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RETURN TO: Attn: Neeraj Aranda
Clarity Development
3814 Farnam St, Omaha, NE 68131

CHECK NUMBER

**HUD RIDER TO LAND USE RESTRICTION AGREEMENT FOR LOW INCOME
HOUSING TAX CREDITS
Blair High Residences**

This HUD RIDER TO LAND USE RESTRICTION AGREEMENT FOR LOW INCOME HOUSING TAX CREDITS ("Rider") is made as of May 29, 2019, by BHRHUD, LP, ("Owner") and the Nebraska Investment Finance Authority (the "Authority"), a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska.

WHEREAS, Owner has obtained financing from Gershman Investment Corp. ("Lender") for the benefit of the project known as Blair High Residences ("Project"), which loan is secured by a Multifamily Deed of Trust, Construction Security Agreement a/k/a Multifamily Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing (Nebraska), Assignment of Rents, and Fixture Filing (Nebraska) ("Security Instrument") dated as of April 6, 2017, and recorded in the Register of Deeds of Douglas County, Nebraska ("Records") and is insured by the United States Department of Housing and Urban Development ("HUD");

WHEREAS, Owner has received an allocation of Low-Income Housing Tax Credits pursuant to Section 42 of the Internal Revenue Code of 1986 (the "Code") from the Authority, and in accordance with such allocation, the Authority is requiring certain restrictions be recorded against the Project; and

WHEREAS, Borrower entered into that certain Land Use Restriction Agreement for Low-Income Housing Tax Credits (the "LURA") with respect to the Project, as more particularly described in Exhibit A attached hereto, recorded against the project on December 28, 2018, at Instrument Number 2018102223, with the Assessor/Register of Deeds of Douglas County, Nebraska; and

WHEREAS, HUD requires as a condition of its insuring Lender's financing to the Project that the lien and covenants of the LURA be subordinated to the lien, covenants, and enforcement of the Security Instrument; and

WHEREAS, the Authority has agreed to subordinate the LURA to the lien of the Mortgage Loan in accordance with the terms of this Rider.

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

(a) **In the event of any conflict between any provision contained elsewhere in the LURA and any provision contained in this Rider, the provisions contained in this Rider shall govern and be controlling in all respects as set forth more fully herein.**

(b) The following terms shall have the following definitions:

"HUD" means the United States Department of Housing and Urban Development.

"HUD Regulatory Agreement" means the Regulatory Agreement between Owner and HUD with respect to the Project, as the same may be supplemented, amended or modified from time to time.

"Lender" means Gershman Investment Corp., its successors and assigns.

“Mortgage Loan” means the mortgage loan made by Lender to the Owner pursuant to the Mortgage Loan Documents with respect to the Project.

“Mortgage Loan Documents” means the Security Instrument, the HUD Regulatory Agreement and all other documents required by HUD or Lender in connection with the Mortgage Loan.

“National Housing Act” means the National Housing Act of 1934, as amended.

“Program Obligations” has the meaning set forth in the Security Instrument.

“Residual Receipts” has the meaning specified in the HUD Regulatory Agreement.

“Security Instrument” means the mortgage or deed of trust from Owner in favor of Lender, as the same may be supplemented, amended or modified.

“Surplus Cash” has the meaning specified in the HUD Regulatory Agreement.

(c) Notwithstanding anything in the LURA to the contrary, except for the requirements in 26 U.S.C. 42(h)(6)(E)(ii), to the extent applicable, the provisions hereof are expressly subordinate to (i) the Mortgage Loan Documents, including without limitation the Security Instrument, and (ii) Program Obligations (the Mortgage Loan Documents and Program Obligations are collectively referred to herein as the “HUD Requirements”). Owner covenants that it will not take or permit any action that would result in a violation of the Code, HUD Requirements or the LURA. In the event of any conflict between the provisions of the LURA and HUD Requirements, HUD shall be and remains entitled to enforce the HUD Requirements. Notwithstanding the foregoing, nothing herein limits the Authority’s ability to enforce the terms of the LURA, provided such terms do not conflict with statutory provisions of the National Housing Act or the regulations related thereto. The Owner represents and warrants that to the best of Owner’s knowledge the LURA imposes no terms or requirements that conflict with the National Housing Act and related regulations.

(d) In accordance with 26 U.S.C. 42(h)(6)(E)(i)(1), in the event of foreclosure (or deed in lieu of foreclosure), the LURA (including without limitation, any and all land use covenants and/or restrictions contained herein) shall automatically terminate, with the exception of the requirements of 26 U.S.C. 42(h)(6)(E)(ii) above, to the extent applicable, or as otherwise approved by HUD.

(e) Owner and the Authority acknowledge that Owner’s failure to comply with the covenants provided in the LURA does not and shall not serve as a basis for default under the HUD Requirements, unless a default also arises under the HUD Requirements.

(f) Except for the Authority’s reporting requirements, in enforcing the LURA the Authority will not file any claim against the Project, the Mortgage Loan proceeds, any reserve or deposit required by HUD in connection with the Security Instrument or HUD Regulatory Agreement, or the rents or other income from the Project other than a claim against:

- i. Available Surplus Cash, if the Owner is a for-profit entity;
- ii. Available distributions of surplus cash and Residual Receipts authorized for release by HUD, if the Owner is a limited distribution entity; or
- iii. Available Residual Receipts authorized by HUD, if the Owner is a non-profit entity.

(g) For so long as the Mortgage Loan is outstanding, Owner and the Authority shall not further amend the LURA, with the exception of clerical errors or administrative correction of non-substantive matters, without HUD’s prior written consent.

(h) Subject to the HUD Regulatory Agreement, the Authority may require the Owner to indemnify and hold the Authority harmless from all loss, cost, damage and expense arising from any claim or proceeding instituted against the Authority relating to the subordination and covenants set forth in the LURA, provided, however, that Owner's obligation to indemnify and hold the Authority harmless shall be limited to available surplus cash and/or residual receipts of the Owner.

(i) Notwithstanding anything to the contrary contained herein, it is not the intent of any of the parties hereto to cause a recapture of the Low-Income Housing Tax Credits or any portion thereof related to any potential conflicts between the HUD Requirements and the LURA. Owner represents and warrants that to the best of Owner's knowledge, the HUD Requirements impose no requirements which may be inconsistent with full compliance with the LURA. The acknowledged purpose of the HUD Requirements is to articulate requirements imposed by HUD, consistent with its governing statutes, and the acknowledged purpose of the LURA is to articulate requirements imposed by Section 42 of the Code. In the event an apparent conflict between the HUD Requirements and the LURA arises, the parties and HUD will work in good faith to determine which federally imposed requirement is controlling. It is the primary responsibility of the Owner, with advice of counsel, to determine that it will be able to comply with the HUD Requirements and its obligations under the LURA. No action shall be taken in accordance with the rights granted herein to preserve the tax exemption of the interest on the notes or bonds, or prohibiting the Owner from taking any action that might jeopardize the tax-exemption, except in strict accord with Program Obligations.

The undersigned agree to the terms and provisions of this Rider as of the date set forth herein.

[Remainder of page left intentionally blank]

[Signature page of Owner to HUD Rider to Land Use Restriction Agreement for Low Income Housing Tax Credits-Blair High Residences]

BHRHUD, LP
Owner

By: [Signature]
Name: Neeraj Agarwal
Title: Authorized Representative

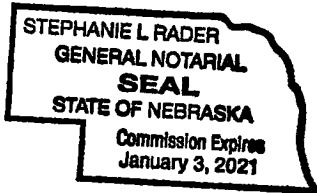
STATE OF NEBRASKA
COUNTY OF Douglas

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that on this 01st day of May of 2019, Neeraj Agarwal, authorized representative of BHRHUD, LP, 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 acknowledged that (s)he signed and delivered the said instrument as his/her free and voluntary act and the free and voluntary act of BHRHUD, LP, for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]
Notary Public

[seal]



[Signature page of the Authority to HUD Rider to Land Use Restriction Agreement for Low Income Housing Tax Credits-Blair High Residences]

NEBRASKA INVESTMENT FINANCE
AUTHORITY, the Authority

By: *Timothy R. Kenny*
Name: Timothy R. Kenny
Title: Executive Director

STATE OF NEBRASKA
COUNTY OF Lancaster

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that on this 29th day of May, 2019, Timothy R. Kenny, 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 acknowledged that he signed and delivered the said instrument as his free and voluntary act and the free and voluntary act of the NEBRASKA INVESTMENT FINANCE AUTHORITY for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

[seal]



Sara J. Tichota
Notary Public

EXHIBIT A

Lot 1, Blair Commons Replat 1, a subdivision as surveyed, platted and recorded in Douglas County, Nebraska, EXCEPT for a tract of land in a part of Lot 1, Blair Commons Replat 1 more particularly described as follows:

Beginning at the Southeast corner of said Lot 1, said corner also being on the West right-of-way line of 93rd Avenue; thence on the South line of said Lot 1 on an assumed being of S87°17'02"W, 88.28 feet; thence N02°27'06"W, 286.93 feet to a point of curvature on said West right-of-way line of 93rd Avenue; thence on said West right-of-way line of 93rd Avenue for the following three (3) described courses: (1) on a 125.00 foot radius curve to the left, an arc length of 137.51 feet (long chord bears S33°58'01"E, 130.68 feet) to a point of reverse curvature; (2) on a 75.00 foot radius curve to the right, an arc length of 97.97 feet (long chord bears S28°03'39"E, 91.15 feet); thence S09°21'38"W, 94.93 feet to the point of beginning.