disclosure Agreement*” means the Continuing Disclosure Agreement, of even date herewith, between the Borrower and the Dissemination Agent, as the same may be amended, restated, supplemented or modified from time to time.

“Costs” with respect to the Project shall be deemed to include all items permitted to be financed under the applicable provisions of the Code, subject to the provisions hereof and of the Borrower Documents.

“Costs of Issuance” means all fees, costs and expenses payable or reimbursable directly or indirectly by the Issuer (including, without limitation, the Issuer Fee, the Issuer Bond Legal Reserve Fee and any applicable fees of the Trustee) or the Borrower and related to the authorization, issuance and sale of the Bonds.

“Costs of Issuance Deposit” means the deposit into the Costs of Issuance Fund on the Closing Date in the amount of \$[0].

“Costs of Issuance Fund” means the Costs of Issuance Fund created pursuant to Section 4.01 hereof.

“Default” means any Default under the Loan Agreement as specified in and defined by Section 7.01 thereof.

“Designated Office” of the Trustee, the Remarketing Agent or the Underwriter means, respectively, the designated corporate trust office of the Trustee at which its corporate trust business shall be administered or the office of the Remarketing Agent or the Underwriter at the respective Notice Address, or the designated corporate trust office of any successor Trustee, or at such other address as may be specified in writing by the Trustee, successor Trustee, the Remarketing Agent, or the Underwriter, as applicable, from time to time, in accordance with Section 12.05 hereof.

“Determination of Taxability” means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Bond is or was includable in the gross income of a Holder of the Bonds for Federal income tax purposes (other than any Holder who is a “substantial user” or “related person” to a “substantial user” within the meaning of Section 147(a) of the Code); provided, that no such decree, judgment, or action will be considered final for this purpose unless the Borrower has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Holder of a Bond, and until the conclusion of any appellate review, if sought.

“Dissemination Agent” means, initially, Zions Bancorporation, National Association, or any dissemination agent subsequently appointed in accordance with the Continuing Disclosure Agreement.

“Documents” means and shall include (without limitation), with respect to the Bonds, this Indenture, the Loan Agreement, the Note, the Tax Regulatory Agreement, the Tax Certificates, and any and all other documents which the Issuer, the Borrower or any other party or parties or their representatives, have executed and delivered, or may hereafter execute and deliver, to evidence or secure the Issuer’s Obligations or the Borrower’s Obligations, or any part thereof, or in connection therewith, and any and all Supplements thereto, but excluding the Mortgage Loan Documents.

“Electronic Transmission” means email transmission or other similar electronic means of communication providing evidence of transmission.

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

- (a) the proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase price thereof by the Underwriter);
- (b) moneys drawn on a letter of credit;
- (c) moneys received by the Trustee representing advances to the Borrower of proceeds of the Mortgage Loan and the CHA Loan, or other advances on other loans to the Borrower that are received by the Trustee at the direction of the Borrower;
- (d) remarketing proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer, or any Affiliate of either the Borrower or the Issuer);
- (e) any other amounts, including the proceeds of any refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;
- (f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, provided that no Act of Bankruptcy has occurred during such period;
- (g) proceeds of the Funding Loan received from Citibank to purchase the Governmental Lender Note on the Funding Date; and
- (h) investment income derived from the investment of the money described in subsections (a) through (g) hereof.

“Eligible Investments” means, subject to the provisions of Section 6.01 hereof, any of the following investments that mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of this Indenture, to the extent the same are at the time legal for investment of the funds held under this Indenture (written direction

of the Issuer or the Borrower to invest funds shall be conclusive evidence that the directed investment is at the time a legal investment of the funds held under this Indenture):

(a) Governmental Obligations; and

(b) To the extent permitted herein, shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by a Rating Agency for that general category of security) including mutual funds of the Trustee or its Affiliates or for which the Trustee or an Affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consist solely of direct obligations of the government of the United States of America.

“*Event of Default*” or “*Default*” means, when used in this Indenture, those events of default or defaults specified in Section 9.01 hereof and, when used in the Loan Agreement, those events of default or defaults specified in Section 7.01 thereof.

“*Expense Fund*” means the Expense Fund created pursuant to Section 4.01 of this Indenture.

“*Extension Payment*” means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to Section 3.03 hereof, and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Eligible Funds.

“*Forward Commitment Agreement*” means that certain Forward Commitment Agreement dated the Closing Date, between the Borrower and Citibank, pursuant to which Citibank has agreed, subject to satisfaction of the Conditions to Funding, to make the Funding Loan to the Issuer, the proceeds of which will be used by the Trustee to pay the purchase price of the Bonds which shall be exchanged for the Governmental Lender Note, as such commitment may be amended, modified or supplemented from time to time.

“*Funding Date*” means the date on which the Conditions to Funding are satisfied and Citibank makes the Funding Loan, which Funding Date shall occur, if at all, on the Initial Mandatory Tender Date or any subsequent Mandatory Tender Date.

“*Funding Loan*” has the meaning set forth in the recitals to this Indenture.

“*Funding Loan Agreement*” means the Funding Loan Agreement attached hereto as Appendix C, which Funding Loan Agreement shall be executed, delivered and become effective on the Funding Date.

“*Funding Loan Fund*” means the Funding Loan Fund created in Section 4.01 hereof.

“*General Partner*” means Lathrop Preservation Phase IC GP, LLC, an Illinois limited liability company.

“Governmental Authority” means any federal, State or local governmental or quasi-governmental entity, including, without limitation, any agency, department, commission, board, bureau, administration, service, or other instrumentality of any governmental entity.

“Governmental Lender Note” has the meaning set forth in the recitals to this Indenture.

“Governmental Obligations” means (a) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“Governmental Requirements” means all laws, ordinances, orders, rules or regulations of any Governmental Authority applicable to the Project, the Issuer, the Borrower or any of the Borrower’s assets or other properties, including without limitation, laws, ordinances, orders, rules and regulations relating to securities or other public disclosures, zoning, licenses, permits, subdivision, building, safety, health, and fire protection and all environmental laws.

“Ground Lease” means the ground lease entered into between the CHA and the CHA Community Support Corporation and assigned by the CHA Community Support Corporation to the Borrower.

“Hazardous Materials” means petroleum and petroleum products and compounds containing them, including gasoline, diesel fuel and oil; explosives; flammable materials; radioactive materials; polychlorinated biphenyls (“PCBs”) and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials in any form that is or could become friable; underground or above-ground storage tanks, whether empty or containing any substance; radon; mold; toxic or mycotoxin spores; any substance the presence of which on the Mortgaged Property is prohibited by any federal, state or local authority; any substance that requires special handling; and any other material or substance (whether or not naturally occurring) now or in the future that (i) is defined as a “hazardous substance,” “hazardous material,” “hazardous waste,” “toxic substance,” “toxic pollutant,” “solid waste,” “pesticide,” “contaminant,” or “pollutant,” or otherwise classified as hazardous or toxic by or within the meaning of any Hazardous Materials Law, or (ii) is regulated in any way by or within the meaning of any Hazardous Materials Law, excluding such quantities of any such substance as are routinely used or commercially acceptable for the purpose of the construction, operation and ongoing maintenance of multifamily residential developments in the State.

“Hazardous Materials Laws” means all federal, state, and local laws, ordinances and regulations and standards, rules, policies and other governmental requirements, rule of common law (including, without limitation, nuisance and trespass), consent order, administrative rulings and court judgments and decrees or other government directive in effect now or in the future and including all amendments, that relate to Hazardous Materials or to the protection or conservation

of the environment or human health and apply to Borrower or to the Mortgaged Property, including, without limitation, those relating to industrial hygiene, or the use, analysis, generation, manufacture, storage, discharge, release, disposal, transportation, treatment, investigation, or remediation of Hazardous Materials. Hazardous Materials Laws include, but are not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq., the Clean Water Act, 33 U.S.C. Section 1251, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, et seq., the Superfund Amendments and Reauthorization Act, the Solid Waste Disposal Act, the Clean Air Act, the Occupational Safety and Health Act, and their state analogs.

“Highest Rating Category” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aa1” or “Aa1/VMIG 1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

“Indenture” means this Trust Indenture, dated as of _____ 1, 2026, by and between the Issuer and the Trustee, and any and all Supplements thereto.

“Independent” means any person not an employee or officer of the Borrower or its Affiliates.

“Initial Interest Rate” means ____%.

“Initial Mandatory Tender Date” means July 1, 2028[IF CLOSING IN JUNE].

“Initial Remarketing Date” means the Initial Mandatory Tender Date, but only if (i) the conditions for remarketing the Bonds on such date as provided in Section 3.03 hereof are satisfied, and (ii) the Initial Mandatory Tender Date is not the Funding Date.

“Interest Payment Date” means (a) January 1 and July 1 of each year beginning January 1, 2027, and (b) each Mandatory Tender Date.

“Interest Period” means, initially, the period from the Closing Date to but not including first Interest Payment Date, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the last day of the month preceding the next Interest Payment Date.

“Interest Rate” means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, as applicable, and thereafter the applicable Remarketing Rate; provided, however, commencing on the Initial Mandatory Tender Date, or any subsequent Mandatory Tender Date established upon a remarketing of the Bonds, the Interest Rate shall be established in accordance with Section 2.01 hereof.

“Investor Limited Partner” means Bank of America, N.A., a national banking association, its successors and assigns.

“Issuer” means the City of Chicago, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State.

“Issuer Administrative Fee” means an amount equal to 0.15% of the outstanding principal amount of the Bonds, accruing monthly and payable to the Issuer semiannually on each _____ 1 and _____ 1, commencing _____ 1, 202__.

“Issuer Bond Legal Reserve Fee” means an amount equal to 0.10% of the par amount of the Bonds, payable to the Issuer on the Closing Date.

“Issuer Documents” means the Loan Agreement, this Indenture, the Tax Regulatory Agreement, the Bond Purchase Agreement, the Arbitrage Certificate and any and all documents, agreements or instruments executed by the Issuer in connection with the Loan.

“Issuer Fee” means the amount of \$_____, which represents 1.5% of the par amount of the Bonds, paid by the Trustee on behalf of the Borrower to the Issuer on the Closing Date in connection with, and as consideration for, the issuance of the Bonds.

“Issuer Fees and Expenses” means (i) the Issuer Fee, (ii) the Issuer Administrative Fee, (iii) the Issuer Bond Legal Reserve Fee, and (iv) any other fees, charges, costs, advances, indemnities and expenses (including reasonable attorneys’ fees and expenses), whether out-of-pocket or internal, that may be incurred at any time by the Issuer hereunder or under or in connection with the Documents or the Bonds, or in connection with questions or other matters arising under such documents or in connection with any federal or state tax audit, or otherwise in connection with the Bonds or the Project, plus any Late Fees incurred with respect to any of the foregoing.

“Issuer Indemnified Party” or *“Issuer Indemnified Parties”* means the Issuer, its past, present, and future officials, counsel, advisors, employees, agents, contractors, and consultants, its past, present, and future officials, counsel, advisors, employees, agents, contractors and consultants, and the respective heirs, executors, legal representatives, successors, and assigns of any of them, whether by voluntary action of the parties or by operation of law, individually and collectively, and the State.

“Issuer’s Obligations” means the obligations of the Issuer under the Bonds, this Indenture, and the other Documents to which the Issuer is a party, subject in the entirety to Sections 2.09 and 7.02(b) hereof, to (a) pay the principal of and interest on the Bonds (including supplemental interest) solely and exclusively from the Trust Estate, when and as the same shall become due and payable (whether at the stated maturity thereof, or by acceleration of maturity or after notice of prepayment or otherwise) and, (b) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Issuer is required, by the Bonds, this Indenture, or any of the other Documents, to perform and observe.

“Late Fee” means ten percent (10%) of any payment due to the Issuer, other than as payment of interest, redemption premium or principal on the Bonds, that is received by the Issuer later than 15 calendar days following the date it is due.

“Liabilities” means any and all causes of action (whether in contract, tort or otherwise), claims, actions, damages (including, but not limited to, indirect, special and punitive damages actually awarded), demands, judgments, liabilities, losses, suits, fines, penalties, costs, taxes and expenses (including, without limitation, costs of investigation, reasonable attorney’s fees and

expenses, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) of every kind, character and nature whatsoever.

“*Loan*” means the loan by the Issuer to the Borrower in the principal amount of \$[PAR] evidenced by the Note, described in the Loan Agreement and made in connection with the issuance of the Bonds.

“*Loan Agreement*” means the Loan Agreement dated as of _____ 1, 2026, between the Issuer and the Borrower, and any and all Supplements thereto.

“*Loan Payments*” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and Section 4.02 of the Loan Agreement.

“*Local Time*” means Central time (daylight saving or standard, as applicable).

“*Mandatory Tender Date*” means each date on which all Outstanding Bonds are subject to mandatory tender as set forth in Section 3.01(b) hereof, including the Initial Mandatory Tender Date.

“*Master Lease*” means that certain [Master Lease Agreement] between the Borrower and [_____] (the “Master Tenant”), a memorandum of which will be recorded against the Mortgaged Property.

“*Maturity Date*” means July 1, 2060.

“*Maximum Interest Rate*” means the interest rate equal to the lesser of: (a) 12% per annum, or (b) the maximum interest rate per annum permitted by applicable State law.

“*Moody’s*” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Remarketing Agent.

“*Mortgage Lender*” means Bank of America, N.A., and any successors or assigns.

“*Mortgage Loan*” means the taxable construction loan to be made by the Mortgage Lender to the Borrower with respect to the Project, as described and provided for in the Mortgage Loan Documents.

“*Mortgage Loan Documents*” means the Mortgage Loan Security Instrument, the mortgage note, and all other documents required by the Mortgage Lender in connection with the Mortgage Loan.

“*Mortgage Loan Security Instrument*” means the [Leasehold Construction, Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (Taxable), dated of even date herewith executed by the Borrower for the benefit of the Mortgage Lender, as beneficiary, securing the Mortgage Loan, as the same may be amended, supplemented or restated.

“*Negative Arbitrage Account*” means the Negative Arbitrage Account of the Bond Fund created in Section 4.01 hereof.

“*Note*” means the Promissory Note dated the Closing Date from the Borrower to the Issuer in substantially the form attached as Exhibit A to the Loan Agreement, and any amendments, Supplements or modifications thereto, which Note has been assigned by the Issuer to the Trustee.

“*Notice Address*” means, in respect of a party, the applicable notice address designated pursuant to Section 12.05 hereof.

“*Official Statement*” means the Official Statement dated _____, 2026, relating to the Bonds.

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

“*Ordinance*” has the meaning set forth in the Recitals hereto.

“*Outstanding*,” “*outstanding*” or “*Bonds Outstanding*” when used with respect to the Bonds means any Bonds theretofore authenticated and delivered under this Indenture, except:

- (a) Bonds theretofore canceled by the Trustee or theretofore delivered to the Trustee for cancellation;
- (b) Bonds for the payment of which moneys or obligations shall have been irrevocably deposited with the Trustee in accordance with Article VIII;
- (c) Bonds paid pursuant to the penultimate sentence of Section 2.07 hereof; or
- (d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture.

“*Partnership Agreement*” means the [Amended and Restated Agreement of Limited Partnership] of the Borrower, dated as of _____, 2026, as it may be amended in accordance with the Borrower Documents and the Mortgage Loan Documents.

“*Permitted Encumbrances*” means the Mortgage Loan Security Instrument together with all other encumbrances that are “Permitted Encumbrances” within the meaning given such term in the Mortgage Loan Security Instrument, including, without limitation, the Tax Regulatory Agreement, the Ground Lease, the RAD Regulatory Agreement, the Master Lease as well as any lien, deed of trust, pledge, covenant, restriction agreement or easement recorded against the Project on the Closing Date.

“*Person*” shall include an individual, association, unincorporated organization, corporation, partnership, joint venture, or government or agency or political subdivision thereof.

“*Project*” has the meaning set forth in the Whereas clauses hereto.

“Project Fund” means the Project Fund established pursuant to Section 4.01 hereof.

“Qualified Project Costs” means any expenditures which (a) are incurred not more than 60 days prior to the date on which the Issuer first declared its “official intent” (within the meaning of Treasury Regulation Section 1.150-2) with respect to the Project (other than preliminary expenditures with respect to the Project in an amount not exceeding 20% of the aggregate principal amount of the Bonds); (b) are made exclusively to provide facilities and improvements that constitute part of a “qualified residential rental project” within the meaning of Section 142(d) of the Code; and (c) are properly chargeable to the Project’s capital account under general federal income tax principles or that would be so chargeable with a proper election or but for a proper election by the Borrower to deduct such expenditure. However, “Qualified Project Costs” do not include (i) issuance costs of the Bonds (within the meaning of Section 147(g) of the Code) or (ii) any fee, charge or profit payable to the Borrower or a “related person” (within the meaning of Section 144(a)(3) of the Code) of the Borrower. As used herein, the term “preliminary expenditures” includes architectural, engineering, surveying, soil testing and similar costs that were incurred prior to the commencement of construction of the Project, but does not include land acquisition, site preparation and similar costs incident to commencement of construction of the Project.

“RAD Regulatory Agreement” means the RAD Use Agreement made for the benefit of and agreed to by the United States Department of Housing and Urban Development, the Borrower and the CHA.

“Rating Agency” means any national rating agency then maintaining a rating on the Bonds, and initially means Moody’s.

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

“Rebate Amount” means the amount, if any, which is to be paid to the United States of America pursuant to Section 148(f) of the Code and Section 4.06 hereof.

“Rebate Analyst” means a certified public accountant, financial analyst or attorney, or any firm of the foregoing, or a financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and selected by the Borrower and acceptable to the Issuer, the expense of which shall be borne by the Borrower, to calculate the Rebate Amount. The initial Rebate Analyst will be Tiber Hudson LLC.

“Rebate Fund” means the Rebate Fund established pursuant to Section 4.01 hereof.

“Record Date” means the 15th day of the month preceding any Interest Payment Date or 45 days prior to any Mandatory Tender Date.

“Register” has the meaning set forth in Section 2.08 hereof.

“Remarketing Agent” means Stifel, Nicolaus & Company, Incorporated, or any successor as Remarketing Agent designated in accordance with Section 10.24 hereof.

“Remarketing Agent’s Fee” means the fee of the Remarketing Agent for its remarketing services.

“Remarketing Agreement” means the Remarketing Agreement, dated as of _____ 1, 2026, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Remarketing Date” means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to Section 3.03 for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“Remarketing Expenses” means the costs, fees and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer and its counsel, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

“Remarketing Notice Parties” means the Borrower, the Investor Limited Partner, the Issuer, the Trustee, the Remarketing Agent, the General Partner, Citibank, CHA and the Mortgage Lender.

“Remarketing Period” means the period beginning on a Remarketing Date and ending on the earlier of (i) the last day of the term for which Bonds are remarketed pursuant to Section 3.03, or (ii) the final Maturity Date of the Bonds.

“Remarketing Proceeds Account” means the Remarketing Proceeds Account of the Bond Fund established pursuant to Section 4.01 hereof.

“Remarketing Rate” means the interest rate or rates established pursuant to Section 2.01 and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

“Requisition” means the written request to make a disbursement from the Project Fund in substantially the form attached as Appendix B hereto, submitted in the manner provided pursuant to Section 5.02 hereof.

“Reserved Rights” means the rights of the Issuer set forth in this Indenture, the Loan Agreement and the other Issuer Documents to (a) inspect books and records, (b) give or receive notices, approvals, consents, requests, and other communications, (c) receive payment of its Issuer Fee and the Issuer Administrative Fee, including Late Fees, and payment or reimbursement for any other Issuer Fees and Expenses, (d) the benefit of all provisions providing the Issuer immunity from, and limitation of, liability, (e) all rights of the Issuer to enforce the representations, warranties, covenants and agreements of the Borrower pertaining in any manner or way, directly or indirectly, to the requirements of the Ordinance or of the Issuer, and set forth in any of the

Documents or in any other certificate or agreement executed by the Borrower, (f) indemnification from liability by the Borrower and (g) security for the Borrower's indemnification obligation.

"Revenues" means (a) the Loan Payments, (b) the Eligible Funds received by the Trustee for deposit into the Collateral Fund, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Special Funds, and (e) all income and profit from the investment of the foregoing moneys. The term *"Revenues"* does not include any money or investments in the Rebate Fund, the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds), or the Expense Fund, amounts paid as fees, reimbursement for expenses or for indemnification of the Issuer and the Trustee, or amounts paid to or collected by the Issuer in connection with any Reserved Rights.

"Securities Depository" means The Depository Trust Company, its successors and assigns, or any other securities depository for the Bonds designated by the Issuer or the Borrower to the Trustee in writing.

"Special Funds" means, collectively, the Bond Fund, the Collateral Fund, the Project Fund, and any accounts therein, all as established pursuant to this Indenture.

"Special Limited Partner" means Banc of America CDC Special Holding Company, Inc., a North Carolina corporation.

"State" means the State of Illinois.

"Supplement" or *"Supplements"* means any and all extensions, renewals, modifications, amendments, supplements and substitutions.

"Tax Certificates" means, collectively, the Arbitrage Certificate and the Tax Representation Certificate.

"Tax Regulatory Agreement" means the Tax Regulatory Agreement dated as of _____ 1, 2026, by and among the Issuer, the Trustee, and the Borrower relating to the Bonds, and any and all modifications thereof, amendments and Supplements thereto and substitutions therefor.

"Tax Representation Certificate" means the Tax Representation Certificate dated the Closing Date executed and delivered by the Borrower.

"Term of Agreement" means the term of the Loan Agreement as specified in Section 8.01 of the Loan Agreement.

"Title Company" means Greater Illinois Title Company.

"Trust Estate" has the meaning given such term in the Granting Clauses of this Indenture.

"Trust Office" means the designated corporate trust office of the Trustee located at the address set forth in Section 12.05 hereof or such other office or offices designated by the Trustee from time to time and specified to the Issuer in writing.

“*Trustee*” means Zions Bancorporation, National Association, a national banking association, organized and existing under the laws of the United States and authorized to conduct business in the State, and its successor or successors in the trust created by this Indenture.

“*Trustee’s Fee*” means _____.

“*Undelivered Bond*” means any Bond that is required under this Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

“*Underwriter*” means Stifel, Nicolaus & Company, Incorporated.

Section 1.02. Rules of Construction. The words “hereof,” “herein,” “hereunder,” “hereto,” and other words of similar import refer to this Indenture in its entirety.

The terms “agree” and “agreements” contained herein are intended to include and mean “covenant” and “covenants.”

References to Articles, Sections, and other subdivisions of this Indenture are to the designated Articles, Sections, and other subdivisions of this Indenture.

The headings of this Indenture are for convenience only and shall not define or limit the provisions hereof.

All references made (a) in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

Any reference to particular sections or subsections of the Code and applicable income tax regulations shall include any successor provisions of law or regulations, to the extent the same shall apply to the Bonds.

Any reference to a Bond or to the Bonds shall include each portion in the minimum Authorized Denomination of any registered bond having a denomination greater than the minimum Authorized Denomination.

Any direction, consent, approval or similar action required hereunder shall be in writing and signed by an authorized representative of the party providing such direction, consent, approval or similar action.

Any reference to a document or instrument shall mean and include such document or instrument as it may be amended from time to time, unless expressly otherwise stated.

Section 1.03. Determinations. The Issuer, based on the information provided by the Borrower, has determined that the issuance of the Bonds and the making of the Loan to the Borrower for the purpose of financing and/or refinancing, as applicable, all or a portion of the costs of the Project further advance the interest of the Issuer and are in the public interest. The Issuer is issuing the Bonds with the intent and expectation that the income from the Bonds will be generally

excludable from gross income under the Code, which expectation is based on an opinion of Bond Counsel to that effect (subject to customary limitations).

ARTICLE II

CREATION OF BONDS; DETAILS OF THE BONDS

Section 2.01. Authorization and Terms of Bonds.

- (a) **Authorization of Bonds.** The Issuer hereby authorizes for issuance under this Indenture bonds in the original aggregate principal amount of \$[PAR], which shall be designated “City of Chicago Multifamily Housing Revenue Bonds (Lathrop IC) Series 2026,” to be issued as hereinafter provided.
- (b) **Registered Form; Numbering.** The Bonds shall be issuable only as fully registered Bonds in Authorized Denominations, substantially in the form, appropriately completed, attached hereto as Appendix A and made a part hereof. The Bonds shall be lettered “R,” and shall be numbered separately from “1” consecutively upward.
- (c) **Date, Denominations, Dates from Which Interest Payable, Interest Rate and Maturity.** The Bonds shall be dated the Closing Date, shall be issued in Authorized Denominations, and shall bear interest on the principal amount Outstanding from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or provided for, from their date of initial delivery, payable on each Interest Payment Date. The Bonds shall bear interest for each Interest Period at the Interest Rate all as more specifically set forth hereinafter. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds shall mature on the Maturity Date, subject to mandatory tender for purchase as set forth in Section 3.01 hereof.
- (d) **Initial Interest Rate.** From the Closing Date to, but not including, the Initial Mandatory Tender Date, the interest rate on the Bonds shall be the Initial Interest Rate. On the Initial Mandatory Tender Date, the Bonds shall be subject to mandatory tender pursuant to Section 3.01 hereof. If insufficient funds are available to pay the purchase price on the Bonds following such mandatory tender on the Initial Mandatory Tender Date, the Bonds shall accrue interest at the Maximum Interest Rate until funds are available for payment of the purchase price, with interest being paid monthly on the first Business Day of each month.
- (e) **Establishment of Remarketing Rate.** The Remarketing Agent shall establish the interest rate on the Bonds Outstanding for each Remarketing Period at the Remarketing Rate in accordance with this Section 2.01. Not less than 10 Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Bonds then Outstanding for the Remarketing Period specified by the

Remarketing Agent at the direction of the Borrower as provided in Section 3.03 hereof, and shall offer for sale and use its best efforts to sell the Bonds Outstanding on the Remarketing Date at a price equal to 100% of the principal amount of such Bonds plus, if such Remarketing Date is a date other than a scheduled Interest Payment Date, accrued interest on such Bonds from the preceding Interest Payment Date to which interest has been paid. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the Maximum Interest Rate, the Bonds Outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate permitted by applicable State law, the Bonds Outstanding shall not be remarketed.

(f) ***Notice of Remarketing Rate.*** The Remarketing Agent shall, upon determination of the Remarketing Rate and Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone or telecopy, promptly confirmed in writing within 10 Business Days, to the Trustee, the Issuer, the Borrower and the Investor Limited Partner. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

(g) ***Book-Entry Form.*** Initially, the Bonds shall be in Book-Entry Form by issuing a single bond in the amount of \$[PAR], registered in the name of Cede & Co. (defined below), as nominee for DTC (defined below). In the event DTC discontinues its service with respect to the Bonds and the Book-Entry System is terminated, replacement Bonds shall be issued in Authorized Denominations.

(h) ***Medium and Place of Payment.*** Principal of and interest on the Bonds shall be payable in lawful money of the United States of America which, at the respective times of payment, is legal tender for the payment of public and private debts, but only from the Revenues and any other monies included in the Trust Estate and made available to the Issuer for such purpose. Principal of the Bonds shall be payable at the Trust Office upon presentation and surrender of the Bonds as the same become due, and upon the request of any registered Owner of Bonds on the applicable Record Date having an aggregate principal amount of \$1,000,000 or more, such principal shall be paid by wire transfer of immediately available funds from the Trustee to the bank and account number specified by such Owner in writing to the Trustee. Interest on the Bonds shall be payable to each registered Owner of the Bonds by check or draft mailed on the Interest Payment Date to the Person in whose name the Bond is registered at the close of business of the Record Date applicable to that Interest Payment Date on the registration books kept by the Trustee at the address appearing therein, or, upon the request of any registered Owner of Bonds

having an aggregate principal amount of \$1,000,000 or more, by wire transfer of immediately available funds from the Trustee to the bank and account number specified by such Owner in writing to the Trustee at least three Business Days prior to the applicable payment date.

(i) ***Form of Bonds.*** The definitive Bonds, which may be printed, typewritten, photocopied, or otherwise reproduced, including the Trustee's Certificate of Authentication to be endorsed thereon, shall be substantially in the form as set forth in Appendix A attached hereto with such appropriate variations, omissions and insertions as permitted or required by this Indenture.

(j) ***Payments or Actions to be taken on Saturdays, Sundays and Holidays.*** In any case where the date of any action required hereunder to be taken or the date of maturity of interest on or principal of the Bonds, shall not be a Business Day, then payment of interest or principal or the taking of such action need not be made or taken on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date such action was to be taken.

Section 2.02. Source of Payment of Bonds. The Bonds are special limited obligations of the Issuer and the Issuer shall be obligated to pay the principal of and the interest on the Bonds only out of the Trust Estate (including, without limitation, the Revenues pledged for the payment thereof under this Indenture and the amounts held in any fund or account created under this Indenture, other than amounts held in the Rebate Fund, the Costs of Issuance Fund, and the Expense Fund). Nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Issuer or any amounts due to the Issuer in connection with the Reserved Rights. All the Bonds to be issued hereunder shall be equally and ratably secured, to the extent provided herein, by this Indenture.

Section 2.03. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor, attested by the manual or facsimile signature of its City Clerk or Deputy City Clerk, under the official seal, or a facsimile thereof, of the Issuer. Any facsimile signatures shall have the same force and effect as if said officers had manually signed said Bonds. Any reproduction of the official seal of the Issuer on the Bonds shall have the same force and effect as if the official seal of the Issuer had been impressed on the Bonds. In case any officer whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery, and also any Bond may bear the facsimile signatures of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Section 2.04. Certificate of Authentication. Only such Bonds as shall have endorsed thereon a certificate of authentication substantially in the form set forth in the form of the Bond herein provided and duly executed by the Trustee, at the written direction of the Issuer, shall be entitled to any right or benefit under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the

Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed by an authorized signatory of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder. At the time of authentication of any Bond, the Trustee shall insert therein the date from which interest on such Bond shall be payable as provided in Section 2.01(c).

Section 2.05. Authentication and Delivery of Bonds. The Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to the purchaser or purchasers as may be directed by the Issuer as provided in this Section.

Prior to the authentication by the Trustee of the Bonds, there shall have been filed with the Trustee:

- (a) A certified copy of the Ordinance;
- (b) A fully executed copy of this Indenture;
- (c) A copy of the fully executed Loan Agreement, the Tax Regulatory Agreement, the Tax Certificates, and the Note, along with written evidence that the original, fully executed Note has been sent to the Trustee for delivery;
- (d) An opinion of Bond Counsel with respect to the excludability from gross income for federal and State income tax purposes of interest payable on the Bonds;
- (e) An opinion of Counsel to the Issuer to the effect that the Issuer Documents have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding agreements of the Issuer;
- (f) An opinion of counsel for the Borrower to the effect that the Borrower Documents have been duly authorized, executed and delivered by the Borrower and are legal, valid and binding agreements of the Borrower;
- (g) A written request and authorization signed by an Authorized Issuer Representative authorizing the Trustee to authenticate and to deliver the Bonds to the purchaser or purchasers therein identified upon payment to the Trustee for the account of the Issuer of the amount specified in such request and authorization plus accrued interest, if any, thereon to the date of delivery; and
- (h) Such other documents, opinions and certificates as may be reasonably required by the Issuer, the Trustee, Bond Counsel, the Underwriter or Citibank.

The proceeds from the sale of the Bonds shall be paid over directly to the Trustee and deposited to the credit of the Project Fund, as provided under Article V hereof.

Section 2.06. Temporary Bonds. Until Bonds in definitive form are ready for delivery, the Issuer may execute, and upon its request in writing, the Trustee shall authenticate and deliver

in lieu of any thereof, and subject to the same provisions, limitations and conditions, one or more printed, typewritten or photocopied Bonds in temporary form, substantially of the tenor of the Bonds herein described, and with appropriate omissions, variations and insertions. Such Bond or Bonds in temporary form shall be delivered in denominations authorized by this Indenture, may be numbered using the prefix “T” before any number thereon as authorized by this Indenture, and may bear a legend thereon setting forth the terms for the exchange thereof for Bonds in definitive form. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit of this Indenture. The Issuer shall, without unreasonable delay (unless the Holders of the Bonds issued in temporary form agree otherwise), prepare, execute and deliver to the Trustee, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form, the Trustee shall authenticate and deliver, in exchange therefor, a Bond or Bonds in a definitive authorized form in Authorized Denominations, of the same maturity or maturities, bearing the same interest rate or rates and for the same aggregate principal amount as the Bond or Bonds in temporary form surrendered. Such exchange shall be made by the Issuer at the Borrower’s expense and without making any charge to the Holders of the Bonds therefor.

Section 2.07. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate and deliver a new Bond of like date, maturity, interest rate and denomination as that of the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond there shall be first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Issuer and the Trustee, together with indemnity satisfactory to them. The Trustee may, with the consent of the Holder, provide to the Holder a typewritten (or similarly reproduced) Bond certificate in lieu of a printed Bond certificate. In the event any such Bond shall have matured, instead of issuing a duplicate Bond the Trustee may pay the same without surrender thereof. The Issuer and the Trustee may charge the Holder of such Bond their expenses and reasonable fees, if any, in connection with the preparation, execution and authentication of a replacement Bond.

Section 2.08. Registration, Negotiability, Transfer and Exchange of Bonds; Transfer Restrictions. All of the Bonds issued under this Indenture shall be negotiable, subject to the provisions for registration and transfer contained in this Indenture and in the Bonds. So long as any of the Bonds shall remain outstanding, the Trustee on behalf of the Issuer shall maintain and keep at the Trust Office, books for the registration and transfer of Bonds (the “Register”); and, upon presentation thereof for such purpose at such office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as the Issuer or the Trustee may prescribe, any Bond entitled to registration or transfer.

Each Bond shall be transferable only upon the books of the Issuer maintained for such purpose by the Trustee, at the written request of the registered Owner thereof or his attorney duly authorized in writing, upon presentation and surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his attorney duly authorized in writing. Upon the surrender for transfer of any Bond, the Issuer shall issue, and the Trustee shall authenticate, in the name of the transferee, in Authorized Denominations, a new Bond or Bonds without coupons of the same aggregate principal amount, series, maturity and interest rate as the surrendered Bond.

Other than as required by the terms of this Indenture and the obligations and duties set forth herein, the Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Bond (including any transfers between or among Participants or Beneficial Owners of interests in any global Bond) other than to require delivery of such certificates and other documentation or evidence as is expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof. Subject to Section 10.06(c), neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by the Securities Depository.

The Issuer and the Trustee may deem and treat the person in whose name any Outstanding registered Bond shall be registered upon the books of the Issuer as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

For every exchange or transfer of Bonds, whether temporary or definitive, the Issuer or the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture to the contrary, any fees or expenses of the Issuer or the Trustee incurred in connection therewith (except any applicable tax or other governmental charge) shall be paid by the Borrower as required by the Loan Agreement. The Issuer shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding an interest payment date on the Bonds. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Trustee may conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.09. Limitations on Issuer Obligation and Liability.

(a) The Bonds, together with interest thereon, do not constitute an indebtedness to which the faith and credit of the Issuer or the State are pledged but are special limited obligations of the Issuer payable solely from the Trust Estate, and shall be a valid claim of the respective Holders thereof only against the Trust Estate, which is hereby assigned for the equal and ratable payment of the Bonds and the interest thereon and shall be used for no other purpose than to pay the principal of and interest on the Bonds, except as may be otherwise expressly authorized in this Indenture.

(b) THE BONDS, THE PRINCIPAL OF AND THE INTEREST THEREON ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE

SOLELY FROM THE TRUST ESTATE PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THIS INDENTURE AND NO OTHER REVENUES OR ASSETS OF THE ISSUER NOR ANY PLEDGE OF TAXATION BY THE ISSUER. IN NO EVENT SHALL THE BONDS CONSTITUTE AN INDEBTEDNESS OF THE STATE OF ILLINOIS OR AN INDEBTEDNESS FOR WHICH THE FAITH AND CREDIT OR TAXING POWERS OF THE STATE OF ILLINOIS OR THE ISSUER ARE PLEDGED. THE BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION.

(c) No agreements or provisions contained herein, or any agreement, covenant, or undertaking by the Issuer in connection with the Project or the issuance, sale, remarketing, delivery and/or exchange of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way, except as may be payable from the Trust Estate. No failure of the Issuer to comply with any term, covenant, or agreement contained in the Bonds, this Indenture or the Loan Agreement, or in any document executed by the Issuer in connection with the Project or the issuance and sale of the Bonds, shall subject the Issuer to liability for any claim for damages, costs, or other financial or pecuniary charge, except to the extent the same can be paid or recovered from the Trust Estate. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant, or agreement herein; provided that no costs, expenses, or other monetary relief shall be recoverable from the Issuer, except as may be payable from the Trust Estate. No provision, covenant, or agreement contained herein, or any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against the Issuer's general credit. In making the agreements, provisions, and covenants set forth in this Indenture, the Issuer has not obligated itself, except with respect to the application of the Trust Estate pledged in this Indenture for the payment of the Bonds.

(d) Anything in this Indenture to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Trustee or the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(e) No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Issuer contained in this Indenture, any other Issuer Documents, or in any Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise, or agreement of the Issuer contained in any agreement, instrument, or certificate executed in connection with the Project or the issuance and sale of the Bonds, against any of the Issuer

Indemnified Parties, whether by virtue of any Constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that no personal liability whatsoever shall attach to, or be incurred by, any of the Issuer Indemnified Parties, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into by the Issuer with the Borrower or the Trustee, or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against each and every Issuer Indemnified Party (to the extent any such liability exists) is, by the execution of the Bonds, this Indenture, and the other Issuer Documents, and as a condition of, and as part of the consideration for, the execution of the Bonds, this Indenture, and the other Issuer Documents, is expressly waived and released. To the extent not explicitly provided for herein or in the Indenture, the Issuer's immunities and protections from liability and its right to indemnification in connection with the performance of its duties and functions under this Indenture shall extend to the other Issuer Indemnified Parties.

Section 2.10. Cancellation and Disposition of Bonds. All Bonds that have been surrendered for payment, cancellation or for registration of transfer or exchange pursuant to Section 2.08 shall be cancelled and disposed of by the Trustee in accordance with its then-customary procedures and shall not be reissued, and a counterpart of the certificate of disposition evidencing such disposition shall be furnished by the Trustee to the Issuer and, upon written request therefor, to the Borrower and the Investor Limited Partner. Any Bonds so cancelled may be retained by the Trustee for such period of time as the Trustee may determine and shall be disposed of by the Trustee in accordance with its then-customary procedures at the end of such period. Any Bonds so cancelled shall thereafter no longer be considered Outstanding for any purpose of this Indenture or the Loan Agreement.

Section 2.11. Book-Entry System.

(a) Except as provided in subparagraph (c) of this Section 2.11, the registered owner of all of the Bonds shall be, and the Bonds shall be registered in the name of, Cede & Co. ("Cede"), as nominee of The Depository Trust Company ("DTC"). As provided in Section 2.12(a), on the Funding Date, the Bonds will be removed from the Book-Entry System and shall cease to be registered to Cede. Payment of semi-annual interest for any Bonds shall be made by transfer of same-day funds to the account of Cede on the interest payment date for the Bonds at the address indicated for Cede in the registration books of the Issuer kept by the Trustee.

(b) The Bonds shall be initially issued in the form of a separate single fully registered bond in the amount of each separately stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the registry books of the Issuer kept by the Trustee in the name of Cede, as nominee of DTC. With respect to Bonds registered in the registry books kept by the Trustee in the name of Cede, as nominee of DTC, the Issuer and the Trustee shall have no responsibility or obligation to any participant of DTC (a "Participant") or to any person for whom a Participant acquires an interest in the Bonds (a "Beneficial Owner"). Without limiting the immediately preceding sentence, the Issuer and the

Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Bonds, or (iii) the payment to any Participant, any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Issuer and the Trustee may treat as and deem DTC to be the absolute owner of each Bond for the purpose of payment of the principal of and interest on such Bond, and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. Payments of principal may be made without requiring the surrender of the Bonds, and the Issuer and Trustee shall not be liable for the failure of DTC or any successor thereto to properly indicate on the Bonds the payment of such principal. No person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of principal of and interest on the Bonds pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions hereof, the word "Cede" in this Indenture shall refer to such new nominee of DTC.

(c) (i) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Issuer and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is not a successor securities depository), Bond certificates will be delivered as described in this Indenture.

(ii) The Issuer or the Trustee, each with the consent of the other, may terminate the services of DTC with respect to the Bonds if it is determined that: (1) DTC is unable to discharge its responsibilities with respect to the Bonds or (2) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, is not in the best interest of the Beneficial Owners of the Bonds. In the event that no substitute securities depository is found by the Issuer, the Borrower or the Trustee, or restricted registration is no longer in effect, Bond certificates will be delivered as described in this Indenture.

(iii) Upon the termination of the services of DTC with respect to the Bonds pursuant to subparagraph (c)(i) of this Section 2.11, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subparagraph (c)(ii) of this Section 2.11 after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer

be restricted to being registered in the registration books kept by the Trustee in the name of Cede as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

In connection with any proposed transfer outside the Book-Entry System, the Borrower or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the applicable representation letter of the Issuer addressed to DTC.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to this Indenture by the Issuer or the Trustee with respect to any consent or other action to be taken by the Bondholders, the Issuer or the Trustee, as the case may be, shall establish a special record date for such consent or other action and give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

Section 2.12. Governmental Lender Note; Exchange for Bonds.

(a) If the Conditions to Funding pursuant to the Forward Commitment Agreement have been satisfied on the Initial Mandatory Tender Date, or any subsequent Mandatory Tender Date established upon a remarketing of the Bonds, the Funding Date shall occur and, on such Funding Date, (i) the Bonds shall be subject to mandatory tender in accordance with Section 3.01 hereof, (ii) the purchase price of the Bonds shall be paid by the Trustee with the proceeds received from Citibank to purchase the Governmental Lender Note on deposit in the Funding Loan Fund as set forth in Section 3.01(e), (iii) the Funding Loan Agreement in substantially the form attached hereto as Appendix C and the Borrower Loan Agreement in substantially the form attached hereto as Appendix D shall be delivered by the respective parties and become effective and shall supersede this Indenture and the Loan Agreement, respectively, (iv) the Bonds shall be removed from the Book-Entry System and exchanged for a physical Governmental Lender Note (in the form attached as Exhibit A to the Funding Loan Agreement) which shall be purchased by Citibank, (v) the Mortgage Loan shall be repaid with amounts on deposit in the Collateral Fund and certain other funds of the Borrower, (vi) any amount not otherwise transferred from the Collateral Fund for repayment of the Mortgage Loan, and any amounts remaining in the Bond Proceeds Fund following the payment of the purchase price of the Bonds, shall be transferred to Citibank at the direction of Citibank and administered as set forth in the Funding Loan

Agreement, (vii) thereafter all of the Trustee's duties and obligations with respect to the Bonds, the Governmental Lender Note, this Indenture, the Loan Agreement, and the related documents (other than the Tax Regulatory Agreement in accordance with the terms thereof) will cease and terminate, and (viii) there shall be delivered by Bond Counsel an opinion to the effect that the delivery and purchase of the Governmental Lender Note in the manner set forth herein on the Funding Date will not, in and of itself, cause interest on the Bonds or the Governmental Lender Note to be includable in gross income for federal income tax purposes.

(b) The Issuer, subject to Section 7.02(d), as governmental lender agrees to execute and deliver the Funding Loan Agreement, the Governmental Lender Note and the Borrower Loan Agreement and any other Funding Loan Documents (as defined in the Funding Loan Agreement) to be executed in connection with Citibank's purchase of the Governmental Lender Note which shall be exchanged for the Bonds in the aggregate principal amount set forth in Section 2.12(a) above on the Funding Date.

(c) The Governmental Lender Note shall mature on the Maturity Date, subject to earlier prepayment as provided in the Funding Loan Agreement. The unpaid principal balance of the Governmental Lender Note shall be paid on the dates and in the amounts set forth in the Borrower Note (as defined in the Funding Loan Agreement).

(d) The purchase of the Governmental Lender Note by Citibank shall be conditioned upon the satisfaction of the Conditions to Funding including the delivery of the items set forth in Section 6.1 of the Funding Loan Agreement.

ARTICLE III

MANDATORY TENDER AND REMARKETING OF BONDS

Section 3.01. Mandatory Tender.

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

(b) The Mandatory Tender Dates shall consist of (i) the Initial Mandatory Tender Date, and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower, with the consent of the Investor Limited Partner, the Mortgage Lender, CHA and Citibank, and with the consent of the Remarketing Agent in connection with a remarketing of the Bonds pursuant to Section 3.03 hereof.

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

(d) Notwithstanding anything herein to the contrary, any Bond tendered under this Section 3.01 will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

(e) The Trustee shall utilize the following sources of payments to pay the tender price of the Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date in the following priority:

(i) if such date is also the Funding Date, with respect to principal, the Trustee shall use funds on deposit in the Funding Loan Fund (representing the purchase price of the Governmental Lender Note received from Citibank) and to the extent not sufficient, from amounts on deposit in the Collateral Fund and then the Bond Proceeds Fund; and with respect to interest, amounts on deposit in the Bond Fund and to the extent not sufficient, amounts on deposit in the Negative Arbitrage Account.

(ii) if such date is not also the Funding Date, with respect to principal, the Trustee shall use funds on deposit in the Remarketing Proceeds Account (representing proceeds of remarketed Bonds) and to the extent not sufficient, from amounts on deposit in the Collateral Fund, and then the Bond Proceeds Fund, and with respect to interest and with respect to interest, amounts on deposit in the Bond Fund and to the extent not sufficient, amounts on deposit in the Negative Arbitrage Account.

(f) Bonds shall be deemed to have been tendered for purposes of this Section 3.01 whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee, and subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds and interest accrued thereon to the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof pursuant to the remarketing of such Undelivered Bonds.

Section 3.02. Mandatory Tender, Redemption or Retirement Notice.

(a) Not less than 20 days preceding the Initial Mandatory Tender Date and 30 days preceding any other Mandatory Tender Date, the Trustee shall give written notice of mandatory tender, redemption or retirement to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Investor Limited Partner and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (A) all Outstanding Bonds are subject to mandatory tender for purchase or redemption or retirement on the Mandatory Tender Date, (B) all Outstanding Bonds must be tendered for purchase, redemption or retirement no later than 12:00 Noon Local Time on the Mandatory Tender Date and (C) Holders will not have the right to elect to retain their Bonds;

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

(iii) that all Outstanding Bonds will be purchased, redeemed or retired, as applicable, on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date;

(iv) any Bonds not tendered or presented for redemption or retirement will nevertheless be deemed to have been tendered, redeemed or retired and will cease to bear interest from and after the Mandatory Tender Date; and

(v) the CUSIP numbers of the Bonds to be tendered, redeemed or retired.

(b) In the event that any Bond required to be delivered to the Trustee for payment of the purchase price, redemption price or retirement price of such Bond shall not have been delivered to the Trustee on or before the 20th day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in this Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of this Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price, redemption price or retirement price applicable to the Bond.

(c) Neither failure to give or receive any notice described in this Section 3.02, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this Section 3.02. Notices of tender, redemption and retirement may be conditional.

Section 3.03. Remarketing of Bonds.

(a) No later than 11:00 a.m. Local Time on the 35th day prior to each Mandatory Tender Date, the Trustee shall give notice to the Issuer, the Borrower, the Investor Limited Partner, Citibank, and the Remarketing Agent by telephone or telecopy, confirmed on the same day in writing, which states the Mandatory Tender Date and that all of the Bonds are to be tendered or deemed to be tendered or redeemed on the Mandatory Tender Date pursuant to Section 3.01 hereof.

(b) No later than 11:00 a.m. Local Time on the fifteenth day prior to the Mandatory Tender Date then in effect, the Borrower may give notice to the Remarketing Notice Parties by telephone or telecopy, confirmed on the same day in writing, that it elects to cause the Bonds to be remarketed. A remarketing of the Bonds shall be permitted only if the following conditions are satisfied no later than the time the foregoing election notice is given:

(i) Notice by the Borrower to the Issuer, the Investor Limited Partner, the Remarketing Agent and the Trustee of the Remarketing Period pursuant to and in accordance with Section 4.05 of the Loan Agreement;

(ii) Delivery to the Issuer, the Trustee and the Remarketing Agent of a preliminary Cash Flow Projection with respect to the proposed Remarketing Period; and

(iii) The Borrower shall have notified the Trustee in writing that it has approved as to form and substance any disclosure document or offering materials which, in the Opinion of Counsel to the Remarketing Agent, is necessary to be used in connection with the remarketing of the Outstanding Bonds.

(c) Not less than 10 days before each Remarketing Date, the Remarketing Agent shall offer for sale and use its best efforts to sell the Bonds Outstanding on the Remarketing Date at a price equal to 100% of the principal amount of such Bonds plus, if such Remarketing Date is a date other than an Interest Payment Date, accrued interest on such Bonds from the preceding Interest Payment Date to which interest has been paid. Not less than four Business Days before each Remarketing Date, the Remarketing Agent shall give notice, by telephone or telecopy, promptly confirmed in writing, to the Remarketing Notice Parties specifying the principal amount of Bonds, if any, it has remarketed (including Bonds to be purchased by the Remarketing Agent on the Remarketing Date for its own account), the Remarketing Rate(s) and the Remarketing Period applicable to the Bonds.

The Remarketing Agent shall remarket any Bond tendered pursuant to Section 3.01 hereof; provided, however, that no such Bond shall be remarketed at a price less than 100% of the principal amount thereof plus accrued interest (if any) without the prior written consent of the Borrower and the General Partner; and provided, further, that the purchase price of any Bond paid to the tendering Holder allocable to such discount shall be paid with Eligible Funds made available by the Borrower therefor and on deposit with the Trustee prior to the remarketing of such Bonds. The Remarketing Agent shall have the right to purchase any Bond tendered or deemed tendered pursuant to Section 3.01 hereof at 100% of the principal amount thereof, and to thereafter sell such Bond. Any such purchase shall constitute a remarketing hereunder.

The Remarketing Agent shall not remarket any Bond to the Issuer, the Borrower, any guarantor of the Bonds or any person which is an “insider” of or “related person” to

the Issuer, the Borrower, or any such guarantor within the meaning of the Bankruptcy Code.

(d) If, not less than four or two Business Days, as applicable, preceding the Remarketing Date:

(i) if, not less than four Business Days preceding the Remarketing Date, the Remarketing Agent shall have notified the Trustee in writing of the remarketing of the Outstanding Bonds and that the proceeds from the remarketing (including proceeds of remarketing of Outstanding Bonds to be purchased by the Remarketing Agent on the Remarketing Date for its own account) and other Eligible Funds equal to the amount needed to purchase the remarketed Bonds on the Remarketing Date are expected to be available to the Trustee on the Remarketing Date for deposit into the Remarketing Proceeds Account;

(ii) if, not less than four Business Days preceding the Remarketing Date, the Trustee shall have received written notice from the Remarketing Agent that the Remarketing Agent has received a Confirmation of Rating from the Rating Agency, together with a copy of such Confirmation of Rating from the Rating Agency; or

(iii) if, not less than two Business Days preceding the Remarketing Date, there shall be on deposit with the Trustee, from Eligible Funds provided by the Borrower an amount sufficient to pay the Extension Payment set forth in the Cash Flow Projection for deposit to the Negative Arbitrage Account of the Bond Fund with respect to the payment of interest and principal during the new Remarketing Period;

(iv) if, not less than two Business Days preceding the Remarketing Date, there shall either (A) be on deposit with the Trustee in the Costs of Issuance Fund an amount sufficient to pay the estimated Remarketing Expenses as certified in writing to the Trustee by the Borrower, or (B) the Remarketing Agent shall have certified in writing to the Trustee that provision for the payment of the estimated Remarketing Expenses shall have been made to the satisfaction of the Remarketing Agent;

then the Trustee shall immediately give notice, by telephone or telecopy, which notice shall be immediately confirmed in writing, to the Remarketing Agent, the Borrower and the Investor Limited Partner that (a) all conditions precedent to the remarketing of the Outstanding Bonds have been satisfied and (b) the sale and settlement of the Outstanding Bonds is expected to occur on the Remarketing Date. Following the Trustee's notice, the Outstanding Bonds shall be sold to the purchasers identified by the Remarketing Agent for delivery and settlement on the Remarketing Date, and the Trustee shall apply the funds in the Remarketing Proceeds Account of the Bond Fund on the Remarketing Date to payment of the purchase price of the Outstanding Bonds.

(e) If, not less than four or two Business Days, as applicable, preceding a Remarketing Date, any condition set forth in paragraph (d) of this Section 3.03 has not been satisfied, then, unless the Outstanding Bonds are otherwise purchased on the Remarketing Date, the Remarketing Agent shall not sell any of the Outstanding Bonds on the Remarketing Date.

(f) No later than 11:00 a.m. Local Time on each Remarketing Date, the Remarketing Agent shall pay to the Trustee, in immediately available funds, the proceeds theretofore received by the Remarketing Agent from the remarketing of Bonds tendered for purchase on such Remarketing Date; provided that the Remarketing Agent may use its best efforts to cause the purchasers of the remarketed Bonds to pay the purchase price plus accrued interest (if any) to the Trustee in immediately available funds. The proceeds from the remarketing of the Bonds shall be segregated from any funds of the Borrower and the Issuer and shall in no case be considered to be or be assets of the Borrower or the Issuer. Funds representing remarketing proceeds received by the Remarketing Agent after 11:00 a.m. Local Time on each Remarketing Date shall be paid to the Trustee as soon as practicable upon such receipt.

(g) On or before the Business Day next preceding each Remarketing Date, the Remarketing Agent, by telephonic advice, shall notify the Trustee of (i) the principal amount of Bonds to be sold by the Remarketing Agent pursuant to this Section 3.03 hereof and the purchase price, and, unless the Bonds are then in the Book-Entry System, the names, addresses and social security numbers or other tax identification numbers of the proposed purchasers thereof and (ii) the principal amount of Bonds tendered for purchase on such Remarketing Date which will not be sold by the Remarketing Agent pursuant to this Section 3.03 hereof. Such telephonic advice shall be confirmed by written notice delivered or electronically communicated at the same time as the telephonic advice.

Bonds purchased by the Trustee on a Mandatory Tender Date that have been remarketed shall be delivered to the purchasers thereof as directed by the Remarketing Agent. Bonds delivered as provided in this Section shall be registered in the manner directed by the recipient thereof.

Section 3.04. Mandatory Redemption or Retirement. The Bonds are subject to mandatory redemption or retirement, in whole, on any Mandatory Tender Date, upon the occurrence of any of the following events: (i) the Borrower has not previously elected pursuant to Section 3.03 hereof and Section 4.05 of the Loan Agreement to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in Section 3.03(b) or Section 3.03(d) have not been met by the dates and times set forth herein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. The Bonds shall be redeemed at a redemption price equal to 100% of the principal amount of such Bonds plus accrued interest to the applicable redemption date from funds on deposit in, or transferred from, the Bond Fund, the Collateral Fund, and the Project Fund.

Section 3.05. Optional Redemption; Notice of Optional Redemption.

(a) The Bonds are subject to optional redemption prior to their maturity, at the written direction of the Borrower with the prior written consent of the Mortgage Lender, CHA and the Investor Limited Partner, either in whole or in part on any date on or after the later to occur of (i) the date that the Project is placed in service, as certified in writing by the Borrower to the Issuer and the Trustee, and (ii) the Mandatory Tender Date, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to the redemption date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Bond Fund, other than funds in the Negative Arbitrage Account therein, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the direction of the Borrower.

(b) Not less than twenty (20) days preceding the redemption date, the Trustee shall give written notice of optional redemption to the Holders of the Bonds then Outstanding (with a copy to the Issuer, the Borrower, the Investor Limited Partner and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating: (i) the proposed redemption date; (ii) the redemption price; (iii) if less than all Outstanding Bonds are to be redeemed, the identification by designation, letters, numbers or other distinguishing marks (and in the case of partial redemption, the respective principal amounts of the Bonds to be redeemed); (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (v) the address of the Designated Office of the Trustee at which Holders should deliver their Bonds for redemption and the date of the required delivery. Notices of redemption may state that no representation is made as to the accuracy or correctness of the CUSIP number or numbers provided thereon or on the Bonds. Notice of optional redemption may be conditional. Neither failure to give or receive any notice described in this heading, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this section.

Section 3.06. Cancellation of Bonds. The Trustee shall immediately cancel Bonds if the tender price of the Bonds is paid from amounts other than proceeds derived from the remarketing of the Bonds; provided, however, on the Initial Mandatory Tender Date, or any subsequent Mandatory Tender Date established upon a remarketing of the Bonds, the Bonds shall be exchanged for the Governmental Lender Note in accordance with Section 2.12 hereof.

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Creation of Funds. The following trust funds are hereby created by the Issuer and ordered established with the Trustee, to be maintained in the custody of the Trustee

each as a separate bank account, to be used for the purposes as hereinafter provided in this Indenture:

- (a) Bond Fund. The Bond Fund, and within the Bond Fund, the “Negative Arbitrage Account” and the “Remarketing Proceeds Account.”
- (b) Project Fund. The Project Fund which fund shall be administered in accordance with the provisions of Section 4.08 and Section 5.02 of this Indenture.
- (c) Rebate Fund. The Rebate Fund, which fund shall be administered in accordance with the provisions of Section 4.06 of this Indenture. Moneys held in the Rebate Fund are not held for the benefit of the Owners and are not part of the Trust Estate.
- (d) Costs of Issuance Fund. Moneys held in the Costs of Issuance Fund that are not proceeds of the Bonds are not held for the benefit of the Owners and are not part of the Trust Estate. Any moneys held in the Costs of Issuance Fund that are proceeds of the Bonds are held for the benefit of the Owners and are part of the Trust Estate.
- (e) Collateral Fund. The Collateral Fund, which fund shall be administered in accordance with the provisions of Section 4.08 of this Indenture. Moneys held in the Collateral Fund are held for the benefit of the Owners and are part of the Trust Estate.
- (f) Funding Loan Fund. The Funding Loan Fund shall be administered in accordance with the provisions of Section 4.09 of this Indenture. Moneys held in the Funding Loan Fund shall be used to purchase the Bonds upon the Funding Date when the Bonds will be exchanged for the Governmental Lender Note.
- (g) Expense Fund. The Expense Fund, which fund shall be administered in accordance with the provisions of Section 4.10 of this Indenture. Moneys held in the Expense Fund are not held for the benefit of the Owners and are not part of the Trust Estate.

The Trustee may create one or more accounts or subaccounts within any fund authorized by this Indenture for the purpose of accounting for funds deposited into or held in each fund or for carrying out any of the requirements of this Indenture. The Trustee may transfer funds between accounts and subaccounts within any fund.

In the event certain moneys are deposited with the Trustee prior to the Closing Date, whether or not pursuant to one or more letters of instruction from the provider or providers of such moneys, such moneys shall be held by the Trustee subject to the terms and conditions of this Indenture, in addition to the terms of any such letter(s) of instruction. For such purpose, the standards of care, any provisions governing the responsibilities, protections and indemnification and other provisions relating to the Trustee contained in this Indenture and in the Loan Agreement (the “Effective Provisions”) shall be effective as of the first date of receipt by the Trustee of such

moneys. The Effective Provisions shall be deemed incorporated into any such letter(s) of instructions.

Section 4.02. Deposits into and Use of Moneys in the Bond Fund. The Bond Fund and amounts on deposit in the Bond Fund are to be invested pursuant to Section 6.01 hereof. Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to Section 3.03 hereof shall also be deposited into the Negative Arbitrage Account. The Trustee is authorized to release funds in the Negative Arbitrage Account to the Borrower upon receipt of a written instruction from the Borrower, an updated Cash Flow Projection and a Confirmation of Rating.

Bond Service Charges shall be payable as they become due, (i) in the first instance from money on deposit in the Bond Fund (excluding the Negative Arbitrage Account therein), (ii) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (iii) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (iv) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Except as provided in Section 4.05 hereof, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds when due.

Section 4.03. Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee (a) to withdraw sufficient funds from the Bond Fund to pay the principal of and interest on the Bonds as the same become due and payable, and (b) to make such funds so withdrawn available to the Trustee, as paying agent, for the purpose of paying such principal and interest, which authorization and direction the Trustee accepts.

Section 4.04. Non-Presentation of Bonds. Subject to the provisions of Section 10.21 hereof, in the event any Bonds shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, if funds sufficient to pay such Bonds shall have been made available to the Trustee for the benefit of the Holder or Holders thereof, all liability of the Issuer to the Holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Holder of such Bond, who shall thereafter be restricted exclusively to such fund or funds, for any claim of whatever nature on its part under this Indenture or on, or with respect to, such Bond. Any such Bonds shall cease to bear interest on the specified maturity and such Bonds or portions thereof shall no longer be protected by or subject to the benefit or security of this Indenture and shall not be deemed to be outstanding under the provisions of this Indenture.

Section 4.05. Payment of Excess Moneys in Bond Fund. Any amounts remaining in the Bond Fund (except for amounts then held by the Trustee for payment of principal of, or interest on any of the Bonds) after payment in full of the purchase price of the Bonds on the final Mandatory Tender Date, and other costs associated with the conversion of the Bonds, the payment of any Rebate Amount, and payment in full of any outstanding fees and expenses of the Paying Agent, the Issuer (including, without limitation, all Issuer Fees and Expenses and any indemnification payments owed pursuant to the Loan Agreement) and the Trustee and its counsel

and any other fees, costs and expenses due under the Documents, shall, upon written instruction to the Trustee from the Borrower and Citibank, be deposited as directed by Citibank and administered as provided under the terms of the Funding Loan Agreement; *provided*, that, the Trustee is furnished with an opinion of Bond Counsel substantially to the effect that such deposit will not, in and of itself adversely affect any excludability of interest on the Bonds from gross income for federal income tax purposes.

Section 4.06. Rebate Fund; Rebate Amount; Tax Certificates Controlling. The Trustee shall deposit into the Rebate Fund amounts paid by the Borrower pursuant to the Tax Certificates and written direction from the Borrower.

(a) The determination of the Rebate Amount shall be made in accordance with the Arbitrage Certificate and the Rebate Amount shall be paid at such times and in such installments as provided therein. As further provided in the Tax Certificates, the Borrower shall be responsible for calculating or causing to be calculated and paying the Rebate Amount. If at any time when the Trustee is required to withdraw money from the Rebate Fund and to pay to the United States of America the amount so withdrawn as the Rebate Amount, the amount held by the Trustee to the credit of the Rebate Fund is insufficient to permit such withdrawal and payment, the Trustee, after delivering a demand for such deficiency to the Borrower, shall withdraw, *first*, from the Project Fund, and, *second*, from any other funds established hereunder, such amounts as may be needed to make the amount held for the credit of the Rebate Fund, after such transfers, equal to the amount required to be withdrawn and paid to the United States of America and transfer the amounts so withdrawn in each case to the Rebate Fund. This Section 4.06(a) shall supersede all other sections of this Indenture, to the end that the excludability from gross income for the purposes of federal income taxation of interest on the Bonds shall not be adversely affected as a result of the inadequacy at any time of the Rebate Fund, unless the total amount held by the Trustee under all funds established hereunder is insufficient, and no money for such purpose is provided by the Borrower.

(b) Neither the Issuer nor the Trustee shall be obligated to pay any portion of the Rebate Amount (except from funds on deposit in the Rebate Fund). In addition, neither the Issuer nor the Trustee shall have any responsibility with respect to the calculation of the Rebate Amount. The Trustee shall not be responsible for the adequacy or correctness of any rebate report. The Trustee shall be deemed conclusively to have complied with the provisions of this Indenture and any other agreement relating to the Bonds regarding calculation and payment of rebate if it follows the directions of the Borrower or the Rebate Analyst and it shall have no independent duty to review or enforce the Issuer's, the Borrower's or the Rebate Analyst's compliance with such rebate requirements. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Borrower's or the Rebate Analyst's opinions, calculations, determinations, directions, and certifications required by this Section. Except to the extent expressly herein provided, the Trustee shall in no instance be responsible or liable for the tax treatment of the Bonds, the Issuer's, the Borrower's or the Rebate

Analyst's compliance with the Code, or any other tax consequences in connection with the Bonds.

(c) Any moneys held as part of the Rebate Fund and not immediately required to be paid to the United States pursuant to the Arbitrage Certificate shall be invested or reinvested by the Trustee, at the written direction of the Borrower Representative, in Governmental Obligations or in any money market or short term investment fund investing in or consisting solely of and secured by Governmental Obligations, including any such fund maintained by the Trustee or an affiliate thereof, having maturities consonant with the need for moneys as reasonably estimated by the Borrower. In connection with the investment of moneys held as part of the Rebate Fund (as provided in Section 6.02 hereof), interest and other income received on the investment of moneys held as part of the Rebate Fund shall be credited to the Rebate Fund. Except for the performance of its duties expressly set forth herein or in the other Documents, the Trustee shall not be responsible or liable for the tax treatment of the Bonds, the Issuer's, the Borrower's or the Rebate Analyst's compliance with the Code, or any other tax consequences in connection with the Bonds. The Trustee shall be deemed conclusively to have complied with the provisions of this Indenture and any other agreement relating to the Bonds regarding calculation and payment of rebate if it follows the directions provided by the Borrower or the Rebate Analyst, and it shall have no independent duty to review or enforce the Issuer's, the Borrower's or the Rebate Analyst's compliance with such rebate requirements.

(d) As provided in the Arbitrage Certificate, the Borrower is required to (i) obtain a rebate calculation with respect to the Rebate Amount upon the redemption in whole or final maturity of the Bonds and either (ii) (a) pay to the Trustee for deposit into the Rebate Fund an amount of money as determined by such calculation within 30 days of such calculation or (b) provide the Trustee with written notice (signed by the Borrower Representative and the Rebate Analyst) that (1) no deposit is required or (2) the amount in the Rebate Fund is in excess of the amount required to be on deposit as determined by the most recent rebate calculation, in which case the Trustee shall, with the prior written consent of the Issuer, pay such excess over to the Borrower. If the Trustee does not receive either of the items required in subsection (d)(ii)(a) or (d)(ii)(b) above within 30 days after the completion of construction of the Project, the Trustee shall notify the Issuer; provided, however, that the Trustee shall not incur any liability if it should fail to provide such notice.

(e) Notwithstanding anything to the contrary in this Indenture, the Loan Agreement, the Funding Loan Agreement or the Borrower Loan Agreement, to the extent of any conflict or ambiguity as between the provisions of the foregoing documents and the Tax Certificates, the requirements of the Tax Certificates shall control.

Section 4.07. Costs of Issuance Fund. On the Closing Date, the Trustee shall deposit the Costs of Issuance Deposit, if any, into the Costs of Issuance Fund to pay the Costs of Issuance

from amounts available therein. The Trustee shall disburse any funds on deposit in the Costs of Issuance Fund upon receipt by the Trustee of a Requisition or a Closing Memorandum. Any funds remaining in the Costs of Issuance Fund more than one hundred 180 days after the Closing Date, and not specifically committed to the payment of Costs of Issuance shall be returned to the Borrower upon Borrower's written request, to the extent such funds are not Bond proceeds or otherwise restricted funds, and the Costs of Issuance Fund shall be closed. If such remaining funds are Bond proceeds or otherwise restricted, such funds shall be deposited by the Trustee into the Bond Fund in accordance with a written direction to Trustee from Borrower.

On the Closing Date, the Borrower shall pay or cause to be paid to the Title Company an amount sufficient to pay the Costs of Issuance incurred in connection with the issuance of the Bonds, and the Title Company shall disburse such funds to pay the Costs of Issuance pursuant to the written direction of the Borrower as set forth in the Closing Memorandum.

Section 4.08. Collateral Fund; Project Fund. Upon receipt, the Trustee shall deposit into the Collateral Fund all Eligible Funds received pursuant to Section 4.06 of the Loan Agreement and any other Eligible Funds received by the Trustee for deposit into the Collateral Fund. Section 4.06 of the Loan Agreement requires the Borrower to cause Eligible Funds to be delivered to the Trustee for deposit into the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, the amount of Bond proceeds on deposit in the Project Fund to be disbursed by the Trustee to pay Project Costs.

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions hereof.

The Trustee shall transfer money in the Collateral Fund as follows: (i) if such date is also the Funding Date, all funds then on deposit in the Collateral Fund shall be paid to the Mortgage Lender to pay the principal of the Mortgage Loan and, to the extent the amount in the Collateral Fund exceeds the outstanding principal balance of the Mortgage Loan, the balance, if any, remaining on deposit to the Collateral Fund shall be distributed at the direction of the Borrower and Citibank to a disbursing account held by the Funding Lender for the benefit of the Project, (ii) if such date is not the Funding Date, on a Mandatory Tender Date, to the Bond Fund, the amount necessary to pay the purchase price of the Bonds, to the extent amounts on deposit in the Remarketing Proceeds Account and the Negative Arbitrage Account of the Bond Fund are insufficient therefor; and (iii) on any redemption date of the Bonds, to the Bond Fund the amount, together with amounts on deposit in the Bond Fund, necessary to pay the principal and interest due on the Bonds on such date.

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

To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer

from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date.

Upon receipt, the Trustee shall deposit the proceeds of the Bonds (including the principal of, and premium, if any, on, the Bonds) into the Project Fund. The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom. If requested by the Issuer or the Borrower, after the Project has been completed and a Completion Certificate is filed by the Borrower as provided herein, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower.

If on the Funding Date there are amounts remaining in the Project Fund, such amounts remaining in the Project Fund shall be distributed at the direction of Citibank to a disbursing account held by Citibank to pay additional costs of the Project.

The Borrower expects that the Project will proceed substantially in accordance with the Construction Draw Schedule, except as otherwise approved by the Mortgage Lender and CHA. Each Requisition submitted to the Trustee shall evidence and request disbursements from the Project Fund and/or the Costs of Issuance Fund.

Notwithstanding any other provision of this Indenture to the contrary, after the Closing Date the Trustee shall not disburse moneys from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until the Trustee receives satisfactory evidence that Eligible Funds in an amount equal to or greater than the requested disbursement amount (the "Collateral Deposit") has been deposited in the Collateral Fund. Prior to making any disbursement, the Trustee shall verify that upon making the disbursement, the aggregate amount to be held in (i) the Bond Fund, (ii) the Collateral Fund and (iii) the Project Fund, together with projected investment earnings thereon, will be sufficient to pay Bond Service Charges on the outstanding Bonds as and when they become due. In the event that, following receipt of the Collateral Deposit and Requisition, the Trustee determines that it cannot correspondingly disburse Bond proceeds from the Project Fund to or at the direction of the Borrower, the Mortgage Lender or CHA, as applicable, the Trustee shall immediately notify the Borrower, the Mortgage Lender and CHA, as applicable, of the reason for such determination and shall, immediately upon the request of the Borrower or the Mortgage Lender or CHA, as applicable, return the subject Collateral Deposit to the party that deposited such Collateral Deposit with the Trustee.

The proceeds of the Bonds shall be allocated exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 142(d) of the Code; and (ii) shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located, so that each building and the land on which it is located will have been financed 25% or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided, further, failure to comply with this

representation, covenant and warranty shall not constitute a default or Event of Default under this Indenture.

Upon the occurrence and continuance of an Event of Default hereunder because of which the principal amount for the Bonds has been declared to be due and immediately payable under this Indenture, any moneys remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund for payment of Bond Service Charges.

Notwithstanding anything contained in this Indenture or any of the Borrower Documents to the contrary, the Trustee shall make the disbursement from the Project Fund on the Closing Date upon receipt of, and pursuant to, the closing memorandum signed by a Borrower Representative identifying the amounts to be paid and the respective payees in lieu of a Requisition.

Section 4.09. Funding Loan Fund. On the Funding Date, the Trustee shall deposit into the Funding Loan Fund the proceeds of the Funding Loan received from Citibank to purchase the Governmental Lender Note on the Funding Date, which amount shall be used on the Funding Date to purchase the Bonds which shall be exchanged for the Governmental Lender Note.

Section 4.10. Expense Fund. The Trustee shall deposit into the Expense Fund amounts received from the Borrower for the purpose of paying the Trustee's Fee, the Issuer Fees and Expenses, fees of the Rebate Analyst and any other fees and expenses required to be paid by or on behalf of the Borrower under the Loan Agreement. The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Expense Fund to pay (a) the Issuer Administrative Fee and any additional Issuer Fees and Expenses, if any, payable in connection with the Reserved Rights and (b) such amounts to the proper persons on the dates and in the amounts due when evidenced by a written invoice and written instruction of the Borrower to pay such amount. Amounts on deposit in the Expense Fund shall be withdrawn or maintained, as appropriate, by the Trustee to pay (i) to the Trustee, the Trustee's Fee, (ii) to the Issuer, the Issuer Fees and Expenses, (iii) upon receipt, to the Trustee, any amounts due to the Trustee which have not been paid, other than amounts paid in accordance with clause (i) hereof, (iv) upon receipt, to, or at the written direction of, the Issuer, any unpaid amounts owed to the Issuer in connection with the Reserved Rights, other than amounts paid in accordance with clause (ii) above, and (v) pay any fees of the Rebate Analyst when due.

In addition, any additional fees and expenses of Bond Counsel shall be timely funded by payments made directly by the Borrower to Bond Counsel or, if preferred by Bond Counsel, additional deposits by the Borrower into the Expense Fund of moneys not derived from the proceeds of the Bonds, and the Trustee shall use such amounts to pay such additional fees and expenses of Bond Counsel, as directed by the Borrower in writing.

In the event that the amounts on deposit in the Expense Fund are not equal to the amounts payable from the Expense Fund as provided in the preceding paragraphs on any date on which such amounts are due and payable, the Trustee shall give notice to the Borrower of such deficiency and of the amount of such deficiency and request payment within two Business Days to the Trustee of the amount of such deficiency.

Written notice of any insufficiency, which results in the Issuer not receiving the Issuer Fees and Expenses on the applicable due date, shall be provided by the Trustee to the Issuer (with a copy to the Borrower) not later than 10 days after the respective due date.

Upon payment by the Borrower to the Trustee of such deficiency, the amounts for which such deficiency was requested shall be paid by the Trustee.

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 5.01. Custody and Application of Project Fund and Bond Fund. On the Closing Date, the proceeds received upon the issuance and sale of the Bonds shall be deposited into the Project Fund and Bond Fund (if accrued interest) and invested by the Trustee as set forth in Section 6.01 hereof.

Section 5.02. Procedure for Making Disbursements from Project Fund. Upon the deposit of Eligible Funds into the Collateral Fund, as provided in Section 4.08 hereof, the Trustee shall disburse the proceeds of the Bonds on deposit in the Project Fund on such date (which shall be requisitioned solely to pay the Costs of the Project) only upon receipt by the Trustee of (i) a signed Requisition in substantially the form attached as Appendix B hereto approved in writing by the Mortgage Lender and/or CHA, as applicable, depending upon the source of collateral and (ii) certification by a Borrower Representative that at least 95% of the total Costs of the Project intended to be paid with Bond proceeds are Qualified Project Costs pursuant to Section 142 of the Code, the Trustee shall disburse from the Project Fund Bond proceeds, in the amount set forth in the applicable Requisition (which proceeds shall be requisitioned solely to pay Costs of the Project). To the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee shall not sell or otherwise terminate such Eligible Investments prior to their stated maturity date and instead the Trustee is hereby instructed to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (a) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund, and (b) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund to be disbursed in accordance with this Section. The Issuer shall have no involvement and/or discretion with respect to the review and approval of Requisitions or the disbursement of funds from the Project Fund.

The Trustee shall not disburse money from the Project Fund, other than to pay interest and principal on the Bonds as otherwise permitted hereunder, unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount has been deposited into the Collateral Fund in accordance with Section 4.08 hereof. In accordance with Section 3.03 of the Loan Agreement, and prior to making any disbursement from the Project Fund (except to make necessary interest and principal payments on the Bonds as otherwise permitted hereunder), the Trustee shall determine that the aggregate account balance in (a) the Collateral Fund and (b) the Project Fund (less the requested disbursement amount) is at least equal to the then-Outstanding principal amount of the Bonds.

Money in the Project Fund shall be disbursed in accordance with the provisions of Section 3.03 of the Loan Agreement and this Section 5.02. To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date.

Notwithstanding anything contained in this Indenture or any of the Borrower Documents to the contrary, with respect to Eligible Funds funded by the Mortgage Lender and the CHA for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Mortgage Lender, the CHA, the Borrower or the Title Company pursuant to a Requisition as directed by the Mortgage Lender and/or the CHA, as applicable, to pay the Costs of the Project. Such disbursements shall be made pursuant to a Requisition and shall not be made more frequently than once per month.

Subject to the Trustee's obligation to return the Eligible Funds funded by the Mortgage Lender and the CHA to the Mortgage Lender, the CHA or other providers of Eligible Funds as set forth in this Section 5.02, the Trustee and the Issuer shall not, in any event, be responsible or liable to any person for the disbursement of, or failure to disburse, moneys from the Project Fund or any part thereof, and no contractor, subcontractor or material or equipment supplier or their respective successors and assigns shall have any right or claim against the Trustee or the Issuer under this Indenture.

Notwithstanding anything contained in this Indenture or any of the Borrower Documents to the contrary, if for any reason the Trustee is not able to disburse a corresponding amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender and/or the CHA, as applicable, immediately following receipt of Eligible Funds from the Mortgage Lender and/or the CHA, as applicable, for deposit into the Collateral Fund, the Trustee shall promptly wire transfer such funds back to the Mortgage Lender and/or the CHA, as applicable, and not deposit the same into the Collateral Fund.

For purposes of complying with the requirements of this Section, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon the Requisition signed by the authorized officer of the Borrower. The Trustee shall not be bound to make an investigation into the facts or matters stated in any Requisition of the Borrower. The Trustee shall not be responsible for determining whether the funds on hand in the Project Fund are sufficient to complete the Project. The Trustee shall not be responsible to collect lien waivers.

Section 5.03. Trustee May Rely on Requisitions and Certifications. In making any disbursement from the Project Fund, the Trustee may rely on any requests and confirmations and the Requisition delivered to it pursuant to Section 5.02 hereof, and the Trustee shall be relieved of all liability with respect to making such disbursements in accordance with such requests and confirmations. In making any disbursements from the Costs of Issuance Fund, the Trustee may rely on any requests and confirmations and the Requisition or Closing Memorandum delivered to it pursuant to Section 4.07 hereof, and the Trustee shall be relieved of all liability with respect to making such disbursements in accordance with such requests and confirmations.

Section 5.04. Completion of Project. The completion of the Project and the payment of all costs and expenses incident thereto shall be evidenced for the Project by the filing with the Trustee of (a) the Completion Certificate required by the provisions of Section 3.05 of the Loan Agreement and (b) a certificate signed by the Borrower Representative stating that all obligations and costs in connection with the Project and payable out of the Project Fund have been paid and discharged except for amounts retained by the Trustee for the payment of Costs of the Project not then due and payable or then in dispute as provided in the Loan Agreement; provided, however, that no amounts necessary to pay principal and interest on the Bonds at maturity shall be held by the Trustee in the Project Fund beyond the Maturity Date, and the Project Fund shall be closed. Additionally, the Borrower has agreed pursuant to Section 3.06 of the Loan Agreement that in the event that there are insufficient moneys available in the Project Fund to pay the Costs of the Project, the Borrower will complete the Project and pay the portion of the Costs of the Project in excess of the moneys available therefor in the Project Fund.

Section 5.05. Disposition of Moneys in Project Fund After Completion of Project. Subject to the proviso in Section 5.04 hereof, as soon as practicable after the date of the certificate referred to in clause (b) of Section 5.04 hereof, any balance remaining in the Project Fund (other than the amounts retained by the Trustee referred to in Section 5.04 hereof) shall be deposited into the Bond Fund and used to pay principal of the Bonds when due. To the extent any moneys from any payments made by the Borrower pursuant to the Loan Agreement remain in the Project Fund or Bond Fund after there are no Bonds Outstanding and payment in full, or provision for payment, of the final Rebate Amount, any remaining Trustee's Fees or any other Trustee fees or expenses, and any remaining Issuer Fees and Expenses or other amounts due to the Issuer in connection with the Reserved Rights, such moneys may be paid directly to the Borrower to the extent such funds are not proceeds of the Bonds or otherwise restricted funds. If such remaining funds are proceeds of the Bonds or otherwise restricted, such funds shall be deposited by the Trustee into the Bond Fund.

Notwithstanding the provisions of this Section or any other provision herein set forth, none of the moneys in the Project Fund will be disbursed for or be used to pay any cost, or to reimburse the Issuer or the Borrower for any cost, which is not permitted by the Ordinance, the Code, the Loan Agreement or this Indenture.

ARTICLE VI

INVESTMENT OF FUNDS AND ACCOUNTS

Section 6.01. Investment of Bond Fund, Project Fund, and Collateral Fund. Money in all funds or accounts including the Bond Fund, Project Fund, and Collateral Fund shall be invested and reinvested by the Trustee, and at all times held in Eligible Investments at the written direction (including facsimile transmission) of the Borrower (such written direction to specify the particular investment in Eligible Investments to be made), which must be in accordance with the investment provisions herein and in the Arbitrage Certificate. In the absence of written direction of the Borrower, any moneys held under this Indenture shall be invested in (i) "State Street Institutional Treasury Money Market Fund — Investment Class TVRXX", a money market fund as described in clause (b) of the definition of Eligible Investments, or if such fund is unavailable, (ii) investments described in paragraph (b) of the definition of Eligible Investments. The Borrower

acknowledges receipt of a prospectus for the fund which, among other things, describes the fees and expenses paid by the fund, including fees paid to the Trustee for servicing the fund (which affect the return on investment). The Borrower acknowledges that the fund is not an FDIC-insured bank deposit, is not an obligation of or guaranteed by the Trustee or its affiliates, and may involve investment risk, including loss of principal.

At no time shall the Borrower direct that (a) any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code or (b) any funds be held other than in Eligible Investments. The Issuer covenants and agrees not to take, or cause to be taken, any action or fail to take any action reasonably within its control with respect to the investment of monies under this Indenture that is inconsistent with the provisions of this Indenture and which would result in the Bonds becoming arbitrage bonds within the meaning of Code Section 148(a). The Issuer further covenants and agrees to comply with and take all actions required of it by the Arbitrage Certificate and to continue to do so as specified in the Arbitrage Certificate notwithstanding any satisfaction or discharge of this Indenture.

It is hereby acknowledged and agreed that the Issuer shall have no discretion regarding the investment or reinvestment of funds pursuant to this Section 6.01 or Section 4.06 above.

Investments of money in the Bond Fund, the Project Fund, and the Collateral Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide money to pay any amounts due on the Bonds as they become due on each Interest Payment Date or at stated maturity or on a Mandatory Tender Date. In addition, investment of money in the Project Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund. Any investment in the Bond Fund, the Project Fund or the Collateral Fund that are not classified as Eligible Investments shall be invested in Governmental Obligations.

The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable hereunder to and at times required for the purposes of paying any amounts due on the Bonds, and shall do so without necessity for any order on behalf of the Issuer or the Borrower and without restriction by reason of any order. An investment made from money credited to an applicable fund or account shall constitute part of that respective fund or account. All investment earnings from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments upon receipt of a Cash Flow Projection.

Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested as cash and (ii) Bond proceeds shall be held uninvested as cash until the Trustee has purchased, sold or exchanged Eligible Investments.

Any investments may be purchased from or sold to the Trustee, or any bank, trust company or savings and loan association which is an affiliate or subsidiary of the Trustee; provided that all such investments must be Eligible Investments.

The Trustee shall not be liable for losses, fees, taxes, or other charges in connection with any investments, reinvestments or liquidations made in compliance with the provisions of this Indenture.

If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par prior to the Initial Mandatory Tender Date, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any.

Although each of the Issuer and the Borrower recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, each of the Issuer and the Borrower hereby agrees that confirmations of Eligible Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments.

Section 6.02. Investment of Rebate Fund. Any moneys held as part of the Rebate Fund, and not immediately required for the purposes of the Rebate Fund, shall be invested or reinvested by the Trustee, at the written direction of the Borrower Representative, in Governmental Obligations or in any money market or short term investment fund investing in or consisting solely of and secured by Governmental Obligations, including any such fund maintained by the Trustee or an affiliate thereof having maturities consonant with the need for funds as estimated by the Borrower, such written direction shall specify the particular investment in Governmental Obligations, money market or short term investments in or consisting solely of and secured by Governmental Obligations to be made. In the absence of such written direction, said moneys shall be held in cash, uninvested. All investment earnings, gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Rebate Fund shall be retained therein.

Section 6.03. Accounting for Termination of Investments; No Arbitrage. In the event the moneys in the Project Fund or the Bond Fund are invested in any investment which fails to satisfy the requirements of Section 6.01, the Trustee shall, at the written direction of the Borrower, terminate any such investment, and the proceeds of such termination, shall be credited to the Project Fund or the Bond Fund, respectively.

If the Issuer is of the opinion, based solely upon receipt of advice of Bond Counsel, that it is necessary to restrict or limit the yield on the investment of any moneys, securities or other obligations paid to or held by the Trustee hereunder in order to comply with the provisions of the Documents intended to prevent any Bonds from being considered "arbitrage bonds" within the meaning of Section 148 of the Code, an Authorized Issuer Representative may give written notice to the Trustee to such effect (together with appropriate written instructions as provided by Bond Counsel) who shall provide such notice to the Borrower to such effect, in which event the Trustee will take such action as is set forth in such written instructions to restrict or limit the yield on such

investment so as to comply with Section 148 of the Code; provided, however, that the Issuer shall have no obligation to monitor, provide notice, exercise discretion or otherwise in connection with investments made pursuant hereto. The Trustee may conclusively rely on the direction of the Issuer in taking such action.

Section 6.04. Trustee's Own Bond or Investment Department. The Trustee may make any and all investments permitted under Section 6.01 and Section 6.02 through its own bond or investment department or that of any affiliate, notwithstanding that (a) the Trustee charges and collects fees and expenses from such funds for services rendered, (b) the Trustee charges and collects fees and expenses for services rendered pursuant to this Indenture and (c) services performed for such funds pursuant to this Indenture may converge at any time.

Section 6.05. Moneys To Be Held in Trust. All moneys required or permitted to be deposited with or paid to the Trustee for account of the Bond Fund, the Collateral Fund, or the Project Fund under any provision of this Indenture shall be held by the Trustee in trust, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien and claim created by this Indenture.

The Trustee, acting in its capacity as Trustee and not as sponsor, advisor or manager in connection with any investments, reinvestments or liquidations hereunder, shall not be liable for any loss, fee, tax or other charge arising from investments made in accordance with this Indenture, or for any loss resulting from the redemption or sale of any such investments as authorized by this Section. In the event of a loss on the sale of such investments (after giving effect to any interest or other income thereon except to the extent theretofore paid to the Issuer) incurred hereunder, the Trustee shall have no responsibility in respect of such loss except to the extent arising out of the gross negligence or willful misconduct of the Trustee. The Trustee shall provide the Issuer and the Borrower with written notification of the amount of such loss and the Borrower shall promptly pay such amount to the Trustee to be credited as part of the moneys originally invested.

ARTICLE VII

GENERAL COVENANTS

Section 7.01. Payment of Bonds. Each and every covenant made in this Indenture, including all covenants made in the several sections of this Article, is predicated upon the condition that any obligation for the payment of money incurred by the Issuer shall be payable solely from the Trust Estate. Nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Issuer.

The Issuer covenants to promptly pay, as provided herein, the principal of and interest on the Bonds when due solely from the Trust Estate at the place, on the date and in the manner provided herein and in the Bonds.

The Revenues are to be remitted by the Borrower directly to the Trustee for the account of the Issuer and constitute a part of the Trust Estate and are subject to the lien and claim created by this Indenture. Such amounts, in addition to the amounts held in the Project Fund, are to be sufficient in amount at all times to pay the principal of and interest on the Bonds. The entire

amount of Revenues (exclusive of the Reserved Rights) is assigned to secure the payment of the principal of and interest on the Bonds.

Section 7.02. Performance of Covenants.

(a) The Issuer covenants that it is duly authorized under the laws of the State to issue the Bonds, to enter into this Indenture and the Loan Agreement and to assign the Revenues, and that, upon issuance, authentication, and delivery, the Bonds are and will be valid and enforceable special limited obligations of the Issuer according to the import thereof.

(b) Subject to Section 7.01 above, the Issuer shall have no liability or obligation with respect to the payment of the purchase price of the Bonds. None of the provisions of this Indenture shall require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Trust Estate pledged hereunder, or the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any record keeping or to provide any legal services, it being understood that such services shall be performed or provided by the Trustee or the Borrower. The Issuer covenants that it will faithfully perform (to the extent within its reasonable control) at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in this Indenture, in every Bond executed, authenticated, and delivered hereunder, in the Loan Agreement and in all of its proceedings pertaining thereto; provided, however, that (a) except as required of the Issuer under the Documents and except for documents to be delivered by the Issuer on the Funding Date, the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Borrower or the Trustee, and (b) the Issuer shall have received the instrument to be executed, and, at the Issuer's option, shall have received from the Borrower assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its expenses incurred or to be incurred in connection with taking such action or executing such instrument.

(c) The Loan Agreement sets forth covenants and obligations of the Issuer and the Borrower, and reference is hereby made to the same for a detailed statement of said covenants and obligations. The Issuer agrees to cooperate in the enforcement of all covenants and obligations of the Borrower under the Loan Agreement and agrees that the Trustee, in its name, may enforce all rights of the Issuer (other than the Reserved Rights) and all obligations of the Borrower under and pursuant to the Loan Agreement and on behalf of the Bondholders, whether or not the Issuer has undertaken to enforce such rights and obligations.

(d) The Issuer shall, within the parameters established in the Resolution and subject to the terms and conditions of this Indenture and the Loan Agreement, perform such actions as are deemed necessary or desirable by it in connection with

the exchange of the Bonds for the Governmental Lender Note, including but not limited to the execution and delivery of the Funding Loan Agreement, Borrower Loan Agreement, and any document required by Citibank, N.A. in form substantially similar to that agreed upon prior to Closing, and the delivery of the Governmental Lender Note to be outstanding from and after the Funding Date which is to be exchanged for the Bonds issued pursuant to this Indenture on the Funding Date; provided that, all of the foregoing shall be done at the sole cost and expense of the Borrower and the payment of such costs and expenses (which may be through an escrow in form and substance satisfactory to the Issuer) shall be a condition precedent to such performance by the Issuer.

Section 7.03. Undertaking to Provide Ongoing Disclosure. Pursuant to Section 5.11 of the Loan Agreement, the Borrower has undertaken all responsibility for compliance with continuing disclosure requirements, and the Issuer and the Trustee, except with respect to the Trustee's duties under the Continuing Disclosure Agreement (if any), shall have no liability to the Owners of the Bonds or any other person with respect to Securities Exchange Commission Rule 15c2-12, as amended. Notwithstanding any other provision of this Indenture, failure of the Borrower to comply with the Continuing Disclosure Agreement shall not be considered a Default or an Event of Default hereunder or under the Loan Agreement; however, a Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the noncompliant Borrower to comply with its obligations under Section 5.11 of the Loan Agreement.

Section 7.04. Enforcement of Borrower's Obligations. So long as any of the Bonds are Outstanding, the Issuer (subject to Section 7.02(b)) will cooperate with the Trustee in enforcing the obligations of the Borrower to pay, or cause to be paid, all the payments and other costs and charges payable pursuant to the Loan Agreement. Nothing contained in this Section or in any other section of this Indenture shall be deemed to modify the provisions of the Ordinance and Section 2.09 hereof or require that the Issuer expend any of its own funds or assets to enforce the obligations of the Borrower under the Documents.

Section 7.05. Further Assurances, Instruments and Actions. Subject to Section 7.02(b), the Issuer will (at the sole cost and expense of the Borrower) from time to time, execute and deliver such further instruments, conveyances, assignments and transfers and take such further actions as may be reasonable and as may be required to better assure, convey, grant, assign or confirm the Trust Estate and all other rights, revenues or funds pledged, assigned or intended to be so pledged or assigned hereunder for the benefit of the owners of the Bonds; provided, however, that no such instruments or actions shall pledge the credit or taxing power of the State, the Issuer or any other political subdivision of the State, or create or give rise to any monetary obligation or liability of the Issuer. The Issuer shall be under no obligation to prepare, record, or file any such instruments referred to in this Section 7.05.

Section 7.06. Priority of Pledge. The Issuer covenants and agrees that it will not create any lien or claim upon the Revenues other than the liens and claims hereby created. Except for the assignment to the Trustee, the Issuer will not sell, lease or otherwise dispose of or encumber any of the Revenues, and will cooperate in causing to be discharged or satisfied any lien or charge on any part of the Trust Estate.

Section 7.07. Borrower To Indemnify and Hold Issuer, The Other Issuer Indemnified Parties and Trustee Harmless From Liability. The Borrower has agreed to indemnify and hold the Issuer, the other Issuer Indemnified Parties and the Trustee harmless from and against liability arising out of Liabilities as provided in Sections 6.02 and 7.04 of the Loan Agreement.

Section 7.08. Tax-Exempt Status of Bonds. The Issuer and the Trustee each agrees that it will not (a) take any action (reasonably within its control and subject to Section 7.02(b)), (b) fail to take any action it is required to take in accordance with this Indenture, the Loan Agreement or the Arbitrage Certificate or (c) make any use of the Project or the proceeds of the Bonds, which it actually knows would cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes (except for minimum or preference tax purposes or other indirect taxation). In connection with the foregoing, the Issuer and the Trustee may conclusively rely upon the advice of Bond Counsel.

ARTICLE VIII

DISCHARGE

Section 8.01. Discharge of Lien. If and when the Bonds secured hereby shall become due and payable in accordance with their terms as provided in this Indenture, or otherwise, and the whole amount of the principal and the interest so due and payable upon all of the Bonds, together with all other amounts payable hereunder by the Issuer and all fees, costs and expenses of the Trustee and its counsel and the Issuer (including, without limitation, all fees, costs and expenses owed in connection with the Reserved Rights), shall be paid, or provision shall have been made for the payment of the same, then the right, title and interest of the Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, upon written request of the Issuer (as directed by the Borrower) and subject to the provisions of Section 5.05 hereof, the Trustee shall turn over to the Borrower, so long as there shall have occurred no Event of Default which is uncured and continuing, any surplus in the Bond Fund and all balances remaining in any other fund created under this Indenture and shall assign and transfer to the Borrower all other property then held by the Trustee under this Indenture and shall execute such documents as may be reasonably required by the Issuer.

If and when the Trustee shall hold sufficient moneys hereunder, as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations, to provide for payment of the whole amount of the principal and interest due and payable and thereafter to become due and payable upon all the Bonds, together with all other amounts (exclusive of amounts in the Rebate Fund or the Expense Fund) payable or which may thereafter become payable hereunder by the Issuer, notwithstanding that all the Bonds have not yet become due and payable and that consequently the right, title and interest of the Trustee in and to the Trust Estate shall not have ceased, terminated and become void pursuant to the foregoing provisions of this Section 8.01, the Trustee, on demand of the Issuer (which shall be requested by the Borrower) but subject to the provisions of Section 5.05 hereof, shall turn over to the Borrower, so long as there shall have occurred no Event of Default which is uncured and continuing, or to such person, body or authority as may be entitled to receive the same, any surplus in the Bond Fund in excess of the amount sufficient to pay the whole amount of

the principal and interest due and payable and thereafter to become due and payable upon all Bonds together with all other amounts payable or which may thereafter become payable hereunder by the Issuer.

All Outstanding Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed above if (a) there shall have been deposited with the Trustee (as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations) either (i) moneys in an amount which shall be sufficient, or (ii) Governmental Obligations which are not subject to redemption prior to maturity, the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal and interest due and to become due on such Bonds on the maturity date thereof, and (b) the Issuer (at the direction of the Borrower and subject to Section 7.02(b)) shall have given the Trustee, in form satisfactory to it irrevocable instructions to give, as soon as practicable, a notice to the Holders of such Bonds and the Rating Agency that the deposit required by subclause (a) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating such maturity upon which moneys are to be available for the payment of the principal of and interest on such Bonds. The Borrower shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Governmental Obligations deposited pursuant to this Section 8.01 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Bonds.

Neither the securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on such Bonds; provided that any cash received from such principal or interest payments on such securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested, as directed by the Borrower, in Governmental Obligations (including any short-term investment fund rated Aaa or MIG 1 by the Rating Agency and secured by and investing solely in Governmental Obligations) maturing at times and in amounts sufficient to pay when due the principal and interest to become due on such Bonds on and prior to such maturity dates thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Borrower, as received by the Trustee, free and clear of any trust, lien or pledge.

The release of the obligations of the Issuer under this Section 8.01 shall be without prejudice to the right of the Trustee provided in Section 10.04 hereof to be paid compensation for all services rendered by it hereunder and all its fees, expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on behalf of the Trustee in connection with the trust hereby created and the performance of its powers and duties hereunder, and shall not affect the obligations of the Borrower to make the payments required by the Loan Agreement or the Note.

Section 8.02. Survival. Notwithstanding the payment in full of the Bonds, the discharge of this Indenture, and the termination or expiration of the Note and the Loan Agreement and any security or collateral agreements delivered in connection therewith, all provisions in this Indenture concerning (a) the tax-exempt status of the Bonds (including, but not limited to provisions

concerning rebate), (b) the interpretation of this Indenture, (c) the governing law, (d) the forum for resolving disputes, (e) the Issuer's right to rely on facts or certificates, (f) the indemnity of the Issuer Indemnified Parties and Trustee from liability (pecuniary or otherwise) and their rights to receive payment or reimbursement with respect thereto, and (g) the lack of pecuniary liability of the Issuer and the State, shall survive and remain in full force and effect.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Events of Default and Acceleration. If any of the following events occur, it is hereby defined as and declared to be and constitute an "Event of Default:"

- (a) any interest on any Bond is not paid on the date on which the same becomes due; or
- (b) any principal of any Bond is not paid on the date on which the same becomes due, whether at the stated maturity thereof, by acceleration or otherwise; or
- (c) an Event of Default occurs under the Loan Agreement; or
- (d) the Issuer fails to duly and promptly perform, comply with, or observe any covenant, condition, agreement or provision (other than as specified in (a) or (b) of this Section 9.01) contained in the Bonds or in this Indenture on the part of the Issuer to be performed, and such failure shall continue for a period of 90 days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Issuer, the Borrower and the Investor Limited Partner by the Trustee, which notice may be given by the Trustee and shall be given at the written request of the Holders of not less than 100% in principal amount of the Bonds then Outstanding; provided, however, that if such default be such that it is correctable but cannot be corrected within 90 days, it shall not be an Event of Default if the Issuer, the Borrower or the Investor Limited Partner is taking appropriate corrective action to cure such failure and if such failure will not impair the security for the Loan or the Bonds.

If any Loan payment required under the Loan Agreement to avoid a default under (a) or (b) of this Section shall not have been received at the close of business on the last Business Day preceding the day on which payment must be made to avoid a default under such (a) or (b), the Trustee shall use its best efforts to give telephonic notice of such default to the Borrower and the Investor Limited Partner, which telephonic notice shall be confirmed by written notice to the Borrower. If any other default shall occur under the provisions of this Section, the Trustee shall, within five days after having actual knowledge of such default in accordance with Section 10.05 hereof, use its best efforts to give written notice of such default to the Issuer, the Borrower, the Investor Limited Partner, and the Holders of the Bonds. A default or an Event of Default specified in (a) through (d) above shall occur even though the Trustee fails to give the notice required by this paragraph, the giving of such notice being intended solely to aid in the enforcement of the

rights of Bondholders and not in limitation of such rights and the Trustee incurring no liability for failure or defect in giving such notice.

If an Event of Default specified in (a) or (b) of this Section 9.01 shall occur and be continuing for 30 days the Trustee shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Investor Limited Partner and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in this Indenture or in the Bonds to the contrary notwithstanding.

If an Event of Default specified in (c) or (d) of this Section 9.01 shall occur and be continuing, the Trustee, upon written request of the Holders of a majority in principal amount of the Bonds then Outstanding shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Investor Limited Partner and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in this Indenture or in the Bonds to the contrary notwithstanding.

The Investor Limited Partner shall be entitled to cure any Event of Default hereunder within the time frame provided to the Borrower. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Investor Limited Partner shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 9.02. Trustee To Enforce Rights of Issuer. Only in accordance with the provisions of this Indenture, the Trustee, as the assignee of all the right, title and interest of the Issuer in and to each of the documents constituting a part of the Trust Estate (except the Reserved Rights), may enforce the rights granted to the Issuer pursuant to such documents. In the enforcement of any rights or remedies under such documents, no provision of such documents shall require, and none shall be construed to require, that the Trustee post a bond or establish any surety of any kind as a condition precedent to exercising any such rights or remedies.

Section 9.03. Remedies in Addition to Acceleration. Upon the occurrence of, and during the continuance of, any Event of Default, then and in every such case the Trustee in its discretion may, and upon the written request of the Holders of not less than 51% in principal amount of the Bonds then Outstanding and receipt of satisfactory indemnity shall (in addition to its right or duty to accelerate as provided in Section 9.01):

- (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Issuer or the Borrower to carry out any agreements with or for the benefit of the Bondholders and to perform its or their duties under the Ordinance and the Documents, provided, however, that any claim against the Issuer shall be strictly limited to the Trust Estate;
- (b) bring suit upon the Bonds; or
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

Section 9.04. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any default or Event of Default shall have been discontinued or abandoned for any reason, the default or Event of Default has been cured, or shall have been determined adversely to the Trustee, then and in every such case, the Issuer, the Trustee, the Bondholders, and the Borrower shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.05. Right of Bondholders To Direct Proceedings. No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or any other remedy hereunder or on the Bonds, unless such Holder previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless also the Holders of not less than 51% in principal amount of the Bonds then outstanding shall have made written request of the Trustee to do so, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its or their name; and unless there also shall have been offered to the Trustee security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, to be conditions precedent to the execution of the trusts of this Indenture or for any other remedy hereunder; it being understood and intended that no one or more Holders of the Bonds hereby secured shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of this Indenture, or the rights of any other Holder, or to enforce any right hereunder or under the Bonds, except in the manner herein provided and for the equal benefit of all Holders of Outstanding Bonds. For purposes of the foregoing sentence, the Trustee shall be deemed to have failed to act within a reasonable time if it fails to take action within 60 days after receipt of notice and compliance with the foregoing terms and conditions, whereupon, the Holders of 51% aggregate principal amount of the Bonds may take such action in the place of the Trustee. Nothing contained in this Indenture shall, however, affect or impair the right of any Holder of Bonds to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest (solely from the Trust Estate), on each of the Bonds issued hereunder to the respective Holders of the Bonds at the time, place, from the source and in the manner herein and in such Bonds expressed.

Section 9.06. Remedies Vested in Trustee. All rights of action under this Indenture or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Holders of the Bonds, subject to the provisions of this Indenture.

Section 9.07. Remedies Non-Exclusive and Cumulative. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.08. Delays or Omissions by Trustee. No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or any acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.09. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article IX shall, after payment of the fees, costs and expenses of the proceedings resulting in the collection of such moneys and of the accrued fees, expenses, disbursements and advances (including without limitation attorneys' fees and expenses) incurred or made by the Trustee, and then to the accrued Issuer Fees and Expenses or other amounts due and owing to the Issuer or the Issuer Indemnified Parties (including, without limitation, any amounts owed in connection with the Reserved Rights and indemnification due to the Issuer and the Issuer Indemnified Parties in accordance with the Loan Agreement), be deposited in the Bond Fund and all moneys so deposited in the Bond Fund during the continuance of an Event of Default (other than moneys for the payment of Bonds which have matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default, which moneys shall continue to be held for such payments) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the direct order of the maturity of the installments of such interest and, if the amounts available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second - To the payment to the persons entitled thereto of the unpaid principal, on any of the Bonds, which shall have become due (other than Bonds which have matured or otherwise become payable prior to such Event of Default and moneys for the payment of which are held in the Bond Fund or otherwise held by the Trustee), and if the amount available shall not be sufficient to pay in full the amount of principal, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege;

Third - To the payment to the persons entitled thereto of all other of the Issuer's Obligations and the Borrower's Obligations, and, if the amount available shall not be sufficient to pay such Borrower's Obligations in full, then to the payment ratably, according to the amounts then due, to the persons entitled thereto without discrimination or privilege; and

Fourth - The remainder, if any, shall be paid over to the Borrower, its successors or assigns, or whomever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal of and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto without any discrimination or privilege. Any remaining funds shall be applied in accordance with the paragraphs designated “Third” and “Fourth” of subsection (a) above.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts or principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 9.10. Severability of Remedies. It is the purpose and intention of this Article to provide rights and remedies to the Trustee and Bondholders which may be lawfully granted under the applicable laws of the State, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture and by law.

ARTICLE X

THE TRUSTEE AND REMARKETING AGENT

Section 10.01. Acceptance of Trusts. The Trustee hereby accepts the trusts hereby created and agrees to perform and execute such trusts, but only upon the additional terms set forth in this Article, to all of which the Issuer agrees and the respective Holders of the Bonds agree upon and by their acceptance of delivery of any of the Bonds. The Trustee, prior to the occurrence of an event of default and after the curing of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations should be read into this Indenture against the Trustee.

Section 10.02. Trustee Not Responsible for Recitals, Statements and Representations. Except as otherwise expressly provided herein, any representations by the Issuer in this Indenture or in the Bonds contained shall be taken and construed as made by and on the part of the Issuer,

and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

Except for information, if any, provided by the Trustee concerning the Trustee, the Trustee shall have no responsibility or liability for any information, statement or recital in any Official Statement or other disclosure material distributed with respect to the Bonds, and the Trustee shall have no responsibility or liability for compliance with any state or federal securities laws in connection with the Bonds.

Section 10.03. Action by Trustee Through and In Reliance Upon Others. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, receivers or employees. The Trustee shall be entitled to advice of counsel concerning all matters of trust and its duties hereunder. The Trustee may act upon advice or an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction taken, suffered or omitted by it in good faith and in accordance with such advice or Opinion of Counsel. The Trustee may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may be reasonably employed in connection with the trusts hereof, such compensation to be paid as described under Section 10.04 hereof. The Trustee shall not be answerable for the exercise of any discretion or power under this Indenture or for anything whatever in connection with the trust, except only for gross negligence or willful misconduct with respect to its responsibilities hereunder.

Except for gross negligence or willful misconduct, no personal recourse may be taken, directly or indirectly, against any officer, director, employee or agent of the Trustee with respect to the obligations of the Trustee under this Indenture or any certificate or other writing delivered in connection therewith. The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties and functions under this Indenture shall extend to the Trustee's officers, directors, agents and employees.

The Trustee's rights, privileges, benefits, immunities and protections from liability and its right to payment of compensation and indemnification in connection with performance of its duties and functions under this Indenture shall survive the Trustee's resignation or removal and the final payment of the Bonds.

Section 10.04. Fees and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement of such fees as the Trustee and the Borrower shall agree upon, in writing from time to time, or in the absence of such agreement, to payment and/or reimbursement of fees and expenses, for its services rendered hereunder, and all advances, disbursements, counsel fees and expenses and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Any amounts payable to the Trustee pursuant to this Section 10.04 shall be payable upon demand.

Section 10.05. Trustee's Obligations To Take or Have Notice of Default. The Trustee shall not be required to take notice, or to be deemed to have notice, of any default under this Indenture other than a default under Section 9.01(a) or Section 9.01(b) hereof, unless it has actual knowledge of such default and is specifically notified in writing of such default by the Issuer or by the Holders of not less than 25% in principal amount of the Bonds then Outstanding.

Section 10.06. Duties of Trustee.

- (a) If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.
- (b) Except during the continuance of an Event of Default,
 - (i) The Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee, and
 - (ii) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee.
- (c) The Trustee may not be relieved from liability for its own grossly negligent action, its own grossly negligent failure to act or its own willful misconduct, except that
 - (i) This paragraph does not limit the effect of paragraph (b) of this Section,
 - (ii) The Trustee shall not be liable for any error of judgment made in good faith by the Trustee, unless it is proved that the Trustee was grossly negligent in ascertaining the pertinent facts,
 - (iii) The Trustee shall not be liable with respect to any action it takes or omits to take or suffers in good faith in accordance with a direction received by it in accordance with this Indenture relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture and the other Documents, and
 - (iv) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.
- (d) The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability, fee, cost, or expense, but the Trustee shall not require indemnity as a condition to making any payments of principal or interest on the Bonds, or declaring the principal of and interest on the Bonds to be due immediately hereunder.
- (e) The Trustee's rights, privileges, benefits, immunities and protections from liability and its right to indemnification in connection with the performance of its

duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees in each of its capacities hereunder. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Indenture and final payment of the Bonds.

(f) Except as otherwise provided in this Article, the Trustee shall be under no obligation to take any action in respect of any default or otherwise, or toward the execution or enforcement of any of the trusts hereby created, or to institute, appear in or defend any suit or other proceeding in connection therewith, unless requested in writing to do so by the Holders of not less than 51% in principal amount of the Bonds then Outstanding, and if in its opinion such action may tend to involve it in expense or liability, unless furnished, from time to time as often as it may require, with security and satisfactory indemnity. The foregoing provisions are intended only for the protection of the Trustee, and shall not affect any discretion or power given by any provision of this Indenture to the Trustee to take action in respect of any default without such notice or request from the Bondholders, or without such security or indemnity.

(g) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, pandemics, epidemics, recognized public emergencies, quarantine restrictions, nuclear or natural catastrophes or acts of God, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, and hacking, cyber-attacks, or other use or infiltration of the Trustee's technological infrastructure exceeding authorized access.

(h) Delivery of any reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's or Borrower's compliance with any of its covenants hereunder. The Trustee shall have no duty to review or make independent investigation with respect to any reports, information and documents received by the Trustee in connection herewith or with the Loan Agreement, and shall hold the same solely as repository.

(i) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a) through (f) of this Section.

(j) No later than July 31 of each year, commencing July 31, 2026, the Trustee shall deliver to the Issuer by email, regular mail, telephone message, or hand delivery, a report stating the principal amount of the Bonds Outstanding as of June 30 of such year. If July 31 does not fall on a Business Day, then the report shall be delivered on the next Business Day.

Section 10.07. Trustee May Make Advances To Effect Performance. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture other than the covenants or agreements in respect of the payment of the principal of and interest on the Bonds, the Trustee may, in its absolute discretion and without notice to the Bondholders, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation to do so; and any and all moneys paid or advanced by the Trustee for any such purposes shall be a claim in favor of the Trustee upon the Trust Estate prior to the claim of the Bonds; but no such advance shall operate to relieve the Issuer from any default hereunder.

Section 10.08. Trustee May Rely Upon Instruments. The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon and shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any indenture, notice, Electronic Means, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition, instrument, report, direction or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board, body or person or to have been prepared and furnished pursuant to any of the provisions of this Indenture or the Documents, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements, and shall be protected and shall incur no liability in acting or proceeding in good faith in reliance thereon. The Trustee shall not be bound to recognize any person as a Holder of any Bond or to take any action at his request unless such Bond shall be deposited with the Trustee or satisfactory evidence of the ownership of such Bond shall be furnished to the Trustee. The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Borrower, personally or by agent or attorney at the sole cost of the Borrower and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

Section 10.09. Trustee May Own and Deal in Bonds and Deal With Issuer and Borrower. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee, either as principal or agent, may also engage in or deal with or be interested in any financial or other transaction with the Issuer or the Borrower or any related entity, and may act as depository, trustee, or agent for any committee or body of Holders of the Bonds secured hereby or other obligations of the Issuer as freely as if it were not Trustee hereunder.

Section 10.10. Financial Liability of the Trustee. No provision of this Indenture will require the Trustee to expend or risk its own funds or otherwise incur or risk any financial liability in the performance of any of its duties under this Indenture, or in the exercise of any of its rights or powers if it will have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Except as may otherwise be provided in this Indenture, the Trustee will have the right to demand, in respect to the authentication of any Bonds or the release of any property, any showings, certificates, opinions (including Opinions of Counsel), appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof or of the Loan Agreement required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer or the Borrower to the authentication of any Bonds, or the release of any property.

Section 10.11. Trustee May Construe Ambiguous or Inconsistent Provisions. The Trustee may construe any of the provisions of the Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provisions hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Bondholders.

Section 10.12. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Indenture by giving not less than 60 days written notice to the Issuer (with a copy to the Borrower and the Investor Limited Partner) specifying the date when such resignation shall take effect and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, in which event such resignation shall take effect immediately on the appointment of such successor, provided that such resignation shall not take effect unless and until a successor shall have been appointed.

Section 10.13. Removal of Trustee. The Trustee shall be removed by the Issuer, upon 30 days written notice, if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Issuer, and signed by the Holders of a majority in principal amount of the Bonds then Outstanding or their attorney-in-fact duly authorized, excluding any Bonds held by or for the account of the Issuer. The Issuer may also remove the Trustee at any time, except during the existence of any Event of Default as defined in Section 9.01 hereof, for cause or breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with any provision of this Indenture with respect to the duties and obligations of the Trustee by filing with the Trustee an instrument signed by an Authorized Issuer Representative. A copy of each such instrument providing for any such removal shall be delivered by the Issuer to any Bondholder who shall have filed its name and address with the Issuer and, if requested, to the Borrower and the Investor Limited Partner; provided that such removal shall not take effect unless and until a successor shall have been appointed.

Section 10.14. Appointment of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, the Issuer covenants and agrees that it will thereupon appoint a successor Trustee as directed in writing by the Borrower.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provision of this Section within 45 days after the Trustee shall have given to the Issuer written notice, as provided in Section 10.12 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee (at the expense of the Borrower) or the

Holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, prescribe and appoint a successor Trustee.

Any successor Trustee appointed under the provision of this Section 10.14 in succession to the Trustee shall be a bank or trust company or national banking association with trust powers, having a combined capital, surplus and undivided profits of at least \$50,000,000 if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

Section 10.15. Appointment of Successor Trustee by Court. In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the retiring Trustee may forthwith (at the expense of the Borrower) apply to a court of competent jurisdiction for the appointment of a successor Trustee. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article within six months after a vacancy shall have occurred in the office of Trustee, the Holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Trustee. A successor Trustee under Sections 10.14 and 10.15 shall notify the Borrower and the Investor Limited Partner, in writing, after being so appointed.

Section 10.16. Acceptance of Trust by Successor Trustee. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the Rating Agency an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without further act, deed or conveyance, shall become duly vested with all the estates, property, rights, powers, trust, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. Upon request of such Trustee and payment of amounts owing to the Trustee ceasing to act, the Trustee ceasing to act and the Issuer (subject to Section 7.02(b)) shall execute and deliver an instrument transferring to such successor Trustee all the estates, property, rights, powers and trusts hereunder of the Trustee so ceasing to act, and the Trustee so ceasing to act shall pay over to the successor Trustee all moneys and other assets at the time held by it hereunder.

Section 10.17. Merger or Consolidation of Trustee With Another Corporation. Any organization or entity into which any Trustee hereunder may be merged or with which it may be consolidated, or any organization or entity resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or substantially as a whole, shall be and become the successor Trustee under this Indenture and shall have succeeded to the rights, powers, duties, immunities and privileges as its predecessor without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.18. Action of Trustee During Existence of an Event of Default. Notwithstanding any other provisions of this Article, the Trustee shall, during the existence of an Event of Default actually known to the Trustee, exercise such of the rights and powers vested in it

by the Indenture and use the same degree of skill and care in their exercise as a prudent person would use and exercise under the circumstances.

Section 10.19. Notice of an Event of Default. Notwithstanding anything herein to the contrary, upon the occurrence of an Event of Default actually known to the Trustee in accordance with Section 10.05 hereof, the Trustee shall within 30 days give written notice thereof to the Issuer, the Borrower, the Investor Limited Partner, the Rating Agency and to each Bondholder at its last address appearing upon the registration books of the Issuer kept by the Trustee unless such Event of Default shall have been cured before the giving of such notice.

Section 10.20. Trustee May Intervene. In any judicial proceeding to which the Issuer is a party and which, in the reasonable opinion of the Trustee and its counsel, has a substantial bearing on the interests of Holders of the Bonds, the Trustee may intervene on behalf of the Holders of the Bonds and shall, upon receipt of satisfactory indemnity do so if requested in writing by the Holders of not less than 51% in principal amount of Bonds then outstanding, if such intervention is permitted by the court having jurisdiction in the premises.

Section 10.21. Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any Bonds which remain unclaimed for a period up to six months, prior to the date when such moneys would escheat under applicable law and after the date when such Bonds have become due and payable either at their stated maturity dates, if such moneys were held by the Trustee at such date, or for a period up to six months prior to the date when such moneys would escheat under applicable law if deposited with the Trustee after such date when all Bonds became due and payable, shall be paid by the Trustee to the Borrower without liability for interest thereon as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged. Thereafter, any person having a claim against any such moneys shall look solely to the Borrower for payment of the same.

Section 10.22. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of trust companies, banking corporations or national associations to transact business as a trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Loan Agreement, and in particular in case of the enforcement thereof on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such

powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Consent in writing from the Issuer shall be required prior to the appointment of the separate or co-trustee by the Trustee. All such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer at the expense of the Borrower. In case any separate or co-trustee or a successor to either shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-trustee, so far as permitted by law and so approved by the Issuer, shall vest in and be exercised by the Trustee until the appointment of a successor to such separate or co-trustee. The Trustee shall notify the Borrower and the Investor Limited Partner, in writing, of any co-trustee appointed under this Section. No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder, and the Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

Section 10.23. The Remarketing Agent. The Remarketing Agent identified in Section 1.01 hereof shall serve as the Remarketing Agent for the Bonds. The Remarketing Agent shall designate to the Trustee its Designated Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower (and, if requested, the Investor Limited Partner) and the Trustee. In addition, the Remarketing Agent will agree particularly to:

- (a) keep such records relating to its computations of interest rates for the Bonds as shall be consistent with prudent industry practice and to make such records available for inspection by the Issuer, the Trustee, the Investor Limited Partner and the Borrower at all reasonable times; and
- (b) perform all of its functions and duties under this Indenture.

The Remarketing Agent shall be entitled to advice of legal counsel on any matter relating to the Remarketing Agent's obligations hereunder and shall be entitled to act upon the opinion of such counsel in the exercise of reasonable care in fulfilling such obligations.

The Remarketing Agent shall be entitled to appoint additional co-Remarketing Agents to assist in the performance of the Remarketing Agent's obligations under this Indenture, and any such appointment shall be effective without any action of the Issuer. Additionally, any such co-Remarketing Agent, shall have a capitalization of at least \$5,000,000, or shall have a line of credit with a commercial bank in the amount of at least \$5,000,000, shall be in conformity with all standards and requirements of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent shall take responsibility for any co-Remarketing Agent it appoints pursuant to this Section 10.23.

Section 10.24. Qualifications of Remarketing Agent. The Remarketing Agent shall be a member in good standing of the Financial Industry Regulatory Authority and shall be authorized by law to perform all the duties imposed upon it by this Indenture. Subject to the terms of the Remarketing Agreement, the Remarketing Agent may at any time resign and be discharged of the

duties and obligations created by this Indenture by giving at least 30 days' notice of such resignation to the Issuer, the Borrower, the Investor Limited Partner, the General Partner and the Trustee. The Remarketing Agent may be removed, with prior notice to the Issuer, at any time by the Borrower, with at least 30 days' notice of such removal to the Remarketing Agent.

Upon any resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any money and Bonds held by it in such capacity to its successor.

The Trustee, within 30 days of the resignation or removal of the Remarketing Agent or the appointment of a successor Remarketing Agent, shall give notice thereof by registered or certified mail to the Rating Agency (if the Bonds are then rated) and to the Holders of the Bonds. The Trustee shall incur no liability for failure to give any such notice.

Section 10.25. Notices to Rating Agency and Remarketing Notice Parties. The Trustee shall notify the Rating Agency and the Remarketing Notice Parties of (a) the occurrence of an Event of Default of which the Trustee has actual notice in accordance with Section 10.05 hereof, (b) the occurrence of any monetary or other material default under the Loan of which the Trustee has actual notice, (c) any change in the identity of the Trustee, (d) any amendments, modifications, supplements or changes to this Indenture, the Loan Agreement, the Note or the Bonds, including any extension of principal or modification of interest or redemption premium due on any of the Bonds, in each case only in the event the Trustee has actual notice, (e) any change or proposed change in the structure or identity of the Borrower of which the Trustee has actual knowledge, (f) any change or notification of proposed change of the Mandatory Tender Date or Remarketing Date, (g) any partial prepayment of the Loan or the giving of notice of the call for redemption of any Bonds, (h) any change in the investment of funds subject to the lien of this Indenture, (i) any defeasance or acceleration of the Bonds hereunder, (j) any change in the Remarketing Agent or the Mortgage Lender of which the Trustee has actual knowledge, or (k) any sale of Eligible Investments below par, as shown in a Cash Flow Projection delivered to the Rating Agency prior to the sale date; provided that the Trustee shall incur no liability for failure to give any such notice.

Section 10.26. Financing Statements. Pursuant to Section 5.05 of the Loan Agreement, the Borrower shall perfect or shall otherwise cause to be perfected any security interest created hereunder by the filing of financing statements which fully comply with State law. Notwithstanding the foregoing, the Trustee shall file all necessary continuation statements prepared and delivered to it by the Borrower with respect to any such original financing statements of which a legible copy showing the date and place of filing, is delivered to the Trustee, at the expense of the Borrower within the time prescribed by the State's law. Notwithstanding anything to the contrary herein or in any other document, the Issuer shall have no responsibility for the preparation, filing or monitoring of any financing statements, continuation statements, termination statements or other filings under State U.C.C. provisions or other applicable law.

Section 10.27. Trustee Delivery of Information to Borrower and Investor Limited Partner. The Trustee shall furnish to the Borrower and the Investor Limited Partner all information reasonably requested by the Borrower and the Investor Limited Partner with respect to the Bonds and the investment of funds and accounts maintained by the Trustee hereunder.

Section 10.28. Trustee Delivery of Information to Rating Agency. Upon written request by the Borrower or the Rating Agency, the Trustee shall furnish to the Borrower and the Rating Agency all information reasonably requested by the Borrower or the Rating Agency with respect to the Bonds and the investment of funds and accounts maintained by the Trustee hereunder. The Trustee agrees to the foregoing as a matter of courtesy and accommodation only and shall not be liable to any Person for any failure to comply therewith.

ARTICLE XI

MODIFICATION OF INDENTURE AND OTHER DOCUMENTS

Section 11.01. Limitation on Amendments to this Indenture. This Indenture shall not be modified or amended in any respect except as provided in accordance with and subject to the provisions of this Article.

Section 11.02. Amendments to Indenture and Loan Agreement Not Requiring Consent of Bondholders.

(a) The Issuer and the Trustee may, from time to time and at any time, without the consent of Bondholders, enter into agreements supplemental to this Indenture and the Loan Agreement as follows:

(i) to specify and determine any matters and things relative to Bonds which shall not materially adversely affect the interest of the Bondholders;

(ii) to cure any formal defect, omission or ambiguity in this Indenture or the Loan Agreement if such action does not materially adversely affect the rights of the Bondholders;

(iii) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Indenture as heretofore in effect;

(iv) to add to the covenants and agreements of the Issuer in this Indenture or the Loan Agreement other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with this Indenture or the Loan Agreement as theretofore in effect;

(v) to add to the limitations and restrictions in this Indenture or the Loan Agreement, other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with this Indenture or the Loan Agreement as theretofore in effect;

(vi) to confirm, as further assurance, any pledge under and the subjection to any claim, lien or pledge created, or to be created by, this Indenture, of the Revenues or of any other moneys, securities or funds; or

(vii) to modify, amend or supplement this Indenture or the Loan Agreement in any respect which, pursuant to an Opinion of Counsel, is not materially adverse to the interests of the owners of the Bonds.

(b) Before the Issuer shall enter into any agreement supplemental to this Indenture pursuant to this Section, there shall have been filed with the Trustee an opinion of Bond Counsel stating that (1) such supplemental indenture is authorized or permitted by this Indenture and complies with its terms, and that upon adoption it will be the legal, valid and binding obligation of the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

(c) The Trustee shall send written notice to the Borrower, the Investor Limited Partner and the Rating Agency of any amendment to this Indenture or the Loan Agreement and, if requested, copies of any such amendments.

(d) Notwithstanding the foregoing, the Issuer and the Trustee may not, without the prior written consent of Mortgage Lender and CHA, amend this Indenture in any manner that adversely affects the rights and interests of the Mortgage Lender and CHA to receive notices hereunder or the rights of the Mortgage Lender or CHA with respect to any of the trust funds established under Section 4.01, including, with respect to Sections 4.08 and 5.02.

Section 11.03. Amendments to Indenture Requiring Consent of Bondholders.

(a) Subject to the terms and provisions contained in this Section and not otherwise, the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, to consent to and approve the execution and delivery by the Issuer and the Trustee of any agreement supplemental to this Indenture as shall be deemed necessary or desirable by the Issuer and the Trustee for the purposes of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Indenture; provided, however, that, unless approved in writing by the Holders of all of the Bonds then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the terms of maturity of the principal of or the interest on any Outstanding Bond, or a reduction in the principal amount of any Outstanding Bond or the rate of interest thereon, or (ii) the creation of a claim or lien upon, or a pledge or assignment of, the Trust Estate ranking prior to or on a parity with the claim, lien, assignment or pledge created by this Indenture, or the release of the Trust Estate or any part thereof (except to the extent permitted pursuant to the Documents), or (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for any action or consent by Bondholders set forth in this Indenture, including (without limitation) that required for consent to such supplemental indentures. This Section shall not limit or otherwise affect the ability of the Issuer

to enter into agreements supplemental to this Indenture without the consent of the Bondholders pursuant to Section 11.02 hereof.

(b) If at any time the Issuer and the Trustee shall determine to enter into any supplemental indenture for any of the purposes of this Section, the Trustee shall cause written notice of the proposed supplemental indenture to be given to all Holders of the Bonds; provided, however, that failure to give such notice or any defect therein, shall not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that a copy thereof is on file at the Trust Office for inspection by all Bondholders.

(c) Within 120 days after the date of giving such notice, the Issuer and the Trustee may enter into such supplemental indenture in substantially the form described in such notice only if there shall have first been filed with the Issuer (i) the written consents of Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding (or 100% if required hereunder) and (ii) an Opinion of Counsel stating that (1) such supplemental indenture is authorized or permitted by this Indenture and complies with its terms, and that upon adoption it will be the legal, valid and binding obligation of the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the excludability of interest on the Bonds from gross income for federal income taxes.

(d) If the Holders of not less than the percentage of Bonds required by this Section shall have consented to and approved the supplemental indenture as herein provided, no Holder of any Bond shall have any right to object to such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety thereof, or to enjoin or restrain the Issuer or the Trustee from entering into the same or from taking any action pursuant to the provisions thereof.

(e) Upon the effectiveness of any supplemental indenture entered into pursuant to the provisions of this Section, this Indenture shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Issuer, the Trustee and all Holders of Bonds then outstanding shall thereafter be determined, exercised and enforced under this Indenture subject in all respects to such modifications and amendments.

(f) The Trustee shall send written notice to the Rating Agency of any amendment to this Indenture. The Trustee shall incur no liability for failure to give any such notice.

Section 11.04. Supplemental Indentures Part of Indenture. Any supplemental indenture entered into in accordance with the provisions of this Article shall thereafter form a part of this Indenture and all the terms and conditions contained in any such supplemental indenture as

to any provision authorized to be contained therein shall be and shall be deemed to be a part of the terms and conditions of this Indenture for any and all such purposes.

Section 11.05. Required Consent. Notwithstanding anything herein to the contrary, the Trustee shall not be required to enter into or consent to any supplemental indenture or any amendment of any other Document that would affect the rights, obligations, powers, privileges, indemnities, immunities or other security provided the Trustee herein or therein, except to the extent necessary, as set forth in an opinion of Bond Counsel, to preserve the excludability of interest on the Bonds from gross income for federal income tax purposes. Further, notwithstanding anything herein to the contrary, as long as no default has occurred and is continuing under any of the Documents, any supplemental indenture under this Article shall not become effective unless and until the Borrower shall have consented in writing to such supplemental indenture, and to any related revisions of the Loan Agreement, the Tax Regulatory Agreement or any of the other Documents to be affected.

Section 11.06. Amendments to Documents Requiring Consent of Bondholders. Except as provided in Section 11.02 of this Indenture, the Issuer and the Trustee shall not consent to any amendment, change or modification of the Documents without the giving of written notice and the written approval or consent of the Holders of the Bonds at the time Outstanding, given and procured as provided in Section 11.03 hereof; provided, however, no such separate approval or consent shall be required in connection with the issuance of refunding bonds if any required consent of the required number of Holders to the issuance thereof shall have been previously obtained. If at any time the Issuer and the Borrower shall request in writing the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall cause notice of such proposed amendment, change, or modification to be given in the same manner as provided by Section 11.03 hereof with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Trust Office for inspection by all Bondholders.

Section 11.07. Amendment, Restatement, and Supersession. On the Funding Date, and upon the execution and delivery of the Funding Loan Agreement, the Borrower Loan Agreement, and the Governmental Lender Note, this Indenture, the Loan Agreement, and the Bonds shall be deemed amended, restated and superseded in full by the terms thereof, and at such time all of the Trustee's duties and obligations with respect to the Bonds, the Governmental Lender Note, this Indenture, the Loan Agreement, and the related documents (other than the Tax Regulatory Agreement in accordance with the terms thereof) will cease and terminate. The requirements of Sections 11.03 through 11.06 hereof shall not apply to such amendment and restatement.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Issuer's Successors. In the event of the dissolution of the Issuer, all the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of, or for the benefit of, the Issuer, shall bind or inure to the benefit of the successors of the Issuer from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the Issuer shall be transferred.

Section 12.02. Indenture for Benefit of Issuer, Trustee and Bondholders. Except as herein otherwise specifically provided and subject to the final sentence of this Section 12.02, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any person, other than the Issuer, the Trustee and the Holders of the Bonds, any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the Issuer and the Trustee and the Holders of the Bonds; provided that this Indenture shall also be for the benefit of the Borrower, the Investor Limited Partner and the Borrower and the Investor Limited Partner shall be deemed to be third-party beneficiaries of and in connection with those matters in which the terms of this Indenture fairly construed are indicative that they are for the benefit of the Borrower or the Investor Limited Partner. Notwithstanding anything herein to the contrary, each of the Issuer Indemnified Parties, other than the Issuer, are intended third party beneficiaries of this Indenture.

Section 12.03. Severability. In case any one or more of the provisions of this Indenture or of the Bonds for any reason, is held to be illegal or invalid such illegality or invalidity shall not affect any other provisions of this Indenture or the Bonds, and this Indenture and the Bonds shall be construed and enforced to the end that the transactions contemplated hereby be effected and the obligations contemplated hereby be enforced as if such illegal or invalid provisions had not been contained therein.

Section 12.04. Governing Law. This Indenture and all the Bonds issued hereunder shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 12.05. Notices; Publication of Notice.

(a) All notices, advice, certifications or other communications hereunder between the Issuer and the Trustee shall be sufficiently given and shall be deemed given when delivered by hand or overnight courier, or mailed by certified or registered mail, postage prepaid, return receipt requested, or transmitted by electronic means (including, without limitation, facsimile or electronic mail transmission) addressed to the appropriate Notice Address set forth below. The Issuer or the Trustee may, by notice given hereunder, designate any further or different address(es) to which subsequent notices, advice, certifications or other communications shall be sent. Notices to persons other than the Issuer or the Trustee (such as, for example, notices to Owners of Bonds) shall be governed by the other applicable provisions of this Indenture.

As to the Issuer:

City of Chicago
Department of Housing
City Hall
121 N. LaSalle Street, Room 1006
Chicago, Illinois 60602

With copies to:

City of Chicago
Office of the Corporation Counsel
City Hall - Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic Development Division

and to:

City of Chicago
Department of Finance
City Hall
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

As to the Trustee:

Zions Bancorporation, National Association
141 West Jackson, Suite 3720
Chicago, Illinois 60604
Attention: Robert Cafarelli
Email: robert.cafarelli@zionsbancorp.com

As to the Borrower:

Lathrop Preservation Phase IC, LP
c/o Related Lathrop LLC
350 W. Hubbard Street, Suite 300
Chicago, Illinois 60654
Attention: Senior Vice President

And

Lathrop Preservation Phase IC, LP
c/o Bickerdike Lathrop LLC
2550 W. North Avenue
Chicago, Illinois 60647
Attention: Chief Executive Officer

With copies to:	Applegate & Thorne-Thomsen, P.C. 425 S. LaSalle Street, Suite 1900 Chicago, Illinois 60605 Attention: Bennett P. Applegate, Jr.
As to the Mortgage Lender:	Bank of America, N.A. Community Development Banking Mail Code: IL4-110-10-01 Bank of America Tower 110 N. Wacker Drive Chicago, Illinois 60606 Attention: Timothy Wolf Email: timothy.wolf@bofa.com
With a copy to:	Tiber Hudson LLC 1340 Smith Avenue, Suite 200 Baltimore, Maryland 21209 Attention: Matthew Grant, Esq. Email: matthew@tiberhudson.com
As to the CHA:	Chicago Housing Authority 60 E. Van Buren Street Chicago, Illinois 60605 Attention: General Counsel
With a copy to:	Charity & Associates, P.C. 20 North Clark Street, Suite 3300 Chicago, Illinois 60602 Attention: Elvin E. Charity Telephone: (312) 564-4963 Email: elvin.charity@charity-associates.com
As to the Underwriter and Remarketing Agent:	Stifel, Nicolaus & Company, Incorporated 1401 Lawrence Street, Suite 900 Denver, Colorado 80202 Attention: Mark Risch Telephone: (303) 291-5370 Email: rischm@stifel.com

With copies to:	Tiber Hudson LLC 1800 M Street, N.W., Suite 350 South Washington, DC 20036 Attention: Kent Neumann, Esq. Telephone: (202) 973-0107 Facsimile: (202) 296-6990 Email: kent@tiberhudson.com
As to the Rating Agency:	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street, 16th Floor New York, NY 10007 Attention: Public Finance Department — Housing Group Email: Housing@moody.com
As to the Investor Limited Partner:	Bank of America, N.A., MA5-100-04-11 100 Federal Street Boston, MA 02110 Attention: Tax Credit Asset Management (Lathrop IC) Banc of America CDC Special Holding Company, Inc. MA5-100-04-11 100 Federal Street Boston, MA 02110 Attention: Tax Credit Asset Management (Lathrop IC) With a copy to: Holland & Knight LLP 10 St. James Avenue Boston, Massachusetts 02116 Attention: Sara Heskett, Esq.
As to Citibank:	Citibank, N.A. 388 Greenwich Street, Trading 4th Floor New York, NY 10013 Attention: Transaction and Asset Management Group Re: Lathrop IC Deal ID No. _____ Facsimile: (212) 723-8209 _____

(b) Whenever the Issuer or the Trustee is required or permitted to give or publish notice of any event or occurrence under this Indenture, such notice shall be given or published in such manner and by such means as the Issuer or the Trustee, as the case may be, shall determine to be appropriate. Such publication may be by (but is not limited to) any of the following means: (1) publication in one or more

newspapers or trade journals selected by the Issuer or the Trustee, as the case may be; (2) publication by or through one or more financial information reporting services; (3) delivery to one or more “nationally recognized municipal securities information repositories” (as such term is defined in Securities and Exchange Commission Rule 15c2-12) or any successor repository or entity fulfilling a substantially similar or like role; or (4) by mailing a copy of such notice by first class mail, postage prepaid, to the person entitled to receive the notice at such person’s address as shown on the records of the Issuer or the Trustee.

Section 12.06. Trustee as Paying Agent and Bond Registrar. The Trustee is hereby designated and agrees to act as paying agent and Bond registrar for and in respect to the Bonds.

Section 12.07. Execution of Instruments by Bondholders and Proof of Ownership of Bonds. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. Proof of the execution of any such instrument and of the ownership of the Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

- (a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.
- (b) The ownership of Bonds shall be conclusively proved by the registration books kept under the provisions of Section 2.08 of this Indenture.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request or consent of the Holder of any Bond shall bind every future Holder of the same Bond in respect of anything done by the Trustee pursuant to such request or consent.

Section 12.08. Mortgage Loan Documents Independent.

- (a) Enforcement of the covenants in this Indenture will not result in, and neither the Issuer nor the Trustee has or shall be entitled to assert, any claim against the Borrower, the Project, the Mortgage Loan proceeds, any reserves or deposits required by the Mortgage Lender in connection with the Mortgage Loan transaction, or the rents or deposits or other income of the Project.
- (b) Failure of the Issuer or the Borrower to comply with any of the covenants set forth in this Indenture or any of the Borrower Documents will not serve as a basis for default on the Mortgage Loan, the underlying mortgage, or any of the other Mortgage Loan Documents.

(c) Notwithstanding anything in this Indenture, the Loan Agreement, the Note or the Bond Purchase Agreement to the contrary, (i) the Mortgaged Property (as defined in the Mortgage Loan Security Instrument) shall not include any portion of the Trust Estate and the Mortgage Lender shall not have any claim to or lien upon the Trust Estate under this Indenture and funds held by the Trustee under this Indenture and pledged to secure the repayment of the Bonds, except for Eligible Funds that may be returned to the party that deposited said funds with the Trustee as may be required under Section 5.02 hereof; and (ii) the Trust Estate shall not include any portion of the Mortgaged Property (as defined in the Mortgage Loan Security Instrument).

Section 12.09. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes.

Section 12.10. U.S.A. Patriot Act Requirements of the Trustee. To help the government of the United States of America fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual Person such as a business entity, a charity, a trust or other legal entity, the Trustee may request documentation to verify such Person's formation and existence as a legal entity and the identity of the owners or controlling persons thereof. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent such Person or other relevant documentation. The Issuer (subject to Section 7.02(a)) and the Borrower agree that they will cooperate with the Trustee as reasonably necessary in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 12.11. Electronic Transmissions.

(a) The transactions described in this Indenture may be conducted and the related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

(b) The Trustee shall have the right to accept and act upon directions or instructions given pursuant to this Indenture and delivered using Electronic Means; provided, however, that Borrower, the Issuer or such other party giving such direction or instruction, as the case may be, shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such directions or instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer or Borrower elect to give the Trustee e- instructions by Electronic Means and the

Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's good faith reliance upon and compliance with such instructions notwithstanding that such instructions conflict or are inconsistent with a subsequent written instruction. The Borrower agrees to assume all risk arising out of the use of such Electronic Means to submit instructions and directions to the Trustee, including without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 12.12. Waiver of Jury Trial. EACH OF THE BORROWER, THE HOLDERS AND THE TRUSTEE (BUT NOT THE ISSUER), HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE BONDS OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 12.13. Unrelated Bond Issues. The Issuer has, prior to the issuance of the Bonds, issued, and subsequent to the issuance of the Bonds, the Issuer expects to issue various series of bonds in connection with the financing of other projects (said bonds together with any bonds issued by the Issuer between the date hereof and issuance of the Bonds shall be referred to herein as the "Other Bonds"). Any pledge, mortgage, or assignment made in connection with any Other Bonds shall be protected, and any funds pledged or assigned for the payment of principal, premium, if any, or interest on the Other Bonds shall not be used for the payment of principal, premium, if any, or interest on the Bonds. Correspondingly, any pledge, mortgage, or assignment made in connection with the Bonds shall be protected, and any funds pledged or assigned for the payment of the Bonds shall not be used for the payment of principal, premium, if any, or interest on the Other Bonds.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed and their respective corporate seals to be hereunto affixed and attested, all as of the date and year first above written.

CITY OF CHICAGO, as Issuer

By: _____
Name: _____
Title: _____

(SEAL)

ATTEST:

By: _____
Name: Andrea M. Valencia
Title: City Clerk

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By: _____

Name: Robert Cafarelli

Title: _____

[Trustee Signature Page to Trust Indenture – Lathrop IC]

CONSENT AND AGREEMENT OF BORROWER

For and in consideration of the issuance of the Bonds by the Issuer, the Borrower consents to and approves the Indenture in all respects. In addition, the Borrower agrees that whenever the Indenture by its terms imposes any duty or obligation on the Borrower, such duty or obligation shall be binding upon the Borrower to the same extent as if the Borrower were an express party to the Indenture, and the Borrower agrees to carry out and perform its duties and obligations thereunder.

LATHROP PRESERVATION PHASE IC, LP,
an Illinois limited partnership

By: Lathrop Preservation Phase IC GP, LLC, an
Illinois limited liability company, its general
partner

By: Related Lathrop LLC, an Illinois limited
liability company, its manager

By: LR Development Company LLC, a
Delaware limited liability company d/b/a
Related Midwest LLC, its sole member

By: _____
Name: Sarah Wick
Title: Senior Vice President

[Borrower Signature Page to Trust Indenture – Lathrop IC]

APPENDIX A

FORM OF SERIES 2026 BOND

REGISTERED
No. R-1

REGISTERED
\$[PAR]

CITY OF CHICAGO
MULTIFAMILY HOUSING REVENUE BONDS
(LATHROP IC) SERIES 2026

THE BONDS, THE PREMIUM IF ANY, AND THE INTEREST THEREON ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE EXCLUSIVELY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A DEBT OR A LOAN OF CREDIT OR A PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE ISSUER, THE STATE, OR OF ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE BONDS SHALL NOT CONSTITUTE, DIRECTLY OR INDIRECTLY, OR CONTINGENTLY OBLIGATE OR OTHERWISE CONSTITUTE A GENERAL OBLIGATION OF OR A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER, BUT SHALL BE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SOURCES DESCRIBED IN THE INDENTURE, BUT NOT OTHERWISE.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS AGAINST ANY PAST, PRESENT, OR FUTURE OFFICIAL, COUNSEL, ADVISOR, EMPLOYEE, CONTRACTOR, CONSULTANT, OR AGENT OF THE ISSUER, OR OF ANY SUCCESSOR TO THE ISSUER, AS SUCH, EITHER DIRECTLY OR THROUGH THE ISSUER, UNDER ANY RULE OF LAW OR EQUITY, STATUTE, OR CONSTITUTION OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, AND ALL SUCH LIABILITY OF ANY SUCH OFFICIALS, COUNSEL, ADVISORS, EMPLOYEES, CONTRACTORS, CONSULTANTS OR AGENTS, AS SUCH, IS HEREBY EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND CONSIDERATION FOR THE EXECUTION AND ISSUANCE OF THIS BOND.

Dated Date	Initial Interest Rate	Initial Mandatory Tender Date	Maturity Date	CUSIP Number
_____, 2026	_____%	July 1, 202__	July 1, 2060	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ MILLION DOLLARS (\$[PAR])

FOR VALUE RECEIVED, the City of Chicago (the "Issuer"), a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of

the State of Illinois (the “State”), hereby promises to pay (but only out of the Trust Estate pledged therefor) to the registered owner identified above, or its successor or registered assignee or legal representative, unless previously called for redemption, the principal amount set forth above, on the Maturity Date identified above, in lawful money of the United States of America which on the date of payment is legal tender for the payment of public and private debts, upon the presentation and surrender of this Bond at the corporate trust office of Zions Bancorporation, National Association, as trustee, or its successor in trust (the “Trustee”), and to pay interest thereon (but only out of the Revenues) to the registered owner hereof from the Dated Date identified above to but not including [July 1, 2028][July 1, 2029] (the “Initial Mandatory Tender Date”), at the Initial Interest Rate per annum identified above and thereafter at the Remarketing Rate (as defined in the Trust Indenture) (subject to adjustment or change as provided in the Trust Indenture), payable at the times and in the manner hereinafter set forth. Principal hereof shall be payable, upon the request of any registered Holder of Bonds on the applicable Record Date having an aggregate principal amount of \$1,000,000 or more, by wire transfer of immediately available funds from the Trustee to the bank and account number specified by such holder to the Trustee in writing. All interest hereon shall be paid by check mailed by the Trustee to the registered Owner hereof at his or her address as it appears on the registration books of the Issuer (which are held and maintained by the Trustee), or, upon the request of any registered Holder of Bonds having an aggregate principal amount of \$1,000,000 or more, by wire transfer of immediately available funds from the Trustee to the bank and account number provided by such registered Owner to the Trustee in writing, such interest being payable semi-annually on each January 1 and July 1, commencing January 1, 2027, until the principal amount of the Bonds is paid or duly provided for in lawful money of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Capitalized terms used herein have the same meanings as set forth in the Trust Indenture, dated as of _____ 1, 2026, by and between the Issuer and the Trustee (the “Trust Indenture”).

This Bond is one of an issue of the \$[PAR] City of Chicago Multifamily Housing Revenue Bonds (Lathrop IC) Series 2026 (the “Bonds”), of like date and tenor, except as to number and denomination, issued under and pursuant to the Constitution and laws of the State, for the purpose of making a loan to Lathrop Preservation Phase IC, LP, an Illinois limited partnership (the “Borrower”), to finance a portion of the costs of the third phase of the Lathrop Redevelopment Project that will include the renovation of seven (7) existing buildings that will result in 250 residential rental units and the demolition of three (3) existing buildings to make room for the construction of one (1) new construction building that will generate 59 additional residential rental units and functionally related and subordinate facilities all located in the City of Chicago, Illinois generally at 2600-2618, 2601-2631, 2628-2662, 2664-2704, 2633-2667, 2740 and 2750-2768 North Hoyne and 2731-2759 North Leavitt (the “Project”) and to pay the costs related to the issuance of the Bonds. The proceeds of the Bonds are being loaned to the Borrower by the Issuer under a Loan Agreement dated as of _____ 1, 2026, by and between the Borrower and the Issuer (the “Loan Agreement”) and evidenced by a Promissory Note dated _____, 2026, from the Borrower in favor of the Issuer (the “Note”).

The Bonds are issued under the Trust Indenture, and to the extent provided therein, are, together with all other Bonds that may be issued thereunder, equally and ratably secured and entitled to the protection given by the Trust Indenture. Pursuant to the Trust Indenture, the Issuer has assigned to the Trustee (among other things) the Revenues. Pursuant to the Note and the Loan

Agreement, payments sufficient for the prompt payment when due of the principal of and interest on the Bonds are to be paid by the Borrower to the Trustee for the account of the Issuer. The obligations of the Borrower under the Note and the Loan Agreement are secured by the proceeds of the Bonds deposited into the Project Fund and Eligible Funds deposited into the Collateral Fund created pursuant to Section 4.01 of the Trust Indenture.

Reference is made to the Trust Indenture, the Note, and the Loan Agreement and to all amendments and supplements thereto for a description of the property pledged and assigned and the provisions, among others, with respect to the nature and extent of the security, the rights, duties and other obligations of the Issuer and the Trustee, the terms on which the Bonds are issued and secured, the rights of the Holders of the Bonds and provisions for defeasance of such rights. The terms and conditions set forth herein concerning payment and other rights and remedies of the Owners of the Bonds are descriptive only and are subject in all cases to the terms and conditions as set forth in the Trust Indenture.

The Bonds are issuable in the form of registered Bonds without coupons in Authorized Denominations (as defined in the Trust Indenture).

This Bond is negotiable and is transferable, as provided in, and subject to the restrictions set forth in, the Trust Indenture, only upon the books of the Issuer kept at the office of the Trustee, by the registered owner hereof in person or by his duly authorized attorney, and may be exchanged for new Bonds of the same aggregate principal amount of Authorized Denominations, maturity and interest rate, in registered form, but only upon presentation and surrender of this Bond, all in the manner and subject to the limitations and conditions provided in the Trust Indenture. The Issuer and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute Owner hereof for all purposes; and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Bonds are subject to mandatory tender in whole on each Mandatory Tender Date. Holders will not have the right to elect to retain their Bonds. Upon presentation and surrender of the Bonds by the Holder on the date fixed for tender, the Holder shall be paid the principal amount of the Bonds to be tendered, plus accrued interest on such Bonds to the Mandatory Tender Date.

The Holder of this Bond shall have no right to enforce the provisions of the Trust Indenture, or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Trust Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Trust Indenture. The Trustee shall treat the registered Owner of this Bond as the person exclusively entitled to payment of principal and interest, and the exercise of all rights and powers of the owner of this Bond.

All acts, conditions and things required by the statutes of the State, the Ordinance and the Trust Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed.

In any case where the date of maturity of or Interest Payment Date for this Bond shall not be a Business Day, the payment of interest or principal need not be made on such date but may be

made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or Interest Payment Date, as applicable.

This Bond shall not be entitled to any benefit under the Trust Indenture, or be valid or become obligatory for any purpose, until the Trustee shall have executed the Certificate of Authentication appearing hereon.

[Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of an authorized officer and its corporate seal to be hereunto impressed or imprinted hereon and attested to by the manual or facsimile signature of an authorized officer of the Issuer, all as of the Dated Date identified above.

CITY OF CHICAGO, as Issuer

By: _____
Name: Brandon Johnson
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Andrea M. Valencia
Title: City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Trust Indenture referred to in this Bond.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Signer

Date of Authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

(Please Print or Type Name and Address of Assignee)

Social Security or Taxpayer Identification Number: _____
the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the said bond on the books of the within-named Issuer maintained by the
Trustee for the registration thereof, with full power of substitution in the premises.

Notice: The signature to this assignment must correspond with the name as it appears on the face
of the within bond in every particular, without alteration or enlargement or any change whatever.
The signature must be guaranteed.

Signature guaranteed by:

Eligible Guarantor

Authorized Signature

(Signature(s) must be guaranteed by a broker or other financial institution which is a participant in
the Securities Transfer Agent's Medallion Program (STAMP, SEMP, MSP)).

APPENDIX B

FORM OF REQUISITION

Statement No. _____ requesting disbursement of funds from Project Fund pursuant to Section 3.03 of the Loan Agreement.

Pursuant to Section 3.03 of the Loan Agreement dated as of _____ 1, 2026 (the “Loan Agreement”) between the City of Chicago (the “Issuer”) and Lathrop Preservation Phase IC, LP, an Illinois limited partnership (the “Borrower”), the undersigned Authorized Borrower Representative hereby requests and authorizes Zions Bancorporation, National Association, as trustee (the “Trustee”), as depositary of the Project Fund created by the Trust Indenture dated as of _____ 1, 2026 (the “Indenture”), between the Issuer and the Trustee, to pay to [[Bank of America, N.A., as Mortgage Lender] *OR* [Greater Illinois Title] (the “Disbursing Agent”), as disbursing agent under that certain Disbursing Agreement dated as of _____ 1, 2026 (the “Disbursing Agreement”), among Mortgage Lender, Borrower, Trustee, and Disbursing Agent] *OR* [the person(s) listed on the Disbursement Schedule attached hereto]] out of the money deposited in the Project Fund the aggregate sum of \$[_____] to pay the costs of the items listed in the Disbursement Schedule attached hereto. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Indenture and the Tax Regulatory Agreement, as applicable.

In connection with the foregoing request and authorization, the undersigned hereby certifies that:

(a) Each item for which disbursement is requested hereunder is properly payable out of the Project Fund in accordance with the terms and conditions of the Loan Agreement and none of those items has formed the basis for any disbursement heretofore made from said Project Fund.

(b) Each such item is or was incurred in connection with the acquisition, construction, installation, equipment or improvement of the Project.

(c) The Borrower has received, or will concurrently with payment receive and deliver to the Trustee, appropriate waivers of any mechanics’ or other liens with respect to each item for which disbursement is requested hereunder.

(d) After taking into account the proposed disbursement and any future disbursements,

(i) no more than 5% of the Net Proceeds of the Bonds will have been used for costs that are not Qualified Project Costs;

(ii) less than 25% of the Net Proceeds of the Bonds will have been used for the cost of acquiring land; and

(iii) not more than 2% of the Net Proceeds of the Bonds will have been used for Costs of Issuance.

(e) There is no current or existing default or event of default pursuant to the terms of the Loan Agreement, the Tax Regulatory Agreement or the Tax Representation Certificate and no event exists which by notice or passage of time or both would constitute an event of default under any of the foregoing documents.

(f) There are no liens on the Project except Permitted Encumbrances and those permitted or provided for by the Loan Agreement.

(g) This statement and all exhibits hereto, including the Disbursement Schedule, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warranty, protection and authority to the Trustee for its actions taken pursuant hereto.

(h) The Borrower will provide a copy of each payee's Form W-9 or Form W-8, as applicable (unless previously provided). The Borrower further acknowledges the Trustee cannot process such disbursement request until the Trustee is in receipt of a valid Form W-9 or Form W-8, as applicable, in accordance with Internal Revenue Service regulations and the Foreign Account Tax Compliance Act.

(i) With respect to this requested disbursement, the Borrower (i) certifies that it has reviewed any wire instructions set forth in this written disbursement direction to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees and expenses resulting directly or indirectly as a result of making the disbursement requested, and (iii) agrees that it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction (except with regard to (ii) and (iii) above that there has not been gross negligence or willful misconduct on the part of the Trustee with regard thereto).

[Remainder of Page Intentionally Left Blank]

This statement constitutes the approval of the Borrower of each disbursement hereby requested and authorized.

This ____ day of _____, 20__.

LATHROP PRESERVATION PHASE IC, LP,
an Illinois limited partnership

By: Lathrop Preservation Phase IC GP, LLC, an
Illinois limited liability company, its general
partner

By: Related Lathrop LLC, an Illinois limited
liability company, its manager

By: LR Development Company LLC, a
Delaware limited liability company d/b/a
Related Midwest LLC, its sole member

By: _____
Name: Sarah Wick
Title: Senior Vice President

Approved¹:

BANK OF AMERICA, N.A., as Mortgage
Lender

By: _____
Name:
Title:

CHICAGO HOUSING AUTHORITY

By: _____
Name:
Title:

¹ Approval is only required from the party or parties providing funds to the Collateral Fund in connection with a disbursement.

DISBURSEMENT SCHEDULE

To Statement No. _____ requesting and authorizing disbursement of funds from Project Fund pursuant to Section 3.03 of the Loan Agreement.

Payee	Amount	Payment Instructions (Wire, ACH, or Check)

APPENDIX C
FORM OF FUNDING LOAN AGREEMENT

APPENDIX D
FORM OF BORROWER LOAN AGREEMENT