
TAX REGULATORY AGREEMENT

By and Among

CITY OF CHICAGO,
as Issuer

LATHROP PRESERVATION PHASE IC, LP,
as Owner

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

City of Chicago
Multifamily Housing Revenue Bonds
(Lathrop IC)
Series 2026

and

City of Chicago
Multifamily Housing Note
(Lathrop IC)
Series 2026

Dated as of _____ 1, 2026
Effective as of the Effective Date hereof

This instrument prepared by:

Ice Miller LLP
200 West Madison Street, Suite 3500
Chicago, Illinois 60606
Attention: Thomas C. Smith, Esq.

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Exhibit A – Description of Project Site

TAX REGULATORY AGREEMENT

THIS TAX REGULATORY AGREEMENT (this “Agreement”) is made as of _____ 1, 2026, and effective as of the Effective Date by and among Lathrop Preservation Phase IC, LP, an Illinois limited partnership, its successors and assigns (the “Owner”), City of Chicago (the “Issuer”), a municipality and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “State”) and Zions Bancorporation, National Association (the “Trustee”), for the Issuer’s Multifamily Housing Revenue Bonds (Lathrop IC) Series 2026 (the “Bonds”), and, upon satisfaction of certain conditions to funding, the exchange of the Bonds for the Issuer’s Multifamily Housing Note (Lathrop IC) (the “Governmental Lender Note” and, together with the Bonds, the “Obligations”).

RECITALS

WHEREAS, the Owner will be the record owner and operator of the buildings (and improvements, furnishings, equipment and related property to be installed therein) and the leasehold owner of the land on which such buildings are located on land located in the City of Chicago, Cook County, Illinois, located generally at 2600-2618, 2601-2631, 2628-2662, 2664-2704, 2633-2667, 2740, and 2750-2768 North Hoyne and 2731-2759 North Leavitt, and as described in Exhibit A (the buildings to be constructed and/or rehabilitated thereon referred to hereinafter as the “Leasehold Estate”); and

WHEREAS, the Owner is intended to be and shall be treated by the parties as the owner of the Leasehold Estate for federal tax purposes; and

WHEREAS, the Owner intends to operate the Leasehold Estate as a multifamily residential rental housing project which comprises the third phase of the Lathrop Redevelopment Project that will include the renovation of seven (7) existing residential 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 residential building that will generate 59 additional residential rental units for persons of low-and moderate-income and for persons with incomes at or below 80% of area median income and for persons without any income restrictions in the City of Chicago and the renovation of an existing power house into a commercial space (the “Project”); and

WHEREAS, the rehabilitation, construction and equipping of the Leasehold Estate will be financed in part initially by a loan to the Owner (the “Loan”) made pursuant to a Loan Agreement, dated as of _____ 1, 2026 (the “Loan Agreement”), between the Issuer and the Owner; and

WHEREAS, the Loan will be funded initially from proceeds of the issuance and delivery of the Bonds pursuant to the terms of a Trust Indenture dated as of _____ 1, 2026 (the “Indenture”) between the Issuer and the Trustee; and

WHEREAS, in connection with the issuance of the Bonds, Citibank, N.A. (the “Funding Lender”) entered into a Forward Commitment Agreement with the Borrower dated _____, 2026 (the “Forward Commitment Agreement”), whereby the Funding Lender committed, subject to the satisfaction of the Conditions to Funding set forth in the Forward Commitment Agreement, to making a funding loan (the “Funding Loan”) to the Issuer pursuant to the provisions of a Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into between the Funding Lender and the Issuer and purchasing the Governmental Lender Note; and

WHEREAS, the Funding Loan will be repaid by the Owner pursuant to the terms of a Borrower Loan Agreement (the “Borrower Loan Agreement”) between the Issuer and the Borrower; and

WHEREAS, at the time the Funding Loan is made and the Governmental Lender Note is issued, the Bonds will be tendered and exchanged for the Governmental Lender Note and the Funding Lender will be the sole holder of the Governmental Lender Note;

WHEREAS, interest on the Obligations is and will remain excludable from gross income for federal income tax purposes, provided, among other things, that the Project is treated as a “qualified residential rental project” under, and continuously complies with the requirements of, Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable Treasury Regulations (“Regulations” or “Treas. Reg.”); and

WHEREAS, the Project’s compliance with the requirements of Section 142(d) of the Code and the applicable Regulations and the Obligations’ treatment as “exempt facility bonds” under Section 142(a)(7) of the Code is in large part within the control of the Owner; and

WHEREAS, the Issuer and the Owner have agreed to comply with the requirements set forth in the Certificate of the Issuer re Arbitrage and the Tax Representation Certificate, each dated the Effective Date (collectively, the “Tax Certificates”); and

WHEREAS, the Issuer is unwilling to issue the Obligations unless the Owner shall, by agreeing to this Agreement, consent to be regulated by the Issuer to preserve the exclusion of interest on the Obligations from the gross income of their owners under Section 103(a) of the Code.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other good and valuable consideration, the Issuer, the Owner and the Trustee agree as follows:

Section 1. Definitions. In addition to words and terms defined elsewhere in this Agreement, the following words and terms used in this Agreement shall have the following meanings, unless some other meaning is plainly intended, and any terms not defined in this Agreement shall have the same meaning as such terms are defined in the Indenture, the Loan Agreement, the Funding Loan Agreement, the Borrower Loan Agreement, the Tax Certificates or in Section 142(d) of the Code and the applicable Regulations:

“Area Median Gross Income” means the median income in the geographic area (as determined for purposes of Section 142(d) of the Code) in which the Residential Rental Property is located, as determined annually by the Secretary of the Treasury in a manner consistent with determinations of lower income families and area median gross income under Section 8 (or, if such program under Section 8 is terminated, under such program in effect immediately before such termination). Any determination of Area Median Gross Income shall be made in accordance with and subject to the requirements of Sections 142(d)(2)(B) and 142(d)(2)(E) of the Code.

“Assumption Agreement” means an agreement or undertaking by any transferee, pursuant to a Transfer, to assume the obligations and duties of the Owner described in this Agreement and the Tax Certificates.

“Available Units” means Residential Rental Units that are actually occupied or that are unoccupied and have been leased at least once after first becoming available for occupancy, provided that (a) in the case of an acquisition of an existing facility for the purpose of establishing or continuing a qualified residential rental project under Section 142(d) of the Code, a Residential Rental Unit that is unoccupied on the later of (i) the date such facility is acquired or (ii) the issue date of the first issue of Qualified 142(d) Bonds financing the acquisition of such facility is not an Available Unit and does not become an Available Unit until it has been leased for the first time after such date, and (b) a Residential Rental Unit that is not available for occupancy due to renovations is not an Available Unit and does not become an Available Unit until it has been leased for the first time after such renovations are completed.

“Bond Counsel” means Ice Miller LLP, or any other nationally recognized bond counsel experienced in municipal finance and, particularly, in the issuance of debt the interest on which is excludible from gross income for federal income tax purposes.

“Business Day” means a day, other than a Saturday or a Sunday, on which (a) banking institutions in the City of New York or in the city in which the Designated Office of the Trustee is located is authorized or obligated by law or executive order to be closed, or (b) The New York Stock Exchange is closed.

“Certification of Income” means a certification, including all necessary information and documentation, to substantiate the amount of income of all residents of a Residential Rental Unit, given by a prospective or current Qualified Tenant.

“Effective Date” means the date of issuance of the Bonds.

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

“Issuer Representative” means the appropriate authorized representative of the Issuer or such representative’s designee (designated in writing) as set forth in the Indenture and the Funding Loan Agreement.

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

“Low and Moderate Income” means income that does not exceed 60% of the Area Median Gross Income, with appropriate adjustments to income level made for family size, as determined in a manner consistent with the determinations of lower income families and area median gross income under Section 8 (or, if such program under Section 8 is terminated, under such program in effect immediately before such termination), all as made in accordance with and subject to the requirements of Section 142(d)(2)(B) of the Code. For these purposes, income shall be treated as not exceeding 60% of the Area Median Gross Income, with appropriate adjustments to income level made for family size, if the relevant individual’s or family’s adjusted income (computed in the manner described in Treas. Reg. § 1.167(k)-3(b)(3) prior to its removal by T.D. 8474, 1993-1 C.B. 242) does not exceed 60% of the applicable Area Median Gross Income.

“Master Lease” means that certain [Master Lease Agreement] between Owner and [_____], as Master Tenant.

“Occupancy Standards” means the requirement that at least 40% of the Available Units must be actually occupied by (or treated as occupied by, as provided herein) Qualified Tenants. An Available Unit shall be treated as “occupied” by a Qualified Tenant during the applicable tenancy for purposes of the Occupancy Standards if the tenant of such Unit was a Qualified Tenant at the commencement of his or her actual occupancy of the Available Unit, even though such tenant ceases to be a Qualified Tenant because he or she ceases to have Low and Moderate Income, provided that the second sentence of paragraph (p) of Section 7 below does not apply to such tenant. Moreover, if an Available Unit vacated by a Qualified Tenant was actually occupied by a Qualified Tenant at the commencement of such Qualified Tenant’s occupancy of such Unit, such Available Unit shall be treated as occupied by a Qualified Tenant until reoccupied, excluding any reoccupation for a temporary period of not more than thirty-one (31) days. The character of any Available Unit described in the immediately preceding sentence shall be redetermined upon expiration of the thirty-one (31)-day period. In calculating the foregoing 40% requirement, if the resulting number of Available Units contains a fraction, it shall be rounded up to the next highest whole number.

“Purpose Investment” means an investment acquired to carry out the governmental purpose of the Bonds, as described in Treas. Reg. § 1.148-1(b).

“Qualified 142(d) Bonds” means obligations that satisfy the requirements of Sections 103 and 142(d) of the Code.

“Qualified Project Period” means the period commencing on the later of the first day on which at least 10% of the Residential Rental Units in the Residential Rental Property are occupied or the issue date of the Qualified 142(d) Bonds issued to finance such facility and ending on the latest of the following: (A) the date that is fifteen years after the date on which at least 50% of the Residential Rental Units in the facility are first occupied; (B) the first day on which no tax-exempt private activity bond (as defined in Section 141(a) of the Code) issued with respect to the facility

is outstanding; or (C) the date on which any assistance provided with respect to the facility under Section 8 terminates.

“Qualified Tenant” means any individual or family with Low and Moderate Income. However, if all the occupants of a Residential Rental Unit are Students, such individuals may not be treated as Qualified Tenants. Subject to the preceding two sentences, “Qualified Tenant” may include any individual who is (i) a student and receiving assistance under Title IV of the Social Security Act, (ii) a student who was previously under the care and placement responsibility of the Illinois agency responsible for administering a plan under part B or part E of Title IV of the Social Security Act or (iii) enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar Federal, state or local laws.

“RAD Use 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.

“Related Person” means an individual or entity who, concerning the referenced party, is described in Section 147(a)(2) of the Code.

“Residential Rental Property” means the Leasehold Estate or any other building or structure containing one or more similarly constructed Residential Rental Units used for the Project, including facilities functionally related and subordinate thereto, as provided in Treas. Reg. § 1.103-8(b).

“Residential Rental Unit” means a housing unit containing separate and complete living, sleeping, eating, cooking and sanitation facilities for a single person or a family. Such housing unit shall contain a kitchen that includes a stove, cooking range, full-size refrigerator and sink. A housing unit, however, shall not fail to be treated as a “Residential Rental Unit” merely because it is a single-room occupancy unit (within the meaning of Section 42 of the Code).

“Section 8” means Section 8 of the United States Housing Act of 1937, as amended.

“Student” means any full-time student (within the meaning of Section 42(i)(3)(D) of the Code) unless he or she is described in Section 42(i)(3)(D)(ii) of the Code.

“Transfer” means any conveyance, transfer, whether by sale, exchange, gift or assignment or other disposition of a facility. For the purposes of this Agreement, Transfer shall not include the Ground Lease or the Master Lease, a memorandum of which is recorded against the Property.

Section 2. Number and Gender. Unless the context clearly requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

Section 3. Headings. The titles and headings of the sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent shall arise.

Section 4. Construction. It is intended that this Agreement set forth the terms, conditions, limitations and restrictions applicable to the Project and that the Project be a “qualified residential rental project” under Sections 142(a)(7) and 142(d) of the Code. All provisions herein shall be construed in accordance with such intent.

Section 5. Benefit. The Issuer, the Owner and the Trustee each acknowledges that a primary purpose for requiring compliance by the Owner with this Agreement is to preserve the excludability from gross income for federal income tax purposes of interest on the Obligations, and that the Trustee and the holders of the Obligations shall be entitled, for any breach of the provisions hereof, to all remedies, both at law and in equity, in the event of any default hereunder.

Section 6. Covenant with Respect to Tax Status of the Obligations. The Issuer and the Owner each covenants that it will not knowingly take, or permit to be taken, any action that would adversely affect the excludability from gross income for federal income tax purposes of interest on the Obligations, and the Trustee covenants that it will not invest or use any of the proceeds of the Obligations, except as otherwise directed by the Issuer or the Owner in writing.

Section 7. Qualified Residential Rental Project Requirements. The Owner represents, warrants and covenants that the Project shall, throughout the Qualified Project Period, unless this Agreement is earlier terminated pursuant to Section 17 of this Agreement, satisfy the following terms and conditions, limitations and restrictions:

- (a) *Satisfaction of Applicable Legal Requirements.* The Project is being acquired, rehabilitated, constructed and developed for the purpose of providing multifamily Residential Rental Units, and the Project shall be owned, managed and operated as multifamily Residential Rental Units, all in accordance with the qualified residential rental project requirements of Section 142(d) of the Code and the applicable residential rental project provisions of Treas. Reg. § 1.103-8(b) and the administrative guidance issued thereunder;
- (b) *Similarly Constructed Residential Rental Units.* All of the Residential Rental Units in the Project shall be similarly constructed;
- (c) *Transient Use.* During the term of this Agreement, (i) none of the Residential Rental Units in the Project shall at any time be utilized on a transient basis, (ii) none of the Residential Rental Units in the Project shall ever be leased or rented for a period of less than thirty (30) days, and (iii) neither the Project nor any portion thereof shall ever be used as a hotel, motel, dormitory, fraternity house, sorority

house, rooming house, hospital, sanitarium, nursing home, rest home, trailer court or park or for any other use on a transient basis;

- (d) *General Public Availability.* During the term of this Agreement, (i) the Residential Rental Units in the Project shall be leased and rented or made available for rental on a continuous basis to members of the general public except as otherwise permitted by federal, state or local law, and (ii) the Owner shall not give preference in renting Residential Rental Units in the Project to any particular class or group of persons, other than Qualified Tenants as provided herein; provided, however, that Residential Rental Units in the Project may be occupied by maintenance, security or managerial employees of the Owner or its property manager who are reasonably required to maintain residences in the Project, but only to the extent such occupation does not cause the Project to cease to be a qualified residential rental project under Section 142(d) of the Code;
- (e) *Use of Related Facilities by Tenants.* Any functionally related and subordinate facilities (e.g., parking areas, laundry facilities, tenant offices, physical therapy rooms, dining rooms, meeting rooms, common areas, swimming pools, tennis courts, etc.) (the “Related Facilities”) for the Project will be made available to all tenants of the Project on an equal basis. Fees charged to residential tenants for use of the Related Facilities will be commensurate with fees charged for similar facilities at similar residential rental properties in the surrounding area and, in no event will any such fees charged to tenants of the Project be discriminatory or exclusionary as to the Low and Moderate Income tenants of the Project. No Related Facilities will be made available to persons other than tenants or their guests. Parking, if available, will be made available to all tenants on a first come, first served basis;
- (f) *Compliance with Set-Aside Election.* In accordance with, as applicable, the Loan Agreement, the Borrower Loan Agreement and the Tax Certificates, the Owner covenants that during the Qualified Project Period, 40% of the Residential Rental Units in the Project will be occupied or available for occupancy by individuals earning 60% or less of the area median gross income in accordance with Section 142(d)(1)(A) of the Code.
- (g) *No Cooperative Housing Corporation Ownership.* During the term of this Agreement, no part of the Project will at any time be owned or used by a cooperative housing corporation;
- (h) *Ownership, Structure and Financing.* The Project will consist of one or more buildings or structures, all of which will be (i) owned by the same person for federal tax purposes, (ii) located on a single tract of land, consisting of any parcel of land or two or more parcels of land that are contiguous except for being separated only by a road, street, stream or similar property (parcels are contiguous if their

boundaries meet at one or more points) and (iii) financed with proceeds of the Obligations or otherwise pursuant to a common plan of financing. Each such building or structure is a discrete edifice or other man-made construction consisting of an independent foundation, outer walls and roof and containing five or more similarly constructed units;

- (i) *Condominium Ownership.* During the term of this Agreement, the Owner will not convert the Project to condominium ownership;
- (j) *Owner Rentals.* During the term of this Agreement, no Residential Rental Unit in the Project shall be occupied by the Owner (or a Related Person) at any time unless the Owner (or a Related Person) resides in a Residential Rental Unit in a building or structure that contains at least five Residential Rental Units and unless the resident of such Residential Rental Unit is a resident manager or other necessary employee (e.g., maintenance and security personnel);
- (k) *Certificate of Project Commencement.* The Qualified Project Period with respect to the Obligations and the Project begins on the date on which 10 percent of the Residential Rental Units in the Project are occupied;
- (l) *No Discrimination.* During the term of this Agreement, the Owner shall not discriminate on the basis of age, race, color, creed, national origin, religion, sex or marital status in the lease, use or occupancy of the Project except as otherwise permitted by federal, state or local law or in connection with the employment or application for employment of persons for the operation and management of the Project; and the Owner specifically agrees that the Owner will not refuse to lease residential rental units or deny occupancy in appropriately sized units to persons whose family includes minor dependents who will occupy such units, unless such refusal is based upon factors not related to the presence of such minors in the family;
- (m) *Payment of Expenses.* During the term of this Agreement, the Owner shall make timely payment of the fees and expenses, if any, of the Trustee in accordance with the provisions of this Agreement and, as applicable, the Loan Agreement and the Borrower Loan Agreement, including any expenses incurred by the Trustee in performance of its duties and obligations under this Agreement;
- (n) *Certification of Income.* As a condition of occupancy, each Qualified Tenant shall be required to sign and deliver to the Owner a Certification of Income, in a form designed to establish compliance with the applicable provisions of the Code and the Treasury Regulations, or as otherwise required by the Internal Revenue Service. Such Qualified Tenant shall also be required to provide whatever other information, documents or certifications are deemed necessary by the Owner or the Issuer to substantiate the Certification of Income. All Certifications of Income with respect

to each Qualified Tenant who resides in a Residential Rental Unit in the Project on or after the Effective Date shall be maintained on file at the main business office of the Project and shall be available for inspection by the Issuer and the Trustee with reasonable notice and at reasonable times, as required in the Tax Certificates;

- (o) *Annual Determinations.* The determination of whether a resident of the Project is a Qualified Tenant shall be made at least annually on the basis of the current income of all the residents of the Residential Rental Unit. Each lease to a Qualified Tenant entered into after the date hereof shall require the tenant to sign the Certification of Income annually, attesting to the combined income of all the occupants of each Residential Rental Unit and at any other time as the Owner may reasonably request;
- (p) *Subsequent Changes to Income.* If a tenant is a Qualified Tenant upon commencement of occupancy of a Residential Rental Unit, the income of such tenant shall be treated as Low or Moderate Income thereafter. The preceding sentence shall cease to apply to any tenant whose income as of the most recent annual determination under paragraph (o) of this Section exceeds 140% of Low and Moderate Income if, after such determination, but before the next annual determination, any Residential Rental Unit of comparable or smaller size in (i) the same building (within the meaning of Section 42 of the Code), provided that the Project is eligible for low-income housing tax credits under Section 42 of the Code or (ii) the Project, if the Project is not eligible for low-income housing tax credits under Section 42 of the Code, is occupied by a new tenant who does not qualify as a Qualified Tenant;
- (q) *Form of Lease.* Any lease used in renting any Residential Rental Unit to a Qualified Tenant shall provide for termination of the lease and consent by such tenant to immediate eviction, subject to applicable provisions of Illinois law, for failure to qualify as a Qualified Tenant as a result of any material misrepresentation made by such tenant with respect to any Certification of Income. Each Qualified Tenant occupying a Residential Rental Unit shall be required to execute a written lease that shall be effective for a term of not less than six (6) months;
- (r) *Owner's Certification.* On the first day of each month after any Residential Unit in the Project is available for occupancy, the Owner shall prepare a record of the percentage of Residential Rental Units of the Project occupied (and treated as occupied) or held available for occupancy by Qualified Tenants during the preceding month. Such record shall be maintained on file at the main business office of the Project, shall be available for inspection by the Issuer and the Trustee upon reasonable notice and at reasonable times and shall contain such other information and be in the form required by the Issuer and/or the Trustee, as applicable;
- (s) *Occupancy Standards.* The Project shall satisfy the Occupancy Standards; and

- (t) *Records Maintenance and Inspection.* During the term of this Agreement, the Owner shall (i) maintain complete and accurate records pertaining to the Residential Rental Units occupied or to be occupied by Qualified Tenants, and (ii) permit any duly authorized representative of the Trustee, the Issuer, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Owner pertaining to the income of and Certificate of Income of Qualified Tenants residing in the Project upon reasonable notice and at reasonable times.

Notwithstanding anything to the contrary contained herein and subject to the RAD Use Agreement, the Parties acknowledge that the Owner will be entering into the Master Lease pursuant to which the Master Tenant will operate the Property and enter into all residential leases. So long as the Master Lease is in effect, the Owner will cause Master Tenant to operate the Project in accordance with this Agreement.

Section 8. Transfer Restrictions. Subject to the RAD Use Agreement, the Master Lease and the Ground Lease, for the Qualified Project Period, except with respect to foreclosure or deed in lieu of foreclosure or other involuntary loss described in Treas. Reg. § 1.103-8(b)(6)(iii)(a) and not otherwise described in paragraph (b) thereof, the Owner shall not Transfer its leasehold interest in the Project, in whole or in part, except in accordance with the applicable terms of the Indenture, the Loan Agreement, the Funding Loan Agreement, the Borrower Loan Agreement, the Tax Certificates, or a transfer pursuant to the terms of the Owner's [Amended and Restated Agreement of Limited Partnership] and this Section 8. Any Transfer of the leasehold interest in the Project, in whole or in part, shall only be permitted if: (a) the Owner shall not be in default hereunder; (b) the purchaser or assignee shall assume in writing in a form acceptable to the Issuer, all duties and obligations of the Owner under this Agreement, including this Section 8, and execute any necessary or appropriate document reasonably requested by the Trustee or the Issuer with respect to assuming its obligations under this Agreement in the form of an Assumption Agreement, which document shall be recorded in the Cook County (Illinois) Recorder's Office; (c) the Trustee and the Issuer shall have received an opinion of Bond Counsel, which opinion is acceptable to the Trustee, the Funding Lender and the Issuer, to the effect that such transfer will not adversely affect the exclusion of the interest on the Obligations from gross income of the owners thereof for federal income tax purposes; (d) the Owner shall deliver to, as applicable, the Trustee, the Funding Lender and the Issuer an opinion of counsel to the transferee that the transferee has duly assumed the obligations of the Owner under this Agreement and that such obligations and this Agreement are binding on the transferee; and (e) such other conditions are met as are set forth in or referred to, as applicable, in the Loan Agreement, the Borrower Loan Agreement and Tax Certificates and as the Trustee, the Funding Lender or the Issuer may reasonably impose as part of the Assumption Agreement: (i) to protect the exclusion of the interest on the Obligations from gross income of the owners thereof for federal income tax purposes, (ii) to ensure that the Project is not acquired by a person that has pending against it, or that has a history of, building code violations, as identified by municipal, county, state or federal regulatory agencies, and (iii) to provide that indemnification of the Issuer and the Trustee under Section 19 of this Agreement and elsewhere is assumed by the purchaser or assignee. Notwithstanding the forgoing, the following transfers shall be permitted

without the prior consent of Issuer: (i) a transfer of Owner's limited partnership interest; (ii) a transfer of direct or indirect partnership interests in the Owner; and (iii) replacement of Owner's general partner pursuant to the [Amended and Restated Agreement of Limited Partnership].

Section 9. Certification to Secretary of the Treasury. The Owner represents, warrants and covenants that it shall file each year with the Internal Revenue Service a Form 8703 (Annual Certification of a Residential Rental Project) to provide annual information to the Internal Revenue Service that it will use to determine whether the Project continues to be a "qualified residential rental project" under Section 142(d) of the Code. The Owner shall simultaneously send copies of such certification to the Issuer, the Funding Lender and the Trustee. The Owner acknowledges that failure to file such certification with the Secretary of the Treasury when required would subject the Owner to penalty, as provided in Section 6652(j) of the Code.

Section 10. Enforcement. The Owner further represents, warrants and covenants that:

- (a) *Examination of Records.* The Owner shall permit, after three (3) Business Days prior written notice, and at such reasonable times, any duly authorized representative of the Issuer and/or the Trustee to inspect any books and records of the Owner regarding the Project, particularly with respect to the incomes of Qualifying Tenants that pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code. Any certification, records or other documents deemed necessary by the Issuer or the Trustee to show the Project's compliance with Section 142(d) of the Code shall be maintained on file at the Project site so long as any of the Obligations (and any tax-exempt obligations used to refund any of the Obligations) remain outstanding and for four (4) years thereafter;
- (b) *Other Information.* The Owner shall provide such other information, documents or certifications requested by the Issuer or the Trustee that the Issuer or the Trustee, as applicable, deems reasonably necessary, to substantiate the Owner's continuing compliance with the provisions of this Agreement and Section 142(d) of the Code; and
- (c) *Reliance on Owner or Tenant Certification.* In the enforcement of the Agreement, the Issuer or the Trustee may rely on any certificate delivered by or on behalf of the Owner or any tenant concerning the Project.

Section 11. Violations.

- (a) *Notice.* The Owner further represents, warrants and covenants that it will inform the Issuer, the Investor Limited Partner, the Funding Lender and the Trustee by written notice of any violation of the Owner's obligations under this Agreement or the occurrence or existence of any situation or event (an "adverse development") that would cause the interest of the Obligations to become includable in the gross

income of their holders for federal income tax purposes within five (5) Business Days after discovering any such adverse development;

- (b) *Time to Correct.* The Owner covenants and agrees to use commercially reasonable efforts to correct or rectify any adverse development no later than thirty (30) days after such adverse development is first discovered or should have been discovered by the Owner's exercise of reasonable diligence. The Issuer and the Trustee covenant and agree to provide the Owner (and Investor Limited Partner, at its option) a period of time, which shall be at least thirty (30) days after the date such adverse development is first discovered, or if later, within such further time as the Issuer or the Trustee, as applicable, determines is necessary to correct or rectify the adverse development without loss of tax exemption of interest on the Obligations, not to exceed any limitations set by applicable laws, rules, regulations or administrative guidance, in which to correct any adverse development. The Owner represents, warrants and covenants that if any such adverse development is not corrected to the satisfaction of the Issuer and the Trustee within the period of time specified by the Issuer and the Trustee, without further notice, the Issuer or the Trustee, as applicable, may declare a default under this Agreement, effective on the date of such declaration of default;
- (c) *Specific Performance.* The Owner acknowledges that the Issuer and/or the Trustee and/or, to the extent permitted, as applicable, in the Loan Agreement or the Borrower Loan Agreement, any Owner of an Obligation, may also apply, individually or collectively, to any court, state or federal, for specific performance of this Agreement, or for an injunction against any violation of this Agreement, or for any other remedies at law or in equity or for any such other actions as shall be necessary or desirable so as to correct non-compliance with this Agreement;
- (d) *Investor Limited Partner Cure Rights.* The Issuer and the Trustee agree that any cure of a violation of this Agreement made or tendered by the Investor Limited Partner or its designee(s) shall be deemed to be a cure by the Owner, and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 12. No Duty of Issuer to Monitor Compliance. The Owner further represents, warrants and covenants that the Issuer and the Trustee shall each have the right to appoint an agent to carry out any of its duties and obligations under this Agreement, and the Issuer and the Trustee shall inform the Owner and the Investor Limited Partner and the other party of any such agency appointment by written notice.

The Trustee shall have no duty to enforce any of the obligations of the Owner under this Agreement but shall be obligated to notify the Issuer, the Funding Lender and the Investor Limited Partner of the failure of the Owner to comply with such obligations of which the Trustee has actual knowledge. The Owner hereby agrees to pay all reasonable costs and expenses of the Trustee in undertaking the administration services under this Agreement. The Owner hereby agrees, upon reasonable written notice from the Trustee, to make the Project and the books and records relating

Section 13. Amendment. This Agreement may be amended to reflect changes in Section 142(d) of the Code, the applicable Regulations and administrative guidance promulgated thereunder. The Issuer, the Owner and the Trustee each covenants to take any lawful action (including amendment of this Agreement) if, in the opinion of Bond Counsel, such action is necessary to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project. No amendment of this Agreement shall be made without the prior written approval of the Issuer, the Trustee, the Investor Limited Partner and the Owner.

Section 15. Notices. The Issuer, the Owner and the Trustee each agrees that all notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto and below at the addresses set forth below, or to such other place as a party may from time to time designate in writing:

and to:

and with a copy to:

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And:

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.

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

The Trustee: Zions Bancorporation, National Association
141 West Jackson, Suite 3720
Chicago, Illinois 60604
Attention: Corporate Trust Department

If to the Funding
Lender: Citibank, N.A.
388 Greenwich Street, Trading 4th Floor
New York, New York 10013
Attention: Transaction and Asset Management Group
Re: Lathrop IC Deal No. [____]
Facsimile: (212) 723-8209

And to: Citibank, N.A.
Transaction and Asset Management Group/Post Closing
Citi Community Capital
3800 Citibank Center
Tampa, Florida 33610
Re: Lathrop IC Deal No. [____]

And if prior to
the Conversion
Date to: Citibank, N.A.
[ADDRESS]
Attention: Account Specialist
Deal ID# Lathrop IC [____]
Facsimile: [(____) ____ ____]

Following the
Conversion Date,
if applicable,
with a copy to: Citibank, N.A.
c/o Berkadia Commercial Servicing Department
323 Norristown Road, Suite 300
Ambler, Pennsylvania 19002
Attention: Client Relations Manager
Re: Lathrop IC Deal No. [____]
Facsimile: (215) 328-0305

and a copy of any
notices of default
sent to:

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Re: Hebron Lathrop IC Deal No. [_____]
Facsimile: (646) 291-5754

Section 16. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois and, where applicable, the laws of the United States of America.

Section 17. Termination. The Issuer, the Owner and the Trustee each agrees that this Agreement shall terminate:

- (a) *Completion.* Upon the termination of the Qualified Project Period;
- (b) *Involuntary Non-Compliance.* In the event of an involuntary non-compliance caused by unforeseen events, such as fire, seizure, requisition, change in a federal law or an action of a federal agency after the date of issuance of the Obligations that prevents the Issuer or the Trustee from enforcing the provisions of this Agreement or condemnation or similar event, provided that:
 - (i) the Obligations are retired at their first applicable available call date; or
 - (ii) any insurance proceeds or condemnation award or other amounts received as a result of such loss or destruction are used to provide a project that meets the requirements of Section 142(d) of the Code and Treas. Reg. § 1.103-8(b) as amended, or any successor law or regulation;
- (c) *Certain Transfers.* In the event of foreclosure, transfer of title by deed in lieu of foreclosure, or similar event, following which and within a reasonable period of time the Obligations are redeemed or the amounts received as a consequence of such event are used to provide a qualified residential rental project meeting the applicable requirements of the Code and the Regulations, unless, at any time subsequent to such event and during the Qualified Project Period, the Owner or any direct successor in interest, or any transferee from the Owner or its successor subject to an Assumption Agreement, or any Related Person to such persons, or any other person who was, prior to the event of foreclosure or other such event, an obligor on any Purpose Investment issued in connection with any financing for the Project, obtains an ownership interest in the Project for federal tax purposes; or

- (d) *Opinion of Bond Counsel.* Upon the delivery of an opinion of Bond Counsel acceptable to the Issuer, the Funding Lender and the Trustee that continued compliance with the requirements of Section 7 hereof is not required in order for interest on the Obligations to be and continue to be excludible from gross income of the holders of the Obligations for federal income tax purposes.

Section 18. Bonds No Longer Outstanding; Post-Defeasance. The Owner represents, warrants and covenants that (i) when the Bonds are exchanged for the Governmental Lender Note, and or (ii) in the event that the Obligations are defeased, but this Agreement remains in full force and effect, it shall contract, at Owner's expense, with a compliance monitoring agent reasonably satisfactory to the Issuer, to review compliance by the Owner with the requirements of this Agreement. The compliance monitoring agent shall be provided all of the compliance documents otherwise required to be provided to the Issuer, the Funding Lender and the Trustee by this Agreement. Any responsibilities or obligations of the Trustee under this Agreement shall terminate upon (i) the exchange of the Bonds for the Governmental Lender Note, and/or (ii) payment in full of the Obligations at maturity or upon redemption, or upon the legal defeasance of the Obligations.

Section 19. Indemnification. Provided that this indemnity shall not include the payment of principal and interest under, as applicable, the Loan Agreement or the Borrower Loan Agreement (it being intended that the repayment of the Loan is a limited, non-recourse obligation of the Owner), the Owner hereby covenants and agrees that it shall indemnify and hold harmless the Issuer, the Trustee and their officers, directors, officials, employees and agents from and against (a) any and all claims arising from any act or omission of the Owner or any of its agents, contractors, servants, employees or licensees, in connection with the Obligations, the Tax Certificates, the Loan Agreement, the Borrower Loan Agreement, any mortgage, this Agreement or the Project and (b) all reasonable costs, counsel fees, expenses or liabilities incurred in connection with any such claim or proceeding brought thereon. In the event that any action or proceeding is brought against the Issuer, the Trustee or any of its officers, directors, officials, employees or agents with respect to which indemnity may be sought hereunder, the Owner, upon written notice from the indemnified party, shall assume the investigation and defense thereof, including the employment of counsel and the payment of all reasonable expenses. The indemnified party shall have the right to participate in the investigation and defense thereof and in the event the indemnified party reasonably determines that a conflict of interest exists between such party and the Owner in connection therewith, the indemnified party may employ separate counsel with the consent and approval of the Owner, which consent shall not be unreasonably withheld, and in such event the Owner shall pay the reasonable fees and expenses of such separate counsel. The obligations of the Owner hereunder are full recourse obligations. Notwithstanding the foregoing, no party shall be indemnified pursuant to this Section 19 against its own gross negligence or willful misconduct. The indemnification obligations hereunder shall be cumulative with all other indemnification obligations owed from the Owner to the Issuer or the Trustee and their related indemnified parties.

Section 20. Recordation. The Issuer, the Owner and the Trustee each agrees that the Owner shall cause this Agreement (and all amendments and supplements hereto) to be recorded

and filed in the conveyance and real property records of Cook County, Illinois and in such other places as the Issuer or Trustee may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording(s). Upon delivery by the Owner to the Trustee of an opinion of independent counsel acceptable to the Trustee that the conditions to termination of this Agreement have been made, the Trustee shall, upon request by the Owner, and at the Owner's expense, file any documentation necessary to release the leasehold estate and Project from the obligations, duties, restrictions and covenants contained in this Agreement from the leasehold estate records of Cook County, Illinois.

Section 21. Covenants to Run with the Leasehold Estate; Successors Bound. Subject to the terms of the Ground Lease, the Owner hereby subjects the Leasehold Estate to the covenants, reservations and restrictions set forth in this Agreement. The Issuer, the Trustee and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants, reservations and restrictions running with the leasehold estate to the extent permitted by law and shall pass to and be binding upon the Owner's successors in title to the Leasehold Estate throughout the term of this Agreement. Each and every contract, deed, mortgage, or other instrument hereafter executed covering or conveying the Leasehold Estate or any portion thereof or interest therein shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed, mortgage or other instrument.

Section 22. No Conflict with Other Documents. Subject to the RAD Use Agreement and the Ground Lease, the Owner warrants that it has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and, except for the RAD Use Agreement and the Ground Lease, supersede all other requirements in conflict herewith.

Section 23. Subordination to RAD Use Agreement and Ground Lease. This Agreement is subject and subordinate in all respects to the RAD Use Agreement, the Ground Lease and the applicable RAD Requirements.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the date first above written, and effective as of the Effective Date.

CITY OF CHICAGO

By: _____
Name: _____
Title: _____

**LATHROP PRESERVATION PHASE IC, LP, an
Illinois limited partnership, as Borrower**

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

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee**

By: _____
Name: _____
Title: _____

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

Before me appeared _____, to me personally known, who being duly sworn, acknowledged herself/himself to be the _____ of the City of Chicago and that she/he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the City of Chicago by herself/himself as such officer.

WITNESS my hand and seal, this _____ day of _____, 2026.

Notary Public of
(SEAL)

Signature of Notary Public

My Commission expires:

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

Before me appeared _____, to me personally known, who being duly sworn, acknowledged himself/herself to be a _____ of Zions Bancorporation, National Association, and that he/she as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing on behalf of Zions Bancorporation, National Association by himself/herself as such officer.

WITNESS my hand and seal, this ____ day of _____, 2026.

Notary Public of
(SEAL)

Signature of Notary Public

My Commission expires:

STATE OF ILLINOIS)
) SS:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for the county and state aforesaid, do hereby certify that Sarah Wick, personally known to me to be the Senior Vice President of LR Development Company LLC d/b/a Related Midwest LLC, which is the sole member of Related Lathrop LLC, the manager of Lathrop Preservation Phase IC GP, LLC, the general partner of Lathrop Preservation Phase IC, LP, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that, in such capacity, she signed and delivered the said instrument in her capacity as the free and voluntary act of such person, and as the free and voluntary act and deed of such entities, for the uses and purposes therein set forth.

WITNESS my hand and seal, this _____ day of _____, 2026.

Notary Public of
(SEAL)

Signature of Notary Public

My Commission expires:

EXHIBIT A

DESCRIPTION OF PROJECT SITE