

PILOT AGREEMENT

THIS PILOT AGREEMENT (the “**PILOT Agreement**”) is made and entered into as of the 10th day of July, 2018, by and between the METROPOLITAN DEVELOPMENT AND HOUSING AGENCY (“**MDHA**”) and Lebanon Road Senior Living, LP (the “**Owner**”).

WITNESSETH:

WHEREAS, MDHA is a public body and a body corporate and politic organized under the Tennessee Housing Authorities Law, Tenn. Code Ann. §13-20-101, et seq., (the “**Act**”);

WHEREAS, §13-20-104(f) of the Act provides that a metropolitan government may delegate to a housing authority the authority to negotiate and accept in lieu of ad valorem taxes (“**In Lieu of Tax Payments**”) from a party that operates a low income housing tax credit (“**LIHTC**”) property, as such term is defined in the Act (a “**LIHTC Property**”) on property leased by such party from a housing authority;

WHEREAS, MDHA is the housing authority, as defined in the Act, for the Metropolitan Government of Nashville and Davidson County, Tennessee (the “**Metropolitan Government**”);

WHEREAS, by Ordinance No. BL2015-1281 as amended by Ordinance No. BL2016-334 (collectively, the “**PILOT Ordinance**”), the Metropolitan Government (i) authorized MDHA to negotiate and accept In Lieu of Tax Payments from lessees of LIHTC Property owned by MDHA, and (ii) approved MDHA’s program for determining qualifications and eligibility for such In Lieu of Tax Payments (the “**PILOT Program**”);

WHEREAS, Owner plans to acquire land located at or about 1427 Lebanon Road, and more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the “**Project Site**”);

WHEREAS, Owner intends to rehabilitate an approximately 128 unit senior housing facility, known as the Sycamores Terrace Retirement Community , on the Project Site and operate it as a LIHTC Property (the “**Project**”);

WHEREAS, MDHA is authorized by law and has deemed it necessary and desirable to acquire the Project Site for the purpose of facilitating the Project in accordance with the PILOT Program, the PILOT Ordinance and the Act;

WHEREAS, the Board of Commissioners of MDHA approved MDHA’s purchase of the Project Site and authorized the Executive Director of MDHA to take all actions on behalf of MDHA to undertake the following:

- (A) acquire the Project Site;
- (B) enter into a lease with Owner pursuant to which Owner will (i) lease the Project Site and the Project from MDHA with MDHA having the right to cause Owner to purchase the Project Site and the Project from MDHA upon expiration of the tenth (10th) Tax Year, (ii) construct the Project on the Project Site, and (iii) by recorded agreement, commit to operate the Project as a LIHTC Property in accordance with the requirements of the Internal Revenue Code and the Tennessee Housing Development Agency (“THDA”) for a minimum period of fifteen (15) years after the Project is complete (the “**Project Lease**”);
- (C) enter into this PILOT Agreement;
- (D) submit this PILOT Agreement to the Metropolitan Planning Commission to obtain a recommendation of approval or disapproval, as envisioned by the PILOT Ordinance;
- (E) submit this PILOT Agreement to the Metropolitan Council of the Metropolitan Government (the “**Metropolitan Council**”) for approval as required by the PILOT Ordinance; and
- (F) take such other action and execute such other documents as the Executive Director deems necessary or desirable to facilitate construction of the Project and the transactions described above consistent with this PILOT Agreement, the Act, the Project Lease, the Metropolitan Ordinance and the PILOT Program (including MDHA’s application and policies and procedures related thereto).

WHEREAS, MDHA intends to acquire the Project Site from Owner and will concurrently enter into the Project Lease; and

WHEREAS, Owner has agreed to make In Lieu of Tax Payments with respect to the Project as described herein.

NOW, THEREFORE, for and in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, and as an inducement to Owner to construct the Project and operate the Project as LIHTC Property, MDHA and Owner agree as follows:

1. With respect to Project Site and the real property component of the Project, Owner shall make In Lieu of Tax payments to MDHA who will then remit the payment to the Metropolitan Government, as follows:

- (a) The In Lieu of Tax Payments shall be equal to the Applicable Ad Valorem Taxes, as defined below, through and including the calendar year in which the construction of the Project is completed.

(b) Commencing on January 1st of the calendar year following the year in which the Project is placed into service (“**Tax Year 1**”) and each tax year subsequent to the Tax Year 1 (Tax Year 1 and each subsequent tax year being referred to herein as a “**Tax Year**”) through the tenth (10th) Tax Year, in Lieu of Tax Payments shall be as follows:

Tax Year	In-Lieu of Tax Payment
1	\$101,445
2	\$106,517
3	\$111,843
4	\$117,436
5	\$123,307
6	\$129,473
7	\$135,946
8	\$142,744
9	\$149,881
10	\$157,375

Subject to Section 1(e) below, the In Lieu of Tax Payments from Tax Year 1 through Tax Year 10 shall be fixed and shall not fluctuate with the amount of the assessment for the Project Site or the Project or the tax rate in effect for any Tax Year. The amount of the In Lieu of Tax Payments is approximately equal to \$793 per unit within the Project, with a five percent (5%) annual increase. In Lieu of Tax Payments for each Tax Year shall be paid when due but in any event not later than the date on which the Applicable Ad Valorem Taxes would become delinquent.

(c) After the tenth Tax Year, this Agreement shall expire and Owner shall pay 100% of the Applicable Ad Valorem Taxes.

(d) The term “**Applicable Ad Valorem Taxes**” shall mean any real property ad valorem taxes that, but for ownership of the Project Site and the Project by MDHA, would have been due and payable to the Metropolitan Government pursuant to Tenn. Code Ann. § 67-5-102 with respect to the Project Site and the Project.

(e) Notwithstanding anything contained herein to the contrary, if THDA or the IRS determines that the Project is not in compliance with LIHTC requirements and is therefore not operated as a LIHTC Property at any time during a Tax Year, Owner shall pay 100% of the Applicable Ad Valorem Taxes

with respect to such Tax Year.

(f) Notwithstanding anything contained herein to the contrary, Owner shall pay 100% of the Applicable Ad Valorem Taxes for the periods before Tax Year 1 and after Tax Year 10, if the Project Lease is in effect during such periods.

2. Commencing in Tax Year 1 and in each Tax Year subsequent through the (10th) Tax Year, Owner shall provide to MDHA an annual report not later than September 1st of each Tax Year containing the following information:

- (a) The value of the Project, as estimated by the Owner;
- (b) The date and remaining term of the Project Lease;
- (c) The amount of In Lieu of Tax Payments payable in such Tax Year;
- (d) The date in which the Project is scheduled to return to the regular tax rolls and be eligible to pay 100% of the Applicable Ad Valorem Taxes following the tenth (10th) Tax Year;
- (e) A calculation of the Applicable Ad Valorem Taxes for such Tax Year that, but for ownership of the Project Site and the Project by MDHA, would have been due and payable to the Metropolitan Government pursuant to Tenn. Code Ann. § 67-5-102 with respect to the Project Site and the Project;
- (f) A copy of the Owner's most recent Annual Certification as submitted to THDA, certifying compliance with LIHTC requirements; and
- (g) A copy of any monitoring or compliance reports provided by THDA to the Owner during such Tax Year.

3. Commencing with Tax Year 1 and each Tax Year thereafter, Owner shall pay to MDHA a monitoring and reporting fee to be set by MDHA but not to exceed five percent (5%) of the amount In Lieu of Tax Payment due with respect to such Tax Year (the "Annual MDHA Fee"). The Annual MDHA Fee shall be paid not later than fifteenth (15) day of such Tax Year. Unpaid amounts shall bear interest at the rate of four percent (4%) in excess of the average prime rate of interest published from time to time by the Federal Reserve or similar commonly accepted reporting organization if the Federal Reserve ceased to publish such information. Owner's failure to pay the Annual MDHA Fee within thirty (30) days after written notice from MDHA shall constitute a default under this PILOT Agreement in which event Owner shall pay 100% of the Applicable Tax Rate for such Tax Year instead of the In Lieu of Tax Payment set forth above.

4. Owner's payment of the In Lieu of Tax Payments shall satisfy the requirement in Tenn. Code Ann. § 67-5-206(a) that MDHA pay the Metropolitan Government for services, improvements or facilities furnished by the Metropolitan Government for the

benefit of the Project.

5. This PILOT Agreement may not be assigned to any party other than the assignee of the lessee's interest under the PILOT Lease pursuant to an assignment that is made in accordance with the PILOT Lease, including MDHA consent requirements, if any, specified therein. Each permitted assignee shall assume Owner's obligations under this PILOT Agreement concurrent with the assignment of the PILOT Lease.

6. This PILOT Agreement shall be construed in accordance with the laws of the State of Tennessee, and if any one or more of the provisions of this PILOT Agreement shall be held invalid, illegal or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, legality or unenforceability shall not affect any other provision hereof, but this PILOT Agreement shall be construed the same as if such invalid, illegal or unenforceable provision had never been contained herein. This PILOT Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

7. This PILOT Agreement is subject to and conditioned upon (i) approval of this PILOT Agreement by the Metropolitan Council as required by the PILOT Ordinance, (ii) Owner's satisfaction of all conditions and requirements imposed by MDHA in connection this PILOT Agreement or the transaction contemplated herein, (iii) MDHA taking title to the Property and entering into a mutually acceptable Project Lease, and (iv) THDA's approval of the Project and allocation of low income housing tax credits, to the extent such approval or allocation has not been received as of the date of this PILOT Agreement.

8. MDHA shall remit all In Lieu of Tax Payments received in connection with the Project and/or the Project Lease (authorized July 10, 2018 by MDHA) to the Metropolitan Government within fifteen (15) days of receipt.

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and date first above written.

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

By: _____

Title: _____

LEBANON ROAD SENIOR LIVING, LP

By:

Its:

By: _____

Title: _____

FILED WITH THE METROPOLITAN CLERK

Elizabeth Waites

Date

EXHIBIT A

A certain parcel of real property located at 1427 Lebanon Road in Nashville, Davidson County, Tennessee. The property is also known as lot 1 on the Plat of Sycamores Terrace as of record in Book 5050, page 8, Register's Office for Davidson County, Tennessee.

Commencing at the intersection of the southern right-of-way of Lebanon Road (US Highway 70) and the centerline of Spence Lane; thence with said right-of-way North 79 deg. 20 min. 33 sec. East a distance of 566.17 feet to a concrete monument at the northeast corner of herein described property and the northwest corner of The Sycamores as of record in Book 4460, page 95, Register's Office of Davidson County, Tennessee, said monument being the TRUE POINT OF BEGINNING; thence with the common line with The Sycamores South 01 deg. 43 min. 17 sec. East a distance of 415.26 feet to a iron rod; thence continuing with said common line South 79 deg. 17 min. 50 sec. West a distance of 399.9 feet to a concrete monument in the common line with Marjie Lee Hunter as of record in Book 3910, page 461, Register's Office of Davidson County, Tennessee, thence with said common line with Hunter North 01 deg. 34 min. 46 sec. West a distance of 399.39 feet to a concrete monument in the southern right-of-way of Lebanon Road; thence with said right-of-way North 77 deg. 06 min. 30 sec. East a distance of 401.69 feet to the true point of beginning containing 160,679.07 square feet or 3.689 acres, more or less.

Being the same property conveyed to Sycamores Terrace Limited, a limited partnership by Warranty Deed from Allan Murphy and J. D. Davis, Partners of record in Book 5082, Page 58 and re-recorded in Book 5293, Page 468 and also being the same partnership now known as Sycamores Terrace, LLC by Articles of Conversion from Sycamores Terrace Limited, a limited partnership of record in Instrument No. 200301160006949, in the Register's Office for Davidson County, Tennessee.



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
Planning Department
Metro Office Building
800 Second Avenue South
Nashville, Tennessee 37201
615.862.7150
615.862.7209

Memo

To: MDHA
From: Metropolitan Nashville Planning Department
Date: June 26, 2018
Re: Planning Commission Recommendation for PILOT Agreement

This memo fulfills the Planning Commission obligations as outlined in the MDHA Housing Tax Credit PILOT Program General Program Description which was attached as Exhibit A to BL2016-435. The memo consists of two parts.

PART I: RECOMMENDATION ON GENERAL PLAN CONSISTENCY

Project: **Sycamores Terrace Retirement Community (1427 Lebanon Pike)**
128 multi-family residential units
All units proposed affordable to households earning below 60% AMI

Zoning: RM20 is intended for single-family, duplex, and multi-family dwellings at a density of 20 dwelling units per acre.

Planned Unit Development: is an alternative zoning process that allows for the development of land in a well-planned and coordinated manner, providing opportunities for more efficient utilization of land than would otherwise be permitted by the conventional zoning provisions of this title. The PUD district may permit a greater mixing of land uses not easily accomplished by the application of conventional zoning district boundaries, or a framework for coordinating the development of land with the provision of an adequate roadway system or essential utilities and services. In return, the PUD district provisions require a high standard for the protection and preservation of environmentally sensitive lands, well-planned living, working and shopping environments, and an assurance of adequate and timely provision of essential utilities and streets.

T3 Suburban Neighborhood Evolving (T3 NE): is intended to create and enhance suburban residential neighborhoods with more housing choices, improved pedestrian, bicycle and vehicular connectivity, and moderate density development patterns with moderate setbacks and spacing between buildings. T3 NE policy may be applied either to undeveloped or substantially under-developed “greenfield” areas or to developed areas where redevelopment and infill produce a different character that includes increased housing diversity and connectivity. Successful infill and redevelopment in existing neighborhoods needs to take into account considerations such as timing and some elements of the existing developed character, such as the street network, block structure, and proximity to centers and corridors. T3 NE areas are developed with creative thinking in environmentally sensitive building and site development techniques to balance the increased growth and density with its impact on area streams and rivers.

Project Details: The 3.68 acre site has an existing multi-family residential structure that consists of 128-units. The developer is proposing to continue the existing use and renovate the existing structure. Renovations include new HVAC systems, new windows, exterior repainting, balcony repairs, common area modernization, and upgrades to unit kitchens, cabinetry, flooring and appliances.

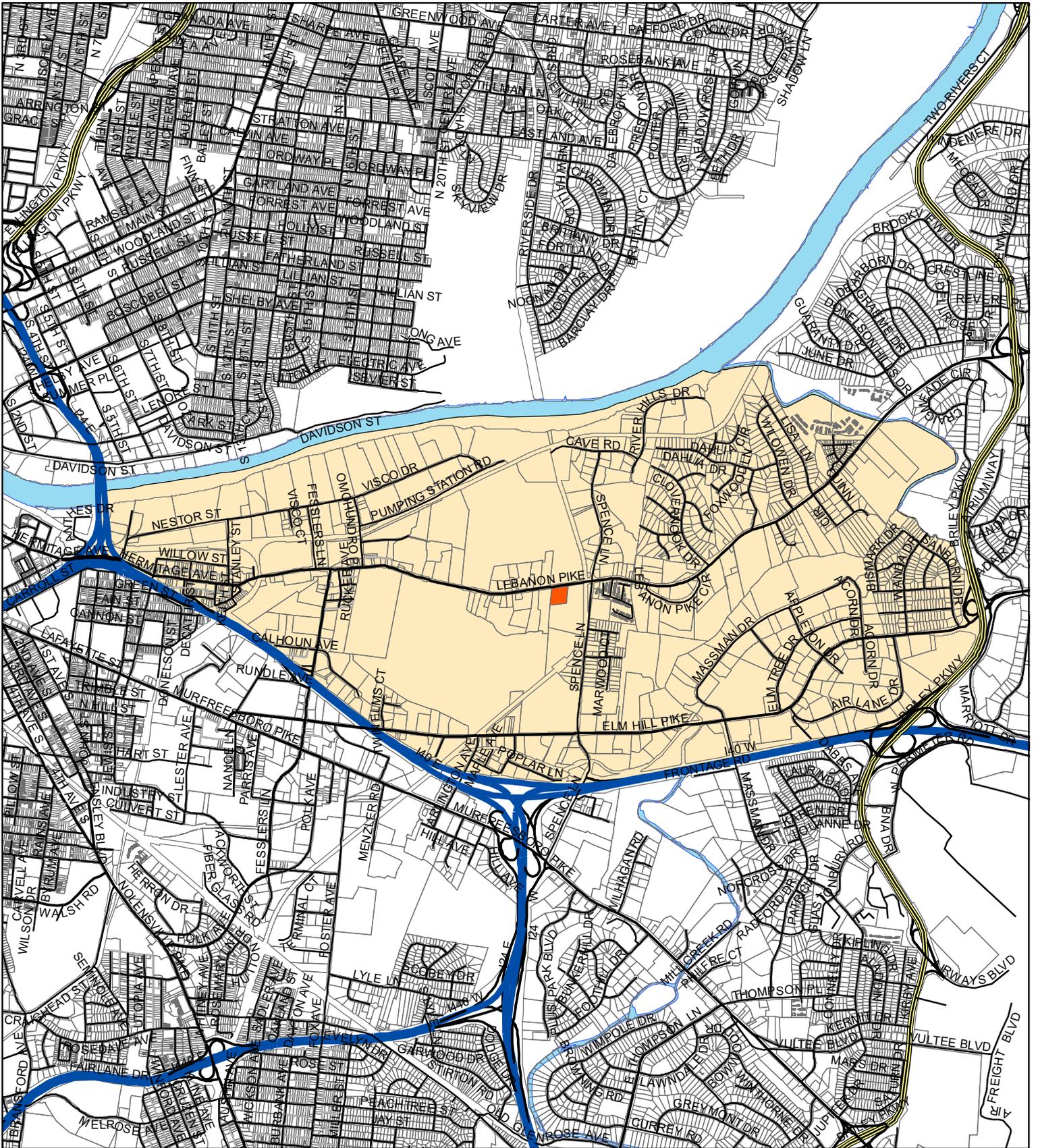
Planning Department Analysis: Multi-family residential is an allowed use under the existing RM20 zoning. This site is located within a residential PUD that permits a 128-unit multi-family development with 104 parking spaces. The T3 Suburban Neighborhood Evolving policy area supports maintaining housing options within areas that have suburban character. Continued use of the existing multi-family residential structure as a retirement community will help to maintain housing options within the immediate area. Nearby land uses include multi-family residential, single-family residential, office, industrial, and commercial uses. There is an existing MTA route along Lebanon Pike with a bus stop adjacent to the site which will provide site users with transportation choice. The immediate area has an existing sidewalk network which provides pedestrian connectivity to nearby services.

Planning Determination: The proposed development will maintain housing options within the immediate area and will be consistent with the general character of the existing development pattern. This project is consistent with the NashvilleNext adopted general plan and the community character policy for the area (T3 Suburban Neighborhood Evolving).

PART II: LIST OF FEDERALLY SUBSIDIZED MULTI-FAMILY PROPERTIES WITHIN THE CENSUS TRACT

See attached map.

Federally Subsidized Multi-Family Projects within Census Tract 047037019600



- Low Income Tax Credit Project
- Map 094 Parcel 78





Tennessee Housing Development Agency
502 Deaderick St, Third Floor
Andrew Jackson Building
Nashville, Tennessee 37243
615/815-2200

Ralph M. Perrey
Executive Director

Writer's Fax Number:
615-564-2790

2018 MULTIFAMILY TAX-EXEMPT BOND AUTHORITY FIRM COMMITMENT LETTER

Attention: Cynthia M. Barnett, Esq.
The Health Educational and Housing Facilities Board of The
Metropolitan Government of Nashville and Davidson County, Tennessee
c/o Adams and Reese LL, Legal Counsel to the Board
424 Church Street, Suite 2700
Nashville, TN 37219

Issuer: The Health Educational and Housing Facilities Board of The Metropolitan
Government of Nashville and Davidson County, Tennessee ("Issuer")

Principal Amount of Multifamily Tax-Exempt Bond Authority ("MTBA"):
Nine Million Dollars (\$9,000,000)

Borrower: Lebanon Road Senior Living, LP ("Owner")

Development: TN18-241 Sycamore Terrace Senior Apartments ("Development")
1427 Lebanon Road
Nashville, TN 37210
Davidson County

1. The Development is more specifically described in that certain MTBA Application dated May 23, 2018 ("MTBA Application")
2. THDA hereby commits 2018 MTBA to Issuer above solely for the purpose of issuance and sale of tax-exempt mortgage revenue bonds ("Bonds") to finance the Development as described in the MTBA Application. This 2018 MTBA Commitment Letter ("Commitment Letter") is conditioned upon each of the following:
 - a. Satisfaction of and compliance with all applicable requirements of the Internal Revenue Code, Treasury Regulations, and the THDA 2018 MTBA Program Description;
 - b. The truth and accuracy of the information provided and representations made in the MTBA Application;
 - c. THDA is in receipt of a Commitment Fee of ninety thousand dollars (\$90,000);

- c. THDA is in receipt of a Commitment Fee of six thousand six hundred twenty dollars (\$6,620);
 - d. Receipt of a partially-refundable Incentive Fee of eighteen thousand dollars (\$18,000) each in the form of a wire transfer as stated in the 2018 MTBA Program Description payable to THDA, **no later than Monday, July 9, 2018**;
 - e. Receipt by THDA, **no later than Monday, July 9, 2018, 4:30 PM Central** of this Commitment Letter with original signatures of persons authorized to execute documents on behalf of the Issuer and the Owner;
 - f. Receipt by THDA, **no later than 4:30 PM, Monday September 24, 2018**, of Bond Counsel verification in a form and with substance satisfactory to THDA, in its sole discretion, that the Bonds using the MTBA have been issued and sold, and that the sale has closed. Closing in escrow or any other form of contingent closing is not permitted.
2. Failure to fully satisfy any of these conditions, as determined by THDA, in its sole discretion, will cause this Commitment Letter to be void and the MTBA committed hereunder shall be deemed to be recaptured by THDA.
 3. This Commitment Letter is not approval of the Development for allocations from any other programs, such as, without limitation, the Low-Income Housing Tax Credit Program. The Low-Income Housing Tax Credit Program requires a separate application to be submitted to THDA in accordance with, without limitation, Part XII of the Low-Income Housing Tax Credit 2018 Qualified Allocation Plan (the "2018 QAP"). THDA will conduct an eligibility and scoring review in conjunction with any such application. THDA retains the authority to determine eligibility for, and the amount of, any Low-Income Housing Tax Credits to be allocated to any development pursuant to the 2018 QAP.
 4. This Commitment Letter is not a representation, warranty, guaranty, advice, or suggestion as to the feasibility or viability of the Development, and may not be relied on as such by the Issuer, Owner, developer, investor, tenant, lender, syndicator, or any other persons.
 5. This Commitment Letter is only for the Development as described in the MTBA Application. Any changes or modifications made prior to closing the sale of the Bonds using the MTBA are subject to approval by THDA, in its sole discretion.
 6. MTBA allocated pursuant to this Commitment Letter must be used to provide financing for the Development such that, as of the rehabilitation or new construction placed in service date, a minimum of fifty percent (50.0%) of the amount of MTBA closed and sold remains outstanding and such amount of bonds outstanding otherwise meets the requirements of Section 42(h)(4).

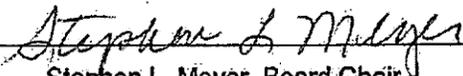
TENNESSEE HOUSING DEVELOPMENT AGENCY

BY: 
Donna Duarte
Director of Multifamily Programs

DATE: June 26, 2018

Accepted by Issuer:

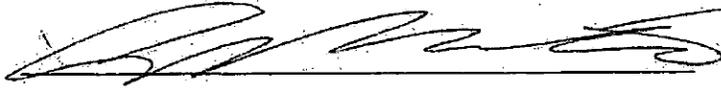
The Health and Educational Facilities Board of the Metropolitan
Government of Nashville and Davidson County, Tennessee

By: 
Stephen L. Meyer, Board Chair

Accepted By Borrower:

Owner: Lebanon Road Senior Living, L.P.

By: Lebanon Road Senior Living GP, LLC, its sole general partner



Douglass B. Smith, President



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Haslam
Governor

Ralph M. Perrey
Executive Director

2018 NONCOMPETITIVE LOW-INCOME HOUSING TAX CREDIT 42(m) FIRM LETTER FOR DEVELOPMENTS FINANCED WITH MULTIFAMILY TAX-EXEMPT BONDS

THDA BIN Number: TN18-241 Sycamore Terrace Senior Apartments

The Tennessee Housing Development Agency ("THDA") hereby reserves Low-Income Housing Tax Credit ("LIHTC") in the amount of **\$574,886** to Lebanon Road Senior Living, L.P. ("Owner") for Sycamore Terrace Senior Apartments ("Development"). This 42(m) Letter is subject to Owner's full and timely compliance with the terms and conditions contained herein and the terms and conditions contained in the 2018 Multifamily Tax-Exempt Bond Authority Commitment Letter for Development dated June 26, 2018 (the "Commitment Letter"). This 42(m) Letter confirms that THDA has determined that Internal Revenue Code Section 42(h)(4) applies to Development pursuant to Internal Revenue Code Section 42(m)(1)(D). This 42(m) Letter confirms that THDA has determined, on behalf of Issuer, as defined in the Commitment Letter, that Internal Revenue Code Section 42(h)(4) applies to Development pursuant to Internal Revenue Code Section 42(m)(2)(D).

Owner shall furnish all information required specified in this 42(m) Letter by the dates specified herein. THDA will not send reminders.

1. Owner must submit the items below no later than Monday, July 9, 2018:
 - a. This 42(m) Letter, fully executed by Owner
 - b. Form of Architects Certification
2. THDA is in receipt of \$35,931 42(m) Letter fee.
3. Upon the issuance and sale of tax-exempt bonds based on the Multifamily Tax-Exempt Bond Authority ("MTBA") allocated by THDA pursuant to the MTBA Commitment Letter, THDA will issue a Land Use Restrictive Covenant ("LURC") to the Owner, committing the Development to serve low-income tenants in accordance with the requirements of Internal Revenue Code Section 42, the Owner's applications to receive MTBA and LIHTC, and all relevant regulations and Internal Revenue Service guidance for the term specified in the LURC. The LURC must be executed and recorded, and the original returned to THDA.
4. Development must be placed in service by December 31, 2020. The following items must be received by THDA no later than December 1, 2020 in order to receive IRS Form(s) 8609:
 - a. A complete, updated, THDA LIHTC Final Application based on actual final costs and conditions.
 - b. Verification of completion of THDA LIHTC Compliance Training.
5. THDA must receive a copy of the promissory note(s) and recorded deed(s) of trust for permanent financing for the Development within fifteen (15) business days of the date the deed(s) of trust are recorded. Failure to provide such documentation shall be deemed an event of noncompliance hereunder.

THDA reserves the right to issue revised IRS Form(s) 8609 following receipt of the copy of the promissory note(s) and recorded deed(s) of trust if the terms of the promissory note(s) and/or deed(s) of trust vary from the financing terms disclosed in the THDA LIHTC Final Application.

6. By accepting this 42(m) Letter, Owner understands and accepts the risk that the U.S. Department of Treasury or the Internal Revenue Service may change LIHTC requirements at any time and any such changes may negatively affect the Development and/or the LIHTC reserved hereunder. Owner further acknowledges that a tax advisor of Owner's choosing has been consulted as to any consequences related to the LIHTC, any changes thereto, or cost breakdowns per building.
7. Owner acknowledges and agrees that THDA shall have no liability for any adverse consequences to Owner if Owner chooses to proceed with Development based on this 42(m) Letter. THDA shall evaluate Development prior to issuing IRS Form(s) 8609 and such evaluation may result in the denial of LIHTC or a reduction in the amount of LIHTC allocated to Development. Developments utilizing Rural Development, HUD, or other financing or credit enhancements are subject to review and recommendations by such provider and the LIHTC reservation hereunder is subject to satisfying all recommendations or issues identified by such provider.
8. Once Development is placed in service, THDA will monitor the Development for compliance with Section 42(m)(1)(B)(iii) of the Internal Revenue Code, Treasury Regulation §1.42-5, all attendant regulations, and any Internal Revenue Service guidance in connection therewith. THDA will also monitor the Development for compliance with all applications for LIHTC and MTBA submitted to THDA and the LURC. THDA will notify the Internal Revenue Service of any non-compliance as specified in Section 42(m)(1)(B)(iii).
9. Prior to issuance of IRS Form(s) 8609, Owner shall pay THDA a Compliance Monitoring Fee pursuant to the requirements of the THDA LIHTC 2018 Qualified Allocation Plan.
10. Owner shall annually submit an Owner's Certification regarding the Development, in a form, with substance and with timing, all as specified by THDA. THDA also reserves the right to inspect the Development and all books, leases, management records, and other similar materials as may be determined necessary by THDA at any time during normal business hours.
11. This 42(m) Letter is contingent upon the correction, to THDA's satisfaction, of any outstanding compliance issues involving the development team and/or Owner.
12. Failure to satisfy all requirements of this 42(m) Letter by the dates specified shall result in the cancellation of this 42(m) Letter as determined by THDA in its sole discretion.

Executed this 26th day of June, 2018.

BY: 

Donna Duarte, Director of Multifamily Programs

Owner: Lebanon Road Senior Living, L.P.

By: Lebanon Road Senior Living GP, LLC, its sole general partner



Douglass B. Smith, President

Certification of Consistency with the Consolidated Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: Lebanon Road Senior Housing LP

Project Name: Sycamores Terrace Retirement Community

Location of the Project: 1427 Lebanon Pike

Name of the Federal
Program to which the
applicant is applying: 4% LIHTC

Name of
Certifying Jurisdiction: MDHA

Certifying Official
of the Jurisdiction
Name: Angela C. Hubbard

Title: Director of Community Development

Signature: 

Date: 7/24/18