

19-80878-TLS Saint James Apartment Partners LLC
Case type: bk **Chapter:** 11 **Asset:** Yes **Vol:** v **Chief Judge:** Thomas L. Saladino
Date filed: 06/07/2019 **Date of last filing:** 11/18/2019

Case Summary

Office: Omaha Office **Filed:** 06/07/2019
County: DOUGLAS-NE **Terminated:**
Fee: Paid **Debtor discharged:**
Origin: 0 **Reopened:**
Previous term: **Converted:**
Debtor dismissed:
Confirmation hearing:
Joint: n
Original chapter: 11
Current chapter: 11

Nature of debt: business
Pending status:
Flags: PlnDue, DsclsDue

Trustee: Jerry Jensen **City:** Omaha **Phone:** **Email:** ustpreion13.om.ecf@usdoj.gov

Party 1: Saint James Apartment Partners LLC (Debtor)
Tax ID / EIN: 32-0514584































Atty: Theodore R. Boecker Jr. **Represents party 1:** Debtor **Phone:** (402) 933-9500
Fax: (402) 933-7983
Email: boeckerlaw@msn.com
Atty: Robert Vaughan Ginn **Represents party 1:** Debtor **Phone:** 402-398-5434
Email: rvginn@cox.net
































Location of case files:
Volume: CS1
The case file may be available.

PACER Service Center			
Transaction Receipt			
11/27/2019 09:34:47			
PACER Login:	tcn22015	Client Code:	
Description:	Case Summary	Search Criteria:	19-80878-TLS
Billable Pages:	1	Cost:	0.10






19-80878-TLS Saint James Apartment Partners LLC
Case type: bk Chapter: 11 Asset: Yes Vol: v Chief Judge: Thomas L. Saladino
Date filed: 06/07/2019 Date of last filing: 11/18/2019

History

Doc. No.	Dates	Description
	<i>Filed & Entered:</i> 06/07/2019	 Judge Reassignment
<u>1</u>	<i>Filed & Entered:</i> 06/07/2019	 Voluntary Petition (Chapter 11)
<u>2</u>	<i>Filed & Entered:</i> 06/07/2019	 UST Entry of Appearance
<u>3</u>	<i>Filed & Entered:</i> 06/07/2019	 Meeting of Creditors Chapter 11 Corporation
<u>4</u>	<i>Filed & Entered:</i> 06/09/2019	 Auto-Docket of Credit Card/Debit Card
<u>5</u>	<i>Filed & Entered:</i> 06/10/2019	 Administrative Order
<u>6</u>	<i>Filed & Entered:</i> 06/10/2019	 Notice of Non-Compliance with Local Rule 1002-1
<u>7</u>	<i>Filed & Entered:</i> 06/10/2019	 Administrative Order
<u>8</u>	<i>Filed & Entered:</i> 06/10/2019	 20 Largest Unsecured Creditors
<u>9</u>	<i>Filed & Entered:</i> 06/10/2019	 Certificate of Corporation Action
<u>10</u>	<i>Filed & Entered:</i> 06/10/2019	 Certificate of Corporation Action
<u>11</u>	<i>Filed & Entered:</i> 06/10/2019	 Verification of Matrix
<u>12</u>	<i>Filed & Entered:</i> 06/10/2019	 Certificate of Corporation Action
<u>13</u>	<i>Filed & Entered:</i> 06/10/2019	 Statement of Corporate Ownership
<u>14</u>	<i>Filed & Entered:</i> 06/10/2019	 Meeting of Creditors Chapter 11 Corporation
<u>15</u>	<i>Filed & Entered:</i> 06/12/2019	 Schedule A/B
<u>16</u>	<i>Filed & Entered:</i> 06/12/2019	 Schedule D
<u>17</u>	<i>Filed & Entered:</i> 06/12/2019	 Schedule E/F
<u>18</u>	<i>Filed & Entered:</i> 06/12/2019	 Schedule G: Executory Contracts and Unexpired Leases
<u>19</u>	<i>Filed & Entered:</i> 06/12/2019	 Schedule H: - Codebtors
<u>20</u>	<i>Filed & Entered:</i> 06/12/2019	 Summary of Assets and Liabilities
<u>21</u>	<i>Filed & Entered:</i> 06/12/2019	 Statement of Financial Affairs
<u>22</u>	<i>Filed & Entered:</i> 06/12/2019	 BNC Certificate of Mailing - Meeting of Creditors
<u>23</u>	<i>Filed & Entered:</i> 06/17/2019 <i>Terminated:</i> 06/17/2019	 Application to Employ
<u>24</u>	<i>Filed & Entered:</i> 06/17/2019	 Deficiency Notice
<u>25</u>	<i>Filed & Entered:</i> 06/17/2019	 Declaration
<u>26</u>	<i>Filed & Entered:</i> 06/17/2019 <i>Terminated:</i> 07/01/2019	 Application to Employ
<u>27</u>	<i>Filed & Entered:</i> 06/25/2019	 Statement Adjourning Meeting of Creditors
<u>28</u>	<i>Filed & Entered:</i> 06/26/2019	 Disclosure of Compensation of Attorney for Debtor
<u>29</u>	<i>Filed & Entered:</i> 07/01/2019	 Order on Application to Employ

30	<i>Filed & Entered:</i> 07/12/2019	 Notice of Appearance and Request for Notice
31	<i>Filed & Entered:</i> 07/26/2019	 Notice of Appearance and Request for Notice
	<i>Filed & Entered:</i> 07/29/2019	 Meeting of Creditors Held
32	<i>Filed & Entered:</i> 08/05/2019 <i>Terminated:</i> 08/27/2019	 Motion to Approve Procedure for Interim Compensation
33	<i>Filed & Entered:</i> 08/20/2019	 Operating Report
34	<i>Filed & Entered:</i> 08/20/2019	 Exhibit
35	<i>Filed & Entered:</i> 08/23/2019	 Operating Report
36	<i>Filed & Entered:</i> 08/23/2019	 Exhibit
37	<i>Filed & Entered:</i> 08/27/2019	 Order on Compensation Approval Procedure Ch 11
38	<i>Filed & Entered:</i> 09/03/2019 <i>Terminated:</i> 11/18/2019	 Motion for Turnover
39	<i>Filed & Entered:</i> 09/03/2019	 Exhibit
40	<i>Filed & Entered:</i> 09/03/2019	 Exhibit
41	<i>Filed & Entered:</i> 09/03/2019	 Exhibit
42	<i>Filed & Entered:</i> 09/09/2019 <i>Terminated:</i> 09/09/2019	 Motion to Extend Time
43	<i>Filed & Entered:</i> 09/09/2019	 Order on Motion to Extend Time
44	<i>Filed & Entered:</i> 09/09/2019 <i>Terminated:</i> 10/07/2019	 Motion for Relief From Stay
45	<i>Filed & Entered:</i> 09/09/2019	 Auto-Docket of Credit Card/Debit Card
46	<i>Filed & Entered:</i> 09/10/2019	 Hearing (Bk)
47	<i>Filed & Entered:</i> 09/10/2019	 Certificate of Service
48	<i>Filed & Entered:</i> 09/17/2019	 Operating Report
49	<i>Filed & Entered:</i> 09/19/2019 <i>Terminated:</i> 09/20/2019	 Application to Employ
50	<i>Filed & Entered:</i> 09/19/2019	 Support Document
51	<i>Filed & Entered:</i> 09/19/2019 <i>Terminated:</i> 10/02/2019	 Application to Have Filing Fee Waived
52	<i>Filed:</i> 09/19/2019 <i>Entered:</i> 09/20/2019	 Affidavit/Declaration
53	<i>Filed & Entered:</i> 09/20/2019	 Order on Application to Have the Filing Fee Waived
54	<i>Filed & Entered:</i> 09/20/2019	 Order on Application to Employ
55	<i>Filed & Entered:</i> 09/27/2019 <i>Terminated:</i> 10/02/2019	 Application to Employ
56	<i>Filed & Entered:</i> 09/27/2019	 Exhibit
57	<i>Filed & Entered:</i> 09/27/2019 <i>Terminated:</i> 10/04/2019	 Application to Employ
58	<i>Filed & Entered:</i> 09/27/2019	 Resistance
59	<i>Filed & Entered:</i> 09/27/2019	 Response

60	<i>Filed & Entered:</i> 09/30/2019	Deficiency Notice - Professional Affidavit
61	<i>Filed & Entered:</i> 09/30/2019	Notice of Appearance and Request for Notice
62	<i>Filed & Entered:</i> 10/01/2019 <i>Terminated:</i> 10/02/2019	Generic Motion
63	<i>Filed:</i> 10/01/2019 <i>Entered:</i> 10/02/2019 <i>Terminated:</i> 10/02/2019	Motion to Reconsider
64	<i>Filed & Entered:</i> 10/02/2019	Order on Motion To Reconsider
65	<i>Filed & Entered:</i> 10/02/2019	Order on Application to Have the Filing Fee Waived
66	<i>Filed & Entered:</i> 10/02/2019	Exhibit
67	<i>Filed & Entered:</i> 10/02/2019	Affidavit/Declaration
68	<i>Filed & Entered:</i> 10/02/2019	Exhibit
69	<i>Filed & Entered:</i> 10/02/2019	Exhibit
70	<i>Filed & Entered:</i> 10/02/2019	Exhibit
71	<i>Filed & Entered:</i> 10/02/2019	Exhibit
72	<i>Filed & Entered:</i> 10/02/2019	Exhibit List
73	<i>Filed & Entered:</i> 10/04/2019	Affidavit/Declaration
74	<i>Filed & Entered:</i> 10/04/2019	Order on Application to Employ
75	<i>Filed & Entered:</i> 10/04/2019 <i>Terminated:</i> 10/30/2019	Motion for Relief From Stay
76	<i>Filed & Entered:</i> 10/04/2019	Hearing (Bk)
77	<i>Filed & Entered:</i> 10/04/2019	Certificate of Service
78	<i>Filed & Entered:</i> 10/07/2019	Order on Motion For Relief From Stay
79	<i>Filed & Entered:</i> 10/07/2019	<i>Description not available</i>
80	<i>Filed & Entered:</i> 10/15/2019	Resistance
81	<i>Filed & Entered:</i> 10/16/2019	Hearing (Bk)
82	<i>Filed & Entered:</i> 10/21/2019	Resistance
83	<i>Filed & Entered:</i> 10/24/2019 <i>Terminated:</i> 10/25/2019	Motion to Extend Time
84	<i>Filed & Entered:</i> 10/25/2019	Order on Motion to Extend Time
85	<i>Filed & Entered:</i> 10/25/2019	Exhibit
86	<i>Filed & Entered:</i> 10/25/2019	Affidavit/Declaration
87	<i>Filed & Entered:</i> 10/25/2019	Affidavit/Declaration
88	<i>Filed & Entered:</i> 10/25/2019	Affidavit/Declaration
89	<i>Filed & Entered:</i> 10/25/2019	Exhibit
90	<i>Filed & Entered:</i> 10/25/2019	Exhibit
91	<i>Filed & Entered:</i> 10/25/2019	Index of Evidence
92	<i>Filed & Entered:</i> 10/28/2019	Affidavit/Declaration
93	<i>Filed & Entered:</i> 10/30/2019	Order on Motion For Relief From Stay
94	<i>Filed & Entered:</i> 10/30/2019	<i>Description not available</i>

95	<i>Filed & Entered:</i> 11/12/2019	 Affidavit/Declaration
96	<i>Filed & Entered:</i> 11/12/2019	 Index of Evidence
97	<i>Filed & Entered:</i> 11/13/2019	 Exhibit List
98	<i>Filed & Entered:</i> 11/18/2019	 Order on Motion for Turnover
99	<i>Filed & Entered:</i> 11/18/2019	 <i>Description not available</i>

PACER Service Center			
Transaction Receipt			
11/27/2019 09:36:21			
PACER Login:	tcn22015	Client Code:	
Description:	History/Documents	Search Criteria:	19-80878-TLS Type: History
Billable Pages:	3	Cost:	0.30

Fill in this information to identify the case:

United States Bankruptcy Court for the:

_____ District of Nebraska
(State)

Case number (if known): _____ Chapter 11

☐ Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/19

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Saint James Apartment Partners, LLC

2. All other names debtor used in the last 8 years N/A
Include any assumed names, trade names, and *doing business* as names

3. Debtor's federal Employer Identification Number (EIN) 3 2 - 0 5 1 4 5 8 4

4. Debtor's address

Principal place of business		Mailing address, if different from principal place of business
<u>3201 N 60th Street</u>		<u>740 S 75th Street</u>
Number	Street	Number Street
<u>Omaha</u> <u>NE</u> <u>68104</u>		<u>Omaha</u> <u>NE</u> <u>68114</u>
City	State ZIP Code	City State ZIP Code
<u>Douglas</u>		Location of principal assets, if different from principal place of business
County		<u>Number Street</u>
		City State ZIP Code

5. Debtor's website (URL) N/A

6. Type of debtor
☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
☐ Partnership (excluding LLP)
☐ Other. Specify: _____

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☒ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☐ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

5 3 1 1

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
☐ Chapter 9
☒ Chapter 11. *Check all that apply:*
☒ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625 (amount subject to adjustment on 4/01/22 and every 3 years after that).
☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
☐ A plan is being filed with this petition.
☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY
District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

☒ No

☐ Yes. Debtor _____ Relationship _____
District _____ When _____
MM / DD / YYYY
Case number, if known _____

List all cases. If more than 1, attach a separate list.

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

11. Why is the case filed in *this* district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ☐ No
- ☒ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☒ Other This is an apartment complex with ongoing repairs that need to be addressed.

Where is the property? 3102 N 60th Street

Number Street

Omaha

City

NE

State

68104

ZIP Code

Is the property insured?

- ☐ No
- ☒ Yes. Insurance agency Enlighten Agency

Contact name Greg VanderVorst

Phone 402-330-7979

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- ☐ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated assets

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

16. Estimated liabilities

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

- ☐ The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
- ☐ I have been authorized to file this petition on behalf of the debtor.
- ☐ I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____
MM / DD / YYYY

X

John C. Foley

John C. Foley

Signature of authorized representative of debtor

Printed name

Title Central States Development, Managing Member

18. Signature of attorney

X

Robert V. Ginn

Date

Signature of attorney for debtor

MM / DD / YYYY

Robert V. Ginn

Printed name

Robert V. Ginn, Attorney

Firm name

1337 South 101 Street #209

Number

Street

NE

68124

Omaha
City

State

ZIP Code

402-398-5434

rvginn@cox.net

Contact phone

Email address

15061

Nebraska

Bar number

State

Fill in this information to identify the case:

United States Bankruptcy Court for the:

_____ District of Nebraska
(State)

Case number (if known): _____ Chapter 11

☐ Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/19

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

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2. All other names debtor used in the last 8 years N/A
Include any assumed names, trade names, and *doing business* as names

3. Debtor's federal Employer Identification Number (EIN) 3 2 - 0 5 1 4 5 8 4

4. Debtor's address

Principal place of business		Mailing address, if different from principal place of business
<u>3201 N 60th Street</u>		<u>740 S 75th Street</u>
Number	Street	Number Street
<u>Omaha NE 68104</u>		<u>Omaha NE 68114</u>
City	State ZIP Code	City State ZIP Code
<u>Douglas</u>		Location of principal assets, if different from principal place of business
County		<u>Number Street</u>
		City State ZIP Code

5. Debtor's website (URL) N/A

6. Type of debtor
☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
☐ Partnership (excluding LLP)
☐ Other. Specify: _____

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☒ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☐ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

5 3 1 1

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
☐ Chapter 9
☒ Chapter 11. *Check all that apply:*
☒ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625 (amount subject to adjustment on 4/01/22 and every 3 years after that).
☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
☐ A plan is being filed with this petition.
☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY
District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

☒ No

☐ Yes. Debtor _____ Relationship _____
District _____ When _____
MM / DD / YYYY
Case number, if known _____

List all cases. If more than 1, attach a separate list.

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

11. Why is the case filed in *this* district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ☐ No
- ☒ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☒ Other This is an apartment complex with ongoing repairs that need to be addressed.

Where is the property? 3102 N 60th Street

Number Street

Omaha

City

NE

State

68104

ZIP Code

Is the property insured?

- ☐ No
- ☒ Yes. Insurance agency Enlighten Agency

Contact name Greg VanderVorst

Phone 402-330-7979

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- ☐ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated assets

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

16. Estimated liabilities

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

- ☐ The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
- ☐ I have been authorized to file this petition on behalf of the debtor.
- ☐ I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____
MM / DD / YYYY

X

John C. Foley

John C. Foley

Signature of authorized representative of debtor

Printed name

Title Central States Development, Managing Member

18. Signature of attorney

X

Robert V. Ginn

Date

Signature of attorney for debtor

MM / DD / YYYY

Robert V. Ginn

Printed name

Robert V. Ginn, Attorney

Firm name

1337 South 101 Street #209

Number

Street

NE

68124

Omaha

City

State

ZIP Code

402-398-5434

rvginn@cox.net

Contact phone

Email address

15061

Nebraska

Bar number

State

Fill in this information to identify the case:

Debtor name Saint James Apartment Partners, LLC

United States Bankruptcy Court for the: _____ District of Nebraska
(State)

Case number (if known): _____

☐ Check if this is an amended filing

Official Form 206A/B**Schedule A/B: Assets — Real and Personal Property**

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents**1. Does the debtor have any cash or cash equivalents?**

- ☐ No. Go to Part 2.
- ☐ Yes. Fill in the information below.

All cash or cash equivalents owned or controlled by the debtor**Current value of debtor's interest****2. Cash on hand**

\$ _____

3. Checking, savings, money market, or financial brokerage accounts (Identify all)

Name of institution (bank or brokerage firm)	Type of account	Last 4 digits of account number	
3.1. <u>Five Points Bank</u>	<u>Checking</u>	<u>9 6 0 8</u>	\$ <u>833.76</u>
3.2. <u>Five Points Bank</u>	<u>Checkinhg</u>	<u>6 1 4 3</u>	\$ <u>83.94</u>

4. Other cash equivalents (Identify all)

4.1. _____ \$ _____

4.2. _____ \$ _____

5. Total of Part 1\$ 917.70

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

Part 2: Deposits and prepayments**6. Does the debtor have any deposits or prepayments?**

- ☐ No. Go to Part 3.
- ☐ Yes. Fill in the information below.

Current value of debtor's interest**7. Deposits, including security deposits and utility deposits**

Description, including name of holder of deposit	
7.1. <u>See Exhibit 7.1 - Security Deposits</u>	\$ <u>7,946.00</u>
7.2. _____	\$ _____

8. Prepayments, including prepayments on executory contracts, leases, insurance, taxes, and rent

Description, including name of holder of prepayment

8.1. _____ \$ _____
 8.2. _____ \$ _____

9. Total of Part 2.

Add lines 7 through 8. Copy the total to line 81.

\$ _____

Part 3: Accounts receivable

10. Does the debtor have any accounts receivable?

- ☐ No. Go to Part 4.
☐ Yes. Fill in the information below.

Current value of debtor's interest

11. Accounts receivable

11a. 90 days old or less:	129,070.00	-	30,000.00	= →	\$ 99,070.00
	face amount		doubtful or uncollectible accounts		
11b. Over 90 days old:	309,853.19	-	70,000.00	= →	\$ 239,853.19
	face amount		doubtful or uncollectible accounts		

12. Total of Part 3

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$ 338,923.19

Part 4: Investments

13. Does the debtor own any investments?

- ☐ No. Go to Part 5.
☐ Yes. Fill in the information below.

Valuation method used for current value

Current value of debtor's interest

14. Mutual funds or publicly traded stocks not included in Part 1

Name of fund or stock:

14.1. _____ \$ _____
 14.2. _____ \$ _____

15. Non-publicly traded stock and interests in incorporated and unincorporated businesses, including any interest in an LLC, partnership, or joint venture

Name of entity:

% of ownership:

15.1. _____ % _____ \$ _____
 15.2. _____ % _____ \$ _____

16. Government bonds, corporate bonds, and other negotiable and non-negotiable instruments not included in Part 1

Describe:

16.1. _____ \$ _____
 16.2. _____ \$ _____

17. Total of Part 4

Add lines 14 through 16. Copy the total to line 83.

\$ _____

Part 5: Inventory, excluding agriculture assets

18. Does the debtor own any inventory (excluding agriculture assets)?

- ☐ No. Go to Part 6.
☐ Yes. Fill in the information below.

General description	Date of the last physical inventory	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
19. Raw materials				
	MM / DD / YYYY	\$		\$
20. Work in progress				
	MM / DD / YYYY	\$		\$
21. Finished goods, including goods held for resale				
	MM / DD / YYYY	\$		\$
22. Other inventory or supplies				
	MM / DD / YYYY	\$		\$
23. Total of Part 5				\$
Add lines 19 through 22. Copy the total to line 84.				

24. Is any of the property listed in Part 5 perishable?

- ☐ No
☐ Yes

25. Has any of the property listed in Part 5 been purchased within 20 days before the bankruptcy was filed?

- ☐ No
☐ Yes. Book value Valuation method Current value

26. Has any of the property listed in Part 5 been appraised by a professional within the last year?

- ☐ No
☐ Yes

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?

- ☐ No. Go to Part 7.
☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
28. Crops—either planted or harvested			
	\$		\$
29. Farm animals <i>Examples:</i> Livestock, poultry, farm-raised fish			
	\$		\$
30. Farm machinery and equipment (Other than titled motor vehicles)			
	\$		\$
31. Farm and fishing supplies, chemicals, and feed			
	\$		\$
32. Other farming and fishing-related property not already listed in Part 6			
	\$		\$

33. **Total of Part 6.**

Add lines 28 through 32. Copy the total to line 85.

\$ _____

34. **Is the debtor a member of an agricultural cooperative?**

- ☐ No
☐ Yes. Is any of the debtor's property stored at the cooperative?
☐ No
☐ Yes

35. **Has any of the property listed in Part 6 been purchased within 20 days before the bankruptcy was filed?**

- ☐ No
☐ Yes. Book value \$ _____ Valuation method _____ Current value \$ _____

36. **Is a depreciation schedule available for any of the property listed in Part 6?**

- ☐ No
☐ Yes

37. **Has any of the property listed in Part 6 been appraised by a professional within the last year?**

- ☐ No
☐ Yes

Part 7: Office furniture, fixtures, and equipment; and collectibles

38. **Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?**

- ☐ No. Go to Part 8.
☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39. Office furniture			
Desks, Chairs, Tables, File cabinets	\$ _____	liquidation value/estimated	\$ 1,000.00
40. Office fixtures			
	\$ _____		\$ NONE
41. Office equipment, including all computer equipment and communication systems equipment and software			
Computers, monitors, printers	\$ _____	liquidation value/estimated	\$ 1,000.00
42. Collectibles <i>Examples:</i> Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles			
42.1	\$ _____		\$ _____
42.2	\$ _____		\$ _____
42.3	\$ _____		\$ _____

43. **Total of Part 7.**

Add lines 39 through 42. Copy the total to line 86.

\$ 2,000.00

44. **Is a depreciation schedule available for any of the property listed in Part 7?**

- ☐ No
☐ Yes

45. **Has any of the property listed in Part 7 been appraised by a professional within the last year?**

- ☐ No
☐ Yes

Debtor

Saint James Apartment Partners, LLC

Name

Document

Page 5 of 8

Case number (if known)

Part 8: Machinery, equipment, and vehicles**46. Does the debtor own or lease any machinery, equipment, or vehicles?**

- ☐ No. Go to Part 9.
- ☐ Yes. Fill in the information below.

General description

Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)

Net book value of debtor's interest
(Where available)

Valuation method used for current value

Current value of debtor's interest

47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles

47.1 _____	\$ _____	_____	\$ _____
47.2 _____	\$ _____	_____	\$ _____
47.3 _____	\$ _____	_____	\$ _____
47.4 _____	\$ _____	_____	\$ _____

48. Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels

48.1 _____	\$ _____	_____	\$ _____
48.2 _____	\$ _____	_____	\$ _____

49. Aircraft and accessories

49.1 _____	\$ _____	_____	\$ _____
49.2 _____	\$ _____	_____	\$ _____

50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment)

_____	\$ _____	_____	\$ _____
-------	----------	-------	----------

51. Total of Part 8.

Add lines 47 through 50. Copy the total to line 87.

\$ _____

52. Is a depreciation schedule available for any of the property listed in Part 8?

- ☐ No
- ☐ Yes

53. Has any of the property listed in Part 8 been appraised by a professional within the last year?

- ☐ No
- ☐ Yes

Part 9: Real property

54. Does the debtor own or lease any real property?

- ☐ No. Go to Part 10.
☐ Yes. Fill in the information below.

55. Any building, other improved real estate, or land which the debtor owns or in which the debtor has an interest

Description and location of property Include street address or other description such as Assessor Parcel Number (APN), and type of property (for example, acreage, factory, warehouse, apartment or office building), if available.	Nature and extent of debtor's interest in property	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
55.1 APN - 0612160001; Apartment Complex	Owner	\$		\$ 2,961,870.23
55.2		\$		\$
55.3		\$		\$
55.4		\$		\$
55.5		\$		\$
55.6		\$		\$

56. Total of Part 9.

Add the current value on lines 55.1 through 55.6 and entries from any additional sheets. Copy the total to line 88.

\$ 2,961,870.23

57. Is a depreciation schedule available for any of the property listed in Part 9?

- ☐ No
☐ Yes

58. Has any of the property listed in Part 9 been appraised by a professional within the last year?

- ☐ No
☐ Yes

Part 10: Intangibles and intellectual property

59. Does the debtor have any interests in intangibles or intellectual property?

- ☐ No. Go to Part 11.
☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
60. Patents, copyrights, trademarks, and trade secrets	\$		\$
61. Internet domain names and websites	\$		\$
62. Licenses, franchises, and royalties	\$		\$
63. Customer lists, mailing lists, or other compilations	\$		\$
64. Other intangibles, or intellectual property	\$ 7,164,800.00	Award letter from NIFA	\$ 7,164,800.00
65. Goodwill	\$		\$

66. Total of Part 10.

Add lines 60 through 65. Copy the total to line 89.

\$ 7,164,800.00

Debtor

Saint James Apartment Partners, LLC

Name

Document Page 7 of 8

Case number (if known)

67. Do your lists or records include personally identifiable information of customers (as defined in 11 U.S.C. §§ 101(41A) and 107)?

- ☐ No
☐ Yes

68. Is there an amortization or other similar schedule available for any of the property listed in Part 10?

- ☐ No
☐ Yes

69. Has any of the property listed in Part 10 been appraised by a professional within the last year?

- ☐ No
☐ Yes

Part 11: All other assets

70. Does the debtor own any other assets that have not yet been reported on this form?

Include all interests in executory contracts and unexpired leases not previously reported on this form.

- ☐ No. Go to Part 12.
☐ Yes. Fill in the information below.

**Current value of
debtor's interest**

71. Notes receivable

Description (include name of obligor)

_____ — _____ = ➔ \$ _____
Total face amount doubtful or uncollectible amount

72. Tax refunds and unused net operating losses (NOLs)

Description (for example, federal, state, local)

_____	Tax year _____	\$ _____
_____	Tax year _____	\$ _____
_____	Tax year _____	\$ _____

73. Interests in insurance policies or annuities

_____ \$ _____

74. Causes of action against third parties (whether or not a lawsuit has been filed)

_____ \$ _____

Nature of claim _____

Amount requested \$ _____

75. Other contingent and unliquidated claims or causes of action of every nature, including counterclaims of the debtor and rights to set off claims

_____ \$ _____

Nature of claim _____

Amount requested \$ _____

76. Trusts, equitable or future interests in property

_____ \$ _____

77. Other property of any kind not already listed Examples: Season tickets, country club membership

_____ \$ _____

_____ \$ _____

78. Total of Part 11.

Add lines 71 through 77. Copy the total to line 90.

\$ _____

79. Has any of the property listed in Part 11 been appraised by a professional within the last year?

- ☐ No
☐ Yes

Part 12: Summary

In Part 12 copy all of the totals from the earlier parts of the form.

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1.</i>	\$ 917.70	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	\$ 7,946.00	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	\$ 338,923.19	
83. Investments. <i>Copy line 17, Part 4.</i>	\$ 0.00	
84. Inventory. <i>Copy line 23, Part 5.</i>	\$ 0.00	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	\$ 0.00	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	\$ 2,000.00	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	\$ 0.00	
88. Real property. <i>Copy line 56, Part 9.</i>	→	\$ 2,961,870.23
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	\$ 7,164,800.00	
90. All other assets. <i>Copy line 78, Part 11.</i>	+ \$	
91. Total. Add lines 80 through 90 for each column..... 91a.	\$ 7,514,586.89	+ 91b. \$ 2,961,870.23
92. Total of all property on Schedule A/B. Lines 91a + 91b = 92.		\$ 10,476,457.12

Fill in this information to identify the case:

Debtor Saint James Apartment Partners, LLC

United States Bankruptcy Court for the: _____ District of Nebraska
(State)

Case number _____
(If known)

☐ Check if this is an amended filing

Official Form 206E/F

Schedule E/F: Creditors Who Have Unsecured Claims

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims? (See 11 U.S.C. § 507).

- ☐ No. Go to Part 2.
☒ Yes. Go to line 2.

2. List in alphabetical order all creditors who have unsecured claims that are entitled to priority in whole or in part. If the debtor has more than 3 creditors with priority unsecured claims, fill out and attach the Additional Page of Part 1.

2.1 Priority creditor's name and mailing address

CSDLLC
740 S 75th Street
Omaha, NE 68114

Date or dates debt was incurred _____

Last 4 digits of account number 5 8 7 0

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)

As of the petition filing date, the claim is: \$ 18,546.00

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Total claim

Priority amount

\$ 18,546.00

2.2 Priority creditor's name and mailing address

Metropolitan Utilities District
P.O. Box 3600
Omaha, NE 68103

Date or dates debt was incurred _____

Last 4 digits of account number 8 7 7 3

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)

As of the petition filing date, the claim is: \$ 0.00

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

\$ 0.00

Is the claim subject to offset?

- ☐ No
☐ Yes

2.3 Priority creditor's name and mailing address

Omaha Public Power District
P.O. Box 3995
Omaha, NE 68103

Date or dates debt was incurred _____

Last 4 digits of account number 9 0 5 9

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)

As of the petition filing date, the claim is: \$ 0.00

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

\$ 0.00

Is the claim subject to offset?

- ☐ No
☐ Yes

Part 1. Additional Page

Copy this page if more space is needed. Continue numbering the lines sequentially from the previous page. If no additional PRIORITY creditors exist, do not fill out or submit this page.

Total claim

Priority amount

2.4 Priority creditor's name and mailing address

\$ 0.00 \$ 0.00

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Cox Business Services

P.O. Box 2742

Omaha, NE 68103

Date or dates debt was incurred

Basis for the claim:

Last 4 digits of account

number 4 2 0 1

Is the claim subject to offset?

- ☐ No
☐ Yes

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()

2.5 Priority creditor's name and mailing address

\$ 18,941.33 \$ 18,941.33

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

John C. Foley

740 S 75th Street

Omaha, NE 68114

Date or dates debt was incurred

Basis for the claim:

Last 4 digits of account

number

Is the claim subject to offset?

- ☐ No
☐ Yes

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()

2.7 Priority creditor's name and mailing address

\$ 220,821.29 \$ 220,821.29

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Central States Property Management

740 S 75th Street

Omaha NE 68114

Date or dates debt was incurred

Basis for the claim:

Last 4 digits of account

number 4 2 4 5

Is the claim subject to offset?

- ☐ No
☐ Yes

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()

2. Priority creditor's name and mailing address

\$ \$

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Date or dates debt was incurred

Basis for the claim:

Last 4 digits of account

number

Is the claim subject to offset?

- ☐ No
☐ Yes

Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

Amount of claim

3.1 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

3.2 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

3.3 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

3.4 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

3.5 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

3.6 Nonpriority creditor's name and mailing address

As of the petition filing date, the claim is:

Check all that apply.

\$ _____

- ☐ Contingent
☐ Unliquidated
☐ Disputed

Basis for the claim: _____

Date or dates debt was incurred _____

Is the claim subject to offset?

Last 4 digits of account number _____

- ☐ No
☐ Yes

Part 2: Additional Page

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page. If no additional NONPRIORITY creditors exist, do not fill out or submit this page.

Amount of claim

3.____	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input type="checkbox"/> Liquidated and neither contingent nor disputed	\$ _____
		Basis for the claim: _____	
	Date or dates debt was incurred _____	Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	
	Last 4 digits of account number _____		
3.____	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$ _____
		Basis for the claim: _____	
	Date or dates debt was incurred _____	Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	
	Last 4 digits of account number _____		
3.____	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$ _____
		Basis for the claim: _____	
	Date or dates debt was incurred _____	Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	
	Last 4 digits of account number _____		
3.____	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$ _____
		Basis for the claim: _____	
	Date or dates debt was incurred _____	Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	
	Last 4 digits of account number _____		
3.____	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$ _____
		Basis for the claim: _____	
	Date or dates debt was incurred _____	Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	
	Last 4 digits of account number _____		

Part 3:**List Others to Be Notified About Unsecured Claims**

4. List in alphabetical order any others who must be notified for claims listed in Parts 1 and 2. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for unsecured creditors.

If no others need to be notified for the debts listed in Parts 1 and 2, do not fill out or submit this page. If additional pages are needed, copy the next page.

Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.2. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.3. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.1. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.5. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.6. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.7. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.8. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.9. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.10. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4.11. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _

Part 3: Additional Page for Others to Be Notified About Unsecured Claims

Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _
4. _____ _____ _____	Line _____ <input type="checkbox"/> Not listed. Explain _____	____ _

Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims**5. Add the amounts of priority and nonpriority unsecured claims.****Total of claim amounts**5a. **Total claims from Part 1**

5a.

\$ 258,308.62

5b. **Total claims from Part 2**

5b.

+

\$ 0.00

5c. **Total of Parts 1 and 2**

5c.

\$ 258,308.62

Lines 5a + 5b = 5c.

Fill in this information to identify the case:

Debtor name Saint James Apartment Partners, LLC

United States Bankruptcy Court for the: _____ District of Nebraska
(State)

Case number (if known): _____

☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
- ☐ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

Column A
Amount of claim
Do not deduct the value of collateral.

Column B
Value of collateral that supports this claim

<p>2.1 Creditor's name <u>Saint James Manor, L.P.</u></p> <p>Creditor's mailing address <u>3300 N 60th Street</u> <u>Omaha, NE 68104</u></p> <p>Creditor's email address, if known _____</p> <p>Date debt was incurred _____</p> <p>Last 4 digits of account number _____</p> <p>Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Specify each creditor, including this creditor, and its relative priority. _____ _____</p>	<p>Describe debtor's property that is subject to a lien _____ _____</p> <p>Describe the lien _____</p> <p>Is the creditor an insider or related party? <input type="checkbox"/> No <input type="checkbox"/> Yes</p> <p>Is anyone else liable on this claim? <input type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H).</p> <p>As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed</p>	<p>\$ <u>2,450,000.00</u></p>	<p>\$ <u>2,450,000.00</u></p>
<p>2.2 Creditor's name _____</p> <p>Creditor's mailing address _____ _____</p> <p>Creditor's email address, if known _____</p> <p>Date debt was incurred _____</p> <p>Last 4 digits of account number _____</p> <p>Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Have you already specified the relative priority? <input type="checkbox"/> No. Specify each creditor, including this creditor, and its relative priority. _____ _____</p> <p><input type="checkbox"/> Yes. The relative priority of creditors is specified on lines _____</p>	<p>Describe debtor's property that is subject to a lien _____ _____</p> <p>Describe the lien _____</p> <p>Is the creditor an insider or related party? <input type="checkbox"/> No <input type="checkbox"/> Yes</p> <p>Is anyone else liable on this claim? <input type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H).</p> <p>As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed</p>	<p>\$ _____</p>	<p>\$ _____</p>
<p>3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.</p>		<p>\$ <u>2,450,000.00</u></p>	

Part 1: Additional Page**Column A****Amount of claim**

Do not deduct the value of collateral.

Column B**Value of collateral that supports this claim**

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

2. Creditor's name Creditor's mailing address Creditor's email address, if known Date debt was incurred _____ Last 4 digits of account number _____ Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Have you already specified the relative priority? <input type="checkbox"/> No. Specify each creditor, including this creditor, and its relative priority. <input type="checkbox"/> Yes. The relative priority of creditors is specified on lines _____	Describe debtor's property that is subject to a lien \$ _____ \$ _____ Describe the lien Is the creditor an insider or related party? <input type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H). As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed
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2. Creditor's name Creditor's mailing address Creditor's email address, if known Date debt was incurred _____ Last 4 digits of account number _____ Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Have you already specified the relative priority? <input type="checkbox"/> No. Specify each creditor, including this creditor, and its relative priority. <input type="checkbox"/> Yes. The relative priority of creditors is specified on lines _____	Describe debtor's property that is subject to a lien \$ _____ \$ _____ Describe the lien Is the creditor an insider or related party? <input type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H). As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed
---	---

Fill in this information to identify the case:

Debtor name Saint James Apartment Partners, LLC

United States Bankruptcy Court for the: _____ District of Nebraska
(State)
Case number (if known): _____ Chapter 11

☐ Check if this is an amended filing

Official Form 206G

Schedule G: Executory Contracts and Unexpired Leases

12/15

Be as complete and accurate as possible. If more space is needed, copy and attach the additional page, numbering the entries consecutively.

1. Does the debtor have any executory contracts or unexpired leases?

- ☐ No. Check this box and file this form with the court with the debtor's other schedules. There is nothing else to report on this form.
- ☐ Yes. Fill in all of the information below even if the contracts or leases are listed on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B).

2. List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.1	State what the contract or lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract	<u>Residential lease</u> <u>Debtor is owner</u> <u>Month-to-month</u> _____ _____	<u>Shenkia Johnson</u> <u>3106 N 60th Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u> _____
2.2	State what the contract or lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract	<u>Residential lease</u> <u>Debtor is owner</u> <u>Month-to-month</u> _____ _____	<u>Santana Rodriguez</u> <u>3106 N 60th Street</u> <u>Apt #</u> <u>Omaha, NE 68104</u> _____
2.3	State what the contract or lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract	<u>Residential lease</u> <u>Debtor is owner</u> <u>Month-to-month</u> _____ _____	<u>Atiya Olloway</u> <u>3108 N 60th Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u> _____
2.4	State what the contract or lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract	<u>Residential lease</u> <u>Debtor is owner</u> <u>Month-to-month</u> _____ _____	<u>Lucinda Aghey</u> <u>3108 N 60th Street</u> <u>Apt #2</u> <u>Omaha, NE 68104</u> _____
2.5	State what the contract or lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract	<u>Residential lease</u> <u>Debtor is owner</u> <u>Month-to-month</u> _____ _____	<u>Brittani Brown</u> <u>3108 N 60th Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u> _____

Saint James Apartment Partners, LLC

Debtor

Name

Case number (if known)

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.6	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Amanda De Maleo Juan 3110 N 60th Street Apt #1
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.7	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Kendra Kiley 3110 N 60th Street Apt #2
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.8	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Adrean Williams 3110 N 60th Street Apt #3
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.9	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Florence Stricklin 3112 N 60th Street Apt #1
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.10	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Trionna Curtis 3112 N 60th Street Apt #2
	State the term remaining	2 Months	Omaha, NE 68104
	List the contract number of any government contract		
2.11	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Romeka Davis 3112 N 60th Street Apt #3
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.12	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Anita Porter 3114 N 60th Street Apt #1
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		

Debtor Saint James Apartment Partners, LLC Case number (if known) _____
Name

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.13	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Beverly Brown</p> <p>3114 N 60th Street</p> <p>Apt #2</p> <p>Omaha, NE 68104</p>
2.14	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Brandi King</p> <p>3114 N 60th Street</p> <p>Apt #3</p> <p>Omaha, NE 68104</p>
2.15	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Julie Beister</p> <p>3116 N 60th Street</p> <p>Apt #2</p> <p>Omaha, NE 68104</p>
2.16	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Brenna Bryant</p> <p>3116 N 60th Street</p> <p>Apt #3</p> <p>Omaha, NE 68104</p>
2.17	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Samuel Marketta</p> <p>3118 N 60th Street</p> <p>Apt #3</p> <p>Omaha, NE 68104</p>
2.18	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Kierra Brooks</p> <p>3120 N 60th Street</p> <p>Apt #1</p> <p>Omaha, NE 68104</p>
2.19	<p>State what the contract or lease is for and the nature of the debtor's interest</p> <p>State the term remaining</p> <p>List the contract number of any government contract</p>	<p>Residential lease</p> <p>Debtor is owner</p> <p>Month-to-month</p>	<p>Raymesha Moten</p> <p>3122 N 60th Street</p> <p>Apt #2</p> <p>Omaha, NE 68104</p>

Debtor

Saint James Apartment Partners, LLC

Name

Case number (if known)

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.20	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Patricia Jackson 3122 N 60th Street Apt #3
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.21	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Delila Johnson 3124 N 60th Street Apt #1
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.22	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Candi Allen 3124 N 60th Street Apt #2
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.23	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Corrie Moore 3126 N 60th Street Apt #1
	State the term remaining	4 months	Omaha, NE 68104
	List the contract number of any government contract		
2.24	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Lillian Bonacci 3126 N 60th Street Apt 2
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.25	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	DeAsha Echols-Brooks 3126 N 60th Street Apt #3
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		
2.26	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Kelly Carlisle 3128 N 60th Street Apt #2
	State the term remaining	Month-to-month	Omaha, NE 68104
	List the contract number of any government contract		

Debtor Saint James Apartment Partners LLC
Name

Case number (if known) _____

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases**State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease**

2.27	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Birda Mayberry</u> <u>3128 N 60th Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.28	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Shamecia Smith</u> <u>3203 N 61st Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.29	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Tabithia Lad</u> <u>3203 N 61st Street</u> <u>Apt #2</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.30	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Jessica Thomas</u> <u>3203 N 61st Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.31	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Eraina Stubblefield</u> <u>3205 N 61st Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.32	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Alexis Booth</u> <u>3207 N 61st Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		
2.33	State what the contract or lease is for and the nature of the debtor's interest	<u>Residential lease</u> <u>Debtor is owner</u>	<u>Donesha Matthews</u> <u>3207 N 61st Street</u> <u>Apt #2</u> <u>Omaha, NE 68104</u>
	State the term remaining	<u>Month-to-month</u>	
	List the contract number of any government contract		

Debtor Saint James Apartment Partners, LLC
Name

Case number (if known) _____

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.34	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Pamela Scott 3207 N 61st Street Apt #3 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		
2.35	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Brittney Cooper 3209 N 61st Street Apt #1 Omaha, NE 68104
	State the term remaining	4 months	
	List the contract number of any government contract		
2.36	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Sheandra Ross 3209 N 61st Street Apt 2 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		
2.37	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Michael White 3209 N 61st Street Apt #3 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		
2.38	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Nakeya Wraggs 3211 N 61st Street Apt #3 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		
2.39	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Breonna Horton 3213 N 61st Street Apt #1 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		
2.40	State what the contract or lease is for and the nature of the debtor's interest	Residential lease Debtor is owner	Donyelle Tyson 3213 N 61st Street Apt #2 Omaha, NE 68104
	State the term remaining	Month-to-month	
	List the contract number of any government contract		

Debtor Saint James Apartment Partners, LLC Case number (if known) _____
 Name

Additional Page if Debtor Has More Executory Contracts or Unexpired Leases

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.41	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Alea Smith</u> <u>3213 N 61st Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>Month-to-month</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.42	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Asia Fox</u> <u>3215 N 61st Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>Month-to-month</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.43	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Terri Prater</u> <u>3215 N 61st Street</u> <u>Apt #2</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>7 months</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.44	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Christabell Bradshaw</u> <u>3215 N 61st Street</u> <u>Apt #3</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>Month-to-month</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.45	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Rosalind Starks</u> <u>3217 N 61st Street</u> <u>Apt #1</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>Month-to-month</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.46	State what the contract or lease is for and the nature of the debtor's interest <u>Residential lease</u> <u>Debtor is owner</u>	<u>Anteisha McCabe</u> <u>3217 N 61st Street</u> <u>Apt #2</u> <u>Omaha, NE 68104</u>
	State the term remaining <u>1 month</u> List the contract number of any government contract _____	<u>_____</u> <u>_____</u> <u>_____</u>
2.47	State what the contract or lease is for and the nature of the debtor's interest _____ _____	_____ _____ _____
	State the term remaining _____ List the contract number of any government contract _____	_____ _____ _____

Fill in this information to identify the case:

Debtor name Saint James Apartment Partners, LLC

United States Bankruptcy Court for the: _____ District of Nebraska
(State)

Case number (If known): _____

☐ Check if this is an amended filing

Official Form 206H

Schedule H: Codebtors

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

1. Does the debtor have any codebtors?

- ☒ No. Check this box and submit this form to the court with the debtor's other schedules. Nothing else needs to be reported on this form.
- ☐ Yes

2. In Column 1, list as codebtors all of the people or entities who are also liable for any debts listed by the debtor in the schedules of creditors, **Schedules D-G**. Include all guarantors and co-obligors. In Column 2, identify the creditor to whom the debt is owed and each schedule on which the creditor is listed. If the codebtor is liable on a debt to more than one creditor, list each creditor separately in Column 2.

Column 1: Codebtor			Column 2: Creditor	
Name	Mailing address	Name	Check all schedules that apply:	
2.1	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	
2.2	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	
2.3	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	
2.4	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	
2.5	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	
2.6	<div>_____</div> <div>Street _____</div> <div>_____</div> <div>City _____ State _____ ZIP Code _____</div>	_____	<input type="checkbox"/> D	<input type="checkbox"/> E/F
			<input type="checkbox"/> G	

Debtor

Saint James Apartment Partners, LLC
Name

Document Page 2 of 2

Case number (if known)

Additional Page if Debtor Has More Codebtors

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

Column 1: Codebtor		Column 2: Creditor	
Name	Mailing address	Name	Check all schedules that apply:
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G
2._____ _____	Street _____ _____ City _____ State _____ ZIP Code _____	_____ _____	<input type="checkbox"/> D <input type="checkbox"/> E/F <input type="checkbox"/> G

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF:)	CASE NO. BK 19-80878
)	
SAINT JAMES APARTMENT)	CHAPTER 11
PARTNERS , LLC)	
)	
Debtor.)	
)	

MOTION FOR TURNOVER OF PROPERTY PURSUANT TO 11 USC § 542 AND
NOTICE OF OBJECTION/RESISTANCE DEADLINE

COMES NOW, St. James Apartment Partners, LLC, Debtor and Debtor-In-Possession (Debtor) in the above captioned Chapter 11 case presently pending before this Court and in support of its Motion for Turnover of Property and Notice Of Resistance/Objection deadline states and alleges as follows:

1. 11 USC §542(a) provides in relevant part that ...an entity...in possession, custody or control, during the case of property that the (Debtor) may use...shall deliver to the (Debtor) and account for such property. 11 USC §542(b) goes on to provide that ...an entity that owes a debt that is property of the estate and that is matured, payable on demand or payable to order, shall pay such debt to...the (Debtor).
2. On June 29, 2018, Debtor, as buyer and St. James Manor, LP as seller (SJM) closed a purchase and sale transaction pursuant to which SJM sold to Debtor and Debtor purchased from SJM that certain real property and improvements located at 3106 N. 60th St., Omaha, NE (Project) for a purchase price of \$2,950,000.00. Said sale is

memorialized in that certain Purchase and Sale Agreement (P&A), a true and correct copy of which is attached hereto as Exhibit "A".

3. At the time of the closing under the P&A, SJM operated the Project as a 60 unit subsidized affordable housing complex as distinguished from a standard market rate rental complex.
4. Consistent with its operation of the Project as an affordable housing complex, SJM, or a predecessor thereof entered into a Housing Assistance Program agreement (HAP) with the Department of Housing and Urban Development (HUD). A true and correct copy of the original HAP is attached hereto as Exhibit "B". Over the course of time, SJM and HUD entered into multiple renewals of the HAP.
5. In connection with the sale of the Project, SJM executed a General Assignment of any and all contracts associated with the project including the HAP. Said General Assignment is Exhibit "E" to the P&A.
6. At the time of the closing of the sale of the P&A, the Project was being operated under the terms of the latest renewal of the HAP. No portion of the HAP, as multiply renewed, restricted, prohibited or conditioned the assignment of the HAP from SJM to Debtor or modified the rights or obligations of the parties thereto.
7. Subsequent to the closing of the sale of the Project, in the ordinary course of business, Debtor duly requested approval of the assignment of the HAP from SJM to Debtor, a ministerial act previously undertaken by Debtor in the course of acquisition of similar projects. At no time has Debtor received any response from HUD with respect to such requested assignment.

8. With actual knowledge of the sale of the Project from SJM to Debtor and assignment of the HAP to Debtor, on or about August 18, 2018, HUD executed and delivered to SJM a one year renewal of the HAP. A true and correct copy of such assignment is attached hereto as Exhibit "C". Debtor is, at least, a third party beneficiary under Exhibit "C".
9. Under the terms of Exhibit "C", HUD committed to make payment of the sum of \$174,000.00 approximating housing assistance payments made with respect to the Project for a period of four (4) months. Additional payments are due from HUD with respect to operation of the Project for the remaining term of the renewal of the HAP calculated upon standard HUD methodology.
10. To date, HUD has not made payment of the afore-mentioned amount of \$174,000.00 to either Debtor or SJM. Notwithstanding provision to HUD by Debtor of all standard and necessary data and documentation in proper and approved HUD format for calculation of the remaining amounts payable under Exhibit "C", HUD has failed and refused to make any payment to either Debtor or SJM.
11. Prior to and at the time of Debtor's acquisition of the Project, the Project was in poor physical condition. Notwithstanding such poor condition, throughout the term of the HAP and the multiple renewals thereof, HUD has taken no adverse actions with respect to SJM or the Project (other than its unexplained failure to make payments as outlined herein). At the time of its acquisition of the Project and to date, it was and is Debtor's intention to rehabilitate the Project, intentions that continue to be thwarted by HUD's contumacious behavior.

12. At all times subsequent to the closing of the sale of the Project, Debtor has provided, at Debtor's own cost, housing to those qualifying for affordable housing aid in compliance with HUD's rules and regulations with respect to operation of properties such as the Project. HUD has continued and continues to treat the Project as a property subject to its oversight and regulation including, but not limited to the regular conduct of audits and inspections.

13. Under the terms of the HAP, as multiply renewed most recently on August 17, 2018, HUD owes thereunder the fixed sum of \$174,000. As such, such sum of \$174,000 is a matured account receivable of Debtor and property of Debtor's Chapter 11 estate; or in the alternative, HUD owes SJM the sum of \$174,000 which is matured, due and payable to Debtor pursuant to the terms of the P&A.

14. Additionally, per the HAP Debtor is owed an additional amount of \$263,220 in subsidy funds in payment for the housing services provided by Debtor to the Projects tenants which funds are matured and payable to the Debtor.

WHEREFORE, Debtor respectfully requests that the Court make and enter an Order requiring HUD to pay the contractual sum due of \$174,000; additionally, that this Court make and enter an Order requiring HUD to pay the sum of \$263,200 for other subsidy payments due under the HAP and for such other and further relief as this Court may deem proper.

Respectfully submitted this 3rd day of September, 2019.

RULE 9013-1 NOTICE: Please take notice that pursuant to Local rule 9013-1(E), any objection or resistance to this Motion must be filed with the Court and served upon Debtor's counsel on or before September 24, 2019 (the "Resistance Date"). If no objection is timely filed

on or before the resistance date, pursuant to local rule 9013-1(D), the Court may enter an order in favor of the moving party.

Dated this 3rd day of September, 2019

SAINT JAMES APARTMENT PARTNERS, LLC

By /s/ Robert V. Ginn

Robert V. Ginn, Attorney (15601)
1337 S. 101 St. Ste 209
Omaha, NE 68124
Tel. No. 402-680-7639
rvginn@cox.net

CERTIFICATE OF SERVICE

I certify that on September 3, 2019, I caused the above document to be filed with the Bankruptcy court's CM/ECF system which gave notice by electronic filing to all parties who filed an appearance or requested notice by electronic filing in this case and I certify that I additionally gave notice by United States Mail. First class, prepaid to the United States Attorney General and the Department of Housing and Urban Development.

/s/ Robert V. Ginn
Robert V. Ginn (15061)
1337 S. 101st St. Ste. 209
Omaha, NE 68124
Tel. No. 402-398-5434
rvginn@cox.net

PURCHASE AND SALE AGREEMENT

This **PURCHASE AND SALE AGREEMENT** ("Agreement") dated as of the 2nd day of March, 2017 (the "Effective Date"), by and between **Saint James Apartment Partners, LLC**, a Nebraska limited liability company, with an address of 740 South 75th, Omaha, NE 68114 ("Buyer"), and, **St. James Manor, L.P.** ("Seller") for certain real property and improvements generally located at:

3106 North 60th Street
Omaha, Nebraska 68104

as more fully described below and on Exhibit A to this Agreement (the "Real Property"), together with all appurtenant easements, upon which is constructed property inclusive of sixty (60) apartment units generally known as St. James Manor, including parking lots and common areas (the "Project") (the "Real Property" and the "Project" are collectively the "Property").

Seller acknowledges that Buyer desires to operate the Project as a project certified by the Nebraska Investment Finance Authority ("NIFA") and the U.S. Department of Housing and Urban Development ("HUD") and to obtain all approvals and to enter into all agreements with HUD and NIFA as may be necessary to so operate the Property and to receive an allocation of Section 42 low income tax credits. The terms of the purchase and sale are as follows:

1. **Purchase and Sale; Purchase Price.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, on the terms and conditions hereinafter set forth the Property. The purchase price (the "Purchase Price") for the Property is **Two Million Nine Hundred Fifty Thousand and No/100 Dollars (\$2,950,000.00).**
2. **Due Diligence.** Throughout the term of this Agreement, Seller agrees to undertake commercially reasonable efforts to cooperate with Buyer's efforts to conduct its Due Diligence (as hereinafter defined) and Buyer's efforts to satisfy the conditions precedent described below, all of which shall be at Buyer's sole expense, which cooperation shall include, but will not be limited to, (a) delivery to Buyer as soon as is reasonably possible after Buyer requests such items in writing the due diligence items listed on the attached Exhibit B which are in Seller's possession or control, together with copies of such other information about the Property that is in Seller's possession or control as Buyer reasonably may request from time to time; (b) execution of such applications and other documents as may reasonably be required to be executed by the owner of the Project prior to submission of such documents to any government agency, lender, or other third party by whom such execution may be required in connection with Buyer's efforts to satisfy the conditions precedent to closing (it being understood and agreed that Seller is not obligated under this Agreement to execute any application or other document the effect of which would bind Seller or the Project in the event Buyer does not complete the purchase pursuant to this Agreement no matter what the reason, nor to incur any costs or expenses related thereto), and (c) granting to Buyer reasonable access to the Project. In addition, by signing this Agreement, Seller hereby grants to Buyer authority to request

information about the Project from any government agency, lender, data base or other source that may be necessary or desirable for completion of the Due Diligence.

3. **Inspection Period.** Buyer will have sixty (60) days after the last date of execution of this Agreement (the "Inspection Period") to conduct, at Buyer's option and expense, such due diligence review of the Project as Buyer, in Buyer's sole discretion, may deem appropriate, including, without limitation, physical inspections, reasonable examinations and testing of the Project, its utilities and equipment and its individual units and common areas, and access, entrance, exit and egress areas (collectively, the "Due Diligence").

If for any reason, in Buyer's sole discretion, judgment and opinion, Buyer shall disapprove or be dissatisfied with any aspect of the Project or any item that Buyer has a right to examine pursuant to Section 2 of this Agreement or for any other reason, Buyer shall be entitled to terminate this Agreement by delivering written notice (a "Termination Notice") to Seller prior to expiration of the Inspection Period. Upon Seller's receipt of such notice, this Agreement shall terminate automatically, the Earnest Money shall be refunded to Buyer promptly, and neither Seller nor Buyer shall have any further obligation or liability to the other under this Agreement.

4. **Earnest Money Deposit.** Within five (5) business days after last execution of this Agreement, Buyer shall deposit into an interest-bearing account maintained by TitleCore National, LLC (the Title Company) Buyer's funds in the amount of \$5,000.00 (the "Deposit"). If on October 1, 2017, any condition precedent to Closing remains unsatisfied or has not been waived in writing by the party for whose benefit the condition exists, and Closing has not occurred, this Agreement will terminate and the Deposit and all interest earned thereon will be returned to Buyer. Buyer has the option for one (1) ninety (90) day extension if so requested by Buyer in writing prior to October 1, 2017, and if Buyer pays to Title Company an additional \$5,000.00 (the "Extension Deposit") prior October 1, 2017 (the "Closing Deadline"). If an effective extension is made, Closing shall be extended to December 31, 2017 (the "Extended Closing Deadline"). The Deposit, the Extension Deposit, and all interest thereon will be applied to the Purchase Price at Closing.

5. **Conditions Precedent.** Buyer will have the right to terminate this Agreement, at its sole discretion, if any of the following conditions is not met to Buyer's sole satisfaction (not subject to review):

- (a) **Financial Commitments For Renovation.** Prior to the Closing Deadline, Buyer, at Buyer's expense, shall have obtained commitments for equity and debt financing sufficient to fund renovation of the Property involving hard costs of not less than Four Million Three Hundred Thousand and No/100 Dollars (\$4,300,000.00) satisfactory to Buyer in its sole discretion not subject to review.
- (b) **HAP Agreement.** Prior to the Closing Deadline, Buyer shall have agreed to the terms of the HUD Housing Assistance Payment agreement (HAP) under such terms and conditions as are satisfactory to Buyer in its sole discretion not subject

to review and HUD shall have approved assignment and assumption of the HAP agreement by Buyer upon closing.

- (c) **Seller's Performance.** Prior to the Closing Deadline, Seller shall have performed on or before the Closing all of the obligations required to be performed by Seller under this Agreement on or before the Closing, and all representations and warranties of Seller contained herein shall be true and correct on the Date of Closing as if made on the Date of Closing.
- (d) **No Litigation.** Except as disclosed by Seller, at Closing there shall be no litigation affecting the Property other than litigation instituted by Seller for the purpose of evicting defaulting tenants or collecting back rent from such tenants not previously disclosed to Buyer.
- (e) **Building Permits.** Within one hundred twenty (120) days after issuance of the Tax Credit Reservation by NIFA (the "Post-TCR Period"), Buyer will, with reasonable cooperation from Seller, have obtained all permits, licenses, and approvals that are necessary to assure that Buyer will be able to construct such additional or modified improvements to the Project as Buyer, in Buyer's sole discretion, determines to be necessary, as well as such other permits, consents, and approvals as may be necessary for Buyer to obtain title to and operate the Project.
- (f) **Evidence of Title.** Prior to expiration Inspection Period, Buyer will have obtained, at Buyer's expense, evidence of title sufficient to enable Buyer to obtain from the Title Company an owner's title insurance commitment and policy in the amount of the purchase price insuring the title to the Property to be good and marketable and free and clear of all liens and encumbrances, except for the lien of real estate taxes not then due and payable and easements, conditions, restrictions, reservations, and covenants of record that, in Buyer's reasonable opinion, do not adversely affect to an unreasonable degree the use of the Project as an affordable housing project, and any HUD regulatory agreements. Seller will exercise reasonable efforts to correct any title deficiencies prior to closing, or otherwise deliver such affidavits, releases, or other instruments or evidence of payment as may be necessary to cause the Title Company to issue the title insurance policy in conformity with these requirements. The Title Company will serve as the escrow agent for the Closing.
- (g) **UCC Search.** Prior to expiration of the Post-TCR Period, Buyer will have obtained, at Buyer's expense, searches of the Uniform Commercial Code records of the county in which the Property are located and of the Office of the Secretary of State of the states in which the Property are located and in which Seller is organized (if different) naming Seller as debtor and showing that none of the Project is encumbered by liens or security interests. If the searches identify any liens or encumbrances (including but not limited to the existing mortgage), Seller shall arrange to have them released at or prior to Closing.

- (h) **Environmental Report.** Prior to expiration of the Post-TCR Period, Buyer will have obtained, at Buyer's expense, a Phase I (and if necessary, a Phase II) environmental report showing that the status of the Project conforms to Buyer's standards for acquisition of apartment projects such as the Project.
- (i) **HUD Financing.** Prior to the Closing Deadline, as may be extended hereunder, Buyer will have obtained, at Buyer's expense, written confirmation that HUD has given final approval to the Buyer's request for a first mortgage loan.
- (j) **Tax Credit Allocation and Syndication.** On or before the Closing Deadline, as may be extended hereunder, Buyer will have obtained, at Buyer's expense, from NIFA an allocation of Section 42 Low Income Housing Tax Credits acceptable to Buyer in an amount satisfactory to Buyer (the "Tax Credit Allocation") as set forth in the Tax Credit Reservation for the Project from the Agency (the "Tax Credit Reservation"), and Buyer has entered into a definitive agreement to assign, sell or syndicate said Tax Credit Allocation to a third party upon terms reasonably acceptable to Buyer.
- (k) **HUD Approval.** On or before the Closing Deadline, as may be extended hereunder, HUD's approval of Seller's assignment of the Section 8 Housing Assistance Payments Contract ("HAP Contract") to Buyer at HUD approved contract rents acceptable to Buyer, and, if appropriate, renewal of the HAP Contract upon reasonably acceptable terms ("HAP Renewal"). Buyer to obtain from HUD any other required HUD approvals. Seller acknowledges that time is of the essence and will cooperate with Buyer in a commercially reasonable fashion, but at no cost to Seller, in providing all reasonably necessary documentation or signatures.
- (l) **Pest Inspection.** At Buyer's discretion and prior to expiration of the Post-TCR Period, Buyer will have obtained, at Buyer's expense, a pest inspection report and warranty stating that the Project is free from infestation by pests (including, without limitation, termites and bed bugs) and providing warranty protection for a period of time that is satisfactory to Buyer, in Buyer's reasonable discretion, in case Buyer discovers during such warranty period that the status of the Project is different than was stated in such pest inspection report.
- (m) **Survey.** Seller will provide to Buyer a copy of Seller's existing survey of the Project, if any. Prior to expiration of the Post-TCR Period, Buyer will have obtained, at Buyer's discretion and expense, and will have furnished to the Title Company an as-built survey of the Property satisfactory to Buyer, and showing all existing encroachments, any violations of zoning ordinances, set-back lines, restrictions or other rules or regulations governing the location of the Property, and easements affecting the use of the Property as an affordable housing project.
- (n) **Proof of Ten Year Holding Period.** Seller agrees to provide to Buyer all information in Seller's possession which is requested by Buyer and which is reasonably calculated to demonstrate that Seller has not made a prohibited

transfer, disposition or rehabilitation within the last ten years and is in full compliance with the requirements for the "Ten Year Hold" provision of Section 42(d) of the Internal Revenue Code of 1986 (as amended) for the receipt of acquisition Tax Credits by Buyer. Seller understands that an examination of tax returns of Seller and other filings may be necessary to establish that there have been no tax terminations of Seller or disqualifying transfers of the equity interests in Seller during the "Ten Year Hold" period. Seller will cooperate in a commercially reasonable manner with such inquiries and provide necessary documentation that is requested by Buyer to demonstrate compliance with the "Ten Year Hold" provision of Section 42(d) of the Internal Revenue Code of 1986 (as amended).

- (o) Purchase Agreement for related property. Buyer has entered into a definitive, written purchase agreement for the acquisition of adjoining property located at 6060 Northwest Radial Highway, Omaha, Nebraska 68104.

6. **Additional Provisions.**

- (a) **Existing Mortgage.** At time of Closing, Seller shall pay off any and all mortgages on the Project. Seller shall have the right to retain any replacement reserves or any other accounts established under the Existing Mortgage or otherwise in connection with the Project.
- (b) **Seller Deliveries.** Seller agrees to make available to Buyer for inspection and copying at Seller's office, upon reasonable notice from Buyer in writing, any and all documents, instruments, and/or agreements relating to the owning, operating, and maintenance of the Project which are in Seller's possession or control. Seller shall also cause Seller's property manager, if any, to cooperate in a reasonable fashion and degree with Buyer and to provide Buyer with all documents, instruments, and/or agreements relating to the owning, operating, and maintenance of the Project which are in Seller's property manager's possession or control. The documents to be provided to Buyer shall include, without limitation, books, records, reports, contracts, leases, rent roll, schedule of security deposits, appraisals, inspection reports, environmental studies or audits, maintenance and capital improvement records, engineering reports, rent comparability studies, HUD inspection and audit reports, and other HUD documents, tenant qualifications files and surveys, all of which shall be provided so long as it shall be at no cost or expense to Seller. Seller acknowledges that some of the information described in this section may need to be updated and provided repeatedly until Closing. Buyer will use its best efforts to limit requests for updated and repeated information.
- (c) **Seller Permissions.** Seller gives Buyer permission to contact HUD or any other agency or entity involved with the Project so as to inquire about the Project, so long as no such inquiry obligates or exposes Seller to any cost or expense. Seller gives Buyer permission to request and obtain any documents, instruments, and

agreements related to the Project from HUD and any other agency or entity involved with the Project.

- (d) **Access.** Seller shall provide and instruct Seller's management agent, if any, to provide Buyer, Buyer's agents, and inspector's access to the Project upon reasonable notice and Buyer may conduct, at Buyer's expense, any and all inspections and tests deemed reasonably necessary by Buyer. Seller acknowledges that repeated inspections and tests may be required. Buyer will use its best efforts to limit requests for repeated inspections and tests. Buyer will indemnify and hold harmless Seller from any damage or injury arising from, relating to or in connection with Buyer's Due Diligence activities hereunder. Without limiting the generality of the foregoing, (i) Buyer shall pay the costs of any such tests, analysis and inspections, and after completion of such tests, analysis or inspections, shall promptly restore the Property to as close to their original condition as is reasonably possible, (ii) Buyer shall indemnify and hold Seller and the Property harmless from and against any liability, damage or loss whatsoever arising or resulting from the entering upon the Property and the performing of any of such tests, analysis or inspections referred to in this Section by Buyer, its agents or designees. Buyer shall conduct no intrusive or destructive tests or inspections, such as taking soil borings or drilling into or otherwise damaging any of the Property without first obtaining the prior written consent of Seller.
- (e) **Notices.** Upon Buyer's specific request, Seller shall post, and where necessary file, any notice to sell or other declaration or statement required by law to complete the transfer and transactions herein. Any such posting or filing shall be timely made by Seller in order not to delay or disrupt the Closing.

- 7. **Effect of Failure to Satisfy Condition Precedent:** If any condition precedent is not satisfied prior to the date by which satisfaction is required as stated in such condition through no fault of the party for whose benefit the condition exists, the party for whose benefit the condition exists will have the right to terminate this Agreement by delivering written termination notice to the other party, in which event the Deposit, together with all interest earned thereon, shall be refunded to Buyer. Unless otherwise stated in this Agreement, all conditions precedent must be satisfied by Closing.
- 8. **Termination of Service Contracts.** Prior to Closing, Seller will terminate, at Seller's expense, any agreement for management of the Project by a third party property manager, and at the time of Closing there will be no contracts or leases with respect to the Project that are not terminable by the owner of the Project upon not more than 30 days' notice, other than tenant leases, and any other contracts that have been approved by Buyer in writing.
- 9. **Seller's Operations Prior to Closing.** Until the date on which Closing occurs (the "Closing Date"), Seller will maintain the Project in its current condition, reasonable wear and tear excepted; will pay all debt service on the Existing Mortgage and all other

financial obligations pertaining to the Project on or before their due dates; and will not remove any personalty owned by Seller and used primarily in the operation of the Project unless it is replaced with items of like kind and quality and in as good or better condition. Seller shall bear the risk of loss of or damage to the Project until Closing.

10. **Tax Credit Syndication Closing Condition Precedent.** Notwithstanding any other provision to the contrary, the parties recognize and agree that Buyer only contemplates acquiring Property for purposes of operating it as a project certified and approved by NIFA and HUD and to obtain all approvals and to enter into all agreements with NIFA and HUD as may be necessary to so operate the Property and to receive an allocation of Section 42 low income housing tax credits (LIHTC) and operate as a Project-based Section 8 complex. Further, the parties recognize and agree that Buyer must syndicate any tax credit allocation to a third party to generate funds necessary for the acquisition, renovation and development of the project. Accordingly, if for any reason, including financial infeasibility, Buyer is unable to close on a syndication of the tax credits by the Closing Deadline or Extended Closing Deadline, as defined herein, Buyer may terminate this agreement without penalty and obtain a refund of any Deposit. Notwithstanding the foregoing, Buyer acknowledges that only a portion of the Project is currently operated as Section 8 housing.
11. **Brokers' Commissions.** Each party (the "Indemnifying Party") agrees to indemnify and hold harmless the other party from any claims for real estate or other sales commissions or fees arising out of the purchase and sale of the Property pursuant to this Agreement to the extent such claims are based on the acts or agreements of the Indemnifying Party, and any damages, losses, liabilities and expenses, including without limitation attorney's fees, arising out of or related thereto.
12. **Representations:**
 - (a) **Environmental Representations.** Seller represents and warrants that, with respect to the Property and the Project, and except as disclosed to Buyer in any environmental reports delivered by Seller to Buyer or obtained or commissioned by Buyer on its own, and except for asbestos that is likely contained in the Property due to its age, Seller has not received written notice of (i) any violation of any Federal, state or local environmental laws, rules or regulations (ii) any failure to have any necessary environmental permit, license, permission, waiver or authority or (iii) any release of hazardous substances onto or from the Property.
 - (b) **General Representations:**
 - (I) **Seller hereby represents and warrants that, to its knowledge, as follows:**
 1. **Ownership; Validity and Enforceability.** (i) Seller is the owner of fee title to the Property, and Seller has the full right, power, authority and capacity to sell and transfer the Property.

2. Organization, Good Standing and Qualification. Seller is a limited partnership duly organized and validly existing under the laws of the State of Nebraska. Seller has full power and authority to carry on its business as now conducted and possesses all governmental and other permits, licenses, and other authorizations to own, lease, or operate its assets and properties as now owned, leased, and operated and to carry on its business as presently conducted.

3. No Violation. The execution and delivery of this Agreement by Seller does not, and the consummation of the transactions contemplated hereby will not, (a) violate any provision of, or result in the creation of any lien or security interest under, or, unless set forth in this Agreement, require consent from any party with respect to, any agreement, indenture, instrument, lease, security agreement, mortgage or lien to which Seller is a party or by which any of Seller's assets or properties are bound; (b) violate any provision of the Partnership Agreement of Seller; (c) violate any order, arbitration award, judgment, writ, injunction, decree, statute, rule, or regulation applicable to Seller; or (d) violate any other contractual or legal obligation or restriction to which Seller is subject.

4. Contracts. Unless otherwise agreed in writing, Seller will terminate, at Seller's expense, any Agreement for management of the Project by a third party property manager, and at the time of Closing there will be no other contracts or leases with respect to the Property other than tenant leases and any others that have been approved by the Buyer in writing or that are terminable by the owner of the Project upon not more than thirty (30) days' notice.

5. Litigation. Except as may be set forth in Exhibit F, Seller has received no written notice that there is any litigation or proceeding pending or overtly threatened against the Property, nor any pending or overtly threatened condemnation actions or special assessments with respect to the Real Property which, in either case will affect access to or create additional cost to Buyer; Seller has received no written notice that there are other pending or overtly threatened claims, legal actions, tax audits, mechanics' liens or other proceedings of any type, including, without limitation, any action of a civil or criminal nature, or any action or proceeding before any arbitration board or tribunal, pending or overtly threatened against Seller or affecting the Property which will adversely affect Buyer upon the consummation of this purchase; Seller has not received any written notice from any insurance company that has issued a policy with respect to any portion of the Property, or from any board of fire underwriters, or other governmental or regulatory body exercising similar functions, or from the City in which the Property is located, or from any state, municipal, or county authority having jurisdiction thereof, requesting the performance of any repairs, alterations or other work on the Property.

(II) Buyer hereby represents and warrants as follows:

1. **Valid and Binding Agreement.** This Agreement constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms.

2. **No Violation.** The execution and delivery of this Agreement by Buyer does not, and the consummation of the transactions contemplated hereby will not: (a) violate any provision, or result in the creation of any lien or security interest under, any agreement, indenture, instrument, lease, security agreement, mortgage or lien to which Buyer is a party or by which it is bound; (b) violate any order, arbitration award, judgment, writ, injunction, decree, statute, rule or regulation applicable to Buyer; and (c) violate any other contractual or legal obligation or restriction to which Buyer is subject.

3. **Consents and Approvals.** Except as may otherwise be set forth herein, Buyer has obtained all consents, approvals, authorizations or order of third parties, including governmental authorities, necessary for the authorization, execution and performance of this Agreement by Buyer.

4. **Organization, Good Standing and Qualification.** Buyer is a limited liability company duly organized and validly existing and in good standing under the laws of the State of Nebraska. Buyer has the full right, power, authority and capacity to enter into and to perform its obligations under this Agreement. Buyer is, or will be on the Closing Date, duly licensed or qualified to do business as a foreign entity and is, or will be on the Closing Date, in good standing in each state wherein the properties owned or leased or the business transacted by Buyer makes or will make such licensing or qualification to do business as a foreign entity necessary, and no other jurisdiction has demanded, requested, or otherwise indicated that (or inquired whether) Buyer is required so to qualify.

13. **Payment and Proration of Taxes, Revenues, and Expenses.**

(a) **Payment and Proration of Taxes and Assessments.** At Closing, Seller will pay all state or local real property conveyance, transfer or capital gains taxes incurred in connection with the sale. All current real estate taxes on the Property shall be prorated between Seller and Buyer as of the date of Closing. For purposes of this Agreement, "current real estate taxes" shall mean those ad valorem taxes the installments of which become delinquent in the year of Closing. All prior real estate taxes shall be paid by Seller.

(b) **Proration and Payment of Expenses.** The amount of any utility bill, the amount due on any service contract and any other operating expense relating to the Project and allocable solely to the period prior to the Closing Date will be determined as of, and will be paid by Seller at, Closing. If any such amounts cannot be determined prior to the Closing Date, or if they are allocable in part to the period preceding and in part to the period following the Closing Date, then such amounts either will be paid by Seller after Closing or credited against the Purchase Price based as a per diem portion of the estimated amount due. The amount of any trade account payables for work done or

material delivered prior to Closing relating to the Project will be paid by Seller at Closing or within 30 days of receipt of those not accounted for at the time of Closing.

(c) **Proration of Revenues.** Tenant rent and HAP payments shall be prorated as of the Closing Date with respect to rents actually collected. Seller will be entitled to all revenues (including without limitation any delinquent tenant rent owed at time of Closing no matter when actually paid by the tenants or to whom paid) received for or due with respect to any the period preceding the Closing Date, and Buyer will be entitled to all revenues received for the period commencing on, and following, the Closing Date. Tenant security deposits are not "revenues" and will be transferred to Buyer at Closing, together with a rent roll showing that all tenant security deposits required to be maintained by Seller, as landlord, are maintained and transferred as required. Seller shall make a reasonable attempt to collect past due rents in the usual course of operation of the Property; provided however, that nothing contained herein shall require Buyer to incur any expense or institute any litigation or collection procedure to collect delinquent rents. The first monies collected from tenants owing delinquent rents shall be retained by Buyer and applied to amounts owed to Buyer by such tenants for the period subsequent to Closing and any monies collected by Buyer in excess of the amount owed by such tenants to Buyer will be remitted to Seller (net of Buyer's costs incurred in such collection, if any).

(d) **Payment of Closing Costs.** Transfer taxes will be paid by Seller, title insurance and endorsement premiums and recording fees shall be paid by Buyer. The ALTA additional premium shall be paid by Buyer. All other closing costs shall be divided between Buyer and Seller according to local custom and practice.

14. **Closing.** Closing shall take place no later than October 1, 2017, or by December 31, 2017 if an effective Extension is made under Section 4. Buyer may elect to close at such earlier time as Buyer may determine upon thirty (30) days prior written notice to Seller, again following removal of all Seller and Buyer contingencies. Seller acknowledges that Buyer will submit an application to the NIFA seeking an allocation of low income housing tax credits. Seller further understands and acknowledges that any decision on whether credits will be awarded by NIFA to this development is not expected until at least April 2017 and that thereafter Buyer will need to satisfy various project requirements, including obtaining NIFA and HUD approval prior to Closing.

15. **Seller's Closing Deliveries.** At Closing, Seller shall deliver to Buyer the following:

- (a) **Deed.** At the Closing, Seller shall execute and deliver a Special Warranty Deed conveying the Property to Buyer in a form prepared by the Title Company and acceptable to Buyer, Seller, NIFA and HUD.
- (b) **HAP Assignment.** At the Closing, Seller shall assign all of Seller's right, title and interest in and to the Housing Assistance Payments (HAP) contract, and any amendments or extensions thereto, to Buyer pursuant to

an assignment instrument acceptable to Buyer, Seller, and HUD consistent with Exhibit "E" attached hereto.

- (c) **Bill of Sale.** At the Closing, Seller shall execute and deliver a Bill of Sale and Assignment conveying the non-real property assets used primarily in connection with and located on or in the Property to Buyer in a form acceptable to Buyer, Seller, NIFA and HUD.
- (d) **Assignments.** An assignment in the form of Exhibit C attached hereto (the "General Assignment"), dated as of the Closing Date, assigning to Buyer all of Seller's right, title and interest in and to (i) the Leases and security deposits thereunder (together with notices to tenants of the change in ownership of the Property and all security deposits) and (ii) all service contracts and other similar agreements in effect with respect to the Project which are assignable and which will continue in effect after the Closing Date.
- (e) **Affidavit as to Liens.** At the Closing, Seller shall execute and deliver a Commercial Affidavit as to liens and encumbrances in a form prepared by the Title Company and acceptable to Buyer, Seller, NIFA and HUD. This obligation would include, but not necessarily be limited to, an affidavit as to construction liens and possession in customary form and sufficient to cause the Title Company to insure over the standard exceptions for construction liens and rights or claims of parties in possession not shown by the public records, except for the rights or claims of tenants in possession;
- (f) **Closing Statement.** Seller shall request that closing company deliver a closing statement setting forth a summary of the Purchase Price and credits and prorations to Seller and Buyer;
- (g) **Real Estate Taxes and Utilities.** Evidence, acceptable to closing company, of payment of the prior year's real estate taxes, special assessments and any other municipal and governmental levies, and evidence that all utility charges and other expenses with regard to the Property are paid current or prorated through the Closing Date;
- (h) **Transfer Return.** If applicable, a state real estate transfer return and if applicable, a county real estate transfer return with any fees or costs paid by Seller;
- (i) **FIRPTA.** A nonforeign status affidavit that satisfies the requirements of Internal Revenue Code section 1445 and provides that Buyer need not deduct or withhold any portion of the Purchase Price;

- (j) **Recertification of Representations and Warranties.** A certificate recertifying the representations and warranties set forth in this Agreement, including a "Ten Year Hold" Affidavit (with exhibits) with regard to the Tax Credits, reasonably acceptable to Buyer; and
- (k) **Other Documents and Instruments.** Such other documents as may be reasonably required by this Agreement, Buyer, Buyer's counsel, NIFA, HUD, Buyer's lender or the Title Company and otherwise reasonably necessary to consummate the transaction contemplated by this Agreement.

16. **Buyer's Closing Deliveries.** At Closing, Buyer shall deliver to Seller the following:

- (a) **Purchase Price.** The Purchase Price, plus or minus the credits and prorations as set forth herein, by cash or cash equivalent;
- (b) **Assignments.** Executed counterparts of the General Assignment and HUD Assignment;
- (c) **Miscellaneous Closing Documents.** Executed counterparts of real estate transfer tax returns, closing statements and all other closing documents normally and customarily delivered by a purchaser of property of the same nature and type as the Property; and
- (d) **Other Documents and Instruments.** Such other documents as may be reasonably required by this Agreement, Seller, Seller's counsel, NIFA, HUD or the Title Company and otherwise reasonably necessary to consummate the transaction contemplated by this Agreement.

17. **Delivery of Possession.** At Closing, Seller will deliver to Buyer possession of the Project free of any possessory right of Seller, or its agents, but subject to any possessory rights of tenants who then occupy the Project under valid leases.

18. **Defaults and Remedies.** If Closing fails to occur due to a default by Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement, in which event Seller shall retain the Deposit, the Extension Deposit, and any interest thereon as liquidated damages and not as a penalty, in full satisfaction of Seller's claims against Buyer. Seller and Buyer agree that Seller's damages resulting from Buyer's default are difficult, if not impossible, to determine and further agree that the Deposit, the Extension Deposit, and any interest thereon are a fair estimate of those damages, to which the parties have agreed in an effort to cause the amount of said damages to be certain. After payment to Seller of the Deposit, the Extension Deposit, and any interest, neither Seller nor Buyer shall have any further rights or obligations hereunder. If Closing fails to occur due to a default by Seller, Buyer's remedy shall be to elect, at its sole discretion, to either (a) terminate this Agreement by giving Seller timely notice prior to or at Closing, in which event this Agreement shall be terminated in all respects, and the Deposit, the Extension Deposit, and any interest thereon shall be refunded to Buyer, or (b) seek specific performance of

Seller's obligations under this Agreement; provided, however, if Buyer elects to pursue the remedy set forth in Section 18 herein, it must do so if at all within thirty (30) days the date of the alleged default by Seller.

19. **Miscellaneous.**

- (a) **Binding Effect and Assignability.** This Agreement, and the rights, benefits and obligations hereunder, shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties hereto. Buyer may assign all of its rights and duties hereunder to any entity or entities so long as said entity(ies) is (are) owned in part or controlled by Buyer and/or one or more of its officers, directors or shareholders, upon the giving of written notice to Seller prior to Closing. Any assignment is conditional upon the assignee agreeing to be bound by all consents and approvals theretofore given or deemed to have been given by Buyer. No assignment by Buyer hereunder shall relieve Buyer of its obligations under this Agreement.
- (b) **Confidentiality.** Buyer agrees to keep confidential all Seller Deliveries and documents and information obtained by Buyer as part of its evaluation of the Property (collectively the "Evaluation Materials"). None of the Evaluation Materials shall be used or duplicated by Buyer for any purpose other than Buyer's evaluation of a possible acquisition of the Property. Buyer agrees to keep all of the Evaluation Materials strictly confidential; provided, however, that the Evaluation Materials may be disclosed to the Related Parties (as hereinafter defined). Buyer shall inform the Related Parties in writing prior to disclosure, of the confidential nature of the same and the Related Parties shall be directed to keep same in the strictest confidence and to use the same only for the purpose of evaluating a possible purchase by Buyer. Buyer will direct the Related Parties to whom the Evaluation Materials are made available to hold the same in strictest confidence and not to make any disclosures thereof and any such disclosures shall be deemed made by and be the responsibility of Buyer. Buyer shall indemnify, defend, and hold Seller, and each of the officers, trustees, partners, and members harmless from and against any and all claims, losses, damages, liabilities, costs and expenses (including attorneys' fees and costs) arising out of or resulting from the breach of any of the terms of this provision. This indemnity obligation shall survive the consummation of the sale contemplated hereunder or any earlier termination of this Agreement. For purposes of this Agreement "Related Parties" means all directors, officers, partners, members, potential investors, consultants and employees of Purchaser and Purchaser's attorneys, lenders and accountants who need to know the Evaluation Materials to be provided to them for the purpose of evaluating a possible purchase of the Property.

- (c) **Notice.** All notices, demands or communications required to be given pursuant to the terms of this Agreement shall be in writing, shall be deemed sufficient and shall be delivered at the addresses indicated below, either (a) personally, (b) by a recognized overnight courier service, (c) by certified or registered mail, with postage prepaid and return receipt requested, or (d) by facsimile transmission followed by sending the same via regular U.S. mail. Notices shall be deemed effective on the date of receipt or refusal (or failure) to accept delivery, if sent pursuant to (a) or (c) above; on the next business day following deposit with a courier service, if sent pursuant to (b) above; or upon confirmation of successful transmission, if sent pursuant to (d) above. The notice address indicated below shall be deemed to be the official address of any party for all purposes until such time as such party notifies the other in writing of any such change in address. Failure of any party to provide written notice of any changes to such party's address and/or phone number(s) shall in no way be deemed a basis or grounds for such party claiming insufficiency of notice or for such party failing to perform any of its obligations under this Agreement.

Seller:

Executive Director
Catholic Charities of the Archdiocese of Omaha, Inc.
3300 North 60th Street
Omaha, Nebraska 68104,
Telephone No.: 402- 829-9279
Facsimile No.: 402- 829-9268
With a copy to:

Michael Matejka
Woods & Aitken, LLP
10250 Regency Circle, Suite 525
Omaha, NE 68114
Telephone No.: 402-898-7409
Facsimile No.: 402-898-7401

Buyer:

St. James Apartment Partners, LLC
Attention: John C. Foley
740 South 75th
Omaha, NE 68114
Telephone No.: 402-963-9099
Facsimile No.: 402-963-9131

With a copy to:

Theodore R. Boecker, Jr.
Boecker Law, P.C., L.L.O.
11225 Davenport Street, Suite 100
Omaha, Nebraska 68154
Telephone No: 402-933-9500
Facsimile No.: 402-933-7983

- (d) **Governing Law; Venue.** This Agreement shall be construed in accordance with the laws of the state in which the Property is located. Each party does hereby agree and submit to personal jurisdiction in the State of Nebraska for purposes of any suit or other proceeding brought to construe or enforce the terms and conditions of this Agreement and does hereby agree that any such suit or proceeding shall be venued in Douglas County, Nebraska.
- (e) **Survival of Covenants.** All covenants, agreements, representations, warranties and indemnifications contained herein shall survive Closing for a period of six (6) months. Notwithstanding anything to the contrary contained herein, neither party shall have the right to bring any claim for indemnification or any claim for damages whatsoever against the other party under this Agreement for any reason unless such claim is raised by notice to the other party given on or before the first anniversary of the Closing Date.
- (f) **Amendments; Entire Agreement; Counterparts.** This Agreement supersedes any previous purchase agreement for the Project between the parties hereto, as well as any term sheets, letters, or other documents delivered as expressions of interest with respect to the Project by either party, and all such previous letters and documents shall be deemed null and void and of no further force and effect. This Agreement (i) may be modified or amended only by a writing signed by each of the parties hereto; (ii) may be executed in several counterparts, and each counterpart, when executed and delivered, shall constitute an original agreement enforceable against all who signed it without production of or accounting for any other counterpart, and all separate counterparts shall constitute the same agreement, and (ii) embodies the entire agreement and understanding between the parties with respect to the subject matter of this Agreement.
- (g) **Waiver.** No waiver of any of the terms and conditions of this Agreement or of the exercise of any right or remedy hereunder shall be valid unless signed by the party against whom such waiver is asserted. A failure or delay to enforce the rights set out herein by the holder thereof shall not constitute a waiver of said rights or be considered as a basis for estoppel. The holder may exercise his rights hereunder despite said delay or failure to enforce said rights.

- (h) **Invalidity or Unenforceability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.
- (i) **Time is of the Essence.** Time is of the essence of this Agreement.
- (j) **Expenses.** Each of the parties shall pay all costs and expenses incurred or to be incurred by it in negotiating and preparing this Agreement and in closing and carrying out the transaction contemplated herein, including the cost of their respective legal counsel fees and expenditures, subject to any provisions of this Agreement to the contrary. If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged or actual dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.
- (k) **Exchange.** This document may be exchanged either via facsimile delivery or electronic mail, pdf delivery.

SIGNATURE PAGE

IN WITNESS WHEREOF, the undersigned have executed this agreement to be effective as of the day first set forth in the opening of this Agreement.

BUYER:

SAINT JAMES APARTMENT PARTNERS,
LLC, a Nebraska limited liability company

Dated: 3/2/17

By: [Signature]

Printed Name: JOHN C. FOLEY

Title: Managing member

SELLER:

ST. JAMES MANOR, L.P., a Nebraska limited
Partnership

By: ST. JAMES MANOR, INC., a Nebraska
nonprofit corporation, General Partner

Dated: March 2, 2017

By: [Signature]
John Griffith, President

EXHIBIT A
to
PURCHASE AND SALE AGREEMENT

by and between Saint James Apartment Partners, LLC ("Buyer") and St. James Manor, LP ("Seller").

For purposes of this Exhibit A, the Land is legally described as follows:

Saint James Manor Lot 1, Block 0 (3.44 acres more or less)

For purposes of this Agreement, the Property are defined to be the land, buildings and other improvements constituting the 60-unit apartment complex, together with the furnishings, fixtures, equipment and personal property owned by Seller and used primarily in connection with ownership and operation of such buildings and improvements and, to the extent transferable by Seller, all rights, title and interest of Seller in and to (a) the leases, security deposits, contract rights, unexpired warranties and guaranties, licenses, plans, specifications, permits, approvals, associated therewith, and (b) the name "St. James Manor"

EXHIBIT B
to
PURCHASE AND SALE AGREEMENT
DUE DILIGENCE MATERIAL LIST

by and between Saint James Apartment Partners, LLC ("Buyer") and St. James Manor, L.P. ("Seller")

DUE DILIGENCE MATERIALS

- A. **Title:** Buyer to obtain evidence of title from the Title Company.
- B. **Survey:** Seller to provide Buyer copies of any surveys currently in Seller's possession.
- C. **Financial Information:** Seller to provide Buyer with copies of the last three (3) years of the audited financials prepared for purposes of being provided to HUD.
- D. **Tenant Files:** Seller to provide to Buyer access, at the offices of Seller's property manager, to tenant records related to financially qualifying to occupy units, leases and rent roll dated as of February 1, 2017.
- E. **Service Contracts and Other Agreements and Reports:** Seller to provide to Buyer copies of service contracts, certificates of occupancy, permits, environmental, subdivisions or zoning documents, insurances policies, warranties, and other agreements, reports, studies inspections or investigations of the Property in Seller's possession.
- F. **Engineer's/Architect's Reports:** Seller agrees to cooperate with Buyer in a reasonable manner and degree by providing to Buyer's engineers and/or architects access to the Property, and copies of reports (such as the architectural plans) pertaining to the architecture or engineering of the buildings now in the possession of Seller. Buyer may have its engineers and /or architects inspect the Property and issue reports at Buyer's sole cost and expense.
- G. **Physical Condition:** Seller shall provide Buyer or Buyer's agents access to review the physical condition of the Property, including, without limitation, the operative systems of the Property and confirmation of the amount asbestos-containing materials or other hazardous materials contained in or on the Property.

- H. **Compliance with Laws:** Buyer may conduct such review applicable zoning, subdivision, land use, redevelopment, energy, environmental, building and other governmental requirements applicable to the use, maintenance and occupancy of the Property.
- I. **Property Tax bills:** Buyer may conduct such review of the last three (3) years of available tax bills respecting the Property.
- J. **Litigation list:** Buyer may conduct such review and shall be entitled to inquire and satisfy itself respecting any actions, suits, and legal or administrative proceeding affecting the title or future operation of the Property.
- K. **Personal Property:** Seller shall provide to Buyer an inventory of all personal property to be conveyed pursuant to the Bill of Sale.
- L. **Utility Bills:** Seller shall provide copies of the most recent utility bills for the Project in Seller's possession.
- M. **HUD and HAP Agreements:** Seller shall provide to Buyer copies of any HUD Regulatory and HAP Agreements in Seller's possession.

EXHIBIT C

GENERAL ASSIGNMENT

THIS ASSIGNMENT is entered into effective as of _____ (the "Effective Date") between _____ ("Assignor") and _____ ("Assignee").

RECITALS

A. Assignor and Assignee entered into a Purchase and Sale Agreement dated as of _____ (the "Purchase Agreement") for the purchase and sale of an apartment project located in _____, known as "_____" (the "Project").

B. Pursuant to the Purchase Agreement, Assignor desires to assign Assignor's right, title and interest in all leases (the "Leases") and other agreements (the "Contracts") related to the Project to Assignee, and Assignee is willing to assume all of Assignor's rights and obligations under the Leases and Contracts.

NOW, THEREFORE, in consideration of the Recitals and the mutual agreements which follow, Assignor and Assignee agree as follows:

1. Assignment of Leases. As of the Effective Date, Assignor hereby grants, sells, transfers, conveys, sets over and assigns to Assignee all of Assignor's right, title, and interest in, to and under the Leases.

2. Acceptance and Assumption of Leases. As of the Effective Date, Assignee hereby accepts the assignment of all of Assignor's right, title and interest in, to and under the Leases and agrees to observe, perform and discharge all obligations, covenants, duties and liabilities to be performed by the landlord thereunder. Assignee is not assuming any liability of Assignor under the Leases which accrued prior to the Effective Date.

3. Assignment of Contracts. As of the Effective Date, Assignor hereby grants, sells, transfers, conveys, sets over and assigns to Assignee, to the extent assignable, all of Assignor's right, title and interest in, to and under the Contracts. A list of the Contracts is attached hereto as **Exhibit D**.

4. Acceptance and Assumption of Contracts. As of the Effective Date, Assignee hereby accepts the assignment of all of Assignor's right, title and interest in, to and under the Contracts and agrees to observe, perform and discharge all obligations, covenants, duties and liabilities to be performed by the Assignor thereunder. Assignee is not assuming any liability of Assignor under the Contracts which accrued prior to the Effective Date.

5. Indemnification. Subject to the terms and conditions of the Purchase Agreement, Assignor hereby indemnifies, defends and holds Assignee harmless from and against any and all

losses, damages, costs and expenses, including, without limitation, reasonable attorneys' fees, resulting from Assignor's failure to perform any of its obligations, covenants or duties under the Leases or Contracts prior to the Effective Date. Subject to the terms and conditions of the Purchase Agreement, Assignee hereby indemnifies, defends, and holds Assignor harmless from and against any and all losses, damages, costs and expenses, including, without limitation, reasonable attorneys' fees, resulting from Assignee's failure to perform any of its obligations, covenants or duties under the Leases or Contracts on or after the Effective Date. The indemnifications in this Section shall survive the closing of the Assignee's purchase of the Project from Assignor.

6. Successors and Assigns. This Assignment shall be binding upon and shall inure to the benefit of the Assignor, Assignee and their respective successors and assigns.

ASSIGNOR:

BY _____

ASSIGNEE:

BY _____

EXHIBIT D

EXHIBIT E

Housing Assistance Payments Contract

Assignment, Assumption and Consent Agreement

This Agreement, entered into this ____ day of _____, _____, between _____ (the "Assignor") and _____ (the "Assignee") and consented to by the Secretary of Housing and Urban Development, acting by and through the Assistant Secretary for Housing – Federal Housing Commissioner (herein called the "Commissioner"), and her/his successors.

Witnesseth:

Whereas, the Assignor has transferred to the Assignee, pursuant to a certain Purchase and Sale Agreement dated _____ (the "Purchase Agreement") certain multifamily rental property known as _____, FHA Project No. _____ (the "Project");

Whereas, the Assignor has transferred the Project title to the Assignee, pursuant to a certain Deed dated _____, _____ and recorded _____ in the _____ Vol. Pages _____;

Whereas, the Assignor entered into that certain Housing Assistance Payments Contract dated _____, _____, as amended (the "Contract") with the United States of America, acting through the Department of Housing and Urban Development ("HUD") pursuant to the United States Housing Act of 1937, 42 U.S.C. 1437, et seq., and the Department of Housing and Urban Development Act, 42 U.S.C. 3531, et seq.;

Whereas, the Commissioner has consented to the transfer of ownership of the Project to the Assignee;

Whereas, the Commissioner has consented to the transfer of ownership of the Project with the Housing Assistance Payments;

Whereas, the parties hereto do desire to transfer the obligations under the Contract to the Assignee.

Now, therefore, in consideration of the mutual agreements contained herein and in the Purchase Agreement and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties do covenant and agree as follows:

The Assignor does hereby transfer, assign, convey and grant to the Assignee all rights, title, interest and obligations under the Contract to the Assignee;

The Assignee for itself, its successors and assigns, hereby assumes all of the rights, title, interest and obligations under the Contract and agrees to be bound by all of the terms, conditions, obligations and restrictions relating to the Contract and agrees to fully, promptly and properly perform, observe, satisfy and discharge all of the terms, conditions, obligations and restrictions of the Contract, said contract dated _____, _____, as amended;

The Commissioner hereby approves the assignment and assumption of obligations herein set out in said Contract.

Nothing hereby contained shall act as a release or waiver of any claim which may arise in connection with the Assignor's failure to have faithfully discharged all of its duties and responsibilities under the Contract.

In Witness Whereof, the parties hereto have hereunto caused these presents to be executed on their behalf and their seals affixed the day and year written below.

ASSIGNOR:

By: _____

By: _____

Date: _____

ASSIGNEE:

Date: _____

Consented To and Approved By:

UNITED STATES OF AMERICA DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT

By: _____

Signature: _____

Its: _____

Date: _____

EXHIBIT F
to
PURCHASE AND SALE AGREEMENT

by and between Saint James Apartment Partners, LLC ("Buyer") and St. James Manor, L.P. ("Seller")

LITIGATION

None



2140 330 DEED



17760 99 330-331

Nebr Doc
Stamp Tax12/21/99
Date

\$3920.00

By

REGISTER OF DEEDS
DOUGLAS COUNTY, NE

99 DEC 21 PM 2:01

RECEIVED

[THIS LINE FOR RECORDING DATA]

CORPORATE
WARRANTY DEEDFEE 10
BKP C/O COMP
DEL SCAN 2 FV

St. James Manor, Inc., a Nebraska non-profit corporation, a Corporation organized and existing under the laws of Nebraska, GRANTOR, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration received from GRANTEE, St. James Manor, L.P., a Nebraska limited partnership, conveys to GRANTEE, the following described real estate (as defined in Neb. Rev. Stat. 76-201):

The real estate described on Exhibit "A" attached hereto

GRANTOR covenants (jointly and severally, if more than one) with GRANTEE that GRANTOR:

- (1) is lawfully seised of such real estate and that it is free from encumbrances, except easements, covenants, and restrictions of record and the mortgage to Federal National Mortgage Association recorded at Book 1873, Page 383 of the mortgage records of the Register of Deeds of Douglas County, Nebraska, which is hereby assumed by GRANTEE;
- (2) has legal power and lawful authority to convey the same;
- (3) warrants and will defend title to the real estate against the lawful claims of all persons.

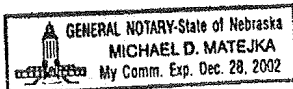
Executed 12/21, 1999.

St. James Manor, Inc., a Nebraska non-profit corporation, a Nebraska corporation,

By:
Its:

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me on the 21 day of December 1999 by Joseph V. Rysavy, President of St. James Manor, Inc., a Nebraska non-profit corporation, a Nebraska Corporation, on behalf of the Corporation.



Notary Public

Michael D. Matejka
Fitzgerald, Schorr, Barmettler
& Brennan, P.C.
1100 Woodmen Tower
Omaha, NE 68102-2002

Exhibit "A"

Lot 1, SAINT JAMES MANOR, being an Administrative Replat of part of Block 5 and 6, ORIGINAL CITY OF BENSON, (Now a part of the City of Omaha) as surveyed, platted and recorded in Douglas County, Nebraska

Old Republic National Title Insurance Company
ALTA COMMITMENT

Issued Through: **TitleCore National, LLC**
9140 West Dodge Road, Suite 380 | Omaha, NE 68114
Phone: 402-691-9933 | Fax: 402-691-9970

File No. 21481CX-16

SCHEDULE A

1. Commitment Date: **January 4, 2017 at 8:00am**
2. Policy to be issued:
 - (a) 2006 ALTA Owner's Policy

Proposed Insured:

Proposed Policy Amount:
Premium:
 - (b) 2006 ALTA Loan Policy

Proposed Insured:

Proposed Policy Amount:
Premium:
 - (c) ALTA Endorsement(s) to be issued in connection with the loan policy:
3. The estate or interest in the land described or referred to in this commitment is **Fee Simple**.
4. Title to the estate or interest in the land is at the effective date vested in:

St James Manor, L.P., a Nebraska limited partnership
5. The Land is described as follows:

Lot 1, Saint James Manor, being an Administrative Replat of part of Block 5 and 6, Original City of Benson, (Now a part of the City of Omaha), as surveyed, platted and recorded in Douglas County, Nebraska.

Vesting Deed Survey

This page is only part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions.

Old Republic National Title Insurance Company

File No. 21481CX-16

**SCHEDULE B - I
ALTA COMMITMENT**

REQUIREMENTS

All of the following requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
 - a. Title company reserves the right to make requirements upon determination of type of transaction to be conducted.
5. Deed of Reconveyance of Deed of Trust dated December 21, 1999 and recorded December 21, 1999 in Book 5923 at Page 219 of the Records of Douglas County, NE, executed by St. James Manor, L.P., a Nebraska limited partnership, Trustor, in favor of Michael D. Matejka, Trustee, and St. James Manor, Inc., a Nebraska non-profit corporation, Beneficiary, securing the sum of \$1,791,813.13 and any other amounts payable under the terms thereof. Assigned to Catholic Charities Foundation by Assignment of Promissory Note and Beneficial Interest Under Deed of Trust filed September 13, 2011 at Instrument No. 2011077301, records of Douglas County, Nebraska.
6. A complete copy of the certificate of partnership, the partnership agreement and all amendments to said documents, if any, of St. James Manor, L.P., a Nebraska limited partnership. Furnish proof of existence from the Secretary of State. NOTE: The Company hereby reserves the right to make further requirements as may be necessary after review of the said documents.

Any instrument to be executed by the limited partnership must:

 - a. Be executed in the name of the general partnership;
 - b. Be signed by all the general partners; and
 - c. Unless the transaction is in the ordinary course of business of the partnership, be ratified or approved by all of the members of the partnership, except to the extent the limited partnership agreement abolishes or modifies the need for such ratification or approval, or unless the partnership agreement authorizes a managing general partner to act on behalf of the partnership.
7. REQUIRE execution of the Affidavit Regarding Owner by the titleholder.
8. In order to delete the standard exception to survey, as shown on this Commitment, we REQUIRE a current comprehensive survey of the premises showing location of all improvements, easements and encroachments thereon, and that it be duly certified by a Nebraska Registered Land Surveyor, in manner acceptable to this Company.
9. Upon receipt of an acceptable survey and the Affidavit Regarding Owner required above, the standard exception to rights and claims of parties in possession, as shown on this commitment, will be deleted and the following language will appear in lieu thereof: Rights and claims of lessees/tenants under unrecorded leases, contracts and/or verbal agreements.

NOTE: Please order a verbal update from this title company prior to closing this transaction to determine any matters appearing of record after the effective date of this commitment.

NOTE: Please notify this Company when all requirements have been met so that we may issue the final policy.

This page is only part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions.

This page is only part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions.

ORT Form 4690 B revised 8-1-16
Schedule B I
ALTA Commitment for Title Insurance

Old Republic National Title Insurance Company

File No. 21481CX-16

**SCHEDULE B - II
ALTA COMMITMENT**

EXCEPTIONS

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I Requirements are met.
2. Rights or claims of parties in possession not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, encumbrances, violations or adverse circumstances affecting the Title that would be disclosed by an accurate and complete land survey of the Land, which are not shown by the public records.
4. Easements, or claims of easements, not shown by the public records.
5. Any lien or right to a lien, for services, labor or material heretofore furnished, imposed by law and not shown by the public records.

Special Exceptions:

6. 2016 general taxes due December 31, 2016 total \$21,831.38, unpaid. 1st installment becomes delinquent on April 1, 2017, 2nd installment becomes delinquent on August 1, 2017. (Key No. 4491 5070 21)
 - a. The lien of the general taxes for 2016, becoming due December 31, 2016 and payable in 2017, and all subsequent taxes and special assessments, including but not limited to those now pending, assessed or levied, not yet certified to the Office of the County Treasurer for collection at the date hereof.
7. Terms and provisions of Easement in favor of Omaha Public Power District and Northwestern Bell Telephone Company, their successors and/or assigned filed December 15, 1971 in Misc. Book 505 at Page 431, records of Douglas County, Nebraska, to install, operate, maintain, repair, replace and renew its electric and telephone facilities over, upon, along and under a portion of subject property at described therein.
8. Terms and provisions of Right-of-Way Easement in favor of Omaha Public Power District and Northwestern Bell Telephone Company, their successors and/or assigned filed March 9, 1978 in Misc. Book 594 at Page 336, records of Douglas County, Nebraska, to install, operate, maintain, repair, replace and renew its electric and telephone facilities over, upon, along and under a portion of subject property at described therein.
9. Temporary Construction Easements in favor of the City of Omaha, Nebraska, as set forth in Report of Appraisers filed May 16, 1969 in Misc. Book 476, Page 359, records of Douglas County, Nebraska. (Note: Tract 112)
10. Notice from Metropolitan Utilities District filed February 11, 1966 in Misc. Book 434 at Page 71, records of Douglas County, Nebraska, concerning potential water main connection fees.

This page is only part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions.

11. Terms and provisions of Land Use Restriction Agreement for Low Income Housing Tax Credits filed December 29, 2000 in Misc. Book 1363 at Page 518, records of Douglas County, Nebraska, by and between Nebraska Investment Finance Authority and St. James Manor, L.P.
12. The rights or interest of tenants in possession, as tenants only, pursuant to unrecorded or recorded leases, contracts and/or verbal agreements.

ALTA Commitment for Title Insurance



Issued By Old Republic National Title Insurance Company

NOTICE

IMPORTANT—READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, Old Republic National Title Insurance Company, a Florida Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I—Requirements have not been met within 6 months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions.

Issued through the Office of:

TitleCore National, LLC
9140 West Dodge Road, Suite 380
Omaha, NE 68114

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Authorized Signatory

By President

Attest Secretary

COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
 - (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
 - (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
 - (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
 - (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
 - (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
 - (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
 - (h) "Title": The estate or interest described in Schedule A.
2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.
3. The Company's liability and obligation is limited by and this Commitment is not valid without:
- (a) the Notice;
 - (b) the Commitment to Issue Policy;
 - (c) the Commitment Conditions;
 - (d) Schedule A;
 - (e) Schedule B, Part I—Requirements;
 - (f) Schedule B, Part II—Exceptions; and
 - (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I—Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions

6. **LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. **IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. **PRO-FORMA POLICY**

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. **ARBITRATION**

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions.

rev. 07/2016

OLD REPUBLIC TITLE

FACTS	WHAT DOES OLD REPUBLIC TITLE DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and employment information • Mortgage rates and payments and account balances • Checking account information and wire transfer instructions <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Old Republic Title share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions	Go to www.oldrepublictitle.com (Contact Us)
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Who we are	
Who is providing this notice?	Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates.

What we do	
How does Old Republic Title protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. For more information, visit http://www.OldRepublicTitle.com/newnational/Contact/privacy .
How does Old Republic Title collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> • Give us your contact information or show your driver's license • Show your government-issued ID or provide your mortgage information • Make a wire transfer <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See the "Other important information" section below for your rights under state law.</p>

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina.</i>
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • <i>Old Republic Title does not share with non-affiliates so they can market to you</i>
Joint marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Old Republic Title doesn't jointly market.</i>

Other Important Information

Oregon residents only: We are providing you this notice under state law. We may share your personal information (described on page one) obtained from you or others with non-affiliate service providers with whom we contract, such as notaries and delivery services, in order to process your transactions. You may see what personal information we have collected about you in connection with your transaction (other than personal information related to a claim or legal proceeding). To see your information, please click on "Contact Us" at www.oldrepublictitle.com and submit your written request to the Legal Department. You may see and copy the information at our office or ask us to mail you a copy for a reasonable fee. If you think any information is wrong, you may submit a written request online to correct or delete it. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement.

Affiliates Who May be Delivering This Notice

American First Abstract, LLC	American First Title & Trust Company	American Guaranty Title Insurance Company	Attorneys' Title Fund Services, LLC	Compass Abstract, Inc.
eRecording Partners Network, LLC	Genesis Abstract, LLC	Kansas City Management Group, LLC	L.T. Service Corp.	Lenders Inspection Company
Lex Terrae National Title Services, Inc.	Lex Terrae, Ltd.	Mara Escrow Company	Mississippi Valley Title Services Company	National Title Agent's Services Company
Old Republic Branch Information Services, Inc.	Old Republic Diversified Services, Inc.	Old Republic Exchange Company	Old Republic National Title Insurance Company	Old Republic Title and Escrow of Hawaii, Ltd.
Old Republic Title Co.	Old Republic Title Company of Conroe	Old Republic Title Company of Indiana	Old Republic Title Company of Nevada	Old Republic Title Company of Oklahoma
Old Republic Title Company of Oregon	Old Republic Title Company of St. Louis	Old Republic Title Company of Tennessee	Old Republic Title Information Concepts	Old Republic Title Insurance Agency, Inc.
Old Republic Title, Ltd.	Republic Abstract & Settlement, LLC	Sentry Abstract Company	The Title Company of North Carolina	Title Services, LLC
Trident Land Transfer Company, LLC				

TitleCore National, LLC

Privacy Policy Notice

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of TitleCore National, LLC.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We may also disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

If you have any question about our Privacy Policy Notice, please contact us by writing to:

TitleCore National, LLC
8701 West Dodge Road
Suite 150
Omaha, NE 68114

AFFIDAVIT REGARDING OWNER

STATE OF)
) ss.
COUNTY OF)

The undersigned, hereinafter referred to as "Affiant" (whether one or more), of lawful age, being first duly sworn upon oath, in order to induce TitleCore National, LLC and/or Old Republic National Title Insurance Company to issue its policy(ies) of title insurance, in accordance with Commitment No.21481CX-16, on property legally described as follows: (the "Premises")

Lot 1, Saint James Manor, being an Administrative Replat of part of Block 5 and 6, Original City of Benson, (Now a part of the City of Omaha), as surveyed, platted and recorded in Douglas County, Nebraska.

and commonly known as: 3102 North 60th Street, Omaha, NE 68104

does hereby state and declare as follows:

1. Affiant has owned the Premises and improvements exclusively and continuously for six months last past.
2. There are no persons in possession of any portion of the Premises other than pursuant to a recorded document.
3. There are no unrecorded contracts, leases, easements, or other agreements, documents or interests relating to the Premises.
4. There are no unpaid bills or claims for labor or services performed or materials furnished or delivered during the last twelve months for alterations, repair work, or new construction on the Premises for which payment has not been made.
5. There are no public improvements in the vicinity of the Premises under construction, completed but not assessed, or contemplated, which could be a basis for any special assessment being levied against the Premises after closing. All current assessments have been paid.
6. There are no chattel mortgages, security agreements, financing statements, or personal property leases affecting any fixtures, appliances, or equipment which are now installed in or upon the Premises.
7. There are no encroachments of any improvements, (including fences, driveways, stoops, decks, eaves) onto adjoining property (including streets) or onto easement grants; nor from adjoining property onto subject Premises. And there have been no disputes with neighbors or others over the location of any improvements or boundary lines.
8. There are no easement grants, including joint drive or party wall, affecting subject Premises other than those recorded and shown on the above referenced Commitment.
9. There have been no bankruptcy proceedings involving Affiant during the time Affiant has had any interest in the Premises, except as shown on the Commitment.
10. There are no unsatisfied judgments of record, or state or federal tax liens, against Affiant, nor any actions pending in any court, State or Federal, which could affect subject Premises, except as shown on the Commitment.
11. There is no other name under which Affiant has operated or been known which could result or has resulted in the attachment of a lien or judgment to subject Premises.
12. There are no unpaid obligations, dues, taxes or assessments payable to any association, condominium regime or any other such organization and/or any taxing authority at date hereof.

Affiant makes the above representations, except as modified on the reverse side hereof, and hereby indemnifies and agrees to save harmless TitleCore National, LLC and/or Old Republic National Title Insurance Company from any loss or damage they may suffer, including, but not limited to, legal fees, court costs, expenses, closing costs, and losses suffered as a result of any claim against the Premises based upon facts contrary to the above representations.

This instrument is executed and delivered to purchaser, lender and/or Title Company as an inducement to consummate the transaction contemplated thereby, and forms a complete agreement by itself. All parties to this transaction may rely upon the representations so made, which are joint and several.

Dated this _____ day of _____, 20_____.

St James Manor, L.P., a Nebraska limited partnership

By _____

STATE OF _____)
COUNTY OF _____) ss.

Acknowledged before me, the undersigned Notary Public in and for said County and State, on this _____ day of _____, 20_____, by _____, _____ of St James Manor, L.P., a Nebraska limited partnership

Notary Public

My Commission Expires: _____

Commitment No.: 21481CX-16

HUD-52537
March 1976

e. Contents of Contract. This Contract consists of Part I, Part II, and the following exhibits:

Exhibit A: The schedule showing the number of units by size ("Contract Units") and their HUD Approved Unit Rents ("Contract Rents") and Maximum Unit Rents;

Exhibit B: The project description;

Exhibit C: The statement of services, maintenance and utilities to be provided by Owner;

Exhibit D: The Affirmative Fair Housing Marketing Plan, if applicable; and

Additional Exhibits: (Specify additional exhibits, if any. If none, insert "None.")

NONE

This Contract, including said exhibits, comprises the entire agreement between the parties hereto with respect to the matters contained herein, and neither party is bound by any representations or agreements of any kind except as contained herein or except agreements entered into in writing which are not inconsistent with this Contract.

1.2 Owner's Warranties.

a. Legal Capacity. The Owner warrants that he has the legal right to execute this Contract and to lease dwelling units covered by this Contract.

1.3 Families to Be Housed; Government Assistance.

a. Families to Be Housed. The Contract Units are to be leased by the Owner to eligible Lower-Income Families ("Families") for use and occupancy by such Families solely as private dwellings.

b. Government Assistance. (1) The Government hereby agrees to make housing assistance payments on behalf of Families for the Contract Units, to enable such Families to lease Decent, Safe, and Sanitary housing pursuant to Section 8 of the Act. Such housing assistance payments shall equal the difference between the Contract Rents for units leased by Families and the portion of such rents payable by Families as determined by the Owner in accordance with schedules and criteria established by the Government.

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(2) If there is an Allowance for Utilities and Other Services and if such Allowance exceeds the Gross Family Contribution, the Owner shall pay the Family the amount of such excess on behalf of the Government upon receipt of funds from the Government for that purpose.

1.4 Term of Contract. The initial term of this Contract shall be as stated in Section 1.1b. This Contract may be renewed, by agreement of the Government and the Owner, for two additional terms of five years each; Provided, however, that the total Contract term for any unit, including renewals, shall not exceed 15 years.

1.5. Maximum Housing Assistance Commitment; Project Account.

a. Maximum Housing Assistance Commitment. Notwithstanding any other provisions of this Contract (other than paragraph b of this Section) or any provisions of any other contract between the Government and the Owner, the Government shall not be obligated to make and shall not make any payments for housing assistance and fees under this Contract in excess of the amount per annum stated in Section 1.1d; Provided, however, that this amount shall be reduced commensurately with any reduction in the number of Contract Units or in the Contract Rents or pursuant to any other provisions of this Contract, and provided further that such amount may be increased to reflect any increase in the number of Contract Units when and if the Government approves such increase.

b. Project Account. In order to assure that housing assistance payments will be increased on a timely basis to cover increases in Contract Rents or decreases in Family Incomes:

(1) A Project Account shall be established and maintained, in an amount as determined by the Government consistent with its responsibilities under section 8(c)(6) of the Act, out of amounts by which the maximum Contract commitment per year exceeds amounts paid under the Contract for any Fiscal Year. This account shall be established and maintained by the Government as a specifically identified and segregated account. To the extent funds are available in said account, the maximum total annual housing assistance payments for any Fiscal Year may exceed the maximum amount stated in paragraph a of this Section to cover increases in Contract Rents or decreases in Family Incomes (see Section 1.8). Any amount remaining in said account after payment of the last housing assistance payment with respect to the project shall be applied by the Government in accordance with law.

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(2) Whenever the Government approved estimate of the required Annual Contribution exceeds the maximum Contract commitment then in effect, and would cause the amount in the Project Account to be less than an amount equal to 40 percent of such maximum Contract commitment, the Government shall, within a reasonable period of time, take such additional steps authorized by section 8(c)(6) of the Act as may be necessary to carry out this assurance, including (as provided in that section of the Act) "the reservation of annual contributions authority for the purpose of amending housing assistance contracts or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts."

1.6 Housing Assistance Payments to Owner.

a. General. (1) Housing assistance payments shall be paid to the Owner for units under lease by Families in accordance with the Contract. The housing assistance payment will cover the difference between the Contract Rent and that portion of said rent payable by the Family as determined in accordance with the Government-established schedules and criteria.

(2) The amount of housing assistance payment payable on behalf of a Family and the amount of rent payable by such Family shall be subject to change by reason of changes in Family Income, Family composition, or extent of exceptional medical or other unusual expenses, in accordance with the Government-established schedules and criteria; or by reason of adjustment by the Government of any applicable Allowance for Utilities and Other Services. Any such change shall be effective as of the date stated in a notification of such change to the Family.

b. Vacancies After Rent-up. (1) If a Family vacates its unit (other than as a result of action by the Owner which is in violation of the Lease or the Contract or any applicable law), the Owner shall receive housing assistance payments in the amount of 80 percent of the Contract Rent for a vacancy period not exceeding 60 days; Provided, however, that if the Owner collects any of the Family's share of the rent for this period in an amount which, when added to the 80 percent payments, results in more than the Contract Rent, such excess shall be payable to the Government or as the Government may direct. (See also Section 1.9b.) The Owner shall not be entitled to any payment under this subparagraph unless he: (i) immediately upon learning of the vacancy, has notified the Government of the vacancy or prospective vacancy and the reasons for the vacancy, (ii) has taken and continues to take all feasible actions to fill the vacancy, including, but not limited to, contacting applicants on his waiting

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list, if any, and advising them of the availability of the unit, and (iii) has not rejected any eligible applicant, except for good cause.

(2) If the Owner evicts a Family, he shall not be entitled to any payment under paragraph b(1) of this Section unless the request for such payment is supported by a certification that (i) he gave such Family a written notice of the proposed eviction, stating the grounds and advising the Family that it had 10 days within which to present its objections to the Owner in writing or in person and (ii) the proposed eviction was not in violation of the Lease or the Contract or any applicable law.

c. Limitation on Payments for Vacant Units. The Owner shall not be entitled to housing assistance payments with respect to vacant units under this Section to the extent he is entitled to payments from other sources (e.g., payments for losses of rental income incurred for holding units vacant for relocatees pursuant to Title I of the Housing and Community Development Act of 1974 or payments under Section 1.9b of this Contract).

d. Government Not Obligated for Family Rent. The Government has not assumed any obligation for the amount of rent payable by any Family or the satisfaction of any claim by the Owner against any Family other than in accordance with Section 1.9b of this Contract. The financial obligation of the Government is limited to making housing assistance payments on behalf of Families in accordance with this Contract.

e. Owner's Monthly Requests for Payments. (1) The Owner shall submit monthly requests to the Government for housing assistance payments. Each such request shall set forth: (i) the name of each Family and the address and/or number of the unit leased by the Family; (ii) the address and/or the number of units, if any, not leased to Families for which the Owner is claiming payments; (iii) the Contract Rent as set forth in Exhibit A for each unit for which the Owner is claiming payments; (iv) the amount of rent payable by the Family leasing the unit (or, where applicable, the amount to be paid the Family in accordance with Section 1.3b(2); and (v) the total amount of housing assistance payments requested by the Owner.

(2) Each of the Owner's monthly requests shall contain a certification by him that to the best of his knowledge and belief (i) the dwelling units are in Decent, Safe, and Sanitary condition, (ii) all the other facts and data on which the request for funds is based are true and correct, (iii) the amount requested has been calculated in accordance with the provisions of this Contract and is payable under the Contract, and (iv) none of the amount claimed has been previously claimed or paid.

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(3) If the Owner has received an excessive payment, the Government, in addition to any other rights to recovery, may deduct the amount from any subsequent payment or payments.

(4) The Owner's monthly requests for housing assistance payments shall be made subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

(5) Projects pursuant to section 236 of the National Housing Act. Owners of projects operating pursuant to section 236 shall make the following modification to their Monthly Report of Excess Income (Form HUD-93104). On page 2, enter the HUD-approved basic rent under "Basic Rental" (column 3); any amount received pursuant to paragraph b or c of this Section 1.6 shall be entered under "Collections this Month" (column 4); the difference between these two amounts (column 3 and column 4) shall be entered under "Adjustments for Vacancies" (column 5). Should the tenant make any payment, that amount shall be added to the amount received pursuant to paragraph b or c of this Section 1.6 and entered under column 4. If the amount of column 4 exceeds column 3, no entry should be made in column 5. The balance of page 2 and all of page 1, Form HUD-93104, shall be prepared in accordance with the Form's instructions.

1.7 Maintenance, Operation and Inspection.

a. Maintenance and Operation. The Owner agrees (1) to maintain and operate the Contract Units and related facilities so as to provide Decent, Safe, and Sanitary housing, and (2) to provide all the services, maintenance and utilities set forth in Exhibit C. If the Government determines that the Owner is not meeting one or more of these obligations, the Government shall have the right, in addition to its other rights and remedies under this Contract, to abate housing assistance payments in whole or in part.

b. Inspection. (1) Prior to occupancy of any unit by a Family, the Owner and the Family shall inspect the unit and both shall certify, on forms prescribed by the Government, that they have inspected the unit and have determined it to be Decent, Safe, and Sanitary in accordance with the criteria provided in the prescribed forms. Copies of these reports shall be kept on file by the Owner for at least three years.

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(2) The Government shall inspect or cause to be inspected each Contract Unit and related facilities at least annually and at such other times as may be necessary to assure that the Owner is meeting his obligation to maintain the units in Decent, Safe, and Sanitary condition and to provide the agreed upon utilities and other services. The Government shall take into account complaints by occupants and any other information coming to its attention in scheduling inspections and shall notify the Owner of its determination.

c. Units Not Decent, Safe, and Sanitary. If the Government notifies the Owner that he has failed to maintain a dwelling unit in Decent, Safe, and Sanitary condition and the Owner fails to take corrective action within the time prescribed in the notice, the Government may exercise any of its rights or remedies under the Contract, including abatement of housing assistance payments, even if the Family continues to occupy the unit.

d. Notification of Abatement. Any abatement of housing assistance payments shall be effective as provided in written notification to the Owner. The Government shall promptly notify the Family of any such abatement.

e. Overcrowded and Underoccupied Units. If the Government determines that a Contract Unit is not Decent, Safe, and Sanitary by reason of increase in Family size, or that a Contract Unit is larger than appropriate for the size of the Family in occupancy, housing assistance payments with respect to such unit will not be abated, unless the Owner fails to offer the Family a suitable unit as soon as one becomes vacant and ready for occupancy. The Owner may receive housing assistance payments for the vacated unit if he complies with the requirements of Section 1.6b(1).

1.8 Rent Adjustments.

a. Funding of Adjustments. Housing assistance payments will be made in increased amounts commensurate with Contract Rent adjustments up to the maximum amount authorized under Section 1.5a of this Contract.

b. Adjustments of Contract Rents. Contract Rents shall automatically be adjusted whenever a HUD-approved rent increase as provided under the Regulatory Agreement takes effect, provided such increase does not exceed the Maximum Unit Rents set forth in Exhibit A, and the HUD-approved rents shall become the new Contract Rents. For any section 221(d)(3) BMIR, section 236, or section 202 project, the housing assistance payment shall be the amount by which the rent payable by the Eligible Family under section 8 is less than the subsidized rent (which subsidy shall not be reduced on account of any section 8 assistance).

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c. Adjustments of Maximum Unit Rents.

(1) Automatic Annual Adjustments.

(i) Automatic Annual Adjustment Factors will be determined by the Government at least annually; interim revisions may be made as market conditions warrant. Such Factors and the basis for their determination will be published in the Federal Register. These published Factors will be reduced appropriately by the Government where utilities are paid directly by the Families.

(ii) On each anniversary date of the Contract, the Maximum Unit Rents shall be adjusted by applying the applicable Automatic Annual Adjustment Factor most recently published by the Government. Maximum Unit Rents may be adjusted upward or downward, as may be appropriate; however, in no case shall the adjusted Maximum Unit Rents be less than the Maximum Unit Rents on the effective date of the Contract.

(2) Special Additional Adjustments. Special additional adjustments may be granted, when approved by the Government, to reflect increases in the actual and necessary expenses of owning and maintaining the Contract Units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs (i.e., assessments, and utilities not covered by regulated rates), but only if and to the extent that the Owner clearly demonstrates that such general increases have caused increases in the Owner's operating costs which are not adequately compensated for by automatic annual adjustments. The Owner shall submit to the Government financial statements which clearly support the increase.

d. Overall Limitation. Notwithstanding any other provisions of this Contract, adjustments as provided in this Section shall not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by the Government.

e. Incorporation of Rent Adjustment. Any adjustment in Contract Rents or Maximum Unit Rents shall be incorporated into Exhibit A by a dated addendum to the Exhibit establishing the effective date of the adjustment.

1.9 Leasing of Units.

a. Compliance with Equal Opportunity. Marketing of units and selection of Families by the Owner shall be in accordance with the Owner's Government-approved Affirmative Fair Housing Marketing Plan, shown as Exhibit D, and with all regulations relating to fair housing advertising.

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b. Security and Utility Deposits. (1) The Owner may require Families to pay a security deposit in an amount equal to one month's Gross Family Contribution. If a Family vacates its unit, the Owner, subject to State and local law, may utilize the deposit as reimbursement for any unpaid rent or other amount owed under the Lease. If the Family has provided a security deposit, and it is insufficient for such reimbursement, the Owner may claim reimbursement from the Government, not to exceed an amount equal to the remainder of one month's Contract Rent. Any reimbursement under this Section shall be applied first toward any unpaid rent. If a Family vacates the unit owing no rent or other amount under the Lease or if the amount owed is less than the amount of the security deposit, the Owner shall refund the full amount or the unused balance, as the case may be, to the Family.

(2) In those jurisdictions where interest is payable by the Owner on security deposits, the refunded amount shall include the amount of interest payable. All security deposit funds shall be deposited by the Owner in a segregated bank account, and the balance of this account, at all times, shall be equal to the total amount collected from tenants then in occupancy, plus any accrued interest. The Owner shall comply with all State and local laws regarding interest payments on security deposits.

(3) Families shall be expected to obtain the funds to pay security and utility deposits, if required, from their own resources and/or other private or public sources.

c. Eligibility, Selection and Admission of Families.

(1) The Owner shall be responsible for determination of eligibility of applicants, selection of families from among those determined to be eligible, and computation of the amount of housing assistance payments on behalf of each selected Family in accordance with schedules and criteria established by the Government.

(2) In filling vacancies at the time the Contract is executed, as well as in filling subsequent vacancies, the Owner shall rent to Very Low-Income Families until at least 30 percent of the Contract Units are occupied by such Families. Thereafter, the Owner shall exercise his best efforts to maintain at least 30 percent occupancy of Contract Units by Very Low-Income Families.

(3) The Lease entered into between the Owner and each selected Family shall be on the form of Lease approved by the Government.

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(4) The Owner shall make a reexamination of Family Income, composition, and the extent of medical or other unusual expenses incurred by the Family, at least annually, and appropriate redeterminations shall be made by the Owner of the amount of Family contribution and the amount of housing assistance payment, all in accordance with schedules and criteria established by the Government. In connection with the reexamination, the Owner shall determine what percentage of Families in occupancy are Very Low-Income Families. If there are fewer than 30 percent Very Low-Income Families in occupancy, the Owner shall report the fact to the Government.

d. Rent Redetermination After Adjustment in Allowance for Utilities and Other Services. In the event that the Owner is notified of a Government determination making an adjustment in the Allowance for Utilities and Other Services applicable to any of the Contract Units, the Owner shall promptly make a corresponding adjustment in the amount of rent to be paid by the affected Families and the amount of housing assistance payments.

e. Processing of Applications and Complaints. The Owner shall process applications for admission, notifications to applicants, and complaints by applicants in accordance with applicable Government requirements and shall maintain records and furnish such copies or other information as may be required by the Government.

f. Government Review; Incorrect Payments. In making housing assistance payments to Owners, the Government will review the Owner's determinations under this Section. If as a result of this review, or other reviews, audits or information received by the Government at any time, it is determined that the Owner has received improper or excessive housing assistance payments, the Government shall have the right to deduct the amount of such overpayments from any amounts otherwise due the Owner, or otherwise effect recovery thereof.

1.10 Eviction. (a) The Owner shall not evict the Family unless the Owner complies with the requirements of local law, if any, and of this Section. The Owner shall give the Family a written notice of the proposed eviction, stating the grounds and advising the Family that it has 10 days (or such greater number, if any, that may be required by local law) within which to respond to the Owner.

(b) Where a PHA is a party to this Contract, the Owner must obtain the PHA's authorization for an eviction; accordingly, a copy of the notice shall be furnished simultaneously to the PHA, and the notice shall also state that the Family may, within the same time period, present its

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objections to the PHA in writing or in person. The PHA shall forthwith examine the grounds for eviction and shall authorize the eviction unless it finds the grounds to be insufficient under the Lease. The PHA shall notify the Owner and the Family of its determination within 20 days of the date of the notice to the Family, whether or not the Family has presented objections to the PHA. If the Owner has not received a response from the PHA within 20 days, he shall telephone the PHA and shall be informed by the PHA whether a notice of determination has been mailed. If the PHA informs the Owner that no notice has been mailed within the 20-day period, the PHA shall be deemed to have authorized the eviction. The PHA shall be entitled to a fee of \$10 for each proposed eviction action submitted by the Owner and reviewed by the PHA. The PHA shall submit its bills on a monthly basis, or less frequently as appropriate. Each request shall set forth the project name, project number, and the name and address of the resident whom the owner wishes to evict.

1.11 Reduction of Number of Contract Units for Failure to Lease to Eligible Families.

a. After First Year of Contract. If at any time, beginning six months after the effective date of this Contract, the Owner fails for a continuous period of six months to have at least 80 percent of the Contract Units leased or available for leasing by Families, the Government may on 30 days notice reduce the number of Contract Units to not less than the number of units under lease or available for leasing by Families, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.

b. At End of Initial and Each Renewal Term. At the end of the initial term of the Contract and of each renewal term the Government may, by notice to the Owner, reduce the number of Contract Units to not less than (1) the number of units under lease or available for leasing by Families at that time, or (2) the average number of units so leased or available for leasing during the last year, whichever is the greater number, plus 10 percent of such number if the number is 10 or more, rounded to the next highest number.

c. Restoration of Units. The Government will agree to an amendment of the Contract to provide for subsequent restoration of any reduction made pursuant to paragraph a or b of this Section if the Government determines that the restoration is justified as a result of changes in demand and in the light of the Owner's record of compliance with his obligations under this Contract and if annual contributions contract authority is available; and the Government will take such steps authorized by section 8(c)(6) of the Act as may be necessary to carry out this assurance (see Section 1.5).

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PART II OF THE CONTRACT

2.1 Nondiscrimination in Housing.

a. The Owner shall not in the selection of Families, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, creed, religion, sex, or national origin. No person shall be automatically excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program because of membership in a class such as unmarried mothers, recipients of public assistance, etc.

b. The Owner shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, and any rules and regulations pursuant thereto.

c. The Owner shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, Pub. L. 88-352, 78 Stat. 241; the regulations of the Department of Housing and Urban Development issued thereunder, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; the requirements of said Department pursuant to said regulations; and Executive Order 11063 to the end that, in accordance with that Act, the regulations and requirements of said Department thereunder, and said Executive Order, no person in the United States shall on the grounds of race, color, creed, religion or national origin, be excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program, or be otherwise subjected to discrimination. This provision is included pursuant to the regulations of the Department of Housing and Urban Development, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; issued under Title VI of the said Civil Rights Act of 1964, and the requirements of said Department pursuant to said regulations; and the obligation of the Owner to comply therewith inures to the benefit of the Government and the said Department, either of which shall be entitled to invoke any remedies available by law to redress any breach thereof to compel compliance therewith by the Owner.

2.2 Training, Employment, and Contracting Opportunities For Businesses and Lower-Income Persons. [Strike this Section if five times the dollar amount in Section 1.1d of this Contract is \$500,000 or less.]

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a. The project assisted under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.

b. Notwithstanding any other provision of this Contract, the Owner shall carry out the provisions of said section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR, Part 135 (published in 38 Federal Register 29220, October 23, 1973), and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this Contract. The requirements of said regulations include, but are not limited to, development and implementation of an affirmative action plan for utilizing business concerns located within, or owned in substantial part by persons residing in, the area of the project; the making of a good faith effort, as defined by the regulations, to provide training, employment, and business opportunities required by section 3; and incorporation of the "section 3 clause" specified by section 135.20(b) of the regulations and paragraph d of this Section in all contracts for work in connection with the project. The Owner certifies and agrees that he is under no contractual or other disability which would prevent him from complying with these requirements.

c. Compliance with the provisions of section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the Owner, his successors and assigns. Failure to fulfill these requirements shall subject the Owner, his contractors and subcontractors, his successors, and assigns to the sanction specified by this Contract, and to such sanctions as are specified by 24 CFR, Section 135.135.

d. The Owner shall incorporate or cause to be incorporated into any contract or subcontract for work pursuant to this Contract in excess of \$50,000 cost, the following clause:

"Employment of Project Area Residents and Contractors

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"A. The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given lower-income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.

"B. The parties to this Contract will comply with the provisions of said section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR, Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

"C. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

"D. The contractor will include this section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontract is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR, Part 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR, Part 135, and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

"E. Compliance with the provisions of section 3, the regulations set forth in 24 CFR, Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for

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such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR, Section 135.135."

e. The Owner agrees that he will be bound by the above Employment of Project Area Residents and Contractors clause with respect to his own employment practices when he participates in federally assisted work.

2.3 Cooperation in Equal Opportunity Compliance Reviews.

The Owner shall cooperate with the Government in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and rules and regulations pursuant thereto.

2.4 Flood Insurance. If the project is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and if the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, the Owner agrees that the project will be covered, during its anticipated economic or useful life, by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.

2.5 Clean Air Act and Federal Water Pollution Control Act.

Strike this Section if 5 times the dollar amount in Section 1.1d of this Contract is \$100,000 or less.

In compliance with regulations issued by the Environmental Protection Agency ("EPA"), 40 CFR, Part 15, 39 F.R. 11099, pursuant to the Clean Air Act, as amended ("Air Act"), 42 U.S.C. 1857, et seq., the Federal Water Pollution Control Act, as amended ("Water Act"), 33 U.S.C. 1251, et seq., and Executive Order 11738, the Owner agrees that:

a. Any facility to be utilized in the performance of this Contract or any subcontract shall not be a facility listed on the EPA List of Violating Facilities pursuant to section 15.20 of said regulations;

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b. He will promptly notify the Department of Housing and Urban Development field office director of the receipt of any communication from the EPA indicating that a facility to be utilized for the Contract is under consideration to be listed on the EPA list of Violating Facilities;

c. He will comply with all the requirements of section 114 of the Air Act and section 308 of the Water Act relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in section 114 and section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder; and

d. He will include or cause to be included the provisions of this Section in every nonexempt subcontract, and that he will take such action as the Government may direct as a means of enforcing such provisions.

2.6 Reports and Access to Premises and Records

a. The Owner shall furnish such information and reports pertinent to the Contract as reasonably may be required from time to time by the Government.

b. The Owner shall permit the Government or any of its duly authorized representatives to have access to the premises including access to dwelling units, and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner that are pertinent to compliance with this Contract, including the verification of information pertinent to the monthly requests for housing assistance payments.

2.7 Non-compliance by the Owner under Contract.

a. The Owner shall be found to be in non-compliance with the terms of this Contract if:

(1) The Owner has violated or failed to comply with any provision of, or obligation under, this Contract or of any Lease;

(2) The Owner has asserted or demonstrated an intention not to perform some or all of his obligations under this Contract or under any Lease; or

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(3) The Owner has violated or failed to comply with any provision of or obligation under the Regulatory Agreement.

b. Upon a determination by the Government that the Owner is in non-compliance under the Contract, the Government shall notify the Owner of (1) the nature of the non-compliance, (2) the actions required to be taken and the remedies to be applied on account of the non-compliance (including actions by the Owner to cure the non-compliance and, where appropriate, abatement of housing assistance payments in whole or in part and recovery of overpayments), and (3) the time within which the Owner shall respond with a showing that he has taken all the actions required of him. If the Owner fails to respond or take action to the satisfaction of the Government, the Government shall have the right to terminate this Contract in whole or in part or to take other corrective action to achieve compliance.

c. The availability of any remedy under this Contract shall not preclude the exercise of any other remedy available under this Contract or under any provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

2.8 Financial Default.

In the event of a financial default under the mortgage, the Government reserves the right to assign assistance payments directly to a lender, including the Government as lender, in satisfaction of any obligations under the mortgage.

2.9 Disputes.

a. Except as otherwise provided herein, any dispute concerning a question of fact arising under this Contract which is not disposed of by agreement between the Department of Housing and Urban Development field office and the Owner may be submitted by the Owner to the Secretary of Housing and Urban Development. The decision of the Secretary or duly authorized representative for the resolution of such disputes shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any proceeding under this Section, the Owner shall be afforded an opportunity to be heard and to offer evidence in support of his position.

b. This Section does not preclude consideration of questions of law in connection with the decision rendered under paragraph a of this Section; Provided, however, that nothing herein shall be construed as making final the decision of any administrative official, representative, or board, on a question of law.

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2.10 Interest of Members, Officers, or Employees of PHA,
Members of Local Governing Body or Other Public Officials.

No member, officer, or employee of the PHA, no member of the governing body of the locality (city and county) in which the project is situated, no member of the governing body of the locality in which the PHA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or in any proceeds or benefits arising therefrom.

2.11 Interest of Member of or Delegate to Congress.

No member of or delegate to the Congress of the United States of America or resident commissioner shall be admitted to any share or part of this Contract or to any benefits which may arise therefrom.

2.12 Sales or Foreclosures.

In the event of foreclosure, including foreclosure by the Government, or in the event of any assignment or sale agreed to by the Government or made to the Government, assistance payments shall continue in accordance with the terms of the Contract.

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

ST. JAMES MANOR, INC.

Owner

By

[Signature]
President
(Official title)

Date

August 25, 1976

United States of America, Secretary of
Housing and Urban Development

By

[Signature]
ADRA DIRECTOR
(Official title)

Date

AUGUST 27, 1976

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
(Official title)

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Contract Renewal Request Form Multifamily Section 8 Contracts

U.S. Department of Housing and Urban Development
Office of Housing
OMB No. 2502-0587
(Exp. 04/30/2017)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Title V of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1988 (P.L. 106-65, 111 Stat. 1384) authorizes the FHA Multifamily Housing Mortgage and Housing Assistance Restructuring Program. HUD implemented a statutory permanent program directed at FHA-insured multifamily projects that have project-based Section 8 contracts with above-market rents. The information collection is used to determine criteria eligibility of FHA-insured multifamily properties for participation in the Mark to Market program and the terms on which participation should occur. The purpose of the program is to preserve low-income rental housing affordability while reducing the long-term costs of Federal rental assistance. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Cover Sheet

St. James Manor	
PROJECT NAME	
3118 N 60 St, Omaha, NE 68104	
PROJECT ADDRESS	
St. James Manor, LP	
PROJECT OWNER	
NE26L000007	807524160
FHA PROJECT NO	DUNS NUMBER
60	60
TOTAL UNITS IN PROJECT	TOTAL SECTION 8 UNITS IN PROJECT
05/17/2018	
DATE OF SUBMISSION	DATE RECEIVED BY HUD

Section 8 contracts and stages in the project:

Section 8 Contract Number	Stage Number (if applicable)	Combine (Yes?)	# Units	Expiration Date	Renew (Yes?)
NE26L000007		<input type="checkbox"/>	60	8/31/2018	Yes
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			

Attachment 11-1

U.S. Department of Housing and Urban Development
Office of Housing

Project-based Section 8

HOUSING ASSISTANCE PAYMENTS
BASIC RENEWAL CONTRACT
ONE-YEAR TERM

OMB Control #2502-0587

"Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it has a currently valid OMB control number. No confidentiality is assured."

PREPARATION OF CONTRACT

Reference numbers in this form refer to notes at the end of the contract text.
These endnotes are instructions for preparation of the Basic Renewal Contract.
The instructions are not part of the Renewal Contract

HUD-9636

Basic Renewal Contract

One-Year Term
REV 11-05-2007

RECEIVED
8/22/18
By: HP

Rec'd 8/21/2018 - CMS

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U.S. Department of Housing and Urban Development
Office of Housing

Project-based Section 8

HOUSING ASSISTANCE PAYMENTS

BASIC RENEWAL CONTRACT¹

ONE-YEAR TERM

1 CONTRACT INFORMATION²

PROJECT

Section 8 Project Number: NE26L000007

Section 8 Project Number of Expiring Contract: NE26L000007

FHA Project Number (if applicable): N/A

Project Name: Saint James Manor

Project Description:

3118 N 60th St, Omaha, Douglas County, Nebraska 68104

TYPE OF RENEWAL

- ☒ Check this box for a project renewed under Section 524(a) of MAHRA (not including a Mark-Up-To-Market renewal).
- ☐ Check this box for a project renewed at exception rents under Section 524(b)(1) of MAHRA.

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PARTIES TO RENEWAL CONTRACT

Name of Contract Administrator⁴

Housing Authority of the City of Bremerton

Address of Contract Administrator

345 - 6th Street, Suite 200
Bremerton, WA 98337-1860

Name of Owner⁵

St. James Manor, LP

Address of Owner

3300 N. 60th St.
Omaha, NE 68104

2 TERM AND FUNDING OF RENEWAL CONTRACT

- a The Renewal Contract begins on September 1, 2018⁶ and shall run for a period of one year.
- b Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ 170,400,⁷ an amount sufficient to provide housing assistance payments for approximately four (4)⁸ months of the Renewal Contract term.
- c HUD will provide additional funding for the remainder of the Renewal Contract term subject to the availability of sufficient appropriations. When such appropriations are available, HUD will

Attachment 11-1

obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

3 DEFINITIONS

ACC. Annual contributions contract.

Contract rent. The total monthly rent to owner for a contract unit, including the tenant rent (the portion of rent to owner paid by the assisted family).

Contract units. The units in the Project which are identified in Exhibit A by size and applicable contract rents.

HAP contract. A housing assistance payments contract between the Contract Administrator and the Owner.

HUD. The United States Department of Housing and Urban Development.

HUD requirements. HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract.

MAHRA. The Multifamily Assisted Housing Reform and Affordability Act of 1997 (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

PHA. Public housing agency (as defined and qualified in accordance with the United States Housing Act of 1937. 42 U.S.C. 1437 et seq.).

Project. The housing described in section 1 of the Renewal Contract.

Renewal Contract. This contract, including applicable provisions of the Expiring Contract (as determined in accordance with section 5 of the Renewal Contract).

Section 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)

4 RENEWAL CONTRACT

a Parties

- (1) The Renewal Contract is a housing assistance payments contract ("HAP Contract") between the Contract Administrator and the Owner of the Project (see section 1).
- (2) If HUD is the Contract Administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as Contract Administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 9 (HUD requirements), section 10 (statutory changes during term) and section 11 (PHA default), of the Renewal Contract.

b Statutory authority

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), and section 524 of MAHRA.

c Expiring Contract

Previously, the Contract Administrator and the Owner had entered into a HAP Contract ("expiring contract") to make Section 8 housing assistance payments to the Owner for eligible families living in the Project. The term of the expiring contract will end prior to the beginning of the term of the Renewal Contract.

d Purpose of Renewal Contract

- (1) The purpose of the Renewal Contract is to renew the expiring contract for a one-year term. During the term of the Renewal Contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract.
- (2) Housing assistance payments shall only be paid to the Owner for contract units occupied by eligible families leasing

decent, safe and sanitary units from the Owner in accordance with statutory requirements, and with all HUD regulations and other requirements. If the Contract Administrator determines that the Owner has failed to maintain one or more contract units in decent, safe and sanitary condition, and has abated housing assistance payments to the Owner for such units, the Contract Administrator may use amounts otherwise payable to the Owner pursuant to the Renewal Contract for the purpose of relocating or rehousing assisted residents in other housing.

e Contract units

The Renewal Contract applies to the Contract units.

5 EXPIRING CONTRACT – PROVISIONS RENEWED

- a** Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b** All provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:
 - (1) Identification of contract units by size and applicable contract rents;
 - (2) The amount of the monthly contract rents;
 - (3) Contract rent adjustments; and
 - (4) Project account (sometimes called "HAP reserve" or "project reserve") as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.
- c** The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section 5.

6 CONTRACT RENT

a Contract rents

Throughout the Renewal Contract term, the contract rent for each bedroom size (number of bedrooms) shall be the contract rent amount listed in Exhibit A of the Renewal Contract.

b No rent adjustments

There shall be no adjustment of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

7 OWNER WARRANTIES

- a** The Owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.
- b** The Owner warrants that the rental units to be leased by the Owner under the Renewal Contract are in decent, safe and sanitary condition (as defined and determined in accordance with HUD regulations and procedures), and shall be maintained in such condition during the term of the Renewal Contract.

8 OWNER TERMINATION NOTICE

- a** Before termination of the Renewal Contract, the Owner shall provide written notice to the Contract Administrator and each assisted family in accordance with HUD requirements.
- b** If the Owner fails to provide such notice in accordance with the law and HUD requirements, the Owner may not increase the tenant rent payment for any assisted family until such time as the Owner has provided such notice for the required period.

9 HUD REQUIREMENTS

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD requirements that are inconsistent with the provisions of the Renewal Contract, including the provisions of section 6 (contract rent), shall not be applicable.

10 STATUTORY CHANGES DURING TERM

If any statutory change during the term of the Renewal Contract is inconsistent with section 6 of the Renewal Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of section 6 because of such statutory change, then the Contract Administrator or the Owner may terminate the Renewal Contract upon notice to the other party.

11 PHA DEFAULT

- a This section 11 of the Renewal Contract applies if the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA Contract Administrator, for the purpose of PHA administration of the Renewal Contract.
- b If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as Contract Administrator, to make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract, and that the Owner is not in default of its obligations under the Renewal Contract, HUD shall take any action HUD determines necessary for the continuation of housing assistance payments to the Owner in accordance with the Renewal Contract.

12 EXCLUSION OF THIRD-PARTY RIGHTS

- a The Contract Administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Owner's action or failure to act in connection with the Contract Administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the Owner.
- b The Owner is not the agent of the Contract Administrator or HUD, and the Renewal Contract does not create or affect any relationship between the Contract Administrator or HUD and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in connection with implementation of the Renewal Contract.

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- c** If the Contract Administrator is a PHA acting as Contract Administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the Contract Administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the Contract Administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

13 WRITTEN NOTICES

- a** Any notice by the Contract Administrator or the Owner to the other party pursuant to the Renewal Contract shall be given in writing.
- b** A party shall give notice at the other party's address specified in section 1 of the Renewal Contract, or at such other address as the other party has designated by a contract notice. A party gives notice to the other party by taking steps reasonably required to deliver the notice in ordinary course of business. A party receives notice when the notice is duly delivered at the party's designated address.

Attachment 11-1

SIGNATURES

Contract administrator (HUD or PHA)

Name of Contract Administrator

Housing Authority of the City of Bremerton

By: 

Signature of authorized representative

Kurt Wiest, Executive Director

Date 8/21/18

U.S. Department of Housing and Urban Development

By: EDWARD MANNING

Signature of authorized representative

Edward Manning, Director, Kansas City Asset Management Division

Name and official title

Date _____

Owner

Name of Owner

St. James Manor, LP

By: 

Signature of authorized representative

SJM Inc, President

Name and title

Date 8/17/18

HUD-9636

Basic Renewal Contract
One-Year Term
REV 11-05-2007

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EXHIBIT A

IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS

Section 8 Contract Number: NE26L000007

FHA Project Number (if applicable): N/A

Effective Date of the Rent Increase (if applicable): 09/01/2018

<u>Number of Contract Units</u>	<u>Number of Bedrooms</u>	<u>Contract Rent</u>	<u>Utility Allowance</u>	<u>Gross Rent</u>
30	2 Bedroom	690	84	774
30	3 Bedroom	965	111	1076

Comments:

HUD-9636

Basic Renewal Contract
One-Year Term
REV 11-05-2007

INSTRUCTIONS FOR PREPARATION OF RENEWAL CONTRACT

The following instructions are not part of the Renewal Contract.

Endnote numbers are keyed to references in the text of the Renewal Contract.

¹ This form of Renewal Contract is to be used for initial and subsequent renewals of an expiring Section 8 project-based HAP contract under the authority of Section 524(a) or 524(b)(1) of MAHRA for a one-year term. Attachment 11-2 is to be used for renewals under the authority of Section 524(a) or 524(b)(1) of MAHRA for a renewal term of two or more years.

This form may not be used for Mark-Up-To-Market Renewals. The HUD prescribed form of Mark-Up-To-Market Renewal Contract must be used for this purpose.

Section 2 of the Renewal Contract specifies the date on which the one-year renewal term begins.

² To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

³ Enter a description of the housing that will be covered by the Renewal Contract. The description must clearly identify the Project by providing the Project's name, street address, city, county, state and zip code, block and lot number (if known), and any other information necessary to clearly designate the covered Project.

If necessary, attach an exhibit with a site plan, legal description or other descriptive information. Enter a reference to the attached exhibit.

⁴ Enter the name of the Contract Administrator that executes the Renewal Contract. If HUD is the Contract Administrator, enter "United States of America – Department of Housing and Urban Development (HUD)". If the Contract Administrator is a public housing agency ("PHA"), enter the full legal name of the PHA.

⁵ Enter the full legal name of the Owner. For example: "ABC Corporation, Inc., a Maryland corporation."

Attachment 11-1

⁶ The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

⁷ Enter the amount of funding obligated.

⁸ Enter a whole number of months.

Basic Renewal Contract
One-Year Term
REV 11-05-2007

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN RE:

Case No. BK 19-80878-TLS

SAINT JAMES APARTMENT PARTNERS
LLC

Chapter 11

Debtor.

**SECURED CREDITOR ST. JAMES MANOR, L.P.'S MOTION FOR RELIEF FROM
AUTOMATIC STAY**

St. James Manor, L.P. ("St. James"), the primary secured creditor of Debtor, hereby moves the Court, pursuant to 11 U.S.C. § 362, for relief from the automatic stay. In support of this Motion, St. James respectfully represents as follows:

1. On June 7, 2019, Debtor Saint James Apartment Partners, LLC ("Debtor") filed its Voluntary Petition for Relief under Chapter 11 of the Bankruptcy Code (the "Petition Date").

2. The Court has jurisdiction over this Motion under 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this title 11 case and this Motion is proper under 28 U.S.C. §§ 1408 and 1409.

Introduction

3. Debtor filed this bankruptcy as part of its ongoing feud with the U.S. Department of Housing and Urban Development ("HUD"), a feud that stretches across multiple properties, not only the Property (defined below) that is the subject of this single asset real estate bankruptcy.

4. In this bankruptcy, however, Debtor's feud with HUD has placed St. James – Debtor's secured creditor that is owed over \$2.45 million in exchange for selling the Property to Debtor in 2018 – in an untenable position.

5. In June 2018, St. James sold the Property to Debtor and Debtor agreed: (a) to pay the entire purchase price within nine (9) months; and (b) to arrange for the assignment of the relevant HUD HAP Contract (defined below) to Debtor, which first requires Debtor to obtain HUD's approval on the TPA Application (defined below) .

6. Debtor, however, has been unable to obtain HUD's approval on the TPA Application, resulting in an alleged default under the HAP Contract and HUD freezing the payments under the HAP Contract. Although St. James sold the Property to Debtor and Debtor operates the Property, HUD takes the position that St. James remains the owner of the HAP Contract.

7. Debtor's failures have placed not only St. James at risk, but the housing stability of over 100 individuals that live at the Property at risk. Further, HUD has informed St. James that there have been numerous complaints from individuals that reside at the Apartment Complex (as defined below) regarding Debtor's operation and maintenance of the Apartment Complex, particularly regarding a fire that occurred post-Petition.

8. The Petition Date was over 90 days ago. This is not a case in which monthly interest payments pursuant to 11 U.S.C. § 362(d)(3)(B) (to the extent Debtor is able to make such interest payments each month) will address and remedy the risk that Debtor has placed St. James in, nor will such interest payments provide St. James with adequate protection.

9. Based on Debtor's ongoing feud with HUD – a feud that Debtor has no apparent plan to solve and remedy – St. James is seeking relief from the automatic stay pursuant to 11 U.S.C. § 362(d) to immediately foreclose on the Property's deed of trust and ultimately transfer the Property to a HUD-approved owner. St. James has a property management company that is approved by HUD ready and willing to manage the Property upon the Court granting relief from

stay. Granting relief from stay will not only provide St. James with adequate protection, but will also serve the interests of the over 100 individuals residing at the Apartment Complex.

Debtor's Bankruptcy

10. As acknowledged by Debtor, this is a single asset real estate bankruptcy. (Doc. 1, p. 2)

11. Since on or about June 29, 2018, Debtor owns the real property located at 3102 and 3106 North 60th Street, Omaha, Nebraska (the "Property"), upon which is constructed an apartment complex containing sixty (60) apartment units generally known as "St. James Manor" (the "Apartment Complex").

12. In addition to owning the Property, Debtor operates the Apartment Complex.

13. Debtor claims that the Property's value is \$2,961,870.23. (Doc. 15, p. 6)

14. According to Debtor's Schedules, St. James is Debtor's only secured creditor. (Doc. 16, p. 1); (Amended Proof of Claim No. 3)

15. St. James sold the Property, including the Apartment Complex, to Debtor pursuant to a "Purchase and Sale Agreement" dated June 29, 2018 (the "Purchase Agreement"). Pursuant to the terms of the Purchase Agreement, Debtor purchased the Property for \$2,950,000.00 (the "Purchase Price"). (Amended Proof of Claim No. 3, Ex. A) Debtor paid \$400,000.00 of the Purchase Price at closing, however, that \$400,000.00 was paid to the Archdiocese of Omaha in connection with Debtor's purchase of the adjacent property known as the Catholic Voice property. The remainder of the Purchase Price took the form of a promissory note executed by Debtor in favor of St. James in the principal amount of \$2,550,000.00, with interest accruing at 4.5% per annum from the date of execution, and which was payable in full by December 31, 2018 (the "Promissory Note"). (*Id.*, Exs. A & B)

16. Pursuant to the terms of the Purchase Agreement and Promissory Note, Debtor was able to extend the December 31, 2018 maturity date to March 31, 2019 in exchange for a \$100,000.00 payment to St. James on or by December 31, 2018. (*Id.*) Debtor made such payment, thereby reducing the principal amount of the Promissory Note to \$2,450,000.00 and extending the due date until March 31, 2019.

17. The Promissory Note is secured by two deeds of trust: (a) a Deed of Trust secured by the Property (the “Deed of Trust”), and (b) a Deed of Trust secured by Debtor’s interest in property located at 6060 Northwest Radial Highway, Omaha, Nebraska, which is adjacent to the Property (the “Catholic Voice Deed of Trust”). (*Id.*)

18. Although the Promissory Note was due in full by March 31, 2019, St. James agreed to grant Debtor an extension until April 30, 2019. (*Id.*) Thereafter, St. James agreed to grant Debtor *another* extension, this time until June 30, 2019. (*Id.*)

19. As of the Petition Date, Debtor owed St. James at least \$2,555,571.23 under the Purchase Agreement. (*Id.*)

The Apartment Complex, the TPA Application, and the HAP Contract

20. Importantly, the Apartment Complex serves as low-income housing for well over 100 individuals.

21. For decades, the Apartment Complex has been the subject of a “Housing Assistance Payments” (“HAP”) contract dated August 16, 1976, as amended and renewed, between HUD and, most recently, St. James (the “HAP Contract”).

22. Generally speaking, under the HAP Contract, HUD provides Section 8 rental assistance and subsidies to the owner of the HAP Contract.

23. Debtor purchased the Property with the desire to operate the Apartment Complex as a project certified by the Nebraska Investment Finance Authority (NIFA) and HUD and to obtain all approvals and to enter into all agreements with HUD and NIFA as may be necessary so as to operate the Property and receive an allocation of Section 42 low income tax credits. (Amended Proof of Claim No. 3, Ex. A)

24. Debtor's sole member, Central States Property Management, LLC ("Central States"), its principal, John Foley ("Mr. Foley"), and Central States and Mr. Foley's related entities, are experienced in low income housing and claim to specialize in low income housing. St. James understands that Central States and Mr. Foley have experience with HUD that stretches across various properties in multiple states.

25. During Debtor's First Meeting of Creditors, Mr. Foley explained that Debtor purchased the Property with the intention of renovating the Apartment Complex using tax credits. Debtor claims it has been awarded tax credits from NIFA that it values at \$7,164,800.00. (Doc. 15, p. 6) Mr. Foley, however, admitted during the First Meeting of Creditors that these tax credits expire December 31, 2019 and the tax credits will not be utilized prior to that date.

26. Pursuant to Section 3(a) of the Purchase Agreement, the assignment of the HAP Contract from St. James to Debtor was Debtor's responsibility. (Proof of Claim No. 3, Ex. A) St. James agreed to cooperate in such assignment and assumption, but that was to be the limit of its involvement.¹

¹ Debtor takes the position that St. James did assign Debtor the HAP Contract pursuant to the "General Assignment" executed in connection with the Purchase Agreement. (Doc. 38) As set forth below, however, HUD takes a different position on whether the HAP Contract has been assigned.

27. As part of this process, Debtor had to complete, submit, and obtain HUD's approval on an "Application for Transfer of Physical Assets" (TPA) (the "TPA Application") with respect to the Apartment Complex.

28. Although closing on the Purchase Agreement took place June 29, 2018, Debtor did not submit the TPA Application to HUD until approximately October 2018.

29. As of the date of this Motion, HUD has refused to approve the TPA Application and has communicated that it will not approve the TPA Application.

30. Accordingly, HUD continues to assert that St. James remains the owner under the HAP Contract, even though St. James no longer owns or operates the Apartment Complex. On the other hand, Debtor claims it is the owner of the HAP Contract.

Central States' Problems with HUD Stretch Across Properties

31. HUD has refused to approve the TPA Application and suspended rental assistance payments under the HAP Contract.

32. Based on Mr. Foley's testimony during the First Meeting of Creditors, Central States is engaged in an ongoing dispute with HUD across multiple properties.

33. Central States' dispute with HUD has caused at least one other bankruptcy, *In re Winfield Apartment Partners, LLC*, Case No. BK 19-80944, which was filed on June 25, 2019. In that case, HUD froze payments under the relevant HAP contract in September of 2018.

34. Further, during the First Meeting of Creditors, Mr. Foley testified that another property owned by an affiliated entity, one in Waterloo, Iowa, is also nearing filing bankruptcy because HUD has also frozen payments under that HAP contract.

35. Debtor claims that it is going to file an adversary proceeding against HUD in connection with its ongoing dispute with HUD, at least with respect to this Property. This

purported litigation against HUD seems to be the cornerstone of Debtor's "plan" with respect to the Property.

36. Nevertheless, as of the date of filing this Motion – which is over ninety (90) days after the Petition Date – no such adversary proceeding has been filed.

37. Further, Debtor admits and acknowledges that its plans with respect to the Property are dependent on HUD approving the TPA Application (which it seems to believe can be accomplished via the adversary proceeding that has not been filed). According to Debtor, its plans for the Property are as follows:

a. During the First Meeting of Creditors, Mr. Foley explained that if the NIFA tax credits are not used by December 31, 2019, they will expire. Accordingly, Debtor states that it will re-apply or otherwise request that NIFA re-issue the tax credits; it is unclear if this is possible, but Debtor seems to believe it can be accomplished;

b. Assuming the tax credits are re-issued, Debtor will use those funds to renovate the Apartment Complex; *but*

c. Debtor needs additional financing in order to renovate the Apartment Complex, and in order for Debtor to obtain such necessary financing, the TPA Application must be approved by HUD.

38. These theoretical plans are based on HUD approving the TPA Application, which HUD has communicated it will not do.

39. Further, the theoretical plans have placed St. James in a precarious position, as it has received multiple notices from HUD regarding alleged default(s) under the HAP Contract based on Debtor's inability to be an approved HUD operator of the Apartment Complex.

HUD's Notices to St. James

40. St. James has maintained regular communication with HUD representatives regarding the Apartment Complex and HAP Contract. Based on these communications, St. James understands that Debtor and Central States are not approved HUD owners or operators and there is no indication that this non-approved status will change in the near future.

41. On June 13, 2019, HUD sent a letter to St. James, explaining that St. James and other entities have been flagged in HUD's "Active Partners Performance System," meaning that HUD may prohibit St. James from future participation in HUD programs for five (5) years. As explained by HUD, under the HAP Contract, the HAP Contract's assistance payments do not continue to a new owner of the Apartment Complex unless HUD agrees to an assignment of the HAP Contract; under HUD regulations, that agreement to an assignment must be made *prior* to consummating a sale. "As a result," HUD explains, "HUD is in the position of having a HAP Contract for dwelling units at a project owned by an entity unable to obtain the required previous participation clearance under HUD's regulations . . ."

42. Next, on June 20, 2019, HUD sent St. James a "Notice of Default" under the HAP Contract, stating that St. James is in default of the HAP Contract because it is not operating the Apartment Complex following the sale of the Apartment Complex to Debtor (the "Notice of Default"). Rather, Debtor is operating the Apartment Complex. HUD instructs St. James that to remedy the non-compliance, St. James "must again become owner of the [Apartment Complex]" or, alternatively, the Apartment Complex must be conveyed to an entity that obtains previous participation clearance.

43. The Notice of Default states that if St. James "fails to take the necessary corrective action, HUD may, without further notice, seek any and all available remedies,

including but not limited to abatement of the HAP Contract.” HUD officials have communicated that the remedies that HUD may pursue may result in the residents of the Apartment Complex needing to find new places to live.

44. On August 1, 2019, HUD sent St. James an email regarding Debtor’s ongoing operation of the Apartment Complex. According to the email, “numerous issues” have been reported to HUD by residents regarding the condition of the Apartment Complex, particularly with respect to a fire that occurred at the Apartment Complex post-Petition.

45. Since that date, in September of 2019, HUD has continued to send St. James emails documenting residents’ complaints about the condition of the Apartment Complex and Debtor’s lack of responsiveness to the residents.

46. St. James’ interest in the Property is not adequately protected. The reports made by residents, combined with HUD’s Notice of Default, Debtor’s failure to pay the Promissory Note in full, and Debtor’s lack of plan with respect to the Property demonstrate that St. James’ interest in the Property is not adequately protected as this bankruptcy moves forward. St. James seeks relief from the stay to immediately foreclose on the Deed of Trust and Catholic Voice Deed of Trust in order for the Apartment Complex and HAP Contract to be transferred to a HUD-approved owner, as set forth in the HUD Notice of Default.

Relief from the Automatic Stay is Warranted Based on a Lack of Adequate Protection

I. Debtor, a single asset real estate debtor, must comply with its obligations under 11 U.S.C. § 362(d)(3), however, an attempt by Debtor to make mandatory interest payments will not provide St. James with the necessary level of adequate protection.

47. St. James sold the Property to Debtor pursuant to the Purchase Agreement which provided that, at the latest, St. James would be paid *in full* on or by March 31, 2019. Now, five (5) months after the latest date that St. James believed it would be paid in full, Debtor is in this bankruptcy and its inability to obtain HUD’s approval of the TPA Application has placed St.

James in an untenable position: HUD asserts that St. James remains the owner of the HAP Contract, but St. James does not own or operate the Apartment Complex, payments under the HAP Contract have been frozen, and HUD is alleging remedies available to it include abatement of the HAP Contract, resulting in the 100+ residents of the Apartment Complex having to find new housing.

48. This current state of affairs is unsustainable. Resolution cannot wait or depend on Debtor achieving a successful result against HUD in Debtor's theoretical adversary proceeding against HUD.

49. Section 362(d)(3) of the Bankruptcy Code provides the Court "shall" grant relief from the automatic stay in a single asset real estate case in favor of a secured creditor as follows:

(3) with respect to a stay of an act against single asset real estate under subsection (a), by a creditor whose claim is secured by an interest in such real estate, unless, not later than the date that is 90 days after the entry of the order for relief (or such later date as the court may determine for cause by order entered within that 90-day period) or 30 days after the court determines that the debtor is subject to this paragraph, whichever is later –

(A) the debtor has filed a plan of reorganization that has a reasonable possibility of being confirmed within a reasonable time; or

(B) the debtor has commenced monthly payments that . . . (ii) are in an amount equal to interest at the then applicable nondefault contract rate of interest on the value of the creditor's interest in the real estate.

11 U.S.C. § 362(d)(3).

50. The purpose of § 362(d)(3) is to impose an expedited timeframe on the filing of a plan in a single asset real estate case. *In re Iowa Hotel Investors, LLC*, 464 B.R. 848, 850 (Bankr. N.D. Iowa 2011) (citations omitted).

51. Section 362(d)(3) requires relief from the stay if the conditions listed are not met – it is not discretionary. 11 U.S.C. § 362(d)(3); *In re Iowa Hotel*, 464 B.R. at 850 (explaining that, if the court found the debtors to be single asset real estate debtors, the court would be

“required to grant relief from the stay for the [creditor] to foreclose on its claim” under § 362(d)(3)); *In re Heather Apartments Limited Partnership*, 366 B.R. 45, 46 (Bankr. D. Minn. 2007) (stating that § 362(d)(3) “mandates” a termination, annulment, modification or conditioning of the stay).

52. Here, 90 days after the Petition Date is September 5, 2019.

53. On or about August 27, 2019, Debtor communicated that it will begin making interest payments in the amount of \$9,562.50 to avoid mandatory relief from the automatic stay and one such interest payment has been sent to date. 11 U.S.C. § 362(d)(3)(B). Based on this offer, it appears that Debtor does not have “a plan of reorganization that has a reasonable possibility of being confirmed within a reasonable time.” 11 U.S.C. § 362(d)(3)(A).

54. Monthly payments, however, will not solve the larger issue with this bankruptcy: with or without such monthly payments, St. James’ interest in the Property is not adequately protected and therefore relief from the stay is necessary.

II. Relief from the automatic stay under 11 U.S.C. § 362(d)(1) is necessary based on the lack of adequate protection.

55. In a single asset real estate case, a creditor’s ability to obtain relief from the automatic stay is not limited to § 362(d)(3). A plain reading of § 362(d) demonstrates that “a court has authority under either subsections (1), (2), or (3) to grant relief from the stay” in a single asset real estate bankruptcy. *In re Duvar Apt., Inc.*, 205 B.R. 196, 200 (9th Cir. B.A.P. 1996). Although § 362(d)(3) provides ““special circumstances for relief from stay,” the Court is not precluded from granting relief under §§ 362(d)(1) or (2) where it is appropriate to do so. *Id.* (quoting 2 Lawrence P. King, *Collier on Bankruptcy* ¶ 362.07 at 362-74 (15th ed. 1996)).

56. Under § 362(d)(1), the Court “shall” grant relief from the automatic stay for cause, including the lack of adequate protection of an interest in property. 11 U.S.C. § 362(d)(1).

57. “The whole purpose of providing adequate protection for a creditor is to insure that the creditor receives the value for which the creditor bargained prebankruptcy.” *In re Vander Vegt*, 499 B.R. 631, 637 (N.D. Iowa Bankr. 2013) (citations omitted). The question of whether or not adequate protection exists is determined on a case-by-case basis. *Id.*

58. Debtor must propose and provide an adequate protection method fashioned by the circumstances of the case. *In re Iowa Jet Service, L.C.*, Case No. 98-5481-DH, 1999 WL 35020111, *8 (S.D. Iowa Bankr. Jan. 16, 1999).

59. Section 361(3) provides that adequate protection may be provided by granting relief that “will result in the realization by such entity of the indubitable equivalent of such entity’s interest in the property.” 11 U.S.C. § 361(3). As set forth above, the purpose of providing adequate protection is for a creditor to insure that it receives the value of what it bargained for prior to the Petition Date. *See Vander Vegt*, 499 B.R. at 637.

60. Here, St. James bargained (a) to sell the Property to Debtor, which claimed to specialize in low income housing; (b) to be paid in full no later than nine (9) months after the closing date on the Purchase Agreement; and (c) for Debtor to obtain HUD’s approval on the TPA Application and assignment of the HAP Contract to Debtor. Thus, under the Purchase Agreement, St. James believed it would be paid \$2,550,000.00 no later than March 31, 2019, and that it would be relieved of ownership of the HAP Contract. As of the Petition Date, Debtor has only paid \$100,000.00 since closing, HUD has stated that the TPA Application will not be approved, and according to HUD, St. James remains the owner of the HAP Contract.

61. There are significant consequences connected with Debtor’s failure to obtain HUD’s approval on the TPA Application. St. James sold Debtor an Apartment Complex with well over 100 residents. If HUD seeks abatement of the HAP Contract, it could require that the

residents of the Apartment Complex vacate, leaving an empty Apartment Complex, and thereby driving down the value of the Property to a significant degree, leaving St. James substantially under-secured.

62. Further, based on the complaints from residents regarding Debtor, residents may leave on their own accord.

63. St. James is not content to wait and see if HUD takes such a drastic measure based on Debtor's failures or to see what may otherwise happen next in this current untenable state of affairs. St. James is seeking relief from the automatic stay so it can commence foreclosure proceedings under the Deed of Trust and Catholic Voice Deed of Trust. St. James is willing and able to take back ownership of the Apartment Complex while it locates a different purchaser, one that is pre-approved by HUD to own and operate the Apartment Complex and to take over ownership of the HAP Contract. Indeed, St. James has already arranged for a HUD-approved property manager to begin work at the Apartment Complex once the Court grants relief from the automatic stay.

64. To the extent that Debtor claims that St. James is adequately protected because of an alleged equity cushion: to the extent that any equity cushion exists, it would quickly disappear if residents leave the Apartment Complex and/or HUD takes further action. In this particular case, a purported "equity cushion" provides no adequate protection to St. James.

65. Moreover, Debtor has no realistic plan of reorganization: rather, as described during the First Meeting of Creditors, the "plan" is limited to filing an adversary proceeding against HUD, trying to have tax credits that expire December 31, 2019 re-issued, and seeing if HUD's approval of the TPA Application can somehow be obtained via the adversary proceeding. In the meantime, St. James is waiting for a \$2.4 million payment that was due pre-Petition, is at

risk of HUD taking further action against the Apartment Complex, and the residents of the Apartment Complex are making complaints about the current condition and maintenance of the Apartment Complex.

66. St. James has been placed in a position of undue risk and its interest in the Property is not adequately protected. Cause exists to grant St. James relief from the automatic stay under § 362(d)(1) to protect its interest in the Property by foreclosing on the Deed of Trust and Catholic Voice Deed of Trust (collectively, the “Deeds of Trust”). Further, in connection with such foreclosure, St. James seeks Court authorization to (a) permit St. James to appoint a new manager of the Apartment Complex, and (b) cancel any assignment of the HAP Contract, to the extent any such assignment has occurred.

WHEREFORE, St. James respectfully requests that the Court grant it relief from the automatic stay pursuant to 11 U.S.C. § 362(d) to commence foreclosure under the Deeds of Trust and grant related relief in connection with the foreclosure of the Deeds of Trust, including but not limited to termination of any assignment of the HAP Contract to Debtor.

DATED this 9th day of September, 2019.

ST. JAMES MANOR, L.P.,

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CERTIFICATE OF SERVICE

On this 9th day of September, 2019, I electronically filed the foregoing Motion for Relief with the Clerk of the Bankruptcy Court using the CM/ECF system, and a true and correct copy of the motion was sent by first class United States mail, postage prepaid to:

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