

**NEW ISSUE – Book-Entry Only**

**RATING: Moody’s “[Aaa/VMIG 1]”  
SEE “RATING” herein.**

*In the opinion of Bond Counsel to Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”), under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), except that no opinion is expressed as to such exclusion of interest on any Bond for any period during which such Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a “substantial user” of the facilities financed with the proceeds of the Bonds or a “related person” and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel to RIHousing, pursuant to the provisions of the Rhode Island Housing and Mortgage Finance Corporation Act, income on the Bonds (including any profit on the sale thereof) is free from Rhode Island personal income taxes. (See “TAX MATTERS” herein.)*

**\$14,500,000\***

**Rhode Island Housing and Mortgage Finance Corporation  
Multifamily Housing Revenue Bonds  
(Bernon Mills Apartments Project), Series 2023**

**Dated: Date of Delivery**  
**Initial Interest Rate: \_\_\_%**  
**Initial Offering Price: \_\_\_%\***

**Initial Mandatory Tender Date: July 1, 2026\***  
**Maturity Date: July 1, 2044\***  
**CUSIP: \_\_\_\_\_**

The Rhode Island Housing and Mortgage Finance Corporation (the “Issuer”) is issuing its Multifamily Housing Revenue Bonds (Bernon Mills Apartments Project), Series 2023 (the “Bonds”) pursuant to a Trust Indenture dated as of December 1, 2023 (the “Indenture”), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the “Trustee”). The Bonds shall bear interest on the outstanding principal amount thereof at the Initial Interest Rate set forth above (the “Initial Interest Rate”) from their date of issuance to but not including the Initial Mandatory Tender Date set forth above (the “Initial Mandatory Tender Date”), payable on each January 1 and July 1, commencing July 1, 2024\*. See “THE BONDS” herein.

The Bonds are being issued to finance a loan (the “Loan”) to Brisa Bernon Mills, LP, a Rhode Island limited partnership (the “Borrower”), to enable the Borrower to pay a portion of the cost of constructing and equipping a multifamily rental housing project to be constructed at Woonsocket Company Mill Complex in Woonsocket, Rhode Island, which, upon completion, will contain approximately 60 rental housing units and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses and to be known as Bernon Mills Apartments (the “Project”). The Loan will be made to the Borrower pursuant to a Loan Agreement, December dated as of December 1, 2023 (the “Loan Agreement”), between the Issuer and the Borrower, under which the Borrower has agreed to provide, as described herein, payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due. The Loan will be evidenced by a Promissory Note in the principal amount of \$14,500,000 \* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

On the Closing Date, it is expected that the Borrower will close on a Mortgage Loan with Bank of America, N.A., (the “Mortgage Lender”) and cause Eligible Funds (as defined herein) of up to \$\_\_\_\_\_ \* to be deposited in the Collateral Fund established under the Indenture, allowing the Trustee to disburse a like amount of Bond proceeds to the Borrower to pay costs of the Project pursuant to the terms of the Indenture and the Loan Agreement. At all times the Bonds will be secured by Eligible Investments (as defined herein) or other Eligible Funds sufficient, along with earnings thereon (without the need for reinvestment), to pay all of the interest on the Bonds when due and to pay the principal of the Bonds at the earlier of the Initial Mandatory Tender Date or any preceding Mandatory Tender Date, as further described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein. The Bonds are not secured by any lien or mortgage with respect to the Project.

The Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on the Initial Mandatory Tender Date. All Bondholders must tender their Bonds for purchase on the Initial Mandatory Tender Date. The Bonds may be remarketed and a new interest rate for the Bonds may be determined on the Initial Mandatory Tender Date in accordance with the terms of the Indenture. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

The Bonds are subject to mandatory tender prior to the Initial Mandatory Tender Date as set forth herein. See “THE BONDS” herein.

**THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE AND ANY OTHER REVENUES, FUNDS AND ASSETS PLEDGED AND ASSIGNED UNDER THE INDENTURE AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. NONE OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION OR PUBLIC AGENCY THEREOF (EXCEPT THE ISSUER TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON BONDS OR OTHER COSTS INCIDENT THERETO, OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WITH RESPECT THERETO, EXCEPT AS SET FORTH IN THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE ISSUER’S AGREEMENTS OR OBLIGATIONS WITH RESPECT TO THE BONDS UNDER THE INDENTURE, SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.**

The Bonds are offered for delivery when, as and if issued and received by Morgan Stanley & Co. LLC (the “Underwriter”) and subject to the approval of legality by Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, of certain other conditions. Certain legal matters will be passed upon for the Issuer by its special counsel, Locke Lord LLP, Providence, Rhode Island, for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., and for the Borrower by its counsel, DarrowEverett LLP, Providence, Rhode Island. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in New York, New York on or about December \_\_, 2023.

**Morgan Stanley**

\* Preliminary; subject to change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Official Statement. The Notes may not be sold, nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

*This cover page contains limited information for ease of reference only. It is not a summary of the Bonds or the security therefor. This entire Official Statement, including the Appendices, must be read to obtain information essential to make an informed investment decision.*

Date: November \_\_, 2023

No broker, dealer, salesman or other person has been authorized by the Issuer, to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale prior to the registration or qualification under the securities laws of any such jurisdiction. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made under the Indenture shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or owners of any of the Bonds. All statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page hereof, inside front cover, and the appendices attached hereto are part of this Official Statement. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with and pursuant to its responsibilities to investors under federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission (the "Commission") or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The order and placement of information in this Official Statement, including the Appendices, are not an indication of relevance, materiality or relative importance, and this Official Statement, including the Appendices, must be read in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit, or describe the scope and intent, or affect the meaning or construction, of any provision or section of this Official Statement.

CUSIP data herein are provided by S&P Global Ratings' CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence LLC. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

The Bank of New York Mellon Trust Company, N.A., as Trustee, has not reviewed, provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i) the accuracy or completeness of such information, (ii) the validity of the Bonds, or (iii) the tax-exempt status of the Bonds.

The information set forth herein relating to the Issuer under the headings “THE ISSUER” and “ABSENCE OF LITIGATION – The Issuer” has been obtained from the Issuer, and all other information herein has been obtained by the Underwriter from the Borrower, and other sources deemed by the Underwriter to be reliable, but is not to be construed as a representation by, the Issuer or the Underwriter. The Issuer has not reviewed or approved any information in this Official Statement, except information relating to the Issuer under the headings “THE ISSUER” and “ABSENCE OF LITIGATION – The Issuer”. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer or the Borrower since the date hereof.

## TABLE OF CONTENTS

	<b>Page</b>
<u>INTRODUCTION</u> .....	1
<u>THE ISSUER</u> .....	2
<u>ELIGIBLE FUNDS, DEPOSITS INTO THE COLLATERAL FUND AND DISBURSEMENT OF BOND</u>	
<u>PROCEEDS</u> .....	5
<u>THE BONDS</u> .....	5
<u>SECURITY AND SOURCES OF PAYMENT FOR THE BONDS</u> .....	9
<u>PRIVATE PARTICIPANTS</u> .....	10
<u>THE PROJECT</u> .....	11
<u>CERTAIN BONDHOLDERS' RISKS</u> .....	14
<u>TAX MATTERS</u> .....	17
<u>UNDERWRITING</u> .....	19
<u>RATING</u> .....	20
<u>UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE</u> .....	20
<u>CERTAIN LEGAL MATTERS</u> .....	20
<u>ABSENCE OF LITIGATION</u> .....	20
<u>RELATIONSHIP AMONG PARTIES</u> .....	21
<u>ADDITIONAL INFORMATION</u> .....	21
APPENDIX A DEFINITIONS OF CERTAIN TERMS .....	A-1
APPENDIX B SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE .....	B-1
APPENDIX C SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT .....	C-1
APPENDIX D SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT .....	D-1
APPENDIX E FORM OF CONTINUING DISCLOSURE AGREEMENT .....	E-1
APPENDIX F FORM OF BOND COUNSEL OPINION .....	F-1

## OFFICIAL STATEMENT

**\$14,500,000\***

**Rhode Island Housing and Mortgage Finance Corporation  
Multifamily Housing Revenue Bonds  
(Bernon Mills Apartments Project), Series 2023**

### INTRODUCTION

This Official Statement (this “Official Statement”) has been prepared in connection with the issuance of the above-captioned Bonds (the “Bonds”) by the Rhode Island Housing and Mortgage Finance Corporation (the “Issuer” or “RIHousing”), a public corporation and instrumentality of the State of Rhode Island (the “State”). The Board of the Issuer has authorized the issuance of the Bonds by its duly adopted Bond Resolution dated \_\_\_\_\_, 2023 (the “Bond Resolution”) and the Bonds are issued pursuant to a Trust Indenture dated as of December 1, 2023 (the “Indenture”), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). Certain capitalized terms that are used in this Official Statement and not otherwise defined shall have the definitions ascribed to them in “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto.

The Bonds are to be issued pursuant to the Chapter 55 of Title 42 of the General Laws of Rhode Island, 1956 (1998 Reenactment), as amended and supplemented (the “Act”), for the purpose of providing funds to make a loan (the “Loan”) to Brisa Bernon Mills, LP, a Rhode Island limited partnership (the “Borrower”), to enable the Borrower to pay a portion of the cost of constructing and equipping a multifamily rental housing project to be constructed at Woonsocket Company Mill Complex in Woonsocket, Rhode Island, which, upon completion, will contain approximately 60 rental housing units and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses and to be known as Bernon Mills Apartments (the “Project”). (the “Project”). See “PRIVATE PARTICIPANTS” and “THE PROJECT” herein.

The Loan will be made to the Borrower under a Loan Agreement dated as of December 1, 2023 (the “Loan Agreement”), by and between the Issuer and the Borrower. Pursuant to the Loan Agreement, the Borrower has agreed to make payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due (the “Bond Debt Service Charges”) to the extent that amounts otherwise available for such payment are insufficient therefor. The Loan will be evidenced by a promissory note in the principal amount of \$14,500,000\* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

On the Closing Date, it is expected that the Borrower will close on a mortgage loan (the “Mortgage Loan”) with Bank of America, N.A. (the “Mortgage Lender”) and cause Eligible Funds (as defined herein) of up to \$14,500,000\* to be delivered from time to time to the Trustee for deposit into the Collateral Fund established under the Indenture, allowing the Trustee to disburse from the Project Fund a like amount of Bond proceeds to the Borrower to pay costs of the Project pursuant to the terms of the Indenture and the Loan Agreement. The aggregate funds and Eligible Investments on deposit in the Project Fund and the Collateral Fund will, at all times, equal the principal amount of Bonds Outstanding. Bond Debt Service Charges will be paid from amounts on deposit in the Bond Fund, the Collateral Fund and the Project Fund, and investment earnings thereon. Amounts on deposit in the Collateral Fund, the Bond Fund and the Project Fund will be invested in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The Bonds shall bear interest on the outstanding principal amount thereof at a rate equal to the Initial Interest Rate set forth on the cover page hereof from the date of delivery to, but not including, the earlier of (i) July 1, 2026\* (the “Initial Mandatory Tender Date”) and (ii) the Conversion Date (as defined herein), payable on each January 1 and July 1, commencing July 1, 2024\* (each an “Interest Payment Date”).

Subject to the satisfaction of certain conditions to Conversion (as defined herein) of the Project from the construction phase to the permanent phase, as set forth in the Conversion Agreement (as defined herein) among

---

\* Preliminary; subject to change.

IMPACT C.I.L., LLC (the “Funding Lender”), the Borrower and the Trustee, the Funding Lender has agreed to provide financing for the Project in the Permanent Phase (as defined and described in the Indenture).

The Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on or prior to the Initial Mandatory Tender Date, including on the Conversion Date, which shall occur no earlier than January 1, 2026\*. All Bondholders must tender their Bonds for purchase on each Mandatory Tender Date, as set forth in the Indenture. A new interest rate for the Bonds may be determined on the Initial Remarketing Date (as defined herein) in accordance with the terms of the Indenture. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

Brief descriptions of the Issuer, the Borrower, the Mortgage Lender, the Mortgage Loan (as defined herein), the Project, the Bonds, the security for the Bonds, the Indenture, the Loan Agreement and the Regulatory Agreement are included in this Official Statement. The summaries herein do not purport to be complete and are qualified in their entireties by reference to such documents, agreements and programs as may be referred to herein, and the summaries herein of the Bonds are further qualified in their entireties by reference to the form of the Bonds included in the Indenture and the provisions with respect thereto included in the aforesaid documents.

## THE ISSUER

*The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Trustee, the Borrower, the Underwriter nor any of their respective counsel, members, officers or employees make any representations as to the accuracy or sufficiency of such information.*

### General

RIHousing was created in 1973 as a public corporation and instrumentality and agency of the State, but does not constitute a department of State government. Under the Act, the purpose of RIHousing is to encourage the investment of private capital and stimulate the construction and rehabilitation of housing for persons and families of low and moderate income, to provide construction and mortgage loans, and to make provision for the purchase of mortgage loans and otherwise as is necessary to accomplish its purposes.

RIHousing has the authority to create subsidiaries and currently has several such subsidiaries (collectively, the “Subsidiaries”). Generally, the Subsidiaries were formed to invest in or hold title to various residential real estate developments, currently or previously financed by RIHousing.

### Commissioners of RIHousing

The powers of RIHousing are vested in seven commissioners, consisting of the Director of the Department of Administration, the General Treasurer, the Director of Business Regulation, or the designees thereof, and four members appointed by the Governor with the advice and consent of the State Senate, who among them are to be experienced in all aspects of housing design, development, finance, management and state and municipal finance. The appointed commissioners serve for terms of four years and until they are reappointed or their respective successors are appointed and qualified. The Chairperson is designated by the Governor; the Vice Chairperson and Treasurer are elected by the members from among their number. The commissioners do not receive compensation. Meetings are held at the call of the Chairperson or whenever two commissioners so request. Four commissioners constitute a quorum, and any action taken by RIHousing may be authorized by a resolution approved by a majority but not less than three of the commissioners. A vacancy on the Board of Commissioners does not impair the right of a quorum to exercise all the rights and perform all the duties of RIHousing. The Act provides that if any commissioner of RIHousing is a director, officer or employee of or has an ownership interest in any firm or corporation interested

---

\* Preliminary; subject to change.

directly or indirectly in a contract with RIHousing, such commissioner must disclose such interest to RIHousing and shall not participate in the authorization of any such contract.

The present commissioners of RIHousing are as follows.

**Stefan Pryor, Chairperson.** Mr. Pryor was appointed as Chair of the Board of Commissioners by Governor Daniel McKee on March 31, 2023 after being nominated by the Governor to serve on the Board of Commissioners in February 2023 and being confirmed by the Rhode Island Senate in March 2023. Mr. Pryor serves as Rhode Island’s Secretary of Housing. Mr. Pryor previously was Rhode Island’s Secretary of Commerce (serving two governors for over seven years). Mr. Pryor was also Chair of the State Economic Development Executives Network, which enables top state commerce officials from across the country to share best practices and dialogue re policy. Mr. Pryor was previously President of the Lower Manhattan Development Corporation (“LDMC”), which coordinated the rebuilding and revitalization of Lower Manhattan including the World Trade Center site following the attacks of September 11, 2001. After his service at the LMDC, Mr. Pryor was the Deputy Mayor and Director of Economic and Housing Development in Newark, New Jersey. Mr. Pryor previously served as the Education Commissioner for the State of Connecticut. During his tenure, graduation rates increased each year, and Connecticut achieved the highest score in reading among participating states on the Grade 12 National Assessment of Educational Progress (NAEP 2013). Mr. Pryor received his undergraduate and law degrees from Yale University. His term expires on July 1, 2025.

**Maria Barry.** Ms. Barry is the Community Development Banking National Executive of Bank of America Merrill Lynch (BAML).<sup>†</sup> Ms. Barry began her career at Ernst & Young and joined BAML in 1987 in the Commercial Credit department. She went on to hold several risk management roles related to training, technology, and asset quality reporting for the Board of Directors. She was promoted to Director of Community Reinvestment Act in 1999, also serving as chair to the Fair Lending Policy Committee. In 2003, she joined BAML’s commercial Real Estate Team as Director of Regional Relationship Management where she was responsible for launching a new business to meet the needs of small-to-mid-sized developers. She became the Community Development Banking Market Executive for the Northeast in 2004 and National Executive in February, 2009. Ms. Barry majored in accounting and has a Bachelor of Science degree from the University of Connecticut. Her term expires on July 1, 2025.

**James Diossa.** Mr. Diossa was sworn in as General Treasurer of the State of Rhode Island on January 3, 2023. Prior to his election, Mr. Diossa served as a member of the City Council and Mayor of Central Falls, becoming the youngest mayor to date in the State’s history. During his tenure as mayor, he helped Central Falls recover from the effects of bankruptcy and prior years of mismanagement. Throughout his years in public service, Mr. Diossa demonstrated his commitment to giving residents the tools and opportunities for creating sustainable wealth. This commitment continues by making information readily available — and easy to access — to current and future pensioners as well as the general public and providing assistance to municipal governments requiring pension-related guidance. In addition, he is a key champion for expanded financial literacy in the State’s schools to further help individuals and families achieve self-sufficiency. After completing two terms as mayor, he went on to serve as a Senior Advisor at Brown University’s Policy Lab. Treasurer Diossa is a graduate of Becker College. As the General Treasurer of the State, he serves *ex officio*.

**Beth Dwyer.** Ms. Dwyer was appointed Interim Director of the Department of Business Regulation on June 27, 2022. Prior to this appointment, she had been employed by the Rhode Island Department of Business Regulation for 21 years, first as General Counsel to the Insurance Division, later as Associate Director and finally as Deputy Director and Superintendent of Financial Services. Prior to government service, Ms. Dwyer was engaged in private law practice in California and Rhode Island, specializing in litigation and insurance regulation. Ms. Dwyer is a past president of the Rhode Island Women’s Bar. She was awarded the 2010 Rhode Island Attorney General’s Justice Award for Consumer Protection. She completed an Executive Education Program at Harvard University,

---

<sup>†</sup> Bank of America, N.A. has agreed to provide the Mortgage Loan to the Borrower, the proceeds of which shall be advanced and used to directly or indirectly (including to cash collateralize the Bonds through deposits to the Collateral Fund) finance a portion of the costs of the construction and equipping of the Project (see “INTRODUCTION” and “THE PROJECT – Plan of Financing – The Mortgage Loan” herein).



John F. Kennedy School of Government Executive Education. Ms. Dwyer is a member of the National Association of Insurance Commissioners (NAIC) and has served as chair and vice chair of various committees, task forces and working groups. Ms. Dwyer is the NAIC representative to the Financial Stability Oversight Counsel (FSOC) and a member of the Federal Advisory Committee on Insurance (FACI). She currently serves as vice chair of the Financial Condition (E) Committee and Big Data (H) Working Group, co-chair of the Restructuring (E) Working Group, co-vice chair of the Climate and Resiliency (EX) Task Force, and secretary/treasurer of the National Insurance Producers Registry (NIPR) Board of Directors. Ms. Dwyer holds the designations of Chartered Life Underwriter (CLU) from The American College and Senior Professional in Insurance Regulation (SPIR) from the NAIC. She was admitted to practice law in California, Rhode Island, Massachusetts, the Federal District Courts of California and Rhode Island and the Ninth Circuit Court of Appeals. She received a JD from Pepperdine University and a Bachelor of Arts in Political Science and Public Administration from Providence College. As Interim Director of the State Department of Business Regulation, she serves *ex officio*.

**Stephen P. McAllister.** Mr. McAllister is Senior Manager of the Eastern Region for the U.S. Chamber of Commerce. The eastern region covers the six New England states, New York, New Jersey, Delaware, West Virginia and Maryland. Mr. McAllister works with chambers of commerce, members of Congress in each state, their staffs, trade associations and the media across the region to support the US Chamber’s agenda. The US Chamber’s goal is “to generate stronger, more robust economic growth, create jobs, and expand opportunity for all Americas.” Mr. McAllister has experience working in both federal and state government. Mr. McAllister was Director of Advance for Rhode Island Governor Lincoln Chafee (D-RI), and also a Constituent and Community Liaison for United States Senator John E. Sununu (R-NH). Mr. McAllister was elected to the Warwick City Council in November 2016. His term expires on July 1, 2025.

**Kevin D. Orth.** Mr. Orth is co-Founder and Managing Member of Atlantic American Partners, LLC, a for-profit affordable housing development company based in Providence, Rhode Island. Prior to forming Atlantic American in 2001, Mr. Orth was Vice President in charge of acquisitions for Pacific American Properties, Inc. of Sausalito, California and prior to that position was an acquisitions associate at Leggat McCall Properties in Boston. Mr. Orth received a Master of City Planning degree from the University of California, Berkeley and a Bachelor of Arts degree from the University of Maryland. His term expired on July 1, 2021. Under the Act, members continue to serve until a successor is appointed and qualified.

**Jonathon Womer.** Mr. Womer was appointed by Governor Daniel McKee on May 18, 2023, to serve as the Director of the Department of Administration. Mr. Womer has a strong record of public service, both in Rhode Island and in the nation. From 2015-2021, he served as the Director of the Office of Management and Budget at the RI Department of Administration, where he worked collaboratively with the Governor and General Assembly to develop and implement the annual budget for the state. During his previous tenure at DOA, he also redesigned business processes, implemented a cloud-based budgeting system, established the state’s fraud data analytics section, and created a cohesive statewide rule-making process. Mr. Womer has also served as Deputy Director for Management and Chief Information Officer for the North Carolina Office of the Governor, as Associate Vice President for Finance and Economic Analysis at the University of North Carolina, and most recently as Senior Advisor to The Policy Lab at Brown University. He holds a BA in Public Policy from Duke University and both a Master of Public Policy and a Master of Science of Information from the University of Michigan – Ann Arbor. As Director of the Department of Administration, he serves *ex officio*.

## **Staff**

The corporate staff, under the direction of the Executive Director, includes professionals and staff members working in RIHousing’s six divisions: executive, finance, homeownership and customer service, development, loan servicing, and leased housing and rental services. Senior professional staff members of RIHousing include the following:

**Carol A. Ventura – Executive Director.** Ms. Ventura was appointed Executive Director of RIHousing effective on September 11, 2019. Ms. Ventura previously held the positions of Deputy Director (2014-2019), Director of Development (2005-2014), overseeing all aspects of development financing activities, and Assistant Director of the Policy Division (2001-2005). Prior to joining the staff of RIHousing, Ms. Ventura worked as the

Executive Director of a community development organization in northern Rhode Island. Ms. Ventura received a Master of Business Administration from Bryant University and a Bachelor of Science degree from Bryant College.

**James Comer – Deputy Executive Director.** Mr. Comer joined RIHousing in February 2020. Prior to returning to RIHousing, Mr. Comer served as Executive Director of Women’s Development Corporation, a nonprofit developer of affordable housing throughout New England. Prior to that, Mr. Comer served as Director of Operations for both the Cambridge (MA) and Fall River (MA) Housing Authorities. He also served as a development officer at RIHousing from 2004-2006. Mr. Comer received a Bachelor of Arts degree in History and Sociology from Boston College and a Master of Science degree in Public Affairs from the University of Massachusetts, Boston.

**Kara L. Lachapelle – Chief Financial Officer.** Ms. Lachapelle joined RIHousing in October, 2001 and served as Assistant Controller from 2001 to 2007. She was appointed Controller in January, 2007, appointed Director of Finance in September 2010 and appointed Chief Financial Officer in December 2013. From 1997 to 2001, Ms. Lachapelle held various positions in public accounting at Rooney, Plotkin & Willey, specializing in governmental and non-profit audit clients. Ms. Lachapelle also worked in the Trust Department at Durfee Attleboro Bank. She is a member of the American Institute of Certified Public Accountants and received a Bachelor of Science degree from Bryant College.

**Corinne G. Myers – General Counsel.** Ms. Myers joined the Legal Department of RIHousing in 2010, and was promoted to Deputy General Counsel in 2015. In 2021, she was appointed General Counsel. Ms. Myers holds a Juris Doctor degree from New York University School of Law and a Bachelor of Arts degree from Wellesley College. She is a member of the Rhode Island Bar Association, the Association of Corporate Counsel, and the American Bar Association’s Forum on Affordable Housing & Community Development Law and Public Sector Lawyers Division. Ms. Myers is admitted to the bar in the states of Rhode Island and Massachusetts (inactive).

**Christine Hunsinger – Assistant Deputy Director of External Affairs, Policy and Research.** Ms. Hunsinger joined RIHousing in October 2017, as Assistant Deputy Director of Policy and Research, responsible for providing strategic guidance and leadership to RIHousing in the development of its goals and initiatives. Prior to joining RIHousing, Ms. Hunsinger was CEO of the strategic communications/public affairs firm BGP Strategies. She has served in several academic and public positions within the State of Rhode Island, including faculty roles at Rhode Island College and Brown University, and as Director of Legislative Affairs in the Lincoln Chaffee administration. Ms. Hunsinger holds a Bachelor’s degree from St. Anselm, and a Master’s degree of Public Affairs from Brown University.

**Bernadette MacArthur – Director of Finance.** Ms. MacArthur was appointed Director of Finance in April 2019. She joined RIHousing in 2015 as a Finance Analyst, and led the implementation of the in-house Secondary Marketing Department beginning in May 2017. Prior to joining RIHousing, Ms. MacArthur worked for Citizens Bank, N.A. in the treasury group, where she was responsible for commercial loan forecasting and liquidity analysis. Ms. MacArthur received a Bachelor of Science in Business Administration with a concentration in Finance from the University of Rhode Island.

**Thomas McNulty – Manager of Treasury and Capital Planning.** Mr. McNulty joined RIHousing as Manager of Treasury and Capital Planning in April of 2017. Prior to joining RIHousing, Mr. McNulty worked for Bank of America, N.A. and its predecessor FleetBoston Financial, in the treasury group, where he was responsible for the management of the fixed income portfolio with an emphasis on mortgage backed securities (MBS). Mr. McNulty received a Bachelor of Arts in Economics from the University of Massachusetts at Amherst.

**Leslie McKnight – Assistant Deputy Director of Loan Servicing.** Ms. McKnight was appointed Director of Loan Servicing in September 2003 and was appointed Assistant Deputy Director of Loan Servicing in January 2017. She joined RIHousing in June 1995, as the Default Manager. She was appointed Assistant Director of Loan Servicing in July 2000. Prior to her employment at RIHousing, Ms. McKnight worked as a Loan Workout Specialist for Plymouth Mortgage Company from 1991 to 1995. Between 1982 and 1991, she held various positions in Retail Banking and Mortgage Lending including Assistant Branch Manager at Citizens Bank. Ms. McKnight received her Bachelor of Science degree in Business Administration from Bryant College.

**Peter C. Pagonis – Director of Homeownership.** Mr. Pagonis joined RIHousing in October 2013, as Lender Services Manager, and was appointed Director of Homeownership in August 2015. Prior to joining RIHousing, Mr. Pagonis worked as a Business Development Advisor with the Peace Corps in León, Nicaragua. From 2000 to 2010, Mr. Pagonis was a Corporate Banking Associate at FleetBoston Financial, a Loan Officer at Bank of America, and an Assistant Vice President at Bank Rhode Island. Mr. Pagonis received a Master of Business Administration degree from Boston University Questrom School of Business and a Bachelor of Arts degree from St. Lawrence University.

**Anne Berman – Director of Real Estate Development.** Ms. Berman joined RIHousing in 1999 as a Development Officer and was appointed Assistant Director of Development in 2003. In July 2021, Ms. Berman was appointed Director of Real Estate Development. Prior to joining RIHousing, Ms. Berman worked with non-profit organizations in Rhode Island and Florida engaged in affordable housing development and neighborhood revitalization. Ms. Berman has a Bachelor of Arts degree in Urban Studies from Connecticut College and is a graduate of the Advanced Management Development Program in Real Estate at the Harvard Graduate School of Design.

The address and telephone number of RIHousing are, respectively, 44 Washington Street, Providence, RI 02903-1721 and (401) 457-1234.

#### **ELIGIBLE FUNDS, DEPOSITS INTO THE COLLATERAL FUND AND DISBURSEMENT OF BOND PROCEEDS**

As a condition to each disbursement of Bond proceeds from the Project Fund, the Borrower will cause Eligible Funds, including proceeds of the Mortgage Loan, in an amount equal to each such disbursement to be delivered to the Trustee for deposit into the Collateral Fund. Upon the deposit of Eligible Funds into the Collateral Fund, and subject to the other applicable provisions set forth in the Indenture and the Loan Agreement, the Trustee shall disburse a like amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender for purposes of paying costs of the Project. The maximum aggregate amount of Eligible Funds to be delivered to the Trustee for deposit into the Collateral Fund will be \$14,500,000\*.

Bond Debt Service Charges shall be payable as they become due, (a) in the first instance from moneys on deposit in the Bond Fund (but not including the Negative Arbitrage Account thereof), (b) in the second instance from moneys on deposit in the Negative Arbitrage Account, (c) next, from moneys on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (d) thereafter from moneys on deposit in the Project Fund and transferred as necessary to the Bond Fund. The Indenture provides that the amount of funds disbursed from the Project Fund on any given date for payment of Project Costs shall at all times equal the amount of Eligible Funds deposited into the Collateral Fund in connection with such disbursement. Accordingly, the aggregate amount in the Collateral Fund and the Project Fund shall at all times equal at least 100% of the principal amount of the Bonds outstanding.

Notwithstanding any provision of the Loan Agreement or the Indenture to the contrary, the Trustee will not act upon the delivery of a certified copy of the request for disbursement of funds from the Project Fund, unless and until (i) an amount equal to or greater than the requested disbursement amount has been deposited into the Collateral Fund in accordance with the provisions of the Indenture and (ii) the Trustee has verified that the sum of the amount then held in the Collateral Fund and the amount then on deposit in the Project Fund, less the anticipated amount of the disbursement from the Project Fund, is at least equal to the then-outstanding principal amount of the Bonds. Upon

---

\* Preliminary; subject to change.

receipt of Eligible Funds, the Trustee shall be unconditionally and irrevocably obligated to disburse Bond proceeds in the amount of such installment of Eligible Funds to pay for Costs of the Project as set forth in the Indenture.

Amounts on deposit in the Project Fund, the Bond Fund and the Collateral Fund will be invested on the Closing Date in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments” herein.

## **THE BONDS**

### **Terms of Bonds Generally**

The Bonds shall be issued in Authorized Denominations and shall mature on July 1, 2044\* (the “Maturity Date”). The Bonds are dated as of the Closing Date and shall bear interest at the Initial Interest Rate from the Closing Date, to but not including the Initial Mandatory Tender Date, payable on each Interest Payment Date, commencing July 1, 2026\*, and on each Mandatory Tender Date.

Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal of and interest on any of the Bonds shall be payable in lawful money of the United States of America. Except as described below under the subcaption “Book-Entry-Only System,” (a) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the Designated Office of the Trustee or at the office, designated by the Trustee, of any Paying Agent and (b) interest on any Bond shall be paid on each Interest Payment Date by check or draft which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond (or one or more Predecessor Bonds) is registered at the close of business of the Regular Record Date applicable to that Interest Payment Date on the Register at the address appearing therein.

### **Mandatory Tender**

All Outstanding Bonds shall be subject to mandatory tender by the Holders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Bond shall be payable in lawful money of the United States of America by check or draft, shall equal 100% of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date and shall be paid in full on the applicable Mandatory Tender Date.

The Mandatory Tender Dates shall consist of (i) the earlier of (A) the Initial Mandatory Tender Date, and (B) the Conversion Date, and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower with the consent of the Investor Limited Partner (as defined herein) and the Remarketing Agent in connection with a remarketing of the Bonds pursuant to the Indenture.

While tendered Bonds are in the custody of the Trustee pending purchase pursuant to the Indenture, the tendering Holders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Bonds had not been tendered for purchase.

Notwithstanding anything in the Indenture to the contrary, any Bond tendered under this heading will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

The Trustee shall utilize the following sources of payments to pay the tender price of the Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date in the following priority: (i) amounts representing proceeds of remarketed Bonds, if any, deposited into the Remarketing Proceeds Account, to pay the principal amount, plus accrued interest, of Bonds tendered for purchase; (ii) amounts on deposit in the Collateral Fund (and/or other Eligible Funds under the Indenture) to pay the principal amount of Bonds tendered for purchase; (iii) amounts on deposit in the Negative Arbitrage Account of the Bond Fund to pay the accrued interest; if any, on Bonds tendered for purchase; (iv) available interest earnings on amounts on deposit in the Project Fund to pay the accrued interest, if any, on the Bonds

---

\* Preliminary; subject to change.

tendered for purchase and (v) any other Eligible Funds available or made available for such purpose at the direction of the Borrower, with the consent of the Issuer.

Bonds shall be deemed to have been tendered for purposes of this heading whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee and, subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds and interest accrued thereon to the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof in connection with the remarketing of such Undelivered Bonds.

### **Mandatory Tender Notice**

Not less than thirty (30) days preceding a Mandatory Tender Date (or 10 days in connection with a Mandatory Tender Date that is the Conversion Date), the Trustee shall give written notice of mandatory tender to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Investor Limited Partner, the Mortgage Lender, the Issuer and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (a) all Outstanding Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date, (b) all Outstanding Bonds must be tendered for purchase no later than 12:00 noon Local Time on the Mandatory Tender Date and (c) Holders will not have the right to elect to retain their Bonds;

(ii) the address of the Designated Office of the Trustee at which Holders should deliver their Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date; and

(iv) any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

In the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the twentieth (20<sup>th</sup>) day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in the Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of the Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Bond.

Neither failure to give or receive any notice described in this heading, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this heading. Notice delivered as required under the Indenture with respect to a mandatory tender in connection with Conversion (as defined herein) may be rescinded and annulled on or before the tender date set forth in such notice if Conversion does not occur by the Conversion Date.

### **Mandatory Redemption**

The Bonds are subject to mandatory redemption, in whole, on any Mandatory Tender Date other than the Conversion Date, upon the occurrence of any of the following events: (i) the Borrower has not previously elected pursuant to the Indenture and the Loan Agreement to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth therein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. The Bonds shall be redeemed at a redemption price equal to 100% of the principal amount of such Bonds plus accrued interest to

the applicable redemption date from funds on deposit in, or transferred from, the Bond Fund, the Collateral Fund, and the Project Fund.

### **Book-Entry Only System**

*The following information on the Book-Entry System applicable to all Bonds has been supplied by DTC and none of the Issuer, the Borrower or the Underwriter make any representation, warranties or guarantees with respect to its accuracy or completeness.*

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, each in the stated principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of

significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **General**

The Bonds will be secured by all right, title and interest of the Issuer in the Trust Estate, including, but not limited to (i) all right, title and interest of the Issuer in and to all Revenues, derived or to be derived by the Issuer or the Trustee for the account of the Issuer under the terms of the Indenture and the Loan Agreement (other than the Reserved Rights of the Issuer), together with all other Revenues received by the Trustee for the account of the Issuer arising out of or on account of the Trust Estate, (ii) all right, title and interest of the Issuer in and to the Loan Agreement and the Note (other than the Reserved Rights of the Issuer) including all payments and proceeds with respect thereto

or replacement thereof, (iii) all moneys (including Eligible Funds received by the Trustee for deposit into the Collateral Fund provided that Mortgage Loan proceeds become part of the Trust Estate concurrently with the Trustee's corresponding disbursement of Bond proceeds to or at the direction of the Mortgage Lender) which are at any time or from time to time on deposit in any fund or account created under the Indenture (excluding amounts on deposit in the Costs of Issuance Fund, the Expense Fund, the Mortgage Loan Prepayment Fund and the Rebate Fund); and (iv) all other funds, moneys and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Indenture for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which is authorized by the Indenture to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture (the foregoing collectively referred to as the "Trust Estate").

The Bonds, and premium, if any, and interest thereon are payable solely from the Trust Estate.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE AND ANY OTHER REVENUES, FUNDS AND ASSETS PLEDGED AND ASSIGNED UNDER THE INDENTURE AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. NONE OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION OR PUBLIC AGENCY THEREOF (EXCEPT THE ISSUER TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON BONDS OR OTHER COSTS INCIDENT THERETO, OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WITH RESPECT THERETO, EXCEPT AS SET FORTH IN THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS WITH RESPECT TO THE BONDS UNDER THE INDENTURE, SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER..

### **Repayment of Loan**

The Loan Agreement and the Note obligate the Borrower to cause to be paid to the Trustee amounts which shall be sufficient to pay Bond Debt Service Charges coming due on each Interest Payment Date; however, Eligible Funds required to be deposited into the Collateral Fund and amounts on deposit in the Bond Fund and the Project Fund, if any, along with interest earnings thereon (without the need for reinvestment), will be sufficient to pay such Bond Debt Service Charges and such amounts will be a credit against the Borrower's payment obligations under the Loan Agreement and the Note.

### **Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments**

On the Closing Date, all amounts on deposit in the Bond Fund, Project Fund and Collateral Fund will be invested in Eligible Investments. It is anticipated that all of the Bond proceeds in the Project Fund will be disbursed to pay Project Costs on and after the Closing Date and that Bond Debt Service Charges will be paid from amounts on deposit in the Bond Fund, Collateral Fund and Project Fund and any investment earnings thereon.

### **Additional Bonds**

No additional Bonds on parity with the Bonds may be issued pursuant to the Indenture.



## PRIVATE PARTICIPANTS

*The following information concerning the private participants has been provided by representatives of the private participants and has not been independently confirmed or verified by the Underwriter or by the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

### **The Borrower**

The Borrower is Brisa Bernon Mills, LP, a Rhode Island limited partnership, a single-asset entity formed for the specific purpose of developing and owning the Project. The general partner of the Borrower is Brisa Development LLC, a Rhode Island limited liability company (the “General Partner”), which will own a [0.01]% interest in the Borrower. Alliant Capital LLC, a [California] limited liability company (the “Investor Limited Partner”), will own a [99.99]% interest in the Borrower.

### **The Investor Limited Partner**

The Borrower has entered into a commitment with the Investor Limited Partner to offer to it a [99.99]% ownership interest in the Borrower. Pursuant to the offer, the equity funding arrangements for the funding of the tax credit equity are expected to be approximately \$10,770,068\* paid in stages during and after construction of the Project. These funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the estimates set forth herein and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

### **The Developers**

The Developers [are Brisa Ventures LLC, a [State] limited liability company [and ADC Communities II, LLC, a [State] limited liability company] (the “Developers”), located in Brooklyn, New York and Woodland Hills, California, respectively. The Developers were started in 2012 and have 11 years of combined experience in [affordable housing][public housing][multifamily] development. Collectively, the Developers have developed 800 units in the State of New York .

### **Limited Assets and Obligation of Borrower, General Partner, and Investor Limited Partner**

The Borrower, the General Partner, and the Investor Limited Partner have no substantial assets other than the Project and do not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the ownership of the Project.

The obligations and liabilities of the Borrower under the Loan Agreement and the Note are of a non-recourse nature and are limited to the Project and moneys derived from the operation of the Project. Neither the Borrower nor its partners have any personal liability for payments on the Note to be applied to pay the principal of and interest on the Bonds. Furthermore, no representation is made that the Borrower has substantial funds available for the Project. Accordingly, neither the Borrower’s financial statements nor those of its partners are included in this Official Statement.

### **The Property Manager**

The Project will be managed by Evergreen Real Estate Services, LLC (the “Property Manager”). The Property Manager is an affiliate of the Developers. The Property Manager has been involved in the management of apartment complexes since 1999. The Property Manager currently manages more than 100 apartment complexes

---

\* Preliminary; subject to change.

comprising a total of approximately 10,000 units throughout the United States. The Property Manager was formed in 1999 and currently has a staff of approximately 50 corporate personnel and 150 site employees.

**The General Contractor**

The general contractor for the Project will be [Pezzuc Construction, Inc.] (the “General Contractor”). The General Contractor is not an affiliate of the Developers. The General Contractor and its affiliated construction companies have been constructing and rehabilitating multifamily rental housing developments for more than 30 years and have constructed over 12 projects, with over 3,316 units.

**The Architect**

The architect for the Project is [DBVW Architects, Inc.] (the “Architect”). The Architect is not an affiliate of the Developers. The Architect has been a licensed architect for 32 years and has been the principal architect for approximately 13 multifamily developments with an excess of 989 units.

**THE PROJECT**

*The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by the Underwriter or by the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

The Project, to be known as Bernon Mills Apartments, comprises 60 affordable residential apartment units in one (1) building located at 115-119 Front Street, Woonsocket, RI 02895. [Common amenities include residential activities, guest speakers and one-on-one assistance, as needed. There are \_\_\_ parking spaces for tenant use. Unit amenities include on-site management, laundry facilities, a fitness room, a community room, and garden area.]

It is anticipated that construction will commence immediately upon the issuance of the Bonds and funding of the tax credit equity and will be completed in approximately \_\_\_ months.

The unit type, the unit mix and approximate square footage for the units of the Project will be as follows:

<b>Unit Type</b>	<b>Average Square Feet</b>	<b>Number of Units</b>
Efficiency	459	19
1 Bedroom	702	30
2 Bedrooms	965	<u>11</u>
<b>TOTAL</b>		<b>60</b>

[Remainder of page intentionally left blank]

## Plan of Financing

The estimated sources and uses of funds for the Project are projected to be approximately as follows:

### Sources of Funds\*:

Bond Proceeds (Principal) <sup>1</sup>	14,500,000
Permanent Loan	2,470,000
Building Homes Rhode Island Loan	4,000,000
Revolving Loan Fund	1,300,000
RI Rebounds Loan	500,000
Housing Production Fund Loan	2,790,000
Capital Magnet Fund Loan	300,000
Community Revitalization Program Grant Loan	1,838,250
Federal Tax Credit Equity	10,732,936
Federal Historic Tax Credit Proceeds	5,242,887
Deferred Developer Fee	<u>2,182,904</u>
<b>Total Sources</b>	<b><u>\$45,856,977</u></b>

### Uses of Funds\*:

Acquisition Costs	3,515,439
Construction Costs	16,857,700
Construction Contingency	1,439,830
Developer Fee	3,804,481
Soft Costs	3,445,416
Financing Costs	1,857,192
Operating Reserves	403,097
Replacement Reserve Year 1 Deposit	19,500
Other Reserves	14,322
Partial Repayment of Bond Principal	<u>14,500,000</u>
<b>Total Uses</b>	<b><u>\$45,856,977</u></b>

<sup>1</sup>Subject to the satisfaction of certain conditions, the Bonds may be redeemed on or prior to the Initial Mandatory Tender Date with certain Eligible Funds, including the proceeds of a loan in the maximum principal amount of \$2,470,000\* (the "Permanent Loan"), from IMPACT C.I.L.L., LLC

All costs of issuing the Bonds, including the Underwriter's fee, will be paid by the Borrower.

*The Mortgage Loan.* The Project will utilize a mortgage loan in the principal amount of up to \$14,500,000\* (the "Mortgage Loan"). The Mortgage Loan will be secured by a senior mortgage on the Project and the obligation to repay the Mortgage Loan will be evidenced by a promissory note (the "Mortgage Note") from the Borrower to the Mortgage Lender. The Mortgage Note will have a term of 24\* months, with two three-month extension options, and will bear interest at a rate of 6.16%\* per annum, with no payments of principal during the term, and with all unpaid principal and interest due at maturity. Proceeds of the Mortgage Loan will be disbursed from time to time by the Mortgage Lender to the Trustee for deposit into the Collateral Fund to allow for a corresponding amount of Bond proceeds to be disbursed to the Project.

*Federal Tax Credit Equity.* Contemporaneously with the issuance of the Bonds, the Borrower will sell to the Investor Limited Partner a 99.99% ownership interest in the Borrower. Pursuant to the sale, the funding of the Federal Low Income Housing Tax Credit equity will total approximately \$10,770,068\*. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and neither the Issuer nor the Underwriter make any representation as to the availability of such funds.

---

\* Preliminary; subject to change.

*Building Homes Rhode Island Loan.* The Project will also utilize a subordinate loan in the principal amount of \$4,000,000\* (the “BHRI Loan”). The obligation to repay the BHRI Loan will be set forth in a promissory note (the “BHRI Loan Note”) from the Borrower to the Rhode Island [Housing Resources Commission] (the “BHRI Loan Lender”) and will be repayable on the terms and conditions set forth therein. The BHRI Loan Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The BHRI Loan Note will have a term of \_\_\_\* years and will bear interest at a rate of \_\_\_%\* per annum, with annual principal and interest not otherwise paid, due at maturity.

*Housing Production Fund Loan.* The Project will also utilize a subordinate loan in the principal amount of \$2,790,000\* (the “HPF Loan”). The obligation to repay the Housing Production Fund Loan will be set forth in a promissory note (the “HPF Loan Note”) from the Borrower to the Housing Production Fund (the “HPF Loan Lender”) and will be repayable on the terms and conditions set forth therein. The HPF Loan Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The HPF Loan Note will have a term of 42\* years and will bear interest at a rate of 0%\* per annum, with annual principal and interest not otherwise paid, due at maturity.

*Capital Magnet Fund Loan.* The Project will also utilize a subordinate loan in the principal amount of \$300,000\* (the “CMF Loan”). The obligation to repay the Capital Magnet Fund Loan will be set forth in a promissory note (the “CMF Loan Note”) from the Borrower to the Capital Magnet Fund (the “CMF Lender”) and will be repayable on the terms and conditions set forth therein. The CMF Loan Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The CMF Loan Note will have a term of 42\* years and will bear interest at a rate of 1%\* per annum, with annual principal and interest not otherwise paid, due at maturity.

*Community Revitalization Program Grant.* The Project will also utilize a subordinate loan in the principal amount of \$1,838,250\* (the “CRP Grant Loan”). The obligation to repay the CRP Grant Loan will be set forth in a promissory note (the “CRP Grant Note”) from the Borrower to Community Revitalization Program (the “CRP Grant Lender”) and will be repayable on the terms and conditions set forth therein. The CRP Grant Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The CRP Grant Note will have a term of 40\* years and will bear interest at a rate of 0%\* per annum, with annual principal and interest not otherwise paid, due at maturity.

*Rhode Island Rebounds Production Fund Loan.* The Project will also utilize a subordinate loan in the principal amount of \$500,000\* (the “RI Rebounds Loan”). The obligation to repay the RI Rebounds Loan will be set forth in a promissory note (the “RI Rebounds Note”) from the Borrower to the Rhode Island Rebounds Production Fund (the “RI Rebounds Lender”) and will be repayable on the terms and conditions set forth therein. The RI Rebounds Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The RI Rebounds Note will have a term of 42\* years and will bear interest at a rate of 0% per annum, with annual principal and interest not otherwise paid, due at maturity.

*Deferred Developer Fee.* The Project will utilize deferred developer fee in the amount of \$2,182,904\* as a source of funding. The deferred developer fee will be repaid through surplus cash flow received from the operation of the Project.

The sources and uses of funds to be applied under the Indenture are projected to be approximately as follows:

<b>Sources of Funds:*</b>	
Bond Proceeds (Principal)	\$14,500,000
Bond Premium	
Eligible Funds	
<b>Total</b>	<b>\$</b>
<b>Uses of Funds:*</b>	
Project Fund (Includes Premium)	\$

---

\* Preliminary; subject to change.

Negative Arbitrage  
**Total**

16

### **Management Agreement**

The Borrower has entered into a Management Agreement with the Property Manager to engage the Property Manager to manage the Project. Under the Management Agreement, the Property Manager will manage the day-to-day operations of the Project.

### **Project Regulation**

In order to obtain low-income housing tax credits (“LIHTCs”), the Project will be operated as a qualified residential rental project with 100% of the residential units in the Project occupied by Low-Income Tenants during the Qualified Project Period, in accordance with Section 142(d) of the Code. See “APPENDIX D — SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” hereto.

In addition to the rental restrictions imposed upon the Project by the Regulatory Agreement, the Project will be further encumbered by a tax credit restrictive covenant, to be executed by the Borrower in connection with the LIHTCs anticipated to be granted for the Project and in compliance with the requirements of Section 42 of the Code. Section 42 of the Code will restrict the income levels of 100% of the residential units in the Project (the “Tax Credit Units”). Sixty-four (64) of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of the AMI adjusted for family size and the rents which may be charged for occupancy of units in the Project will be restricted to not more than 30% of 60% of AMI, adjusted for family size and sixteen (16) of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 50% of the AMI adjusted for family size and the rents which may be charged for occupancy of units in the Project will be restricted to not more than 30% of 50% of AMI adjusted for family size.

### **CERTAIN BONDHOLDERS’ RISKS**

*The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.*

#### **General**

Payment of the Bond Debt Service Charges, and the Borrower’s obligations with respect to the Bond Debt Service Charges, will be secured by and payable from Bond proceeds held in the Project Fund, if any, and moneys deposited into the Collateral Fund and the Bond Fund, including the Negative Arbitrage Account held in the Bond Fund. Although the Borrower will execute the Note to evidence its obligation to repay the Loan, it is not expected that any revenues from the Project or other amounts, except moneys in the Bond Fund, Project Fund, if any, and Collateral Fund, will be available to satisfy that obligation. The Indenture requires the Trustee to verify, before any disbursement of funds from the Project Fund, that the sum of the funds on deposit in the Project Fund and the Collateral Fund is at least equal to the then outstanding principal amount of the Bonds. It is expected that all of the Bond proceeds in the Project Fund will be disbursed to pay Project Costs on and after the Closing Date. At all times, funds on deposit in the Collateral Fund and Negative Arbitrage Account of the Bond Fund, and the interest earnings thereon (without the need for reinvestment), will be sufficient to pay the debt service on the Bonds.

#### **Limited Security for Bonds**

The Bonds are not secured by the Mortgage Loan or any mortgage lien with respect to the Project. Investors should look exclusively to amounts on deposit in the Bond Fund, Project Fund, if any, and Collateral Fund under the Indenture and investment earnings on each as the source of payment of debt service on the Bonds.

## **Future Determination of Taxability of the Bonds**

Failure of the Borrower to have complied with and to continue to comply with certain covenants contained in the Loan Agreement and the Regulatory Agreement could result in interest on the Bonds being taxable retroactive to the date of original issuance of the Bonds. The Bonds are not subject to redemption upon a determination of taxability and are not subject to payment of additional interest in such an event, and neither the Issuer nor the Borrower will be liable under the Bonds, the Indenture or the Loan Agreement for any such payment of additional interest on the Bonds.

## **Issuer Limited Liability**

The Bonds will not be insured or guaranteed by any governmental entity or by the Issuer or any member or program participant of the foregoing. The Bondholders will have no recourse to the Issuer in the event of an Event of Default on the Bonds. The Trust Estate for the Bonds will be the only source of payment on the Bonds.

## **Enforceability of Remedies upon an Event of Default**

The remedies available to the Trustee and the owners of the Bonds upon an Event of Default under the Indenture, the Loan Agreement, the Regulatory Agreement or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

## **Secondary Markets and Prices**

No representation is made concerning the existence of any secondary market for the Bonds. The Remarketing Agent will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist. The Issuer has not and will not agree to provide any annual financial statements or other credit information of the Issuer or the Borrower to investors on a periodic basis.

## **Eligible Investments**

Proceeds of the Bonds deposited into the Project Fund and Eligible Funds received by the Trustee for deposit into the Collateral Fund are required to be invested in Eligible Investments. See “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto for the definition of Eligible Investments. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Project Fund or the Collateral Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

## **Rating Based on Eligible Investments**

The rating on the Bonds is based on the amounts in the Project Fund, Bond Fund and the Collateral Fund being invested in Eligible Investments. If one or more of such investments fail to meet the rating standards for Eligible Investments after their acquisition and prior to maturity, such a change may result in a downgrade or withdrawal of the rating on the Bonds.

## **Future Legislation; IRS Examination**

The Project, its operation and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations may not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the trust estate created under the Indenture, the Project, or the financial condition of or ability of the Borrower to comply with its obligations under the various transaction documents.

In recent years, the Internal Revenue Service (“IRS”) has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See “TAX MATTERS” herein. No assurance can be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

## **Potential Impact of Pandemics or Public Health Crises**

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a materially adverse impact on the Project’s operating and financial viability. The effects of a pandemic could include, among other things, an increase in the time necessary to complete the construction and/or rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project, increase in the time necessary to conduct lease-up at the Project, and increased delinquencies and/or vacancies, all of which could impact the Borrower’s ability to make payments on the loans and result in a default and acceleration thereof.

## **Summary**

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

## **TAX MATTERS**

### **Opinion of Bond Counsel**

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to RIHousing, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), except that no opinion is expressed as to such exclusion of interest on any Bond for any period during which such Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a “substantial user” of the facilities financed with the proceeds of the Bonds, or a “related person” and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by RIHousing, the Borrower and others in connection with the Bonds, and Bond Counsel has assumed compliance by RIHousing and the Borrower with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to RIHousing, pursuant to the provisions of the Act, income on the Bonds (including any profit on the sale thereof) is free from Rhode Island personal income taxes.

Bond Counsel expresses no opinion regarding any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date of the Bonds, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

### **Certain Ongoing Federal Tax Requirements Applicable to the Bonds**

The Code requires that at all times during the “qualified project period” (as defined below), the Development financed with the proceeds of the Bonds satisfy one of two set-aside requirements and constitutes rental property. Under these set-aside requirements, the Borrower must elect that either (a) 40% or more of the residential units in the Development are occupied by individuals whose income is 60% or less of area median gross income or (b) 20% or more of residential units in the Development are occupied by individuals whose income is 50% or less of area median gross income. Under the Code, the income of tenants of a development and area median gross income must be determined pursuant to Section 8 of the United States Housing Act of 1937, as amended. Income determinations under the Code, therefore, are subject to adjustments for family size. The “qualified project period” is defined by the Code as the period beginning on the first day upon which 10% of the units in the related development are occupied and ending on the latest of (a) the date which is 15 years after the date upon which 50% of the units in such development are first occupied, (b) the first day upon which no tax-exempt private activity bonds issued with respect to that development remain outstanding or (c) the date upon which any assistance provided under Section 8 of the United States Housing Act of 1937, as amended, terminates. The Code also requires that the low income occupancy requirement and the continuous rental requirement be continuously satisfied during the qualified project period. Determination of income qualification must be made on a continuing basis, except for a residential rental project in which all residential units in the residential rental project that become available are occupied by new residents that meet the applicable income limit. Otherwise, a tenant that is determined to be a person of low income for purposes of satisfying the low income requirement may continue to be treated as a person of low income for purposes of satisfying the income requirement so long as that tenant’s income does not increase more than 140% of the applicable income limit (as adjusted for family size). In the event that a tenant’s income increases to a level which is greater than 140% of the applicable limit (or if the tenant’s family size decreases so that a lower maximum income applies), that tenant may no longer be treated as a person of low income for purposes of satisfying the low income requirement. Thereafter, if the Development does not otherwise satisfy the applicable occupancy requirement based on other tenants, any unit of comparable or smaller size in the Development which subsequently becomes vacant must be rented to an income qualifying tenant until such the Development again is in compliance.

In the event of noncompliance with the requirements described in the preceding paragraph arising from events occurring after the issuance of the Bonds, the Treasury Regulations provide that the exclusion of interest on the Bonds from gross income for federal income tax purposes will not be impaired if the Issuer takes appropriate corrective action within a reasonable period of time after such noncompliance is first discovered or should have been discovered by the Issuer.

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered.



RIHousing and the Borrower have or will have covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

RIHousing's Tax Certification, which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures relating to compliance with the requirements of the Code. RIHousing, in executing its Tax Certification, will certify to the effect that it expects to be able to and will comply with the provisions and procedures set forth therein. RIHousing has also covenanted in the Resolution that it shall at all times do and perform all acts and things permitted by law necessary or desirable in order to assure that interest paid on the Bonds is not included in gross income for federal income tax purposes. In furtherance thereof, RIHousing has required the Borrower with respect to the Mortgage Loan to be financed by the Bonds to make certain covenants in the Mortgage Loan documents in order to satisfy the above-described requirements of applicable federal tax law. However, no assurance can be given that in the event of a breach of any such covenants, the remedies available to RIHousing and/or owners of the Bonds can be judicially enforced in such manner as to assure compliance with the requirements of applicable federal tax law and therefore to prevent the loss of the exclusion of interest on the Bonds under applicable federal tax law. Any loss of the exclusion of interest on the Bonds may be retroactive to the delivery date of the Bonds irrespective of when an event of noncompliance may occur or be ascertained.

#### *Certain Collateral Federal Tax Consequences*

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and certain foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

#### *Information Reporting and Backup Withholding*

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

#### *Original Issue Discount*

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date,

interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of the Bonds is expected to be the initial public offering price set forth on the inside cover page of the Official Statement. Bond Counsel to RIHousing further is of the opinion that, for any Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

#### *Bond Premium*

In general, if an owner acquires a Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

#### *Miscellaneous*

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

### **UNDERWRITING**

Morgan Stanley & Co. LLC (the “Underwriter”) is offering the Bonds at the price set forth on the cover hereof. The initial offering price may be changed from time to time and concessions from the offering price may be allowed to dealers, banks and others. The Underwriter has agreed to purchase the Bonds at a price set forth on the

cover page hereof. For its services as such, the Underwriter is to be paid a fee equal to \$\_\_\_\_\_, which shall not include the fees and expenses of its counsel. From its fees, the Underwriter will pay certain of its expenses relating to the offering. The Borrower will reimburse the Underwriter for the Underwriter's Advance on or before the Closing Date.

The Underwriter and its affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Issuer and/or Borrower. The Underwriter and its affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Issuer and/or Borrower.

The Underwriter does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

In addition to serving as an Underwriter, Morgan Stanley & Co. LLC has been designated to serve as Remarketing Agent and will receive a fee for its remarketing services in connection with any remarketing of the Bonds on the Initial Mandatory Tender Date.

#### **RATING**

Moody's Investors Service, Inc. (the "Rating Agency") has assigned to the Bonds the rating set forth on the cover page hereof. The rating reflects only the view of the Rating Agency at the time the rating was issued and an explanation of the significance of such rating may be obtained from the Rating Agency. The rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Bonds.

#### **UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE**

Prior to the issuance of the Bonds, the Borrower will execute and deliver a Continuing Disclosure Agreement pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). Financial statements and other operating data will be provided at least annually to the Municipal Securities Rulemaking Board (the "MSRB") and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access ("EMMA") system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as APPENDIX E.

A failure by the Borrower to comply with the Continuing Disclosure Agreement will not constitute an Event of Default under the Loan Agreement. Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker or dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price and the ability of the Issuer to issue and sell bonds in the future.

The Borrower has not previously been subject to the continuing disclosure requirements of the Rule.

#### **CERTAIN LEGAL MATTERS**

Certain legal matters relating to the authorization and validity of the Bonds will be subject to an approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. Certain legal matters will be

passed upon for the Issuer by its special counsel, Locke Lord LLP, Providence, Rhode Island, for the Borrower by its counsel, DarrowEverett LLP, Providence, Rhode Island, and for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C. Payment of the fees of certain counsel to the transaction is contingent upon the issuance and delivery of the Bonds as described herein.

## **ABSENCE OF LITIGATION**

### **The Issuer**

There is no proceeding or litigation of any nature now pending or, to the Issuer's knowledge, threatened against the Issuer restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting the validity of the Bonds or, any proceedings of the Issuer taken with respect to the issuance or sale thereof or the, pledge or application of any money or security provided for the payment of the Bonds, or that contests the existence of the Issuer.

### **The Borrower**

There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Borrower, overtly threatened in writing against or affecting the Borrower or any general partner of the Borrower, in their respective capacities as such, nor, to the knowledge of the Borrower, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds, the use of this Official Statement in the marketing of the Bonds or the collection of revenues pledged under or pursuant to the Indenture or (ii) which would in any way have a material and adverse effect upon the organization or existence of the Borrower or the entitlement of any officer of the Borrower to its position or (iii) which would contest or have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by the Official Statement, (B) the validity or enforceability of the Bonds or any other agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the financial condition or operations of the Borrower, (iv) which contests in any way the completeness or accuracy of the Official Statement or (v) which questions the power or authority of the Borrower to carry out the transactions on its part contemplated by the Official Statement, or the power of the Borrower to own or operate the Project. The Borrower is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

## **RELATIONSHIP AMONG PARTIES**

In connection with the issuance of the Bonds, the Issuer, the Borrower, and the Underwriter are being represented by the attorneys or law firms identified herein. In other transactions not related to the Bonds, each of these attorneys or law firms may have acted as bond counsel or represented the Issuer, the Underwriter, the Borrower, or their affiliates, in capacities different from those described herein, and there will be no limitations imposed as a result of the issuance of the Bonds on the ability of any of those attorneys or firms to act as bond counsel or represent any of these parties in any future transactions. Potential purchasers of the Bonds should not assume that the Issuer, the Underwriter, the Borrower, or their respective counsel or Bond Counsel have not previously engaged in, or will not after the issuance of the Bonds engage in, other transactions with each other or with affiliates of any of them, and no assurance can be given that there are or will be no past or future relationships or transactions between or among any of these parties or these attorneys or law firms.

Tiber Hudson LLC is also serving as the Mortgage Lender's counsel and providing other legal services to the Mortgage Lender in connection with the Bonds and the Project. Tiber Hudson LLC has previously represented, and is currently representing, the Underwriter with respect to other financings and has acted as Underwriter's counsel with respect to other bonds underwritten by the Underwriter and may do so in the future.

## **ADDITIONAL INFORMATION**

The summaries and explanation of, or references to, the Act, the Indenture the Loan Agreement, the Regulatory Agreement and the Bonds included in this Official Statement do not purport to be comprehensive or definitive. Such summaries, references and descriptions are qualified in their entirety by reference to each such document, copies of which are on file with the Trustee.

The information contained in this Official Statement is subject to change without notice and no implication shall be derived therefrom or from the sale of the Bonds that there has been no change in the affairs of the Issuer or the Borrower from the date hereof.

This Official Statement is submitted in connection with the offering of the Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in the Official Statement involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer and the owners of any of the Bonds.

The Official Statement has been duly authorized, executed and delivered by the Borrower.

**Brisa Bernon Mills, LP a RI Limited Liability Partnership**

Brisa Bernon Mills, GP LLC, a RI Limited Liability Corporation

By: \_\_\_\_\_  
Name: Ericka Keller  
Title: Managing Member

## APPENDIX A

### DEFINITIONS OF CERTAIN TERMS

Certain capitalized terms used in this Official Statement are defined below. The following is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.

“**Act**” means Chapter 55 of Title 42 of the General Laws of Rhode Island, 1956 (1998 Reenactment), as amended and supplemented.

“**Actual Project Loan Amount**” has the meaning set forth for the term “Permanent Loan Amount” in the Conversion Agreement and will be determined by the Funding Lender as described in the Indenture.

“**Additional Payments**” means the amounts required to be paid by the Borrower pursuant to the provisions of the Loan Agreement.

“**Affiliate**” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Authorized Borrower Representative**” means any person who, at any time and from time to time, is designated as the Borrower’s authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized general partner of the Borrower if the Borrower is a general or limited partnership, by any authorized managing member of the Borrower if the Borrower is a limited liability company, or by any authorized officer of the Borrower if the Borrower is a corporation, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person’s authority to act in such capacity.

“**Authorized Denomination**” means \$5,000, or any integral multiple of \$1,000 in excess thereof.

“**Authorized Officer**” means any one or more of the Chair, Executive Director, Deputy Executive Director, Chief Financial Officer, Director of Finance, General Counsel and Manager of Treasury and Capital Planning of the Issuer, and such additional Person or Persons, if any, designated by certificate of any of the foregoing as authorized by the Issuer to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Officer is an Authorized Officer until such time as such provider files with it a written certificate identifying a different person or persons to act in such capacity.

“**Bankruptcy Code**” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“**BHRI Loan**” means the Building Homes Rhode Island Loan to be made by the Rhode Island [Housing Resources Commission] to the Borrower in the principal amount of up to \$4,000,000\*.

“**Bond Counsel**” means Hawkins Delafield & Wood LLP or other counsel selected by the Issuer and nationally recognized as having an expertise in connection with the exclusion of interest on obligations of states and local governmental units from the gross income of holders thereof for federal income tax purposes.

---

\* Preliminary; subject to change.

**“Bond Debt Service Charges”** means payments to be made by the Borrower to the Issuer pursuant to the Loan Agreement and the Note in amount sufficient to pay the principal of and interest on the Bonds when due.

**“Bond Fund”** means the Bond Fund created in the Indenture.

**“Bond Payment Date”** means each Interest Payment Date and any other date Bond Debt Service Charges on the Bonds are due, whether at maturity, upon redemption, Mandatory Tender or acceleration or otherwise.

**“Bond Purchase Agreement”** means the Bond Purchase Agreement, dated November \_\_, 2023, among the Issuer, the Borrower and the Underwriter.

**“Bond Resolution”** means that certain Bond Resolution adopted by the Issuer on \_\_\_\_\_, 2023, authorizing, among other things, the issuance, sale and delivery of the Bonds and the loan of the proceeds thereof to finance the Project.

**“Bondholder”** or **“Holder of the Bonds”** or **“Holder”** or **“Owner of the Bonds”** or **“Owner”** when used with respect to any Bond, means the person or persons in whose name such Bond is registered as the owner thereof on the books of the Issuer maintained at the Trust Office for that purpose.

**“Bonds”** means the \$14,500,000\* Rhode Island Housing and Mortgage Finance Corporation Multifamily Housing Revenue Bonds (Bernon Mills Apartments Project), Series 2023 of the Issuer issued, authenticated and delivered under the Indenture.

**“Book-Entry Form”** or **“Book-Entry System”** means a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Securities Depository.

**“Borrower”** means Brisa Bernon Mills LP, a limited partnership, organized and existing under the laws of the State, and its permitted successors and assigns.

**“Borrower Documents”** means the Loan Agreement, the Note, the Tax Certificate, the Regulatory Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Conversion Agreement and any and all documents, agreements or instruments executed by the Borrower in connection with the Loan and the Bonds, but excluding the Mortgage Loan Documents.

**“Borrower’s Obligations”** means the obligations of the Borrower under the Loan Agreement, the Note, and the other Borrower Documents to (a) pay the principal of, and interest on the Note, when and as the same shall become due and payable (whether at the stated maturity thereof, on any payment date or by acceleration of maturity or otherwise), (b) pay all other amounts required by the Loan Agreement, the Note, and the other Borrower Documents to be paid by the Borrower to the Issuer, as and when the same shall become due and payable, and (c) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Borrower is required by the Loan Agreement, the Note, the Regulatory Agreement, and any of the other Borrower Documents, to perform or observe.

**“Borrower Tax Certification”** means the tax certification of the Borrower delivered to the Issuer and Bond Counsel in connection with the closing of the Loan.

**“Business Day”** means a day, other than a Saturday or Sunday, on which (a) banks located in New York, New York, or in the city in which the Trustee is located, are not required or authorized by law or executive order to close for business, and (b) the New York Stock Exchange is not closed.

---

\* Preliminary; subject to change.



**“Cash Flow Projection”** means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Rating Agency, establishing the sufficiency of (a) the amount on deposit in the Project Fund, the Collateral Fund and the Bond Fund, (b) projected investment income to accrue on amounts on deposit in the Project Fund, Collateral Fund and Bond Fund during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Debt Service Charges and the administrative expenses, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds, (ii) a proposed remarketing of the Bonds, as provided in the Indenture, (iii) the release of Eligible Funds from the Negative Arbitrage Account of the Bond Fund, as provided in the Indenture, and (iv) and the purchase, sale or exchange of Eligible Investments as provided in the Indenture.

**“Certificate of Occupancy”** means the temporary or final certificate of occupancy, as the case may be, issued for the multifamily units in the Project, or if certificates of occupancy are not required or provided for multifamily units, then evidence of all final inspection approvals needed to occupy the multifamily units.

**“Closing Date”** means the date of initial delivery of the Bonds in exchange for the purchase price thereof.

**“CMF Loan”** means the Capital Magnet Fund Loan to be made by the Issuer to the Borrower in the principal amount of up to \$300,000\*.

**“Code”** means the Internal Revenue Code of 1986, including applicable final temporary and proposed regulations and revenue rulings applicable to the Bonds.

**“Collateral Fund”** means the Collateral Fund created in the Indenture.

**“Completion Certificate”** means a certificate submitted by the Authorized Borrower Representative to the Issuer and the Trustee as provided in the Loan Agreement, a form of which is attached to the Loan Agreement as an exhibit.

**“Completion Date”** means the date upon which the Completion Certificate and the Certificate of Occupancy are delivered by the Borrower to the Issuer and the Trustee.

**“Conditions to Conversion”** has the meaning given such term in the Conversion Agreement.

**“Construction Phase”** means the construction phase of the Loan, which time period shall commence on the Closing Date and remain in effect to, but not including, the Conversion Date.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement dated as of December 1, 2023, between the Borrower and the Dissemination Agent, as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof.

**“Conversion”** means the conversion of the Loan from the Construction Phase to the Permanent Phase on the Conversion Date.

**“Conversion Agreement”** means the Conversion Agreement dated as of December \_\_, 2023, by and among the Funding Lender, the Trustee, the Mortgage Lender and the Borrower.

**“Conversion Date”** means the date the Funding Lender purchases the Governmental Note upon the satisfaction of the Conditions to Conversion, as such Conversion Date is specified by the Funding Lender in the Notice of Conversion, provided such date shall occur on or after January 1, 2026\*.

---

\* Preliminary; subject to change.

**“Costs of Issuance”** means all fees, costs and expenses payable or reimbursable directly or indirectly by the Issuer or the Borrower and related to the authorization, issuance and sale of the Bonds, including issuance costs of the Bonds (within the meaning of Section 147(g) of the Code.

**“Costs of Issuance Fund”** means the Costs of Issuance Fund created in the Indenture.

**“Costs of the Project”** with respect to the Project shall be deemed to include all items permitted to be financed under the provisions of the Code and the Act.

**“CRP Grant Loan”** means the Community Revitalization Fund Loan from the CRP Grant Lender to the Borrower of the proceeds of the Community Revitalization Program Grant made by Rhode Island Housing and Mortgage Finance Corporation in the principal amount of up to \$1,838,250\*.

**“CRP Grant Lender”** means the Community Revitalization Program.

**“Default”** means any Default under the Loan Agreement as specified in and defined by the Loan Agreement.

**“Designated Office”** of the Trustee or the Underwriter means, respectively, the office of the Trustee or the Underwriter at the respective Notice Address set forth in the Indenture or at such other address as may be specified in writing by the Trustee or the Underwriter, as applicable, as provided in the Indenture.

**“Determination of Taxability”** means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Bond is or was includable in the gross income of a Holder of the Bonds for Federal income tax purposes (other than an Holder who is a “substantial user” or “related person” to a “substantial user” within the meaning of Section 147(a) of the Code); *provided*, that no such decree, judgment, or action will be considered final for this purpose unless the Borrower and the Issuer have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity to contest the same, either directly or in the name of any Holder of a Bond, and until the conclusion of any appellate review, if sought.

**“Dissemination Agent”** means initially The Bank of New York Mellon Trust Company, N.A., or any dissemination agent subsequently appointed in accordance with the Continuing Disclosure Agreement.

**“Documents”** means and shall include the Indenture, the Bonds, the Loan Agreement, the Note, the Regulatory Agreement, the Tax Certificate, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Official Statement, the Conversion Agreement and any and all other documents which the Issuer, the Borrower or any other party or parties or their representatives, have executed and delivered, or may hereafter execute and deliver, with respect to the Bonds or the Loan, or in connection therewith, and any and all Supplements thereto, but excluding the Mortgage Loan Documents.

**“Electronic Means”** means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services under the Indenture.

**“Eligible Funds”** means, as of any date of determination, any of:

- (a) the proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase price thereof or as an advance by the Underwriter);
- (b) moneys drawn on a letter of credit;

---

\* Preliminary; subject to change.

(c) moneys received by the Trustee representing advances to the Borrower of proceeds of the Mortgage Loan and proceeds of the Subordinate Loans;

(d) remarketing proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer, any Affiliate of either the Borrower or the Issuer);

(e) any other amounts, including the proceeds of any refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be avoidable as preferential payments under Section 547 or 550 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, provided that no Act of Bankruptcy has occurred during such period;

(g) proceeds of the Funding Lender Purchase Price received from the Funding Lender in connection with the purchase of the Governmental Note on the Conversion Date; and

(h) investment income derived from the investment of the money described in (a) through (g), above.

**“Eligible Investments”** means, subject to the provisions of the Indenture, any of the following investments which mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of the Indenture:

(a) Governmental Obligations; and

(b) Shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security) including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of direct obligations of the government of the United States of America.

**“Event of Default”** or **“Default”** means those events described as an Event of Default in the Indenture or the Loan Agreement beyond all applicable notice and cure periods.

**“Expense Fund”** means the Expense Fund created in the Indenture.

**“Extension Payment”** means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to the Indenture, and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Eligible Funds.

**“Extraordinary Issuer Fees and Expenses”** means the expenses and disbursements payable to the Issuer under the Indenture or the other Documents for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by Bond Counsel and counsel to the Issuer which are to be paid by the Borrower pursuant to the Loan Agreement.

**“Extraordinary Services”** and **“Extraordinary Expenses”** mean all services rendered and all reasonable expenses properly incurred by the Trustee or the Issuer under the Indenture or the other Documents, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include but are not limited to services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, an Event of Default.

**“Federal Tax Status”** means, as to the Bonds, the status of the interest on the Bonds as excludible from gross income for federal income tax purposes of the Holders of the Bonds (except on Bonds while held by a substantial user or related person, each as defined in the Code).

**“Funding Lender”** means IMPACT C.I.L., LLC, or any of its successors or assigns.

**“Funding Lender Purchase Price”** means an amount equal to the Actual Project Loan Amount to be funded by the Funding Lender on the Conversion Date.

**“Funding Loan Agreement”** means the Funding Loan Agreement attached as an exhibit to the Indenture, which Funding Loan Agreement shall be executed, delivered and become effective on the Conversion Date.

**“General Partner”** means Brisa Development LLC, a Rhode Island limited liability company.

**“Governmental Authority”** means any federal, State or local governmental or quasi-governmental entity, including, without limitation, any agency, department, commission, board, bureau, administration, service, or other instrumentality of any governmental entity.

**“Governmental Note”** means the Governmental Note of the Issuer in the form attached as an exhibit to the Funding Loan Agreement, which Governmental Note shall be executed, delivered and become effective on the Conversion Date.

**“Governmental Obligations”** means (i) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

**“Governmental Requirements”** means all laws, ordinances, orders, rules or regulations of any Governmental Authority applicable to the Project, the Issuer, the Borrower or any of the Borrower’s assets or other properties, including without limitation, laws, ordinances, orders, rules and regulations relating to securities or other public disclosures, zoning, licenses, permits, subdivision, building, safety, health, and fire protection and all environmental laws.

**“Highest Rating Category”** means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aaa” or “Aaa/VMIG-1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

**“HPF Loan”** means the Housing Production Fund Loan to be made by the Issuer to the Borrower in the principal amount of up to \$2,790,000\*.

---

\* Preliminary; subject to change.

“**Indenture**” means the Trust Indenture, dated as of December 1, 2023, by and between the Issuer and the Trustee, and any and all Supplements thereto.

“**Initial Borrower Deposit**” means Eligible Funds in the amount set forth in the Indenture.

“**Initial Interest Rate**” means \_\_\_%.

“**Initial Mandatory Tender Date**” means July 1, 2026\*.

“**Initial Remarketing Date**” means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Bonds on such date as provided in the Indenture are satisfied.

“**Interest Payment Date**” means (a) January 1 and July 1 of each year beginning July 1, 2024\* and (b) each Mandatory Tender Date.

“**Interest Rate**” means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, as applicable, and thereafter the applicable Remarketing Rate; provided, however, commencing on the Conversion Date the Interest Rate shall be as set forth in the Funding Loan Agreement.

“**Investor Limited Partner**” means Alliant Capital LLC, a [State] limited liability company, as nominee, in its capacity as Investor Limited Partner in Borrower, its permitted successors and assigns.

“**Issuer**” means the Rhode Island Housing and Mortgage Finance Corporation, a public corporation and instrumentality of the State of Rhode Island, and any successor to its powers or duties under the Act.

“**Issuer Documents**” means the Loan Agreement, the Indenture, the Regulatory Agreement, the Bond Purchase Agreement, the Tax Certificate and any and all documents, agreements or instruments executed by the Issuer in connection with the Loan.

“**Issuer Fees and Expenses**” means, collectively, the Ordinary Issuer Fees and the Extraordinary Issuer Fees and Expenses.

“**Issuer’s Obligations**” means the obligations of the Issuer under the Bonds, the Indenture, and the other Documents to (a) pay the principal of and interest on the Bonds (including supplemental interest), when and as the same shall become due and payable (whether at the stated maturity thereof, or by acceleration of maturity or after notice of prepayment or otherwise) and, (b) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Issuer is required, by the Bonds, the Indenture, or any of the other Documents, to perform and observe.

“**Loan**” means the loan in the original principal amount of \$14,500,000\* made by the Issuer to the Borrower from the proceeds of the Bonds pursuant to the Loan Agreement and evidenced by the Note.

“**Loan Agreement**” means the Loan Agreement dated December 1, 2023, between the Issuer and the Borrower and any and all Supplements thereto.

“**Loan Payments**” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and the Loan Agreement.

“**Local Time**” means Eastern time (daylight or standard, as applicable) in the State.

“**Mandatory Tender Date**” means each date on which all Outstanding Bonds are subject to mandatory tender as set forth in the Indenture.

---

\* Preliminary; subject to change.

**“Maturity Date”** means July 1, 2044\*.

**“Moody’s”** means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, acceptable to the Remarketing Agent, that assigns credit ratings.

**“Mortgage Lender”** means Bank of America, N.A., and any successors and assigns.

**“Mortgage Loan”** means the mortgage loan to be made by the Mortgage Lender to the Borrower in the principal amount of up to \$14,300,000\* with respect to the Project, as described and provided for in the Mortgage Loan Documents.

**“Mortgage Loan Documents”** means the Mortgage Loan Security Instrument, the Mortgage Note, and all other documents required by the Mortgage Lender in connection with the Mortgage Loan.

**“Mortgage Loan Prepayment Amount”** means an amount necessary to prepay in full the outstanding principal amount of the Mortgage Loan, together with accrued interest to, but not including, the Conversion Date, as set forth in a payoff statement submitted by the Mortgage Lender to the Trustee on or prior to the Conversion Date.

**“Mortgage Loan Prepayment Fund”** means the Mortgage Loan Prepayment Fund created in the Indenture.

**“Mortgage Loan Security Instrument”** means the Construction Mortgage, [Open-End Assignment of Leases and Rents, Security Agreement and Fixture Filing] which will secure the Mortgage Loan, as the same may be amended, supplemented or restated.

**“Mortgage Note”** means the Promissory Note evidencing the Mortgage Loan, delivered by the Borrower to the Mortgage Lender, as may be amended and restated.

**“Negative Arbitrage Account”** means the Negative Arbitrage Account of the Bond Fund created in the Indenture.

**“Note”** means the Promissory Note, dated the Closing Date from the Borrower to the Issuer, in substantially the form attached to the Loan Agreement as an exhibit, which Note has been assigned by the Issuer to the Trustee, as the same may be amended, supplemented or restated.

**“Notice of Conversion”** means a written notice to be delivered not less than ten (10) days prior to the Conversion Date by the Funding Lender to the Issuer, the Trustee, the Borrower, and the Mortgage Lender (i) stating that the Conditions to Conversion have been satisfied on or before the Outside Conversion Date or, if any Condition to Conversion has not been satisfied on or before the Outside Conversion Date, stating that such Condition to Conversion has been waived in writing by the Funding Lender (if a waiver is permitted and is granted by the Funding Lender, in its sole and absolute discretion) on or before the Outside Conversion Date and (ii) confirming the Conversion Date.

**“Official Statement”** means collectively, the preliminary and this Official Statement relating to the Bonds along with any amendments or supplements thereto.

**“Opinion of Counsel”** means an opinion from an attorney or firm of attorneys, acceptable to the Issuer or the Trustee, as applicable, with experience in the matters to be covered in the opinion.

**“Ordinary Issuer Fees”** means (a) the Issuer’s (i) initial financing fee in the amount of \$ \_\_\_\_\_\* (representing [1%] of the par amount of the Bonds), (ii) tax credit allocation fee in the amount of \$ \_\_\_\_\_, and (iii) underwriting fee in the amount of \$ \_\_\_\_\_, together with all third party and out of pocket expenses of the Issuer in connection with the Loan and the issuance of the Bonds (including but not limited to the fee of the Rhode Island Public

---

\* Preliminary; subject to change.

Finance Management Board and the fees and expenses of Bond Counsel and special counsel to the Governmental Lender), in each case payable on the Closing Date; and (b) the Issuer's ongoing annual administrative fee payable on a monthly basis in an amount equal to [25] basis points of the then outstanding principal amount of the Bonds, calculated on the basis of a 365/366 day year for the actual number of days elapsed in such month. Such fees do not include amounts due, if any, for Extraordinary Issuer Fees and Expenses.

**“Ordinary Services”** and **“Ordinary Expenses”** mean those services normally rendered, and those expenses normally incurred, by a trustee under instruments similar to the Indenture.

**“Ordinary Trustee Fees and Expenses”** means (a) the Trustee's initial acceptance fee in the amount of \$\_\_\_\_, payable on the Closing Date, and (b) amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under the Indenture, payable annually in advance on the Closing Date and on each November 1 thereafter, commencing \_\_\_\_ 1, 20\_\_ in the amount of \$\_\_\_\_ per year; provided, however, the amount of Ordinary Trustee Fees and Expenses payable under the Indenture is limited to money withdrawn from the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to Section 4.02 of the Loan Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid directly by the Borrower pursuant to the Loan Agreement.

**“Outside Conversion Date”** means \_\_\_\_ \_\_, 20\_\_\*, as may be extended to \_\_\_\_ \_\_, 20\_\_\*, pursuant to the terms set forth in the Conversion Agreement.

**“Outstanding,” “outstanding”** or **“Bonds Outstanding”** when used with respect to the Bonds means any Bonds theretofore authenticated and delivered under the Indenture, except:

- (i) Bonds theretofore canceled by the Trustee or theretofore delivered to the Trustee for cancellation;
- (ii) Bonds for the payment of which moneys or obligations shall have been theretofore deposited with the Trustee in accordance with the Indenture; or
- (iii) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Indenture.

**“Permanent Phase”** means the permanent phase of the Loan, which time period shall commence on the Conversion Date and remain in effect through the remaining term of the Loan.

**“Person”** shall include an individual, association, unincorporated organization, corporation, partnership, joint venture, or government or agency or political subdivision thereof.

**“Project”** means the multifamily rental housing project to be constructed at \_\_\_\_ in Woonsocket, Rhode Island, to be known as Bernon Mills Apartments, which upon completion, will contain approximately sixty (60) rental housing units and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses.

**“Project Fund”** means the Project Fund created in the Indenture.

**“Project Loan Agreement”** means the Project Loan Agreement attached as an exhibit to the Indenture which Project Loan Agreement shall be executed, delivered and become effective on the Conversion Date.

**“Qualified Project Costs”** means any expenditures which (a) are incurred not more than 60 days prior to the date on which the issuer first declared its “official intent” (within the meaning of Treasury Regulation Section 1.150-2) with respect to the Project (other than preliminary expenditures with respect to the Project in an amount not

---

\* Preliminary; subject to change.

exceeding 20% of the aggregate principal amount of the Bonds); (b) are made exclusively to provide facilities and improvements that constitute part of a “qualified residential rental project” within the meaning of Section 142(d) of the Code; and (c) are properly chargeable to the Project’s capital account under general federal income tax principles or that would be so chargeable with a proper election or but for a proper election by the Borrower to deduct such expenditure. However, “Qualified Project Costs” do not include (i) issuance costs of the Bonds (within the meaning of Section 147(g) of the Code) or (ii) any fee, charge or profit payable to the Borrower or a “related person” (within the meaning of Section 144(a)(3) of the Code) of the Borrower. As used herein, the term “preliminary expenditures” includes architectural, engineering, surveying, soil testing and similar costs that were incurred prior to the commencement of the Project, but does not include land acquisition, site preparation and similar costs incident to commencement of the Project.

“**Rating Agency**” means Moody’s, S&P or any other nationally recognized securities rating agency rating the Bonds, or such rating agency’s successors or assigns, and initially means Moody’s so long as Moody’s is rating the Bonds.

“**Rating Category**” means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

“**Rebate Fund**” means the Rebate Fund created in the Indenture.

“**Record Date**” means the 15th day of the month preceding any Interest Payment Date, or 45 days prior to any Mandatory Tender Date.

“**Regulatory Agreement**” means, collectively, (i) that certain Regulatory Agreement, dated as of December \_\_, 2023, by and between the Issuer and the Borrower, as hereafter amended or modified, and (ii) the Declaration of Land Use Restrictive Covenants for Low Income Housing Tax Credits, dated December \_\_, 2023, by and between the Issuer and the Borrower.

“**Remarketing Agent**” means Morgan Stanley & Co. LLC, or any successor as Remarketing Agent designated in accordance with the Indenture.

“**Remarketing Agreement**” means the Remarketing Agreement, dated as of December 1, 2023, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“**Remarketing Date**” means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to the Indenture for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“**Remarketing Period**” means the period beginning on a Remarketing Date and ending on the earlier of (i) the last day of the term for which Bonds are remarketed pursuant to the Indenture, (ii) the Conversion Date or (iii) the final Maturity Date of the Bonds, as applicable.

“**Remarketing Proceeds Account**” means the Remarketing Proceeds Account of the Bond Fund created in the Indenture.

“**Remarketing Rate**” means the interest rate or rates established pursuant to the Indenture and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

“**Requisition**” means the written request to make a disbursement from the Project Fund in substantially the form attached as an exhibit to the Indenture or a disbursement request from the Cost of Issuance Fund in substantially the form provided in the Indenture.



**“Reserved Rights of the Issuer”** means (a) all rights which the Issuer and its officers, officials, directors, agents and employees may have under the Indenture, the Loan Agreement and the Regulatory Agreement to indemnification by the Borrower and by any other persons and to payments for expenses incurred by the Issuer itself, or its officers, officials, directors, agents or employees; (b) the right of the Issuer to give and receive notices, reports, certifications or other information under the Indenture, the Loan Agreement and the Regulatory Agreement; (c) the right of the Issuer to receive its fees and expenses; (d) the Issuer’s approval rights; (e) the rights of the Issuer with respect to access to the Project and inspections; (f) the rights of the Issuer with respect to publicity and signage; (g) the notification, indemnification and enforcement rights of the Issuer in the Loan Agreement; (h) the rights of the Issuer with respect to limited liability; (i) all rights of the Issuer to enforce the covenants and agreements and to take action for the breach of any representation or warranty of the Borrower pertaining in any manner or way, directly or indirectly to the requirements of the Act or any requirements imposed by the Issuer with respect to the Project, or necessary to assure that interest on the Bonds is excluded from gross income for federal income tax purposes, as are set forth in any of the Documents, including any certificate or agreement executed by the Borrower; (j) all rights of the Issuer in connection with any amendment to or modification of any of the Indenture and the Loan Agreement, or the Regulatory Agreement insofar as any such amendment or modification would affect the Reserved Rights of the Issuer; and (k) all enforcement rights with respect to the foregoing. All of the foregoing rights of the Issuer under the Indenture, the Regulatory Agreement and the Loan Agreement are reserved to the Issuer, as none of these rights under the Indenture, the Regulatory Agreement or the Loan Agreement are being assigned by the Issuer to the Trustee.

**“Revenues”** means (a) the Loan Payments, (b) the Eligible Funds received by the Trustee for deposit into the Collateral Fund, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Special Funds, and (e) all income and profit from the investment of the foregoing moneys. The term “Revenues” does not include any money or investments in the Rebate Fund, the Costs of Issuance Fund, the Expense Fund or the Mortgage Loan Prepayment Fund, amounts paid as fees, reimbursement for expenses or for indemnification of the Issuer and the Trustee, or amounts paid to or collected by the Issuer in connection with any Reserved Rights of the Issuer.

**“RI Rebounds Loan”** means the Housing Production Fund loan to be made by the RIBPF Lender to the Borrower in the principal amount of up to \$500,000\*.

**“RIBPF Lender”** means the Rhode Island Rebounds Production Fund.

**“S&P”** means S&P Global Ratings, and its successors and assigns.

**“Securities Depository”** means the Depository Trust Company, its successors and assigns, or any other securities depository for the Bonds designated by the Issuer or the Borrower to the Trustee in writing.

**“Special Funds”** means, collectively, the Bond Fund, the Project Fund and the Collateral Fund, and any accounts therein, all as created in the Indenture.

**“State”** means the State of Rhode Island.

**“Subordinate Lender”** means, individually or collectively, as the context may require, Rhode Island Housing and Mortgage Finance Corporation, Rhode Island [Housing Resources Commission] and [\_\_\_\_\_], as the lenders of the respective Subordinate Loans.

**“Subordinate Loans”** means, collectively, [the HPF Loan, the CMF Loan, the RI Rebounds Loan, the CRP Grant Sponsor Loan, and the BHRI Loan].

---

\* Preliminary; subject to change.

**“Subordinate Loan Documents”** means, collectively, all instruments, agreements and other documents evidencing, securing or otherwise relating to the respective Subordinate Loans or executed and delivered by Borrower and/or Subordinate Lender in connection with the respective Subordinate Loans.

**“Supplement”** or **“Supplements”** means any and all extensions, renewals, modifications, amendments, supplements and substitutions.

**“Tax Certificate”** means the Tax Certificate dated the Closing Date executed by the Issuer and the Borrower.

**“Title Company”** Royal Abstract.

**“TPA Regulations”** shall mean those certain regulations of the Issuer entitled “Regulations Governing Proposed Prepayments and Transfers” as in effect on the date hereof and as the same may be amended from time to time.

**“Trustee”** means The Bank of New York Mellon Trust Company, N.A., a national banking association, organized and existing under the laws of the United States and authorized to conduct business in the State and its successor or successors in the trust created by the Indenture.

**“Trust Estate”** means the property rights, money, securities and other amounts pledged and assigned to the Trustee under the Indenture pursuant to the Granting Clauses of the Indenture.

**“Trust Office”** means the trust office of the Trustee located at the address set forth in the Indenture or such other office designated by the Trustee from time to time, or such other offices as may be specified in writing to the Issuer by the Trustee.

**“Undelivered Bond”** means any Bond that is required under the Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

**“Underwriter”** means, together, Morgan Stanley & Co. LLC.

[Remainder of page intentionally left blank]

## APPENDIX B

### SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

*The following is a brief summary of certain provisions of the Indenture. The following summary does not purport to be complete or definitive and is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.*

#### Creation of Funds; Allocation of Bond Proceeds and Other Amounts

The following trust funds are created by the Issuer and established by the Trustee, to be maintained in the custody of the Trustee each as a separate bank account, to be used for the purposes as hereinafter provided in the Indenture:

- (i) Bond Fund, and within the Bond Fund, the “Negative Arbitrage Account” and the “Remarketing Proceeds Account;”
- (ii) Project Fund;
- (iii) Rebate Fund;
- (iv) Costs of Issuance Fund;
- (v) Collateral Fund;
- (vi) Expense Fund; and
- (vii) Mortgage Loan Prepayment Fund.

The Trustee may create one or more accounts or subaccounts within any fund authorized by the Indenture for the purpose of accounting for funds deposited into or held in each fund or for carrying out any of the requirements of the Indenture. The Trustee may transfer funds between accounts and subaccounts within any fund.

In the event certain moneys are deposited with the Trustee prior to the Closing Date, whether or not pursuant to one or more letters of instruction from the provider or providers of such moneys, such moneys shall be held by the Trustee subject to the terms and conditions of the Indenture, in addition to the terms of any such letter(s) of instruction. For such purpose, the standards of care, any provisions governing the responsibilities and indemnification and other provisions relating to the Trustee contained in the Indenture and in the Loan Agreement (the “Effective Provisions”) shall be effective as of the first date of receipt by the Trustee of such moneys. The Effective Provisions shall be deemed incorporated into any such letter(s) of instructions.

#### Deposits into and Use of Moneys in the Bond Fund

On the Closing Date, the Trustee shall deposit the Initial Borrower Deposit, if any, in the Negative Arbitrage Account of the Bond Fund. The Bond Fund and amounts on deposit in the Bond Fund are to be invested pursuant to the Indenture. Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to the Indenture shall also be deposited into the Negative Arbitrage Account. Upon receipt by the Trustee of a Cash Flow Projection provided on behalf of the Borrower, the Trustee is hereby authorized to release from the Negative Arbitrage Account the amount set forth in the Cash Flow Projection to be released to or at the written direction of the Borrower from such account.

So long as there are any Outstanding Bonds, to the extent the Borrower has not received a credit against Loan Payments, all Loan Payments under the Loan Agreement shall be paid on or before each Interest Payment Date directly

to the Trustee, and deposited in the Bond Fund, in at least the amount necessary to pay the interest and the principal due on the Bonds on such Bond Payment Date.

Bond Debt Service Charges shall be payable, as they become due (a) in the first instance from the money on deposit in the Bond Fund (excluding the Negative Arbitrage Account of the Bond Fund), (b) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (c) next from the money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (d) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Except as provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds when due.

#### Collateral Fund; Project Fund

To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date, in accordance with the Indenture. Upon the receipt of a Requisition for disbursement from the Project Fund subject and pursuant to the heading, "Procedure for Making Disbursements from Project Fund" below, and the receipt of Eligible Funds in amounts equal to or greater than such requests, the Trustee shall concurrently take the following steps:

- (i) deposit such Eligible Funds into the Collateral Fund; and
- (ii) disburse Bond proceeds from the Project Fund in an amount equal to the Eligible Funds received and deposited pursuant to subparagraph (i) above, in accordance with the Indenture; provided to the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee shall not sell or otherwise terminate such Eligible Investments prior to their stated maturity date and instead the Trustee is instructed to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (a) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the Requisition for disbursement, to the Collateral Fund, and (b) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund to be disbursed in accordance with this subparagraph (ii).

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions of the Indenture.

The Trustee shall cause to be kept and maintained accurate records pertaining to the Project Fund and all disbursements therefrom. If requested by the Issuer or the Borrower, after the Project has been completed and a certificate of payment of all costs is filed as provided in the Indenture, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower.

Each Requisition submitted to the Trustee shall evidence and request disbursements from the Project Fund and/or the Costs of Issuance Fund.

Notwithstanding any other provision of the Indenture to the contrary, after the Closing Date the Trustee shall not disburse moneys from the Project Fund, other than to pay Bond Debt Service Charges on the Bonds, unless and until the Trustee receives satisfactory evidence that Eligible Funds in an amount equal to or greater than the requested disbursement amount (the "Collateral Deposit") has been deposited in the Collateral Fund. Prior to making any disbursement, the Trustee shall verify that upon making the disbursement, the aggregate amount to be held in (i) the Collateral Fund, together with projected investment earnings thereon, and (ii) the Project Fund, together with projected investment earnings thereon, will be sufficient to pay Bond Debt Service Charges on the outstanding Bonds as and when they become due. In the event that, following receipt of a Collateral Deposit, the Trustee determines that it cannot correspondingly disburse Bond proceeds in an amount equal to the Collateral Deposit to or at the direction of

the Borrower and the Mortgage Lender, the Trustee shall immediately notify the Borrower and the Mortgage Lender, as applicable, of the reason for such determination and shall immediately return the subject Collateral Deposit to the Mortgage Lender.

Upon the occurrence and continuance of an Event of Default under the Indenture because of which the principal amount for the Bonds has been declared to be due and immediately payable under the Indenture, any moneys remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund for payment of Bond Debt Service Charges.

#### Disposition of Excess Funds in the Bond Fund, the Collateral Fund, and the Project Fund Prior to the Conversion Date

If the Bonds are subject to mandatory redemption or acceleration prior to the Conversion Date, then to the extent any moneys remain in the Project Fund, the Bond Fund or the Collateral Fund after there are no Bonds Outstanding and payment in full, or provision for payment, of the final Rebate Amount and any remaining fees or expenses or other amounts owed to the Issuer or Trustee, such moneys will be paid directly to the Mortgage Lender and applied first to the payment of the outstanding balance of the Mortgage Loan to the extent such funds are not proceeds of the Bonds or otherwise restricted funds.

#### Procedure for Making Disbursements from Project Fund

On the Closing Date, the Borrower shall submit the initial Requisition from the Project Fund in the amount set forth in the Indenture and shall cause Eligible Funds in an equal amount to be delivered to the Trustee for deposit into the Collateral Fund. Thereafter, upon each deposit of Eligible Funds into the Collateral Fund, as provided in the Indenture, the Trustee shall disburse from the Project Fund an equal amount of Bond proceeds on such date solely to pay the Costs of the Project and only upon the receipt by the Trustee of (1) a Requisition in substantially the form attached as an exhibit to the Indenture, signed by an Authorized Borrower Representative and countersigned by an Authorized Officer of the Issuer and the Mortgage Lender (signifying the consent to the Requisition by such parties), and (2) certification by an Authorized Borrower Representative that such costs are Qualified Project Costs. The Trustee shall not disburse money from the Project Fund, other than to pay interest and principal on the Bonds, unless and until a Collateral Deposit or other Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the Collateral Fund and the Trustee has determined that the aggregate account balance in (a) the Collateral Fund and (b) the Project Fund (less the requested disbursement amount) is at least equal to the then-Outstanding principal amount of the Bonds.

Notwithstanding the foregoing, the Issuer agrees that if the Issuer has not signed a Requisition or otherwise objected in writing to any disbursement from the Project Fund within five (5) days of receipt of a request for approval of such disbursement (a copy of which request and any written objection thereto shall be sent simultaneously to the Trustee by electronic means), the Issuer shall be deemed to have approved such disbursement. Furthermore, if the Issuer and the Mortgage Lender disagree as to whether a particular disbursement from the Project Fund shall be approved or disapproved, they shall meet and confer in good faith, upon the request of either of them in an effort to resolve the matter, which meeting may be by telephonic or electronic means, or may be at a personal meeting. If they fail to agree upon the approval or disapproval of such a disbursement following such good faith efforts, the Mortgage Lender can approve the disbursement and the Trustee shall pay it from the Project Fund.

To the extent money on deposit in the Project Fund is invested in Eligible Investments and the Borrower has requested that the Trustee not sell or otherwise terminate such Eligible Investments prior to their stated maturity date, the Trustee is authorized to make the following allocations and exchanges in accordance with the terms of the Indenture, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (i) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund, and (ii) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund.

Money in the Project Fund shall be disbursed in accordance with the provisions of the Loan Agreement and the Indenture. To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient

Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date in accordance with the Indenture.

Except as provided above with respect to the approval of a Requisition by the Issuer, but notwithstanding any other provisions contained in the Indenture or any of the Borrower Documents to the contrary, with respect to Eligible Funds funded by the Mortgage Lender for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Mortgage Lender, the Borrower or the Title Company pursuant to a Requisition from the Project Fund as directed by the Mortgage Lender and the Borrower. Such disbursements shall not be made more frequently than once per month, unless approved by the Mortgage Lender.

Subject to the Trustee's obligation to return the Eligible Funds to the Mortgage Lender as set forth in the Indenture, the Trustee and the Issuer shall not, in any event, be responsible or liable to any person (other than the Borrower, but only in the case of the Trustee, and only in the event of a failure by the Trustee to make disbursements following request for disbursements in accordance with the Indenture, when such failure is within the Trustee's sole control, and after receipt of written notice of such failure and a 3-day opportunity to cure such failure) for the disbursement of, or failure to disburse, moneys from the Project Fund or any part thereof, and no contractor, subcontractor or material or equipment supplier or their respective successors and assigns shall have any right or claim against the Trustee or the Issuer under the Indenture.

Notwithstanding anything contained in the Indenture or any of the Borrower Documents to the contrary, if for any reason the Trustee is not able to disburse a corresponding amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender immediately following receipt of Eligible Funds from the Mortgage Lender for deposit into the Collateral Fund, the Trustee shall promptly wire transfer such funds back to the Mortgage Lender and not deposit same into the Collateral Fund.

#### Investment of Special Funds

Amounts held by the Trustee in the Bond Fund, Project Fund, and Collateral Fund shall be invested and reinvested by the Trustee, and at all times held in Eligible Investments at the written direction of the Borrower. The Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments. If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any. Ratings of Eligible Investments shall be determined at the time of purchase of such Eligible Investments and without regard to ratings subcategories. The Trustee shall not be liable for losses on investments made in compliance with the provisions of the Indenture. In the absence of written direction of the Borrower, the Trustee shall not be responsible or liable for keeping the moneys held by it under the Indenture fully invested in Eligible Investments.

At no time shall the Borrower direct that (a) any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code or (b) any funds be held other than in Eligible Investments. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and the Negative Arbitrage Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Investments of money in the Special Funds shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide money to pay any amounts due on the Bonds as they become due on each Bond Payment Date (including each Mandatory Tender Date). In addition, investment of money in the Project Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund. Any investment in the Special Funds that are not classified as Eligible Investments shall be re-invested in Governmental Obligations.

The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable under the Indenture to and at times required for the purposes of paying any amounts due on the Bonds, and

shall do so without necessity for any order on behalf of the Issuer or the Borrower and without restriction by reason of any order. An investment made from money credited to an applicable fund or account shall constitute part of that respective fund or account. All investment earnings from amounts on deposit in the Special Funds shall be credited to and become part of the Bond Fund to the extent necessary to pay the expected Bond Debt Service Charges to be paid on the Bonds to and including the Maturity Date and any excess amounts shall be transferred upon receipt to the Project Fund and used to pay Costs of the Project. All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Special Funds shall be credited to and become part of the Bond Fund. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Debt Service Charges shall be held uninvested and (ii) Bond proceeds and the Negative Arbitrage Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Any investments may be purchased from or sold to the Trustee, or any bank, trust company or savings and loan association which is an affiliate or subsidiary of the Trustee provided that all such investments must be Eligible Investments.

The Trustee shall not be liable for losses on investments made in compliance with the provisions of the Indenture.

If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par in connection with a mandatory tender prior to the Initial Mandatory Tender Date, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any.

Although the Issuer and the Borrower each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Issuer and the Borrower agree that confirmations of permitted investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

#### Investment of Other Funds

Any amounts held as part of the Rebate Fund, Costs of Issuance Fund, Expense Fund or Mortgage Loan Prepayment Fund and not immediately required for the purposes thereof, shall be invested or reinvested by the Trustee, at the written direction of an Authorized Borrower Representative and with the prior written approval of the Issuer, in Governmental Obligations or in any money market or short-term investment fund investing in or consisting solely of and secured by Governmental Obligations, including any such fund maintained by the Trustee or an affiliate thereof having maturities consonant with the need for funds as estimated by the Borrower. All investment earnings, gains resulting from the sale of, or income from, any investment made from amounts on deposit in any aforementioned funds shall be retained in the respective fund from which the investment was made.

#### Moneys to Be Held in Trust

All moneys required to be deposited with or paid to the Trustee for account of the Bond Fund, the Collateral Fund or the Project Fund under any provision of the Indenture shall be held by the Trustee in trust, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien and claim created by the Indenture.

All moneys required to be deposited with or paid to the Trustee for the account of the other funds created under the Indenture shall also be held by the Trustee in trust but shall not be part of the Trust Estate. The Trustee, acting in its capacity as Trustee and not as sponsor, advisor or manager in connection with any investments under the Indenture, shall not be liable for any loss arising from investments made in accordance with the Indenture, or for any loss resulting from the redemption or sale of any such investments as authorized by this section.

Upon receipt of written instructions from an Authorized Officer, the Trustee shall exchange any coin or currency of the United States of America or Investment Securities held by it pursuant to the Indenture or any Supplemental Indenture for any other coin or currency of the United States of America or Investment Securities of like amount.

#### Payment and Discharge of Bonds

All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of the Indenture, if:

(a) the Trustee as paying agent shall have received, in trust for and irrevocably committed thereto, sufficient money, or

(b) the Trustee shall have received (i) in trust for and irrevocably committed thereto, noncallable Governmental Obligations; (ii) certification by an independent public accounting firm of national reputation to the effect that the Governmental Obligations have such maturities or redemption dates and interest payment dates, and bear such interest, as will be sufficient together with any money to which reference is made in subparagraph (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided herein), for the payment of all Bond Debt Service Charges on those Bonds at their maturity; and (iii) an Opinion of Bond Counsel to the effect that the conditions of this Section 8.02 have been satisfied.

Any money held by the Trustee in accordance with the provisions of this section may be invested by the Trustee only in noncallable Governmental Obligations having maturity dates, or having redemption dates which, at the option of the Holder of those obligations, shall be not later than the date or dates at which money will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this section is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this section, that income, interest or increment shall be transferred at the time of that determination in the manner provided in the Indenture for transfers of excess amounts remaining in the Bond Fund.

If any Bonds shall be deemed paid and discharged pursuant to this section, then within 15 days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, set forth a description of the obligations held pursuant to the Indenture.

#### Events of Default and Acceleration

The occurrence of any of the following events is defined as and declared to be and to constitute an “Event of Default” under the Indenture:

(a) any interest on any Bond is not paid on the date on which the same becomes due; or

(b) any principal of any Bond (including purchase price) is not paid on the date on which the same becomes due, whether at the stated maturity thereof, by redemption, tender, acceleration or otherwise; or

(c) a “Default” (as defined in the Loan Agreement) occurs and is continuing under the Loan Agreement for which all Loan Payments and all other amounts due under the Loan Agreement and the Note have been declared to be immediately due and payable; or

(d) the Issuer fails to duly and promptly perform, comply with, or observe any covenant, condition, agreement or provision (other than as specified in (a) or (b) of this section) contained in the Bonds or in the Indenture on the part of the Issuer to be performed, and such failure shall continue for a period of ninety (90) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Issuer, the Borrower



and the Investor Limited Partner by the Trustee, which notice may be given by the Trustee in its discretion and shall be given at the written request of the Holders of not less than 100% in principal amount of the Bonds then Outstanding; provided, however, that if such default be such that it is correctable but cannot be corrected within ninety (90) days, it shall not be an Event of Default if the Issuer, the Borrower or the Investor Limited Partner is taking appropriate corrective action to cure such failure and if such failure will not impair the security for the Loan or the Bonds.

If any Loan payment required under the Loan Agreement to avoid a default under (a) or (b) of this section shall not have been received at the close of business on the last Business Day preceding the day on which payment must be made to avoid a default under such (a) or (b), the Trustee shall use its best efforts to give telephonic notice of such default to the Borrower, the Mortgage Lender and the Investor Limited Partner, which telephonic notice shall be confirmed by written notice to the Borrower. If any other default shall occur under the provisions of this section, the Trustee shall, within five (5) days after having actual knowledge of such default, use its best efforts to give written notice of such default to the Issuer, the Borrower, the Mortgage Lender, the Investor Limited Partner and the Holders of the Bonds. A default or an Event of Default specified in (a) through (d) above shall occur even though the Trustee fails to give the notice required by this paragraph, the giving of such notice being intended solely to aid in the enforcement of the rights of Bondholders and not in limitation of such rights.

If an Event of Default specified in (a) or (b) of this section shall occur and be continuing, the Trustee shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Investor Limited Partner, the Mortgage Lender and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

If an Event of Default specified in (c) or (d) of this section shall occur and be continuing, the Trustee, upon written request of the Holders of a majority in principal amount of the Bonds then Outstanding shall, declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Investor Limited Partner, the Mortgage Lender and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

The Investor Limited Partner or Mortgage Lender shall be entitled (but shall not be obligated) at its election to cure any Event of Default under the Indenture for which a cure right is provided to the Borrower upon the same terms and conditions and within the same time frame provided to the Borrower. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Investor Limited Partner or Mortgage Lender shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

#### Remedies in Addition to Acceleration

Upon the occurrence of, and during the continuance of, any Event of Default, then and in every such case the Trustee in its discretion may, and upon the written request of the Holders of not less than 51% in principal amount of the Bonds then Outstanding and receipt of satisfactory indemnity shall (in addition to its right or duty to accelerate as provided in the Indenture):

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Issuer or the Borrower to carry out any agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act and the Documents;

(b) bring suit upon the Bonds; or

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

#### Termination of Proceedings

In case any proceeding taken by the Trustee on account of any Default or Event of Default shall have been discontinued or abandoned for any reason, the Default or Event of Default has been cured, or shall have been determined adversely to the Trustee, then and in every such case, the Issuer, the Trustee, the Bondholders, and the Borrower shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

#### Right of Bondholders to Direct Proceedings

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Indenture, or any other remedy under the Indenture or on the Bonds, unless such Holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Indenture and unless also the Holders of not less than 51% in principal amount of the Bonds then outstanding shall have made written request of the Trustee to do so, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of the Indenture or for any other remedy under the Indenture; it being understood and intended that no one or more Holders of the Bonds secured by the Indenture shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right under the Indenture or under the Bonds, except in the manner provided in the Indenture and for the equal benefit of all Holders of Outstanding Bonds. For purposes of the foregoing sentence, the Trustee shall be deemed to have failed to act within a reasonable time if it fails to take action within sixty (60) days after receipt of notice and compliance with the foregoing terms and conditions, whereupon the Holders of 51% aggregate principal amount of the Bonds may take such action in the place of the Trustee. Nothing contained in the Indenture shall, however, affect or impair the right of any Holder of Bonds to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest, on each of the Bonds issued under the Indenture to the respective Holders of the Bonds at the time, place, from the source and in the manner in the Indenture and in such Bonds expressed.

#### Remedies Vested in Trustee

All rights of action under the Indenture or under any of the Bonds secured by the Indenture which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Holders of the Bonds, subject to the provisions of the Indenture.

#### Application of Moneys

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and advances incurred or made by the Trustee and the Issuer with respect thereto, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund during the continuance of an Event of Default (other than moneys for the payment of Bonds which have matured or otherwise become payable prior to such Event of Default or for the payment of interest due prior to such Event of Default, which moneys shall continue to be held for such payments) shall be applied as follows:

(a) Unless the principal of all of the Bonds shall have become, or shall have been declared to be, due and payable, all such moneys shall be applied:

First — To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the direct order of the maturity of the installments of such interest and, if the amounts available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second — To the payment to the persons entitled thereto of the unpaid principal, on any of the Bonds, which shall have become due (other than Bonds which have matured or otherwise become payable prior to such Event of Default and moneys for the payment of which are held in the Bond Fund or otherwise held by the Trustee), and if the amount available shall not be sufficient to pay in full the amount of principal, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege;

Third — To the payment to the persons entitled thereto of all other of the Issuer's Obligations and the Borrower's Obligations, and, if the amount available shall not be sufficient to pay such Obligations in full, then to the payment ratably, according to the amounts then due, to the persons entitled thereto without discrimination or privilege; and

Fourth — The remainder, if any, shall be paid over to the Borrower, its successors or assigns, or whomever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal of and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto without any discrimination or privilege. Any remaining funds shall be applied in accordance with the paragraphs designated "Third" and "Fourth" of subsection (a) above.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts or principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

#### Amendments to Indenture Not Requiring Consent of Bondholders

The Issuer and the Trustee may, from time to time and at any time, without the consent of Bondholders, enter into agreements supplemental to the Indenture (each, a "Supplemental Indenture") as follows:

(i) to specify and determine any matters and things relative to Bonds which shall not materially adversely affect the interest of the Bondholders;

(ii) to cure any formal defect, omission or ambiguity in the Indenture if such action does not materially adversely affect the rights of the Bondholders;

(iii) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(iv) to add to the covenants and agreements of the Issuer in the Indenture other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(v) to add to the limitations and restrictions in the Indenture other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(vi) to confirm, as further assurance, any pledge under and the subjection to any claim, lien or pledge created, or to be created by, the Indenture, of the Revenues or of any other moneys, securities or funds;

(vii) to evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under the Indenture, the Loan Agreement and the Bonds;

(viii) to facilitate (i) the transfer of Bonds issued by the Issuer under the Indenture and held in Book Entry Form from one Securities Depository to another and the succession of Securities Depositories, or (ii) the withdrawal of Bonds issued by the Issuer under the Indenture and delivered to a Securities Depository for use in a Book Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Securities Depository;

(ix) to permit the Trustee to comply with any obligations imposed upon it by law;

(x) to specify further the duties and responsibilities of the Trustee;

(xi) to achieve compliance of the Indenture with any applicable federal securities or tax law;

(xii) to make amendments to the provisions of the Indenture relating to arbitrage matters under Section 148 of the Code, if, in the opinion of Bond Counsel, those amendments would not adversely affect the Federal Tax Status of the Bonds which amendments may, among other things, change the responsibility for making the relevant calculations, provided that in no event shall such amendment delegate to the Trustee, without its consent, in its sole discretion the obligation to make or perform the calculations required under Section 148 of the Code; or

(xiii) to modify, amend or supplement the Indenture in any respect which, in the judgment of the Trustee, is not materially adverse to the interests of the Owners of the Bonds.

Before the Issuer shall enter into any Supplemental Indenture pursuant to this section, there shall have been filed with the Trustee an opinion of Bond Counsel stating that (1) such Supplemental Indenture is authorized or permitted by the Indenture and complies with its terms, and (2) the effectiveness of the Supplemental Indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Trustee shall send written notice to the Borrower, the Mortgage Lender, the Investor Limited Partner and the Rating Agency of any amendment to the Indenture and, if requested, copies of any such amendments.

Notwithstanding the foregoing, the Issuer and the Trustee may not, without the prior written consent of Mortgage Lender, amend the Indenture in any manner that adversely affects the rights and interests of the Mortgage Lender to receive notices under the Indenture or the rights of the Mortgage Lender with respect to any of the trust funds established under the Indenture.

#### Amendments to Indenture Requiring Consent of Bondholders

Subject to the terms and provisions contained in this section and not otherwise, the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution and delivery by the Issuer and the Trustee of any agreement supplemental to the Indenture as shall be deemed necessary or desirable by the Issuer and the Trustee for the purposes of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in the Indenture; provided, however, that, unless approved in writing by the Holders of all of the Bonds then Outstanding, nothing in the Indenture contained shall permit, or be construed as permitting, (i) a change in the terms of maturity of the principal of or the interest on any Outstanding Bond, or a reduction in the principal amount of any Outstanding Bond or the rate of interest thereon, or (ii) the creation of a claim or lien upon, or a pledge or assignment of, the Trust Estate ranking prior to or on a parity with the claim, lien, assignment or pledge created by the Indenture, or the release of the Trust Estate or any part thereof (except to the extent permitted pursuant to the Documents), or (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds

required for any action or consent by Bondholders set forth in the Indenture, including (without limitation) that required for consent to such Supplemental Indentures. This section shall not limit or otherwise affect the ability of the Issuer to enter into agreements supplemental to the Indenture without the consent of the Bondholders pursuant to the Indenture.

If at any time the Issuer and the Trustee shall determine to enter into any Supplemental Indenture for any of the purposes of this section, the Trustee shall cause written notice of the proposed Supplemental Indenture to be given to all Holders of the Bonds; provided, however, that failure to give such notice or any defect therein, shall not affect the validity of any proceedings pursuant to the Indenture. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the Trust Office for inspection by all Bondholders.

Within one hundred twenty (120) days after the date of giving such notice, the Issuer and the Trustee may enter into such Supplemental Indenture in substantially the form described in such notice only if there shall have first been filed with the Issuer (i) the written consents of Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding (or 100% if required under the Indenture) and (ii) an Opinion of Counsel stating that (1) such Supplemental Indenture is authorized or permitted by the Indenture and complies with its terms, and (2) the effectiveness of the Supplemental Indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income taxes.

If the Holders of not less than the percentage of Bonds required by this section shall have consented to and approved the Supplemental Indenture as provided in the Indenture, no Holder of any Bond shall have any right to object to such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety thereof, or to enjoin or restrain the Issuer or the Trustee from entering into the same or from taking any action pursuant to the provisions thereof.

Upon the effectiveness of any Supplemental Indenture entered into pursuant to the provisions of this section, the Indenture shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the Issuer, the Trustee and all Holders of Bonds then outstanding shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modifications and amendments.

The Trustee shall send written notice to the Rating Agency of any amendment to the Indenture pursuant to the Indenture.

#### Supplemental Indentures Part of Indenture

Any Supplemental Indenture entered into in accordance with the provisions of the Indenture shall thereafter form a part of the Indenture and all the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be and shall be deemed to be a part of the terms and conditions of the Indenture for any and all such purposes.

#### Amendments to Loan Agreement and Note Not Requiring Consent of Bondholders

Without the consent of or notice to the Holders, the Issuer, the Borrower and the Trustee may consent to any amendment, change or modification of the Loan Agreement or the Note, as may be required (a) by the provisions of the Note or the Loan Agreement, (b) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Loan Agreement or the Note, (c) in connection with an amendment or to effect any purpose for which there could be an amendment of the Indenture pursuant to the Indenture, or (d) in connection with any other change therein which is not to the prejudice of the Trustee or the Holders of the Bonds, in the judgment of the Trustee.

### Conversion Date

On the Conversion Date and upon the execution and delivery of the Funding Loan Agreement, Governmental Note and Project Loan Agreement, the Indenture, the Bonds and the Loan Agreement shall be deemed amended, restated and superseded in full by the respective terms thereof.

### Severability

In case any one or more of the provisions of the Indenture or of the Bonds for any reason, is held to be illegal or invalid such illegality or invalidity shall not affect any other provisions of the Indenture or the Bonds, and the Indenture and the Bonds shall be construed and enforced to the end that the transactions contemplated by the Indenture be effected and the obligations contemplated by the Indenture be enforced as if such illegal or invalid provisions had not been contained therein.

### Mortgage Loan Documents Independent

Enforcement of the covenants in the Indenture will not result in, and neither the Issuer nor the Trustee has or shall be entitled to assert, any claim against the Borrower, the Project, the Mortgage Loan proceeds, any reserves or deposits required by the Mortgage Lender in connection with the Mortgage Loan transaction, or the rents or deposits or other income of the Project.

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Indenture or any of the Borrower Documents will not serve as a basis for default on the Mortgage Loan or any of the Mortgage Loan Documents.

Notwithstanding anything in the Indenture, the Loan Agreement, the Note or the Bond Purchase Agreement to the contrary, (i) the Mortgaged Property (as defined in the Mortgage Loan Security Instrument) shall not include any portion of the Trust Estate and the Mortgage Lender shall not have any claim to or lien upon the Trust Estate under the Indenture and funds held by the Trustee under the Indenture and pledged to secure the repayment of the Bonds, except for Eligible Funds that may be returned to the party that deposited said funds with the Trustee as may be required under the Indenture and (ii) the Trust Estate shall not include any portion of the Mortgaged Property (as defined in the Mortgage Loan Security Instrument).

## APPENDIX C

### **SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT**

*The following is a summary of certain provisions of the Loan Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Loan Agreement, a copy of which is on file with the Trustee.*

#### Disbursements from the Project Fund

In the Indenture, the Issuer has authorized and directed the Trustee to make disbursements from the Project Fund to pay Costs of the Project upon satisfaction of the requirements of the Indenture. The Trustee is directed in the Indenture to make disbursements from the Project Fund as provided in the Indenture, and pursuant to the receipt of a Requisition approved by the Mortgage Lender and, to the extent provided in the Indenture, the Issuer, in substantially the form attached to the Indenture as an exhibit.

The Borrower's right to request disbursements from the Project Fund is limited to the principal amount of the Loan and conditioned upon the deposit of Eligible Funds into the Collateral Fund as set forth in the Indenture.

#### Borrower Required to Pay in the Event Project Fund Is Insufficient

In the event the moneys in the Project Fund are not sufficient to pay the Costs of the Project in full, the Borrower agrees to complete the Project and to pay from other funds of the Borrower or its own funds that portion of the Costs of the Project in excess of the moneys available therefore in the Project Fund. The Issuer does not make any warranty, either express or implied, that the moneys paid into the Project Fund and available for payment of the Costs of the Project will be sufficient to pay all of the Costs of the Project. The Borrower agrees that if after exhaustion of the moneys in the Project Fund, the Borrower should pay any portion of the Costs of the Project pursuant to the provisions of this section, the Borrower shall not be entitled to any reimbursement therefor from the Issuer, the Trustee or the Holders of any of the Bonds, nor shall the Borrower be entitled to any diminution of the amounts payable under the Loan Agreement.

#### Loan Repayment; Delivery of Note

In consideration of and in repayment of the Loan, the Borrower shall deliver or cause to be delivered to the Trustee on or before each Bond Payment Date, Loan Payments, equal to the amount necessary to pay interest on and principal of the Bonds due on the next Bond Payment Date. All such Loan Payments shall be paid to the Trustee in accordance with the terms of the Note for the account of the Issuer and shall be held and disbursed in accordance with the provisions of the Indenture and the Loan Agreement.

The Borrower shall be entitled to a credit against the Loan Payments required to be made with respect to the Bonds on any date equal to the available money in the Bond Fund or transferred thereto from the Collateral Fund or the Project Fund for the payment of the Bond Debt Service Charges on that date.

To secure the Borrower's performance of its obligations under the Loan Agreement, the Borrower shall execute and deliver, concurrently with the issuance and delivery of the Bonds, the Note and the Regulatory Agreement.

The Note shall secure equally and ratably all Outstanding Bonds, except that, so long as no Event of Default has occurred and is subsisting hereunder, payments by the Borrower on the Note shall be used by the Trustee to make a like payment of the Bond Debt Service Charges and shall constitute Loan Payments.

Upon payment in full, in accordance with the Indenture, of the Bond Debt Service Charges on any or all Bonds, whether at maturity or otherwise, or upon provision for the payment thereof having been made in accordance with the provisions of the Indenture, (a) the Note shall be deemed fully paid, the obligations of the Borrower thereunder shall be terminated, and the Note shall be surrendered by the Trustee to the Borrower, and shall be canceled by the

Borrower, or (b) an appropriate notation shall be endorsed thereon evidencing the date and amount of the principal payment (or prepayment) equal to the Bonds so paid, or with respect to which provision for payment has been made, and that Note shall be surrendered by the Trustee to the Borrower for cancellation if all Bonds shall have been paid (or provision made therefor) and canceled as aforesaid. Unless the Borrower is entitled to a credit under express terms of the Loan Agreement or the Note, all payments on the Note shall be in the full amount required thereunder.

#### Mortgage Loan to Borrower

Contemporaneously with the issuance of the Bonds, the Borrower shall obtain the Mortgage Loan from the Mortgage Lender.

The Borrower shall cause the Mortgage Lender from time to time to deliver Eligible Funds to the Trustee for deposit into the Collateral Fund to enable the Trustee to disburse an equal amount of Bond proceeds from the Project Fund as approved by the Mortgage Lender and, to the extent provided in the Indenture, the Issuer, pursuant to a completed and fully executed Requisitions, in substantially the form attached to the Indenture as an exhibit.

#### Borrower's Obligations Upon Tender of Bonds

If any tendered Bond is not remarketed on any Mandatory Tender Date and a sufficient amount is not available in the Collateral Fund, the Negative Arbitrage Account of the Bond Fund, or the Project Fund as provided in the Indenture for the purpose of paying the purchase price of such Bond, the Borrower will cause to be paid to the Trustee by the applicable times provided in the Indenture, an amount equal to the amount by which the principal amount of all Bonds tendered and not remarketed, together with interest accrued to the Mandatory Tender Date, exceeds the amount otherwise available pursuant to the Indenture.

#### Option to Terminate

The Borrower shall have the option to cancel or terminate the Loan Agreement at any time when (a) the Indenture shall have been released in accordance with its provisions, (b) sufficient money or security acceptable to the Issuer and the Trustee are on deposit with the Trustee or the Issuer, or both, to meet all Loan Payments, Additional Payments and other amounts due or to become due through the date on which the last of the Bonds is then scheduled to be retired or redeemed and (c) the Mortgage Loan shall be repaid in full. Such option shall be exercised by the Borrower, with approval of the Investor Limited Partner (not to be unreasonably withheld, conditioned or delayed), giving the Issuer and the Trustee five (5) days' notice in writing of such cancellation or termination and such cancellation or termination shall become effective at the end of such notice period. The provisions of this section shall not be deemed to permit a prepayment of the Note other than in accordance with its terms.

#### Defaults Defined

The following shall be "Defaults" under the Loan Agreement and the term "Default" shall mean, whenever it is used in the Loan Agreement, any one or more of the following events:

- (a) Failure by the Borrower to pay any amount required to be paid under the Loan Agreement when due.
- (b) Failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Loan Agreement other than as referred to in subsection (a) of this section or failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in any other Borrower Document, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, will have been given to the Borrower, the Mortgage Lender and the Investor Limited Partner by the Issuer or the Trustee; provided, with respect to any such failure covered by this subsection (b), no Event of Default will be deemed to have occurred so long as a course of action adequate to remedy such failure will have been commenced within such 60-day period and will thereafter be diligently prosecuted to completion and the failure will be remedied thereby within 180 days from the provision of such notice.



(c) The dissolution or liquidation of the Borrower, or the voluntary initiation by the Borrower of any proceeding under any federal or state law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Borrower of any such proceeding which shall remain undismissed for ninety (90) days, or failure by the Borrower to promptly have discharged any execution, garnishment or attachment of such consequence as would impair the ability of the Borrower to carry on its operations at the Project, or assignment by the Borrower for the benefit of creditors, or the entry by the Borrower into an agreement of composition with its creditors or the failure generally by the Borrower to pay its debts as they become due.

(d) Any representation or warranty made by the Borrower in the Loan Agreement or any statement in any report, certificate, financial statement or other instrument furnished in connection with the Loan Agreement or with the purchase of the Bonds shall at any time prove to have been false or misleading in any adverse material respect when made or given.

(e) The occurrence of an “Event of Default” under the Indenture (other than under clause (d) under the heading “APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE — Events of Default and Acceleration”) or any “event of default” beyond any applicable notice or cure period under the Regulatory Agreement.

The provisions of subsection (b) of this section are subject to the following limitation: if by reason of force majeure it is impossible for the Borrower in whole or in part, despite its commercially reasonable efforts, to carry out any of its agreements contained in the Loan Agreement (other than its obligations relating to payments on the Loan as set forth in the Loan Agreement), the Borrower shall not be deemed in Default under the Loan Agreement during the continuance of such inability. Such force majeure event does not affect any obligations of the Borrower other than the timing of performance of such obligations. The term “force majeure” as used in the Loan Agreement shall mean, without limitation, the following: acts of God; strikes or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or of any of their departments, agencies or officials, or of any civil or military authority; insurrections; riots; terrorism; landslides; earthquakes; fires; storms; droughts; floods; explosions; and events not reasonably within the control of the Borrower. The Borrower agrees, however, to use commercially reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing the Borrower from carrying out its agreement. The settlement of strikes and other industrial disturbances shall be entirely within the discretion of the Borrower and the Borrower shall not be required to settle strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Borrower unfavorable to the Borrower.

#### Remedies on Default

Whenever any Default referred to under the section “Defaults Defined” above shall have happened and be continuing beyond the expiration of any applicable cure period, the Trustee, or the Issuer (in the event the Trustee fails to act), may take one or any combination of the following remedial steps:

(a) If the Trustee has declared the Bonds immediately due and payable pursuant to the Indenture, by written notice to the Borrower, declare all Loan Payments and all other amounts due under the Loan Agreement and under the Note to be immediately due and payable, whereupon the same shall become immediately due and payable; and

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Loan Agreement, the Note and the Regulatory Agreement or any other Document in the event of default thereunder.

Any amounts collected pursuant to action taken under this section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

### No Remedy Exclusive

Except as otherwise indicated in the Indenture, no remedy conferred upon or reserved to the Issuer or the Trustee by the Loan Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Loan Agreement, the Regulatory Agreement or the Note, or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power nor shall it be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this article, it shall not be necessary to give any notice, other than such notice as may be required by law or for which express provision is made in the Loan Agreement. Such rights and remedies as are given the Issuer under the Loan Agreement shall also extend to the Trustee, and the Trustee and the Holders of the Bonds, subject to the provisions of the Indenture, including, but not limited to the Reserved Rights of the Issuer, shall be entitled to the benefit of all covenants and agreements contained in the Loan Agreement.

### No Additional Waiver Implied by One Waiver

In the event any agreement contained in the Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under the Loan Agreement.

### Mortgage Loan Documents Independent

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Loan Agreement, the Indenture or the other Borrower Documents will not serve as a basis for default on the Mortgage Loan or any of the Mortgage Loan Documents.

To the extent not otherwise set forth above in this section, the provisions of the Indenture are incorporated in the Loan Agreement by reference to the same extent as if set forth in the Loan Agreement in full.

[Remainder of page intentionally left blank]

**APPENDIX D**

**SUMMARY OF CERTAIN PROVISIONS OF  
THE REGULATORY AGREEMENT**

*The following is a brief summary of the Regulatory Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Regulatory Agreement, a copy of which are on file with the Trustee.*

The Issuer and the Borrower will enter into the Regulatory Agreement (the “Regulatory Agreement”) in order to set forth certain terms and conditions relating to the construction and equipping of an 60-unit multifamily residential development for low- and moderate-income families located at 115-119 Front Street, Woonsocket, RI 02895 (the “Project”). All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture and the Regulatory Agreement.

[To be provided]

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE AGREEMENT

**\$14,500,000\***

**Rhode Island Housing and Mortgage Finance Corporation  
Multifamily Housing Revenue Bonds  
(Bernon Mills Apartments Project), Series 2023**

This Continuing Disclosure Agreement, dated as of December 1, 2023 (this “Continuing Disclosure Agreement”), is executed and delivered by Brisa Bernon Mills, LP, a Rhode Island limited partnership (the “Borrower”), and The Bank of New York Mellon Trust Company, N.A., a national banking association, as dissemination agent (the “Dissemination Agent”), for the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of December 1, 2023 (the “Indenture”) between the Rhode Island Housing and Mortgage Finance Corporation (the “Issuer”) and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the “Trustee”). Pursuant to the Indenture and the Loan Agreement, dated as of December 1, 2023, between the Issuer and the Borrower (the “Loan Agreement”), the Dissemination Agent and the Borrower covenant and agree as follows:

**Section 1. Purpose of this Continuing Disclosure Agreement.** This Continuing Disclosure Agreement is being executed and delivered by the Borrower and the Dissemination Agent for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Borrower and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

**Section 2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement.

“*Audited Financial Statements*” means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

“*MSRB*” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the

---

\* Preliminary; subject to change.

MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB's Electronic Municipal Market Access (EMMA) system at [www.emma.msrb.org](http://www.emma.msrb.org).

*"Participating Underwriter"* means Morgan Stanley & Co. LLC, and its successors and assigns.

*"Rule"* means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### **Section 3. Provision of Annual Reports.**

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Borrower's fiscal year, commencing with the fiscal year ending on December 31, 2024, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

**Section 4. Content of Annual Reports.** The Borrower's Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower's Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an "Obligated Person" (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format ("PDF") or other acceptable electronic form.

### **Section 5. Reporting of Listed Events.**

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a "Listed Event"):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;

- (iii) Unscheduled draws on debt service reserves reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;
- (xv) Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties; and
- (xvii) The Project's being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project's being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit D hereto or such other form as may be approved by the Dissemination Agent. Notice of the Project being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C hereto or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), "financial obligation" is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the "Adopting Release").

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice (by facsimile transmission confirmed by telephone or by email). While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv) above without the Dissemination Agent's having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xvii) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and instructions pursuant to subsection (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed, then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under "Provision of Annual Reports," "Contents of Annual Reports" or paragraph (a) under "Reporting of Listed Events," it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an Obligated Person (as defined in the Rule) with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report

for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Default.** In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

**Section 8. Beneficiaries.** This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other person or entity.

**Section 9. Provision of Quarterly Statements.** The Dissemination Agent shall, at the request of the Holders of the Bonds, furnish to the Holders of the Bonds, quarterly statements of the activity and assets held in each of the funds and accounts maintained by the Dissemination Agent in its capacity as Trustee under the Indenture. The Dissemination Agent shall satisfy this obligation by providing such quarterly statements via EMMA and/or an online system accessible to the Borrower and the Holders of the Bonds on each March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>. The Dissemination Agent shall furnish such quarterly statements at the sole cost of the Borrower.

**Section 10. Additional Information.** Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 11. Duties, Immunities and Liabilities of Dissemination Agent.**

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and



shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

**Section 12. Notices.** All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below or telecopied to the telecopier number of the recipient, with confirmation of transmission, indicated below:

*If to the Borrower:*

Brisa Bernon Mills, LP  
c/o \_\_\_\_\_  
[Borrower Address]  
Attention:  
Email:

*If to the Dissemination Agent:*

The Bank of New York Mellon Trust Company, N.A.  
4655 Salisbury Road, Suite 300  
Jacksonville, FL 32256  
Attention: Corporate Trust

**Section 13. Governing Law.** This Continuing Disclosure Agreement shall be governed by the laws of the State of Rhode Island.

**Section 14. Termination of this Continuing Disclosure Agreement.** The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, tender, conversion or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

**Section 15. Counterparts.** This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

**[BORROWER SIGNATURE BLOCK]**

[Signatures continued on next page]

[Counterpart Signature Page to Continuing Disclosure Agreement]

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**ANNUAL REPORT**

**\$14,500,000\***

**Rhode Island Housing and Mortgage Finance Corporation  
Multifamily Housing Revenue Bonds  
(Bernon Mills Apartments Project), Series 2023**

**CUSIP: \_\_\_\_\_**

**Annual report for the period ending December 31, \_\_\_\_**

**THE PROJECT**

Name of the Project:	Bernon Mills Apartments
Addresses:	115-119 Front Street, Woonsocket, RI 02895
Number of Units:	60

**INFORMATION ON THE BONDS**

Original principal amount of Bonds:	
Outstanding principal amount of Bonds:	

**OPERATING HISTORY OF THE PROJECT**

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, 20\_\_, as derived from the Borrower's audited financial statements [or unaudited financial statements].

<b>Financial Results for Fiscal Year Ending December 31, _____</b>	
Revenues	
Operating Expenses <sup>1</sup>	
Net Operating Income	
Debt Service on the Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

<sup>1</sup> Excludes depreciation and other non-cash expenses.

<b>Occupancy Results for Fiscal Year Ending December 31, _____</b>	
Physical Occupancy	____%
Economic Occupancy <sup>1</sup>	____%

<sup>1</sup> The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

\* Preliminary; subject to change.

## **AUDITED FINANCIAL STATEMENTS**

\_\_\_\_\_ Attached

\_\_\_\_\_ Audited financial statements of the Borrower for the period ending December 31, 20\_\_ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

\_\_\_\_\_ No audited financial statements of the Borrower were prepared for the period ending December 31, 20\_\_; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

**EXHIBIT B**

**NOTICE OF FAILURE TO  
FILE ANNUAL DISCLOSURE REPORT**

Name of Issuer: Rhode Island Housing and Mortgage Finance Corporation  
Name of Bond Issue: Multifamily Housing Revenue Bonds (Bernon Mills Apartments Project), Series 2023  
Name of Borrower: Brisa Bernon Mills, LP, a Rhode Island limited partnership  
CUSIP: [CUSIP]  
Date of Issuance: December \_\_, 2023

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the “Borrower”) has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by \_\_\_\_\_.

DATED: \_\_\_\_\_

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT C**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF  
PROJECT PLACED IN SERVICE**

Name of Issuer: Rhode Island Housing and Mortgage Finance Corporation  
Name of Bond Issue: Multifamily Housing Revenue Bonds (Bernon Mills Apartments Project), Series 2023  
Name of Borrower: Brisa Bernon Mills, LP, a Rhode Island limited partnership  
Name of Project: Bernon Mills Apartments  
Address of Project: 115-119 Front Street, Woonsocket, RI 02895  
Date of Issuance: December \_\_, 2023

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of December 1, 2023, between the above-referenced borrower (the “Borrower”) and The Bank of New York Mellon Trust Company, N.A., as Dissemination Agent, that the Borrower has certified that the above-referenced project (the “Project”) is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated: \_\_\_\_\_

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT D**

**FORM OF NOTICE OF PLACED IN SERVICE**

**\$14,500,000\***

**Rhode Island Housing and Mortgage Finance Corporation  
Multifamily Housing Revenue Bonds  
(Bernon Mills Apartments Project), Series 2023**

The undersigned hereby provides notice to The Bank of New York Mellon Trust Company, N.A., a national banking association, as dissemination agent (the “Dissemination Agent”) that the multifamily rental housing facility known as Bernon Mills Apartments (the “Project”) has been placed in service in accordance with the Trust Indenture, dated as of December 1, 2023, between Rhode Island Housing and Mortgage Finance Corporation (the “Issuer”) and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the “Trustee”), pursuant to which the above-captioned bonds were issued, as further evidenced by the attached Certificate of Occupancy.

**[BORROWER SIGNATURE BLOCK]**

---

\* Preliminary; subject to change.



**ATTACHMENT**  
**Certificate of Occupancy**

**APPENDIX F**

**FORM OF BOND COUNSEL OPINION**

December \_\_, 2023

[to be provided]