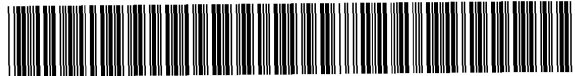




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Fee amount: 52.00
FB: 23-07560
COMP: MB

Received - DIANE L. BATTIATO
Register of Deeds, Douglas County, NE
06/18/2015 10:33:35.00



2015048901

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (this "*Agreement*") is made and entered into as of June 16, 2015 (the "*Effective Date*"), by and among BLOCK 22, LLC, a Nebraska limited liability company ("*Borrower*"), FIRST WESTROADS BANK, a state-chartered banking organization ("*Lender*"), and ENHANCED CAPITAL HTC FUND I, LLC, a Delaware limited liability company (the "*Investor Member*").

RECITALS

WHEREAS, Borrower is the owner in fee simple of several properties generally located at 22nd and Howard Streets, Omaha, Nebraska 68102 (the "*Real Property*") and more particularly described in Exhibit A attached hereto (together with the buildings and improvements thereon, collectively the "*Project*"); and

WHEREAS, on May 7, 2015, Borrower and Lender entered into that certain Building Loan Agreement (as amended, restated or otherwise modified from time to time, the "*Loan Agreement*"; the Loan Agreement, together with all other documents and instruments executed by Borrower and Lender in connection with the Loan (defined below), the "*Loan Documents*"), pursuant to which Lender has made a loan to Borrower in the principal amount of \$8,880,000.00 (the "*Loan*"); and

WHEREAS, on May 7, 2015, Borrower executed that certain Deed of Trust, Security Agreement and Assignment of Rents, which was recorded in the Douglas County, Nebraska Register of Deeds on June 1, 2015, as Instrument No. 2015042235 (as amended, modified supplemented and restated from time to time, the "*Deed of Trust*"), and granted to Lender a security interest in the right, title and interest of Borrower in and to the Project to secure the obligations of Borrower to Lender arising under the Loan Documents; and

WHEREAS, Borrower intends to rehabilitate and develop the historic building located on the Real Property, in a manner that qualifies for the historic rehabilitation tax credit allowed for qualified rehabilitation expenditures incurred in connection with the "certified rehabilitation" of a "certified historic structure" (the "*Historic Tax Credit*") pursuant to the Sections 47 and 50 of the Internal Revenue Code of 1986, as amended from time to time, or any corresponding provision or provisions of prior or succeeding law (the "*Code*"); and

WHEREAS, on or about the Effective Date, the Investor Member has been admitted as a member of Borrower pursuant to the Amended and Restated Operating Agreement of Borrower dated as of the date hereof (as amended, modified supplemented and restated from time to time, "*Borrower's Operating Agreement*"); and

WHEREAS, Borrower and Investor Member have requested that Lender forbear from enforcing its rights and remedies against Borrower under the Deed of Trust as a result of the occurrence of any Event of Default (defined below), and Lender has agreed to such forbearance pursuant to the terms of, and subject to the conditions set forth in, this Agreement.

NOW, THEREFORE, in consideration of the recitals, the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions.

(a) Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Borrower's Operating Agreement.

(b) "*Event of Default*" means the occurrence of an "Event of Default" as defined in any of the Loan Documents.

(c) "*Forbearance Period*" means the period commencing on the date hereof and terminating upon the earliest of the following: (i) the date which is five years after the date the last portion of the Project is Placed in Service, (ii) the date Lender receives a Recapture Notice, (iii) the repeal of Sections 47 and 50 of the Code and the receipt of a final, written determination from the Internal Revenue Service that the Project is no longer eligible for Historic Tax Credits, (iv) the occurrence of an Investor Member Contribution Default, (v) the date the Investor Member's Interest in Borrower is purchased by the Managing Member or redeemed by Borrower, and (vi) the indefeasible payment in full of the Loan and the recordation of a release and/or satisfaction of the Deed of Trust in accordance with the laws of the State.

(d) "*Investor Member Contribution Default*" means any failure of Investor Member to make any required Capital Contribution to Borrower within thirty (30) days of satisfaction of the conditions to the making of such Capital Contribution as set forth in Borrower's Operating Agreement.

(e) "*State*" means the state where the Project is located.

2. Forbearance.

(a) Subject to Section 2(b), during the Forbearance Period, irrespective of whether an Event of Default shall have occurred under the terms of any Loan Document and notwithstanding any remedies available to Lender under the Deed of Trust or the laws of the State, Lender shall not (i) institute any action to take title to the Project (including any of Borrower's furniture, fixtures, equipment or other fixed assets used in connection therewith) by reason of foreclosure or other proceedings brought in lieu of or pursuant to a foreclosure, or by any other manner, or (ii) take any action on the Deed of Trust or otherwise available to it under the Loan Documents which would or could, in the reasonable opinion of Investor Member, cause any recapture of the Historic Tax Credits as described in Sections 47 and 50 of the Code, provided that Investor Member shall provide written notice to Lender of such recapture potential, together with a letter from Stinson Leonard Street LLP confirming that recapture could occur as a result of such action by Lender.

(b) Section 2(a) hereof shall not prohibit Lender from exercising any rights and remedies with respect to Managing Member's Interest in Borrower during the Forbearance Period. It is acknowledged and agreed that Lender may foreclose upon, and take title to, Managing Member's Interest in Borrower in accordance with the terms of the Loan Documents and thereafter take all actions which may be available to Lender in accordance with Borrower's Operating Agreement.

3. **Delivery of Recapture Notice.** Upon the determination of Investor Member that a recapture or disallowance of the Historic Tax Credits has occurred (a "***Recapture Event***"), Investor Member shall, not more than ten (10) business days after the occurrence of such Recapture Event, deliver to Lender a written notice that a Recapture Event has occurred (a "***Recapture Notice***").

4. **Loan Documents Continue.** Subject to the provisions hereof, the administration of the financing arrangements between Borrower and Lender shall continue to be governed by all of the terms and conditions of the Loan Documents during the Forbearance Period. To the extent Section 2 of this Agreement conflicts with any term or condition set forth in the Loan Documents, the provisions of Section 2 of this Agreement shall supersede and control.

5. **Notice.** All notices and other communications hereunder shall be in writing and shall be (i) personally delivered, (ii) transmitted by United States certified mail, postage prepaid, or (iii) transmitted by overnight delivery using a nationally recognized overnight courier service, in each case addressed to the party to whom notice is being given at its address as set forth on the signature page hereto, or at such other address as may hereafter be designated in writing by that party.

6. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original but which all together shall constitute one and the same instrument.

7. **Consideration Acknowledgment.** The parties hereto expressly agree that the consideration granted to each party for this Agreement is fair, adequate and reasonable, and that they have consulted with counsel or had an opportunity to consult with counsel prior to entering into this Agreement.

8. **Governing Law.** This Agreement shall be subject to and governed by the laws of the State.


[remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and effective as of the Effective Date.

BORROWER:

BLOCK 22, LLC, a Nebraska limited liability company

By: Block 22 Managing Member, LLC, a Nebraska limited company, its sole member and manager

By: 
Name: Todd Heistand
Title: Manager

Address for notices:

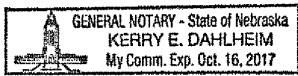
Block 22 Managing Member, LLC
c/o Heistand Holdings Limited Liability Company
514 Walker Street
Woodbine, Iowa 51579


copy to: Jesse Sitz, Esq.
Baird Holm LLP
1700 Farnam St., Suite 1500
Omaha, NE 68102

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

On this 15th day of June, 2015 before me appeared Todd Heistand, to me personally known, who being by me duly sworn (or affirmed), did say that he is an authorized representative of Block 22 Managing Member, LLC, a Nebraska limited liability company, which is the sole member and manager of Block 22, LLC, a Nebraska limited liability company, and the instrument was signed on behalf of such company by due authority and said authorized representative acknowledged said instrument to be the free act and deed of said company.

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




Notary Public

My commission expires: 10-16-17.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and effective as of the Effective Date.

INVESTOR MEMBER:

ENHANCED CAPITAL HTC FUND I, LLC, a Delaware limited liability company

By: Enhanced Capital HTC Manager, LLC, a Delaware limited liability company, its manager

By: Enhanced Tax Credit Finance, LLC, a Delaware limited liability company, its sole member

By: Shane McCarthy
Name: Shane McCarthy
Title: Vice President

Address for notices:

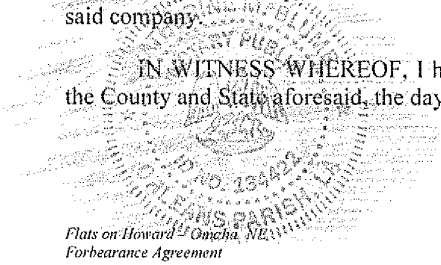
Enhanced Capital HTC Fund I, LLC
c/o Enhanced Community Development, LLC
201 St. Charles Avenue, Suite 3700
New Orleans, Louisiana 70170
Attention: Shane McCarthy
Facsimile: (504) 569-7910

copy to: Stinson Leonard Street LLP
1299 Farnam Street, Suite 1500
Omaha, Nebraska 68102
Attention: David Lutz
Facsimile: (402) 829-8726

STATE OF Louisiana)
)ss.
PARISH OF Orleans)

On this 9th day of June, 2015 before me appeared Shane McCarthy, to me personally known, who being by me duly sworn (or affirmed), did say that s/he is an authorized representative of Enhanced Tax Credit Finance, LLC, a Delaware limited liability company, which is the sole member of Enhanced Capital HTC Manager, LLC, a Delaware limited liability company, which is the manager of Enhanced Capital HTC Fund I, LLC, a Delaware limited liability company, and the instrument was signed on behalf of such company by due authority and said authorized representative acknowledged said instrument to be the free act and deed of said company.

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



Catharine Blume
Notary Public - Catharine Blume
My commission expires: at death
Notary ID: 134422

EXHIBIT A

Legal Description of the Premises

Parcel 1: 508 S. 22nd Street, Omaha, NE. 68102 23-07560

The North 63 feet of Lot 10, Courtlandt Place, an Addition to the City of Omaha, Douglas County, Nebraska.

AND

The South 126.7 feet of Lot 10, and all of Lot 11, in Courtlandt Place, an Addition to the City of Omaha, Douglas County, Nebraska

EXCEPT

That part of Lot 10, Courtlandt Place, an Addition to the City of Omaha, Douglas County, Nebraska, described as follows: Commencing at the Northwest corner of said Lot 10; thence East along the North lot line of said Lot 10 a distance of 2.75 feet; thence South parallel to the West line of Lot 10 a distance of 190 feet more or less to a point on the South line of Lot 10 located 2.75 feet East of the Southwest corner thereof; thence West 2.75 feet on said South line to the Southwest corner of Lot 10; thence North on the West line of Lot 10 a distance of 190 feet more or less to the point of beginning.

Parcel 2: 552 S. 22nd Street, Omaha, NE 68102

That part of Lots 12, 13, and the East half of Lot 14, Cortlandt Place, a subdivision, as surveyed, platted and recorded in Douglas County, Nebraska, described as follows: Beginning at the Northwest corner of the East half of Lot 14; Cortlandt Place, a subdivision, as surveyed, platted and recorded in Douglas County, Nebraska; thence South 89°53'54" East (bearings referenced to Nebraska state plan NAD83) for 150.08 feet; thence South 00°12'41" East for 124.14 feet; thence North 89°46'11" West for 150.36 feet to the West line of the East half of said Lot 14; thence North 00°04'49" West for 123.80 feet along said East line to the Point of Beginning.

Parcel 3: 2211 Howard Street, Omaha, NE 68102

Lot 9 and the West 2.75 feet of Lot 10, Cortlandt Place, an Addition to the City of Omaha, Douglas County, Nebraska.

Parcel 4: 2215 Howard Street, Omaha, NE 68102

The South 109.1 feet of Lot 7 and all of Lot 8, Cortlandt Place, an Addition to the City of Omaha, Douglas County, Nebraska.

Parcel 5: 2217 Howard Street, Omaha, NE 68102

The North 80.9 feet of Lot 7, in Cortlandt Place, an addition to the City of Omaha, as surveyed,

platted and recorded in Douglas County, Nebraska.

Parcel 6: 2222 Howard Street, Omaha, NE 68102 23-07560

The South 118 feet of Lot 5, in Cortlandt Place, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.

Parcel 7: 2227 Howard Street, Omaha, NE 68102 23-07280

Lot 5, Convent Place, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.

Parcel 8: 2316 Howard Street, Omaha, NE 68102 23-37900

Lots 15 and 16, Ernest Sweet's 2nd Addition, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.

**Parcel 9: 2301 Dewey Avenue, Omaha, NE 68102 (Lots 10 & 11)
2308 Dewey Avenue, Omaha, NE 68102 (Lots 1 & 2)
2316 Dewey Avenue, Omaha, NE 68102 (Lots 3 & 4)
2317 Dewey Avenue, Omaha, NE 68102 (Lots 7, 8 and 9)**

Lots 1, 2, 3, 4, 7, 8, 9, 10, and 11, Ernest Sweet's 2nd Addition, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.

Parcel 10: 2235 Howard Street, Omaha, NE 68102 23-07280

The East 41.77 feet of Lot 4, Convent Place, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.