

SPECIAL MEETING OF THE COUNTY BOARD AGENDA

County of Champaign, Urbana, Illinois

Tuesday, May 13, 2025 – 6:00 p.m. *PLEASE NOTE TIME*

Shields-Carter Meeting Room

Brookens Administrative Center

1776 East Washington Street, Urbana, Illinois

Agenda Item

Page #'s

- I. Call to Order
- II. *Roll Call
- III. Read Notice of Meeting
- IV. Approval of Agenda/Addenda
- V. Public Input
- VI. Communications
- VII. New Business
 - A. **Adoption of Resolution No. 2025-146 Budget Amendment BUA 2025/5/19
Funds 1080 General Corporate / Dept 075 General County
Increased Appropriations: \$388,062.68
Increased Revenue: \$0
Reason: Appropriation of funds to pay for the Carle Settlement approved by
Resolution No. 2025-90 1-16
 - B. Adoption of Ordinance No. 2025-8 Authorizing the Execution of a Rental Housing
Developer Agreement and a Regulatory and Land Use Restriction Agreement for the
Parker Glen II Affordable Housing Development 17-71
- VIII. Other Business
- IX. Adjourn

*Roll call

**Roll call and 15 votes

***Roll call and 17 votes

****Roll call and 12 votes

Except as otherwise stated, approval requires the vote of a majority of those County Board members present.

All meetings are at Brookens Administrative Center – 1776 E Washington Street in Urbana – unless otherwise noted. To enter Brookens after 4:30 p.m., enter at the north (rear) entrance located off Lierman Avenue. Champaign County will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities. Please contact Administrative Services, 217-384-3776, as soon as possible but no later than 48 hours before the scheduled meeting.

RESOLUTION NO. 2025-146

BUDGET AMENDMENT

May 2025

FY 2025

WHEREAS, The County Board has approved the following amendment to the FY2025 budget;

NOW, THEREFORE, BE IT RESOLVED That the Champaign County Board approves the following amendment to the FY2025 budget; and

BE IT FURTHER RESOLVED That the County Auditor be authorized and is hereby requested to make the following amendment to the FY2025 budget.

Budget Amendment BUA 2025/5/19

Fund: 1080 General Corporate
Dept: 075 General County

<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Increased Appropriations:	
502043 Contingent Expense	<u>388,062.68</u>
Total	388,062.68

Increased Revenue:	
None: from Fund Balance	<u>0</u>
Total	0

REASON: Appropriation of funds to pay for the Carle Settlement approved on April 24th by Resolution No. 2025-90.

PRESENTED, ADOPTED, APPROVED by the County Board this 13th day of May, A.D. 2025.

Jennifer Locke, Chair
Champaign County Board

Recorded
& Attest: _____
Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board

Approved: _____
Steve Summers, County Executive
Date: _____



OFFICE OF THE CHAMPAIGN COUNTY EXECUTIVE

1776 East Washington Street, Urbana, Illinois 61802-4581

Steve Summers, County Executive

MEMORANDUM

To: Stephanie Fortado, Chair of Finance; and
John Farney, Vice-Chair of Finance; and
Honorable Members of the Champaign County Board

From: **Travis Woodcock, Budget Director**

Date: December 28, 2023

Re: BUA for Carle Settlement – Resolution No. 2025-90

RECOMMENDED ACTION

The Finance Committee of the Whole recommends to the County Board the approval this BUA to appropriate funds for the County to pay the Carle Settlement, which was passed by the Board with Resolution No. 2025-90.

Journal Proof Report



Journal Number: 19 Year: 2025 Period: 5 Description: Carle Reference 1: Reference 2: Reference 3:

Source	Account	Account Description	Line Description	OB	Debit	Credit
BUA	1080-00-0251a-01-075-000-000-0000-502043-	CONTINGENT EXPENSE	Carle Settlement		\$388062.68	
			Journal 2025/5/19	Total	\$388062.68	\$0.00

Fund: 1080 General Corporate
Dept: 075 General County
Reason: Appropriation of funds to pay for the Carle Settlement approved on April 24th by Resolution No. 2025-90

Fund	Account Description	Debit	Credit
1080	GENERAL CORPORATE		
	1080-00-0146t-00-000-000-000-0000-300301- APPROPRIATIONS		\$388062.68
	1080-00-0146t-00-000-000-000-0000-300703- BUDGETARY FUND BALANCE	\$388062.68	
	Fund Total	388062.68	388062.68

RESOLUTION NO. 2025-90

RESOLUTION AUTHORIZING A SETTLEMENT AGREEMENT WITH THE
CARLE FOUNDATION IN CHAMPAIGN COUNTY CAUSE 2013-CH-170

WHEREAS, Champaign County, as a taxing district, is a separate party to Champaign County Cause 2013-CH-170;


WHEREAS, the parties to that matter have reached an agreement resolving outstanding issues relating to that cause, and related issues involving Champaign County Cause 2008-L-202;

NOW, THEREFORE, BE IT RESOLVED, that the Champaign County Executive is authorized to enter the attached Settlement Agreement, and bind Champaign County as a taxing district to the terms contained therein.


PRESENTED, ADOPTED, APPROVED and RECORDED this 24th day of April, 2025.


Jennifer Locke, Chair
Champaign County Board

Recorded
& Attest:


Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board
Date: _____

Approved:


Steve Summers, County Executive
Date: April 25, 2025

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made this 24 day of April, 2025, by and among THE CARLE FOUNDATION, an Illinois not-for-profit corporation (“the Carle Foundation”) on the one hand, and the following persons or entities (collectively, “Defendants”):

1. CHAMPAIGN COUNTY, THE CITY OF URBANA, and CUNNINGHAM TOWNSHIP (collectively, “Named Taxing Districts”);
2. The CHAMPAIGN-URBANA METROPOLITAN TRANSIT DISTRICT and the CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT (collectively, “Affected Taxing Districts”);
3. The CUNNINGHAM TOWNSHIP ASSESSOR, the CHAMPAIGN COUNTY BOARD OF REVIEW, its individual members, the CHAMPAIGN COUNTY TREASURER (“Treasurer”), and the CHAMPAIGN COUNTY SUPERVISOR OF ASSESSMENTS, each solely in their official capacity (collectively, “Tax Officials”); and
4. The ILLINOIS DEPARTMENT OF REVENUE, and its Director, solely in his or her official capacity (collectively, “Department”).

WHEREAS, the Carle Foundation has prosecuted a lawsuit in Champaign County Circuit Court, Case No. 08-L-202 (“2008 Lawsuit”), seeking (among other relief) the following as set forth in its Fourth Amended Complaint against the Named Taxing Districts, the Tax Officials, and the Department:

- a. Charitable property tax exemptions pursuant to Section 15-86 of the Property Tax Code for four parcels of property in Urbana, Illinois, that are owned by the Carle Foundation and that are commonly known and numbered as: (i) 611 West Park, PIN 91-21-08-310-001; (ii) 809 West Park Street, PIN 91-21-08-304-018; (iii) 503 North Coler, PIN 91-21-08-307-005; and (iv) 607 North Orchard Street, PIN 91-21-08-309-005; and
- b. Refunds of property taxes paid on the Four Parcels for tax years 2004, 2005, 2006, 2007, 2008, 2009, 2010, and 2011; and
- c. Prejudgment interest on said refunds.

By seeking a refund from the Treasurer, the 2008 Lawsuit also effectively seeks a refund from the Affected Taxing Districts. Several other taxing districts (“Settlement Taxing Districts”) would similarly have been affected by a refund, but they separately settled the Carle Foundation’s claims against their funds in the 2008 Lawsuit.

WHEREAS, on November 14, 2024, a modified judgment was entered in the 2008 Lawsuit. This judgment ruled: (1) in favor of the Carle Foundation and against the Named Taxing Districts, the Department, and the Tax Officials, as to the principal amount of taxes owed for 2004 through 2011; (2) in favor of these defendants and against the Carle Foundation as to its claim to prejudgment interest on this refund; and (3) in favor of the City of Urbana and Cunningham Township, and against the Carle Foundation, on the latter's claim for breach of a settlement agreement resolving another property tax exemption dispute in 2002 (the "2002 Settlement Agreement"). The Carle Foundation hereby acknowledges that the modified judgment in the 2008 Lawsuit has been paid in full, and no post-judgment interest is owed in that matter.

WHEREAS, the Carle Foundation filed a separate suit on May 31, 2013, in Champaign County Circuit Court, Case No. 13-CH-170 ("2013 Lawsuit") against the Tax Officials and the Department to obtain charitable property tax exemptions with respect to twenty-nine other properties owned by the Carle Foundation for tax years 2007, 2008, 2009, 2010, and 2011, and to obtain refunds of the property taxes paid for those years, plus prejudgment interest. Champaign County and the City of Urbana intervened as defendants in the 2013 Lawsuit. While the Carle Foundation subsequently settled its claims in the 2013 Lawsuit with respect to the Settlement Taxing Districts, it still has pending claims for exemptions and corresponding refunds and prejudgment interest that would impact the Named Taxing Districts and the Affected Taxing Districts (collectively, the "Remaining Taxing Districts"). The total amount of principal sought from the Remaining Taxing Districts in the 2013 Lawsuit (the "Settlement Amount") is one million, three hundred and forty-three thousand six hundred ninety-one dollars and eighty cents (\$1,343,691.80), as set forth in Attachment A.

WHEREAS, the Carle Foundation, on the one hand, and the Defendants, on the other hand, without any suggestion or admission of liability or of the strength or weaknesses of the claims or defenses asserted in the 2013 Lawsuit, desire to settle between and among themselves all pending and potential claims, disputes, causes of action, controversies, and issues relating in any manner to the 2013 Lawsuit or to tax payments made by the Carle Foundation and received by the Remaining Taxing Districts corresponding with the tax years and parcels at issue in the 2013 Lawsuit.

NOW, THEREFORE, for good and valuable consideration, the recital provisions set forth above are incorporated into the body of this Agreement as if fully set forth herein, and the Carle Foundation and the Defendants (collectively, the "Parties") agree as follows:

1. SATISFACTION OF JUDGMENT IN 2008 LAWSUIT. Within ten (10) days of formal execution of this Agreement, the Carle Foundation will promptly file in the 2008 Lawsuit a Notice of Satisfaction of Judgment, acknowledging that the judgment in that matter has been paid in full and no post-judgment interest is owed.

2. AGREED DISMISSAL OF 2013 LAWSUIT WITH PREJUDICE. Within ten (10) days of formal execution of this Agreement by all of the Parties (the “Execution Date”), the Carle Foundation will submit an agreed order, in the form set forth in Attachment B, dismissing the 2013 Lawsuit with prejudice.
3. PAYMENT BY REMAINING TAXING DISTRICTS TO CARLE FOUNDATION. No later than thirty (30) days after the Execution Date (the “Payment Deadline”), the Remaining Taxing Districts shall each pay to the Carle Foundation their respective shares of the Settlement Amount, as set forth in Attachment A. These payments shall be made payable to The Carle Foundation and delivered by hand delivery, no later than the Payment Deadline, to:

Laurence J. Fallon, JD
Executive Vice President, Chief Legal Officer
The Carle Foundation
Administrative Center at the Fields
3310 Fields South Dr.
Champaign, IL 61822

The Carle Foundation shall promptly acknowledge to the Treasurer its receipt of each such payment.

4. REMEDY: Should any taxing district fail to make payment in accordance with the amount and timeline set forth in Paragraph 3 and Attachment A, the Carle Foundation shall be entitled to interest from any such taxing district on its delinquent payment at the non-punitive rate of one-half percent (0.5%) per month, beginning on the Payment Deadline. The Carle Foundation’s sole remedy for the failure of any Remaining Taxing District to pay its share of the Settlement Amount by the Payment Deadline shall be a breach of contract action against that individual taxing district. The prevailing party in any such litigation shall be entitled to recover its reasonable attorneys’ fees, costs of suit, and litigation expenses. Nothing about such non-payment by any Remaining Taxing District shall affect the agreed voluntary dismissal of the 2013 Lawsuit (as set forth in Paragraph 2); the Carle Foundation’s release of claims (Paragraph 6), as it relates to any other taxing district; or any Defendant’s release of claims (Paragraph 7).
5. NO OTHER INTEREST. Other than as set forth in Paragraph 4, no interest (prejudgment, post-judgment, or other) shall be payable to the Carle Foundation on any sums timely paid in accordance with the timeline set forth in Paragraph 3, under any theory whatsoever, including, but not limited to, under 35 ILCS 200/23-20, 35 ILCS

200/20-178, or 735 ILCS 5/2-1303, interest under an equitable theory, or any combination of these.

6. THE CARLE FOUNDATION'S RELEASE AND WAIVER. The Carle Foundation agrees to accept the Settlement Amount from the Remaining Taxing Districts in total satisfaction of any and all claims the Carle Foundation has asserted, could have asserted, or believes at any time in the future that it could assert against said taxing districts arising out of or relating to the real estate taxes corresponding with the claims raised in the 2013 Lawsuit, and any other claims arising out of or relating to real estate taxes for tax years 2004 through 2011 on any of its real estate in Champaign County, for interest on any of the foregoing sums, and for attorneys' fees and costs of suit incurred by the Carle Foundation in the 2013 Lawsuit, aside from such claims as were resolved with payment of the judgment in the 2008 Lawsuit. The Carle Foundation fully and completely waives, releases, and forever discharges the Defendants, and each of their current or previous Board members, officers, subsidiary bodies, employees, agents, and attorneys (collectively, the "Defendant Releasees"), from any and all claims, charges, causes of action, damages, interest, attorneys' fees, allegations, or demands (collectively "Claims") that were, or could ever be, asserted in a claim or lawsuit by the Carle Foundation relating to amounts paid by the Carle Foundation in real estate taxes for tax years 2004 through 2011 on any of its real estate in Champaign County, for interest on any of the foregoing sums, and for attorneys' fees, costs of suit, and litigation expenses incurred by the Carle Foundation with respect to any such claim or lawsuit. Nothing in this paragraph is intended, or shall be construed, to impair the Carle Foundation's ability to enforce the terms of this Agreement or to assert any claims against any persons other than the Defendants or the Defendant Releasees.
7. DEFENDANTS' RELEASE AND WAIVER. The Defendants fully and completely waive, release, and forever discharge the Carle Foundation and its current or former affiliates (*i.e.*, legal entities controlled by the Carle Foundation or in which the Carle Foundation possesses an ownership interest) and any of their Board members, officers, employees, agents, and attorneys (collectively, the "Carle Releasees") from any and all Claims that were, or ever could be, asserted against the Carle Releasees, or any of them, by the Defendants arising out of or relating to: (a) property taxes owed by the Carle Foundation for tax years 2004 through 2011, for any of its real estate in Champaign County, including but not limited to any claims that Carle Foundation is not entitled to a refund of taxes paid; (b) property tax exemptions for tax years 2004 through 2011 pertaining to property in Champaign County owned by the Carle Foundation; (c) the 2002 Settlement Agreement; and (d) the 2013 Lawsuit.

Nothing about this paragraph is intended, or shall be construed, to impair the ability of any Defendant to: (a) enforce the terms of this Agreement; (b) assert any claims against

any persons other than the Carle Releasees; or (c) consider and use any information relevant to claims regarding the Carle Foundation's property tax assessment or exempt status for tax years other than 2004 through 2011 or for parcels other than those at issue in the 2008 Lawsuit and the 2013 Lawsuit.

8. PRIOR AGREEMENTS. This Agreement contains the complete and entire agreement between the Parties and supersedes any prior or contemporaneous understandings, agreements, or representations by or between the Parties, written or oral, relating to the claims asserted in the 2013 Lawsuit or to the Carle Foundation's entitlement to property tax exemptions or refunds pertaining to the tax years and properties involved in that lawsuit. The Parties each acknowledge and agree that it was not induced to enter this Agreement by any representation, promise, or statement made by any other party other than what is expressly stated in this Agreement.
9. REPRESENTATIONS AND WARRANTIES OF CARLE FOUNDATION. The Carle Foundation represents and warrants that: (a) it is a duly-organized, validly existing not for profit corporation in good standing under the laws of the State of Illinois; (b) it has full power and authority to enter into this Agreement; (c) its governing board has authorized the execution of this Agreement at a duly-called meeting; (d) the person executing and delivering this Agreement is acting pursuant to proper authorization; and (e) this Agreement is the valid and binding obligation of the Carle Foundation, enforceable in accordance with its terms. The Carle Foundation represents that it is the sole owner of the claims raised in the Lawsuit and it agrees to indemnify all Defendants for liability, including attorneys fees and costs, associated with defending or paying any claims corresponding with those asserted in the 2013 Lawsuit raised by any other person or legal entity.
10. REPRESENTATIONS AND WARRANTIES OF THE REMAINING TAXING DISTRICTS. Each Remaining Taxing District separately warrants, as to itself alone: (a) it is a taxing district organized and in good standing under the laws of the State of Illinois; (b) it has full power and authority to enter into this Agreement; (c) its governing board has authorized the execution of this Agreement at a duly-called meeting; (d) the person executing and delivering this Agreement on its behalf is acting pursuant to authorization; and (e) this Agreement is its valid and binding obligation, enforceable in accordance with its terms.
11. REPRESENTATIONS AND WARRANTIES OF TAX OFFICIALS. Each Tax Official separately warrants, as to himself or herself alone: (a) they are a duly elected or appointed official of their respective taxing body, acting in their official capacity, with the title stated above, and all statutory powers incident to that title; (b) they have the full

power and authority to enter this Agreement; and (c) this Agreement is their valid and binding obligation, enforceable in accordance with its terms.

12. REPRESENTATIONS AND WARRANTIES OF THE DEPARTMENT. The Department, through its designee, warrants that: (a) it has the full power and authority to enter into this Agreement on behalf of the Department; (b) as to the Director of the Department, they are the duly appointed official of the Department, acting in their official capacity, with the title stated above, and all statutory powers incident to that title; (c) the person executing and delivering this Agreement on its behalf is acting pursuant to authorization; and (d) this Agreement is their valid and binding obligation, enforceable in accordance with its terms.
13. CONSTRUCTION. All headings used in this Agreement are for convenience and reference only and have no significance in the interpretation or construction of this Agreement. Unless otherwise required by context, the singular shall include the plural, and vice-versa.
14. MODIFICATION. No amendment, modification, restatement, supplement, termination, or waiver of or to, or consent to any departure from, any provisions of this Agreement shall be effective unless the same shall be in writing and signed on behalf of all parties. Any waiver of any provision of this Agreement and any consent to any departure by a party from the terms of any provisions of this Agreement shall be effective only in the specified instance and for the specific purpose for which given.
15. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns.
16. SIGNATURES. This Agreement may be signed in counterparts and shall be as valid as if the signatures upon each counterpart were upon the same document. Each party shall forward an executed copy of this Agreement to the Carle Foundation (at the address stated in Paragraph 3) and to the Treasurer. This Agreement shall be effective as of the date of the last signature. Should any party decline to sign this Agreement by May 15, 2025, this Agreement shall have no effect as to any party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date stated above.

THE CARLE FOUNDATION

CHAMPAIGN COUNTY

By: _____
Chief Executive Officer

By: _____
County Executive

Date: _____

By: _____

CITY OF URBANA

CUNNINGHAM TOWNSHIP

By: _____

Mayor

By: _____

Township Supervisor

Date: _____

Date: _____

CHAMPAIGN-URBANA
METROPOLITAN TRANSIT DISTRICT

CHAMPAIGN-URBANA
PUBLIC HEALTH DISTRICT

By: _____

Director

By: _____

Director

Date: _____

Date: _____

ILLINOIS DEPARTMENT OF REVENUE
And its Director (solely in official capacity)

By: _____

Director or designee

Date: _____

CHAMPAIGN COUNTY
TREASURER
(Solely in official capacity)

CHAMPAIGN COUNTY
SUPERVISOR OF ASSESSMENTS
(Solely in official capacity)

By: _____

By: _____

Date: _____

Date: _____

CHAMPAIGN COUNTY
BOARD OF REVIEW
(Each solely in official capacity)

By: _____

Date: _____

CUNNINGHAM TOWNSHIP
ASSESSOR
(Solely in official capacity)

By: _____

Date: _____

ATTACHMENT A

Taxing District	Amount
Champaign County	\$388,062.68
City of Urbana	\$665,214.15
Cunningham Township	\$98,996.58
Champaign-Urbana Mass Transit District	\$136,583.95
Champaign-Urbana Public Health District	\$54,834.44
Total (“Settlement Amount”)	\$1,343,691.80

ATTACHMENT B

Agreed Order

IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT
CHAMPAIGN COUNTY, ILLINOIS

THE CARLE FOUNDATION, an Illinois
Not-For-Profit Corporation,
Plaintiff

v.

ILLINOIS DEPARTMENT OF REVENUE;
BRIAN HAMER, in his official capacity
as Director of the Illinois Department of Revenue;
CHAMPAIGN COUNTY BOARD OF REVIEW;
JOHN BERGE, SUSAN FROBISH, and
CHRIS DIANA, in their official capacities as
members of the Champaign County Board of
Review; PAULA BATES, in her official capacity
as Champaign County Supervisor of Assessments;
BYRON CLARK, in his official capacity
as Champaign County Treasurer; and IVANA
OWONA, in her official capacity as Cunningham
Township Assessor,

Defendants

CITY OF URBANA and CHAMPAIGN COUNTY,
Intervenor-Defendants

2013-CH-150

AGREED ORDER

WHEREAS, the parties have reached a settlement agreement resolving the claims brought in this case. By agreement of the parties, this cause is dismissed with prejudice, and all parties shall bear their own costs and attorneys' fees.

SO ORDERED:

Circuit Judge

Date

Stipulated as to content and agreed as to form:

THE CARLE FOUNDATION

THE ILLINOIS DEPARTMENT OF REVENUE
AND ITS DIRECTOR

By: _____
Steven F. Pflaum
One of Its Attorneys

By: _____
David Buysse
Office of the Illinois Attorney General

CITY OF URBANA

CUNNINGHAM TOWNSHIP ASSESSOR

By: _____
Matt Roeschley
One of Its Attorneys

By: _____
Jayman A. Avery
One of Its Attorneys

THE CHAMPAIGN COUNTY TREASURER,
THE CHAMPAIGN COUNTY SUPERVISOR
OF ASSESSMENTS, THE CHAMPAIGN
COUNTY BOARD OF REVIEW AND ITS
INDIVIDUAL MEMBERS, and
CHAMPAIGN COUNTY

By: _____
Joel Fletcher
Assistant State's Attorney

ORDINANCE NO. 2025-8

ORDINANCE AUTHORIZING THE EXECUTION OF A RENTAL HOUSING
DEVELOPER AGREEMENT AND A REGULATORY AND LAND USE RESTRICTION
AGREEMENT FOR THE PARKER GLEN II AFFORDABLE HOUSING DEVELOPMENT

WHEREAS, Champaign County was awarded Emergency Rental Assistance funding through the Department of Treasury in 2021 to administer pandemic relief rent assistance; and

WHEREAS, in March 2023 the funding shifted to affordable housing development to support a long-term impact and expand affordable housing for low-income households in Champaign County; and

WHEREAS, the remaining funds must be expended by September 30, 2025; and

WHEREAS, the Parker Glen Phase I Project, an affordable housing development in Champaign, was completed in 2024 and was impactful to low-income households; and

WHEREAS, the Regional Planning Commission and the County of Champaign are seeking to provide funds for the Parker Glen Phase II Affordable Housing Development; and

WHEREAS, a Rental Housing Developer Agreement and a Regulatory and Land Use Agreement have been prepared;

NOW, THEREFORE, BE IT ORDAINED that the Champaign County Board approves the Rental Housing Developer Agreement and the Regulatory and Land Use Restriction Agreement for the Parker Glen Phase II Project and authorizes the County Executive to execute them.

PRESENTED, ADOPTED, APPROVED, AND RECORDED this 13th day of May A.D. 2025.

Jennifer Locke, Chair
Champaign County Board

Recorded
& Attest: _____
Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board
Date: _____

Approved: _____
Steve Summers, County Executive
Date: _____



CHAMPAIGN COUNTY
REGIONAL PLANNING
COMMISSION

Date: May 1, 2025
To: Honorable Members of the Champaign County Board
From: Lisa Benson
RE: Agreements to provide gap funding for Parker Glen II affordable housing development

The attached Rental Housing Development Agreement and Regulatory and Land Use Restriction Agreement are presented to the Champaign County Board for its consideration and approval. With the consent of the State's Attorney's Office, RPC engaged outside counsel to represent the County on this transaction.

BACKGROUND:

- Champaign County/ RPC was awarded Department of Treasury Emergency Rent Assistance funding in 2021 to administer pandemic relief rent assistance. Rent assistance programming was delivered from Feb 2021 – March 2023.
- In March 2023, the focus of the funding shifted to affordable housing development to support a long-term impact, with intent to invest the final 25% of funding to expand affordable housing for low-income households in Champaign County. This funding must be expended by September 30, 2025.
- RPC, representing Champaign County, is a partner in the local HOME Consortium, a consortium working to impact affordable housing in Champaign County.
- In 2024, Woda Cooper Companies completed the Parker Glenn Phase I project, an affordable housing development in Champaign, IL. This affordable housing was impactful to low-income households.
- In May 2024, Woda Cooper Companies had a shovel ready plan for Parker Glen Phase II project, however due to market changes/ tax credit funds, there was an approximate \$750,000 funding gap.
- RPC and City of Champaign sought to provide funds to address the gap in funding and support the phase II development.



CHAMPAIGN COUNTY
REGIONAL PLANNING
COMMISSION

PARKER GLEN PHASE II

- Estimated Total Development Cost of Project: \$18,691,463
- Estimated Portion of Total Development Cost of the Project Attributable to Affordable Rental Housing: 100%
- Total Number of Rental Units in Project: 56
- Number of Units Serving Very Low-Income Families: 18
- Number of Rental Units Funded by Your ERA2 award (i.e. Champaign County funded): 4
- Estimated Start of Service of the Project: May 19, 2025
- Description of Income Limitations on Rental Units:
 - 14 units will be restricted at 30% Area Median Income (AMI)
 - 11 units will be restricted at 50% Area Median Income (AMI)
 - 9 units will be restricted at 60% Area Median Income (AMI)
 - 22 units will be restricted at 80% Area Median Income (AMI)
- Other Federal program(s) whose award funds were used to support this project:
 - Low-Income Housing Tax Credit (Treasury)
 - HOME Investment Partnerships Program (U.S.)

Underwriting	Financing	
Construction Period Sources	Type	Amount
RiverHills Bank	1st	\$12,600,000
IHDA HOME Loan	2nd	\$2,714,096
Emergency Rental Assistance (ERA2)- Champaign County	3rd	\$700,000
City of Champaign HOME Loan	4th	\$50,000
Ohio Capital Corporation for Housing- LIHTC	Equity	\$1,217,862
Total Construction Period Sources:		\$17,281,958

Underwriting	Financing	
Permanent Sources	Type	Amount
IHDA FFB Loan	1st	\$1,790,000
IHDA HOME Loan	2nd	\$2,714,096
Emergency Rental Assistance (ERA2)- Champaign County	3rd	\$700,000
City of Champaign HOME Loan	4th	\$50,000
Valhalla Mortgage Co.	5th	\$35,000
Ohio Capital Corporation for Housing- LIHTC	Equity	\$12,346,169
Ohio Capital Corporation for Housing- 45L Energy Credit	Equity	\$23,518
Deferred Developer Fee*		\$1,032,680
Total Permanent Sources:		\$18,691,463

Champaign County Regional Planning Commission

1776 E. Washington St. Urbana, IL 61802

P 217.328.3313 F 217.328.2426

TTY 217.384.3862 CCRPC.ORG

CHAMPAIGN COUNTY REGIONAL PLANNING COMMISSION RENTAL HOUSING DEVELOPER AGREEMENT

THIS RENTAL HOUSING DEVELOPER AGREEMENT (this “Agreement”) is made as of May 14, 2025, by and between **Champaign County Regional Planning Commission**, a division of the County of Champaign, Illinois (the “Lender”), having its principal offices at 1776 E. Washington Street, Urbana, IL 61802, the **County of Champaign**, a body politic and corporate of the State of Illinois (the “County”), having its principal offices at 1776 E. Washington Street, Urbana, IL 61802, and **Parker Glen II Limited Partnership**, an Ohio limited partnership, having a principal place of business at 500 S. Front Street, 10th Floor, Columbus, OH 43215 (the “Borrower”).

BACKGROUND

I. The Congress of the United States has enacted the American Rescue Plan Act of 2021, 15 U.S.C. 9001, *et seq.* (“ARPA”), which created the Emergency Rental Assistance 2 Program (the “ERA2 Program”) to provide funds to state and local governments to assist eligible households with financial assistance, provide housing stability services, and as applicable, to cover the costs for other affordable rental housing and eviction prevention activities (“ERA2 Funds”).

II. The County has been designated as a grantee by the U.S. Department of the Treasury (“Treasury”) for receipt of ERA2 Funds, which funds the County distributes through the Lender.

III. The Borrower desires to serve as an owner, borrower, and developer of an affordable rental housing development within the County.

IV. The Lender has authority under the provisions of the ERA2 Program to provide financial assistance for the development of a mixed-income, affordable residential rental development (the “Loan”).

V. The Borrower has submitted a proposal to the Lender for assistance to construct a number of affordable rental dwelling units (the “Project”) on a property (the “Property”) commonly known as Parker Glen II, and more particularly described in the legal description included as Exhibit A.

VI. The Lender has reviewed said proposal and has conducted an evaluation of said Project, including a comprehensive review of the site and building plans that will achieve the minimum property standard, as established by the Lender, as part of said Project and an estimated total cost of said Project.

VII. The Lender has determined that the Project is eligible for funding under the ERA2 Program.

VIII. The Borrower has been fully informed regarding any and all requirements, and obligations that must be met by the Project in order to utilize ERA2 Program funds, including but not limited to the requirement that, after construction, the four (4) dwelling unit(s) of which funding is provided by the Loan must remain affordable to very low-income households (fifty percent (50%) of area median income as established by the U.S. Department of Housing and Urban Development (“HUD”)) for a period of 20 years from the date the Project has achieved full initial occupancy, in accordance with 15 U.S.C. 9058c.

IX. The Borrower, after said evaluation and assessment of the Project by the Lender, and having been fully informed regarding the requirements of the ERA2 Program, is committed to commencing construction of said Project on or before July 31, 2025, and with the assistance of ERA2 Program funds, completing construction on or before December 31, 2027, in accordance with the Project completion schedule in Exhibit C. The Borrower has made necessary arrangements to provide any required matching private contribution towards the cost of said Project.

X. The Loan is evidenced, secured and governed by, among other things: (a) the Note of even date herewith executed by the Borrower (the “Note”), (b) the Leasehold Mortgage of even date herewith executed by the Borrower and recorded in the Recorder’s Office of Champaign County (the “Mortgage”), (c) this Agreement, and (d) the Regulatory and Land Use Restriction Agreement entered into by the Borrower, County and Lender dated as of even date herewith (the “Regulatory and Land Use Restriction Agreement”). The Regulatory and Land Use Restriction Agreement, this Agreement, the Note, the Mortgage, and all other documents executed by the Borrower which evidence, govern or secure the Loan are each referred to as a “Loan Document” and collectively referred to as the “Loan Documents.”

Therefore, the parties agree as follows:

1. Use of ERA2 Funds

The Lender shall lend the Borrower an amount not to exceed **\$700,000.00** (from the Lender’s federal ERA2 Program allocation) to assist with the construction of **four (4)** affordable rental dwelling units for very low-income households (the “ERA2 Assisted Units”) out of a total of fifty-six (56) dwelling units in the Project. The Property is legally described in Exhibit A, which is attached to this Agreement. The Borrower shall comply with the following requirements:

a.) Complete work on the Project in accordance with the following documents:

1. Scope of Work/Project Description, attached hereto as Exhibit B.
 2. The Budget & Schedule, attached hereto as Exhibit C.
 3. The plans, drawings and specifications, as submitted to, and after the date hereof, approved by, the Lender.
- b.) Secure legal possession of the Property by means of leasehold title pursuant to the Ground Lease (as defined in the Mortgage).

2. ERA2 Project Requirements

The Borrower shall comply with all income determinations and affordability requirements of the ERA2 Program for each ERA2 Assisted Unit described in subsection d of this section, as set forth in 15 U.S.C. 9058c. The Borrower shall determine whether each family is income eligible by determining the family's annual income in accordance with the methodology allowed in 42 U.S.C. 1437a(a). The ERA2 Assisted Units in a rental housing project must be occupied only by households that are eligible as very low-income families (fifty percent (50%) of area median income as established by HUD) and must meet the affordability requirements as described more fully in 15 U.S.C. 9058c(d)(D).

- a.) Affordability Period: For **twenty (20)** years following the date the Project has achieved full initial occupancy (the "Affordability Period"), the Borrower shall restrict the use of the ERA2 Assisted Units to "affordable housing," as such term is used in the requirements of the federal HOME Investment Partnerships Program ("HOME Program") set forth in 24 C.F.R. 92.252.
- b.) Maximum Tenant Income: The gross annual household income of occupants of any ERA2 Assisted Unit must not exceed fifty percent (50%) of area median income as established by HUD.
- c.) Rent Limitations: The gross rent for all ERA2 Assisted Units (base rent plus applicable utility allowance computed in accordance with Section 42 of the Internal Revenue Code, 26 U.S.C. 42) cannot exceed the maximum Low HOME Rents (as defined in 24 C.F.R. 92.252) as published annually by HUD, and issued annually by the Lender. The initial monthly rent for each unit cannot exceed:

Efficiency: \$904
1 BR: \$909
2 BR: \$1,080
3 BR: \$1,380
4 BR: \$1,432

5 BR: \$1,647

6 BR: \$1,858

The Borrower must obtain permission from the Lender prior to changing the monthly rent at the ERA2 Assisted Units; provided, however, that if a change in monthly rent is in compliance with the requirements of the HOME Program, the Lender's consent is deemed granted upon the Borrower's prior written notice to the Lender of such change. The Borrower must provide tenants of the ERA2 Assisted Units not less than 30 days' prior written notice before implementing any increase in rents.

Due to the use of 9% Low-Income Housing Tax Credits ("LIHTC") for the Project, the Low HOME rent limits for the ERA2 Assisted Units are subject to the lesser of the Low HOME rent or tax credit limit. The rent may be raised to a Federal or State rental assistance program limit only if the tenant pays no more than 30 percent of adjusted income, the subsidy is project-based, and the tenant's income is less than 50 percent of the area median income.

- d.) ERA2 Assisted Unit Designation: The parties have designated four (4) floating units as the ERA2 Assisted Units. The units that are designated as the ERA2 Assisted Units may change over time, as long as the total number of ERA2 Assisted Units is no greater or less than four (4) at any given time. The ERA2 Assisted Units shall be one-bedroom, two-bedroom, or three-bedroom units in accordance with the proposed unit mix provided by the Borrower to the Lender. Borrower must ensure that the ERA2 Assisted Units remain comparable to the non-assisted units throughout the term of the Affordability Period in terms of size and features included in other one-bedroom, two-bedroom, and three-bedroom units, as applicable.
- e.) Increases in Tenant Income: When the income of a tenant occupying an ERA2 Assisted Unit increases to an amount over 50 percent of the area median income, but does not exceed 80 percent of the area median income, the unit that is occupied by the over-income tenant is considered a ERA2 Assisted Unit until a comparable unit can be substituted. The rent of the tenant whose income has gone above 50 percent of area median income must not exceed the Low HOME rent limit while the unit has an ERA2 Assisted Unit designation. To restore compliance, the Borrower must rent the next available comparable unit to a very low-income tenant. The unit will then be redesignated as an ERA2 Assisted Unit. Once this unit has been redesignated as an ERA2 Assisted Unit, the unit with the over-income tenant will no longer be designated as an ERA2 Assisted Unit. This process should not increase the number of ERA2 Assisted Units. When a tenant's income increases above 80 percent of the area median income, the tenant's rent must be adjusted so that the over-income tenant pays 30 percent of its adjusted income for rent and utilities; rent is capped at market rent for

comparable, unassisted units in the neighborhood in projects with floating ERA2 or HOME units. If the Loan is being made available for units that have been allocated a low-income housing tax credit by the Illinois Housing Development Authority (“IHDA”) pursuant to Section 42 of the Internal Revenue Code, and if and so long as applicable regulations under the ERA2 Program allow an exemption, such rental increase requirements will defer to the requirements of the low-income housing tax credit. This rule only applies to over-income tenants in existing ERA2 Assisted Units. Borrower may not defer to LIHTC rents in ERA2 Assisted Units when initially developing assisted units. When tenants receive additional subsidy through rental assistance programs such as Section 8, the final ruling published in Vol. 90, No. 3 of the Federal Register by the HUD Office for Community Planning and Development on January 6, 2025 (as the same may be further clarified, amended, or superseded) shall control.

- f.) Leasing: All leases between the Borrower and tenants residing in an ERA2 Assisted Unit will be for not less than one (1) year in duration and will comply with and not contain any lease provisions prohibited by 24 C.F.R. 92.253, as amended. The Borrower may not terminate the tenancy or refuse to renew the lease of a tenant in an ERA2 Assisted Unit except in the circumstances identified in 24 C.F.R. 92.253(c). Borrower must adopt written tenant selection policies and criteria for the Project that meet the requirements listed at 24 C.F.R. 92.253(d).
- g.) Certification of Tenants’ Income: The Borrower shall submit or cause to be submitted to the Lender within ninety (90) days of its fiscal year end the income records of all tenants that are or have been occupying ERA2 Assisted Units within the preceding twelve (12) months, and verifying that those tenants meet the income guidelines set forth herein, or in the case of existing tenants in said ERA2 Assisted Units whose income has increased above eighty percent (80%) of area median income, as defined annually by HUD, that the Borrower has complied with applicable ERA2 Program and HOME Program regulations in filling the next available vacant units. Borrower shall calculate tenant or potential tenant income in accordance with the methodology allowed in 42 U.S.C. 1437a(a). Recertification of tenant income shall be done in accordance with the more stringent of either the ERA2 Program, HOME Program or LIHTC Program requirements.
- h.) Non-Discrimination Against Subsidy Holders: The Borrower shall not, in the provision of services, or in any other manner, discriminate against any person on the basis of age, race, color, creed, religion, sex, disability, familial status or national origin.

3. Other Program Requirements

The Borrower shall comply with requirements imposed by Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 *et seq.*), as amended, and any related rules and regulations; all requirements imposed by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*), as amended; 24 C.F.R., Subtitle A, Part 1, as amended; the HUD requirements pursuant to the foregoing regulations; and Executive Order 11063.

In accordance with all rules and regulations issued by HUD under Section 504 of the Rehabilitation Act of 1973, the Borrower shall not discriminate against any person on the basis of his or her disabilities.

The Borrower shall comply with any rules and regulations issued by HUD under the Age Discrimination Act of 1975, (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 C.F.R. Part 146, as amended.

The Borrower shall cooperate with the Lender and HUD in conducting compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations, as amended.

The Borrower shall comply with the affirmative marketing requirements as enumerated in the Affirmative Marketing Plan in Exhibit D.

The Borrower shall comply with the requirements of 24 C.F.R. Part 92 Subpart F, as amended, as applicable to this project.

4. Property Standards

During the Affordability Period, the Borrower shall maintain all ERA2 Assisted Units in accordance with the minimum property standards as established by the Lender. The Borrower shall meet all applicable State and local construction codes, rehabilitation standards, and zoning ordinances at the time of Project completion. All ERA2 Assisted Units must meet the accessibility requirements of 24 C.F.R. Part 8, as amended, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined in 24 C.F.R. 100.201, must also meet the design and construction requirements of 24 C.F.R. 100.205, as amended, which implements the Fair Housing Act (42 U.S.C. 3601-3619). All ERA2 Assisted Units must meet the property standards in 24 C.F.R. 92.251 and the lead-based paint requirements of 24 C.F.R. Part 35, subparts A, B, J, K, M and R, as amended. The ERA2 Assisted Units must meet the current edition of the Model Energy Code published by the Council of American Building Officials.

The Borrower shall allow periodic inspections of the ERA2 Assisted Units by the Lender or its designee during normal business hours and upon reasonable notice to ensure

that the property condition remains in accordance with the applicable standards listed in this Agreement for the duration of the Affordability Period.

5. Federal Program Requirements

- a.) Affirmative Marketing of Rental or Vacant Units: The Borrower shall affirmatively market any ERA2 Assisted Unit available for rent or purchase in a manner to attract tenants without regard to race, color, national origin, sex, religion, familial status or disability. The Borrower agrees, in soliciting tenants, to do the following:
- 1) Use the Equal Housing Opportunity logo in all advertising;
 - 2) Display a Fair Housing poster in the rental and sales office;
 - 3) Where appropriate to advertise, use media, including minority outlets, likely to reach persons least likely to apply for the housing;
 - 4) Maintain files of the Project's affirmative marketing activities for five (5) years and provide access thereto to the Lender's staff;
 - 5) Not refrain from renting to any participating tenant holding a Section 8 Housing Choice Voucher, except for good cause, such as previous failure to pay rent and/or to maintain a rental unit, or the tenant's violation of other terms and conditions of tenancy;
 - 6) Comply with Section 8 Housing Choice Voucher regulations when renting to any participating tenant;
 - 7) Exercise affirmative marketing of the units when vacated; and
 - 8) Complete the Affirmative Marketing Plan, attached as Exhibit D.
- b.) Non-discrimination and Equal Opportunity: In carrying out this Agreement, the Borrower shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, familial status, disability or national origin. The Borrower shall take the necessary steps to ensure that applicants for employment are employed, and that employees are treated during employment without regard to their race, color, religion, sex, age, familial status, disability or national origin. Such action includes, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Borrower shall post in conspicuous

places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of this non-discrimination clause. The Borrower shall consider all qualified candidates for employment without regard to race, color, religion, sex, age, familial status, disability or national origin. The Borrower shall comply with all of the provisions of Paragraph 13 of the Illinois Housing Development Act (20 ILCS 3805/13), as amended, Sections 92.350 and 92.351 of the HOME Program regulations (24 C.F.R. §§ 92.350 and 351) and all other provisions of Federal, State and local law relative to non-discrimination, as amended.

- c.) Displacement, Relocation and Acquisition: If applicable, the Borrower shall cooperate with and assist the Lender in the provision of relocation assistance for temporarily relocated and/or permanently displaced persons residing in the Project at the levels in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C.4601 *et seq.*), as amended, and 49 C.F.R. Part 24, as amended.
- d.) Labor Requirements: The Borrower shall comply with the Copeland Anti-Kickback Act (18 U.S.C. 874 *et seq.*), as amended, and its implementing regulations of the U.S. Department of Labor at 29 C.F.R. Part 5, as amended. The Borrower shall maintain documentation that demonstrates compliance with hour and wage requirements of this Part. The Borrower shall make such documentation available to the Lender for review upon request.

The Borrower shall comply with the Fair Labor Standards Act of 1938, as amended (29 USC 201, *et. seq.*) The Borrower shall maintain documentation that demonstrates compliance with the requirements of this Part. The Borrower shall make such documentation available to the Lender for review upon request.

- e.) Debarment & Suspension: The Borrower certifies that it is not debarred or suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. The Borrower shall establish procedures to ensure that it does not make any award to grantees and subgrantees (including contractors) at any tier in violation of the nonprocurement debarment and suspension common rule implementing Executive Order 12549. The Borrower shall verify and document that none of its grantees, subgrantees or contractors are debarred, suspended or otherwise excluded from participation through the effective use of the List of Parties Excluded from Federal Procurement or Nonprocurement programs (the "List"). The Borrower may request assistance from the

Lender to access the List and document results to the file, or verify by using the following website (www.sam.gov) or any other approved method.

- f.) Conflict of Interest: The Borrower guarantees that no member of, or delegate to, the Congress of the United States will be admitted to any share or part of this Agreement or to any benefit to arise from the same. The Borrower agrees that no members of the governing body of the locality in which the Borrower is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the agreement during his/her tenure, or for one year thereafter, will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the services performed under this Agreement. Unless expressly permitted by Treasury, the Borrower agrees that no person who is an employee, agent, consultant, officer, or elected or appointed official of the Borrower and who exercises or has exercised any functions or responsibilities with respect to activities assisted with ERA2 Program funds, or who is in a position to participate in a decision-making process to gain inside information with regard to such ERA2-assisted activities, may obtain a financial interest or benefit from the ERA2-assisted activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one (1) year thereafter. Unless expressly permitted by the Lender, no Borrower, or officer, employee, agent or consultant of the Borrower, may occupy an ERA2 Assisted Unit. The Borrower shall comply with the conflict of interest provisions prescribed in 24 C.F.R. 92.356(f).
- g.) Compliance with Section 3: The Borrower shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701*et seq.*), as amended. Section 3 applies to all contracts and subcontracts in excess of \$100,000 or where Lender assistance exceeds \$200,000. Additionally, if no contracts or subcontracts exceed \$100,000, then Section 3 will only apply to the Borrower. The following forms are required to be completed and submitted to the Lender:

_____ Section 3 Policy
_____ Section 3 Certification forms for businesses and residents
_____ Completed Section 3 Opportunities Plan
_____ Completed HUD 60002 Form

The Lender shall provide the foregoing certification forms to the Borrower. The Borrower is responsible for distributing and collecting the Section 3 forms from each contractor and subcontractor associated with the Project.

- h.) Air and Water: The Borrower shall comply with the following requirements insofar as they apply to the performance of this Agreement: Clean Air Act, 42 U.S.C. 7401, *et seq.*, as amended; Federal Water Pollution Control Act, 33 U.S.C. 1251, *et seq.*, as amended, including Section 308 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 308, and all regulations and guidelines issued thereunder; and Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R. Part 50, as amended.

- i.) Uniform Administration Requirements: The Borrower agrees that it is subject to, and will comply with, the uniform administrative requirements governing Federal funds including those requirements that apply to governmental entities. Specifically, this includes the requirements of OMB Circular No. A-87 and the following provisions of 24 C.F.R. Part 85: sections 85.6, 85.12, 85.20, 85.22, 85.26, 85.32-85.34, 85.36, 85.44, 85.51, and 85.52. For nonprofit organizations, this includes the requirements of OMB Circular No. A-122 and the following provisions of 24 C.F.R. Part 84: sections 84.2, 84.5, 84.13-84.16, 84.21, 84.22, 84.26-84.28, 84.30, 84.31, 84.34-84.37, 84.40-84.48, 84.51, 84.60-84.62, 84.72, and 84.73.

The Borrower agrees that it is subject to, and will comply with, federal OMB 24 C.F.R. Chapter I, Chapter II, Part 200, *et al*, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" Omni Circular.

- j.) Eligible and Ineligible Fees: The Borrower will not charge laundry room access, inspection, servicing, or other fees. Only the following are permitted fees: a reasonable annual fee for ongoing rental project compliance monitoring, fees for rental housing tenants that are reasonable and customary to the area, and fees for services that are voluntary and as long as the fees are only charged for services provided.

6. Payment Generally

As consideration for the performance of the undertaking and completion of construction of the Project, the Lender shall disburse proceeds of the Loan to the Borrower to pay for all eligible ERA2 Program costs, as determined by the Lender, in an amount not to exceed **\$700,000.00**. The full amount of the Loan shall be disbursed by the Lender or its designee to the Borrower on the date of this Agreement for payment of such eligible ERA2 Program costs. Payment for the Project will be made in accordance with the Budget detailed in Exhibit C and will be limited to the Scope of Work/Project Description contained in Exhibit B.

7. [Reserved]

8. Recordkeeping

The Borrower shall maintain such records and accounts, including program records, Project records; financial records; program administration records; equal opportunity and fair housing records; MBE/WBE records; records demonstrating compliance with the income eligibility determination requirements of 42 U.S.C. 1437a(a); recordkeeping requirements of 15 U.S.C. 9058c and 24 C.F.R. 92.508; any records demonstrating compliance with the requirements of 24 C.F.R. 92.353 regarding displacement, relocation and real property acquisitions; records demonstrating compliance with the labor requirements of 24 C.F.R. 92.354; records demonstrating compliance with the lead-based paint requirements of 24 C.F.R. 92.355; debarment and suspension certifications required by 24 C.F.R. Parts 24 and 92; and any other records, as are deemed necessary by the Lender to assure a proper accounting and monitoring of all ERA2 Program funds. The Borrower shall retain all records and supporting documentation applicable to this Agreement for five (5) years after the Affordability Period has terminated.

On an annual basis, the Borrower shall provide a report to the Lender describing the occupancy status and current rents for each ERA2 Assisted Unit, as well as financial statements for the entire Project, in the manner reasonably specified by the Lender in accordance with Lender's recordkeeping obligations under the ERA2 Program.

9. General Provisions

This Agreement, together with its attachments, constitutes the entire agreement between the Lender and the Borrower concerning the subject matter and supersedes all prior agreements or understandings pertaining to the matter of this Agreement. All attachments to this Agreement are incorporated into this Agreement and are made a part of this Agreement by this reference.

This Agreement will be valid only after the Champaign County Board approves it by resolution or ordinance.

The parties are permitted to sign this Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

Each party represents to the other that the person or persons signing this Agreement on behalf of the party has or have been authorized and empowered to enter into this Agreement by and on behalf of such party and to bind that party to all terms, performances, and provisions herein set forth.

As stated in the Project environmental review record, which is stored on file for public review at the Lender's principal office, the following mitigation measures must be satisfied prior to payment of ERA2 Program funds:

Law, Authority, or Factor	Mitigation Measure
Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 C.F.R. Part 51 Subpart B	Site design must include elements in the project that will reduce the interior noise level to 45 DNL and/or exterior noise level to 65 DNL as determined through the Sound Transmission Classification Assessment Tool (STraCAT) and/or the Barrier Performance Module (BPM), as applicable.
Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Follow the steps outlined in the Procedure to Remove Floodplain Designations by Berns, Clancy and Associates. The developer must not construct insurable property in Special Flood Hazard Areas prior to receipt of confirmation from the Federal Emergency Management Agency (FEMA) of a LOMA/LOMC confirming that areas of proposed construction are no longer considered Special Flood Hazard Areas. Any structures built in Special Flood Hazard Areas are required to obtain flood insurance in the amount equal to the outstanding principal balance of the ERA2-funded loan or the maximum limit of coverage made available under the National Flood Insurance Program, whichever is less.
Executive Order 12898	A properly noticed public hearing, as stated through the State of Illinois Open Meetings Act (5 ILCS 120), must be held prior the start of construction activities to obtain comments on the nature of the noise attenuation strategies and the existing Procedure to Remove Floodplain Designations.

10. Enforcement

A default will consist of any use of ERA2 Program funds for a purpose other than as authorized by this Agreement, noncompliance with ARPA, as amended, any material breach of the agreement, failure to expend ERA2 Program funds in a timely manner, or a misrepresentation in the application submission which, if known by the Lender and/or

Treasury, would have resulted in ERA2 Program funds not being provided. Upon due notice to the Borrower of the occurrence of any such default and the provision of a reasonable opportunity to respond and remedy such default, the Lender may take one or more of the following actions:

- (a) Direct the Borrower to prepare and follow a schedule of actions for carrying out the affected activities, consisting of schedules, timetables and milestones necessary to implement the affected activities;
- (b) Establish and follow a management plan that assigns responsibilities for carrying out the remedial actions;
- (c) Cancel or revise activities likely to be affected by the performance deficiency, before expending ERA2 Program funds for the activities;
- (d) Reprogram ERA2 funds that have not yet been expended from affected activities to other eligible activities or withhold ERA2 Program funds;
- (e) Direct the Borrower to reimburse the Lender's program accounts in any amount not used in accordance with the requirements of 15 U.S.C. 9058c;
- (f) Suspend disbursement of ERA2 Program funds for affected activities; and
- (g) Take other appropriate action including, but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions, termination of the agreement and any other available remedies.

For purposes of this Agreement, a reasonable opportunity to respond to any default shall be thirty (30) days from receipt by the Borrower of the Lender's written notice of default, unless such default cannot be cured within thirty (30) days, in which case Borrower shall have ninety (90) days from receipt by the Borrower of the Lender's written notice of default if Borrower demonstrates to Lender that it is diligently pursuing such cure, as determined by Lender in its sole discretion. No delay or omission by Lender and/or Treasury in exercising any right or remedy available to it under the agreement will impair any such right or remedy or constitute a waiver or acquiescence in any Borrower default.

Unless the Borrower's default is waived, the Lender may, upon twenty-four (24) hours' written notice after Borrower's 30-day response period, or the 90-day response period, as applicable, terminate this Agreement for said default. Waiver by the Lender of the Borrower's default under this Agreement will not be deemed a waiver of any other default nor will it be termination notice.

The Borrower's limited partner, any affiliates/successors of the Borrower's limited partner, and any of the Borrower's partners shall have the right, but not the obligation, to cure defaults under this Agreement, and any cure tended by such entity shall be accepted or rejected as if made by the Borrower.

11. Notices

All notices required under this Agreement must be in writing. Notices must be personally hand delivered or mailed by certified U.S. mail, return receipt requested, addressed to the respective party as shown below, or to any changed address either party may have fixed by notice. Notice will be deemed effective upon actual receipt of the notice, or, if certified mail delivery is not accomplished, notice will be deemed given on the date of the mailing. Either party may designate by written notice a different address to which notices must be sent.

To the Borrower:

Parker Glen II Limited Partnership
c/o Housing Services Alliance, Inc.
1 W. Winter Street, Suite 200
Delaware, Ohio 43015
Attention: Tanya Corbett

With copies to:

Woda Cooper Companies, Inc.
500 S Front. St. 10th Floor
Columbus, Ohio 43215
Attn: David Cooper, Jr.

Reno & Cavanaugh, PLLC
455 Massachusetts Avenue NW
Suite 400
Washington, DC 20001
Attention: Efrem Levy, Esq.

OEF Investment Fund, LLC
671 S. High St., Suite 600
Columbus, OH 43206
Attention: Asset Management

Barnes & Thornburg LLP
41 S. High Street, Suite 3300
Columbus, OH 43215

Attention: Laing Akers

To the Lender:

Champaign County Regional Planning Commission
1776 E. Washington Street
Urbana, Illinois 61802
Attention: Dalitso Sulamoyo

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Ryan Hatten

[Signature Page Follows]

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

Borrower

PARKER GLEN II LIMITED PARTNERSHIP,
an Ohio limited partnership

By: H.S.A. Parker Glen II GP, LLC,
an Ohio limited liability company,
its General Partner

By: H.S.A. Housing Corp.,
an Ohio corporation,
its Sole Member

By: _____
Name: Tanya Corbett
Its: Executive Director

[Signature Page 1 of 3]

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

County

County of Champaign,
a body politic and corporate of the State of Illinois

By: _____

Name: Steve Summers

Title: County Executive

[Signature Page 2 of 3]

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

Lender

Champaign County Regional Planning Commission, a division of the County of Champaign, Illinois

By: _____
Name: Dalitso Sulamoyo
Title: Chief Executive Officer

[Signature Page 3 of 3]

Exhibit A

Legal Description

Situated in the County of Champaign, State of Illinois, and more particularly described as follows:

Lot 301 of Parker Glen Subdivision, being a part of the Southwest 1/4 of Section 36, Township 20 North, Range 8 East of the Third Principal Meridian, Champaign County, Illinois, according to the plat thereof recorded as Document No. 2025R05121, in the Office of the Recorder of Champaign County, Illinois.

TOGETHER WITH the appurtenant rights and interests acknowledged, confirmed, created and/or granted by the following agreement(s):

- a. Reciprocal Easement Agreement by and between Parker Glen I Limited Partnership, an Ohio limited partnership, Parker Glen II Limited Partnership, an Ohio limited partnership, and Erie Land Co., LLC, an Ohio limited liability company, dated _____, 2025, and recorded concurrently herewith in the Recorder's Office, Champaign County, Illinois.
- b. Easements Agreement by and between Valhalla Housing Properties, Ltd., an Ohio limited liability company, and Parker Glen Limited Partnership, an Ohio limited partnership, dated October 19, 2021, and recorded October 26, 2021, in Instrument Number 2021R25481, Recorder's Office, Champaign County, Illinois.
- c. Abrogation of Declaration of Covenants and Restrictions, Grant of Easements Concerning J.T. Coffman Drive, and Recording of Cost Sharing Agreement by and between Champaign Land Investment Company, LLC, an Ohio limited liability Company and Villas at Ashland Farm Condominium Association, dated March 16, 2021, and recorded March 24, 2021, in Instrument Number 2021R06684, Recorder's Office, Champaign County, Illinois.

Exhibit B

Scope of Services/Project Description

Acquisition, construction and/or permanent financing of the Parker Glen II development to be located on the land described on Exhibit A.

Exhibit C

Project Budget & Schedule

Exhibit D

Affirmative Marketing Plan

This instrument was prepared by,
and after recording return to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Ryan Hatten

REGULATORY AND LAND USE RESTRICTION AGREEMENT

This Regulatory and Land Use Restriction Agreement (this “Regulatory Agreement”) is made as of May 14, 2025 between **Parker Glen II Limited Partnership**, an Ohio limited partnership (the “Borrower”), the **County of Champaign**, a body politic and corporate of the State of Illinois (the “County”), and **Champaign County Regional Planning Commission**, a division of the County of Champaign, Illinois (the “RPC”), each a “party” and together the “parties,” and is effective on the last date signed by a party hereto.

Background

I. The Congress of the United States has enacted the American Rescue Plan Act of 2021, 15 U.S.C. 9001, *et seq.* (“ARPA”), which created the Emergency Rental Assistance 2 Program (the “ERA2 Program”) to provide funds to state and local governments to assist eligible households with financial assistance, provide housing stability services, and as applicable, to cover the costs for other affordable rental housing and eviction prevention activities (“ERA2 Funds”). The County has been designated as a grantee by the U.S. Department of the Treasury (“Treasury”) for receipt of ERA2 Funds, which funds the County distributes through the RPC.

II. The RPC has agreed to make a loan to the Borrower in the original, principal amount of \$700,000.00 (the “Loan”), to be used for the eligible costs associated with the construction of four (4) units reserved for households that are eligible as very low-income families (at or below fifty percent (50%) of area median income (“AMI”) as established by HUD) within an affordable housing development with 56 total units on the Borrower’s real property (the “Real Estate”) legally described in Exhibit A.

III. The Borrower has executed and delivered to the RPC its promissory note (the “Note”) as evidence of its indebtedness to the RPC in the principal amount of the Loan, or so much thereof as may hereafter be advanced upon the Loan to the Borrower by the RPC, payable at the time and in the manner as specified in the Note.

IV. The Loan is evidenced, secured and governed by, among other things: (a) the Note; (b) the Leasehold Mortgage of even date herewith executed by the Borrower and recorded in the Champaign County Recorder's Office (the "Mortgage"); (c) the Rental Housing Developer Agreement entered into by the Borrower, the County and the RPC of even date herewith (the "Project Agreement"), such agreement being on file at the offices of the RPC; and (d) this Regulatory Agreement. This Regulatory Agreement, the Project Agreement, the Note, the Mortgage, and all other documents executed by the Borrower which evidence, govern or secure the Loan are each referred to as a "Loan Document" and collectively referred to as the "Loan Documents."

V. As an inducement to the RPC to make the Loan, the Borrower has agreed to enter into this Regulatory Agreement in accordance with the terms, conditions, and covenants set forth below, consents to be regulated and restricted by the RPC as herein provided, and has agreed to certain rental restrictions as provided for in (i) ARPA and the regulations promulgated thereunder and codified at 15 U.S.C. 9001, *et seq.* as the same may be amended and supplemented from time to time, and as applicable, and (ii) the regulations promulgated under the federal HOME Investment Partnerships Program ("HOME Program"), as set forth in 24 C.F.R. 92.200, *et seq.*, applicable to the ERA2 Program (collectively, the "Regulations").

Therefore, the parties agree as follows.

1. Regulatory Compliance. The Borrower's acts regarding the Real Estate and the improvements now or hereinafter located thereon (together referred to as the "Project") at all times shall be in conformance with ARPA and the Regulations and any additional rules, regulations, policies and procedures of the RPC promulgated under ARPA, all as the same may be amended and supplemented from time to time. The Borrower shall obtain all federal, state, and local governmental approvals required by law for the Project. The Borrower shall cause the Project to comply with all local codes, ordinances, zoning ordinances, and the United States Department of Housing and Urban Development's ("HUD") Section 8 Housing Quality Standards, as set forth in 24 C.F.R. Part 982.

2. Occupancy and Rental Restrictions. The Borrower further represents, warrants, covenants, and agrees that:

- A. Four (4) units in the Project will be subject to the Regulations with rents set at Low HOME amounts (the "ERA2 Assisted Units"). Each of the 4 ERA2 Assisted Units will be reserved for households that are eligible as very low-income families (fifty percent (50%) of area median income ("AMI") as established by HUD).
- B. In the advertising, marketing, rental of the ERA2 Assisted Units, and the selection of tenants for the Project, the Borrower shall abide by the terms and conditions of the Tenant Selection Plan executed by the Borrower and approved by the RPC, the Affirmative Fair Housing Marketing Plan executed by the Borrower and approved by the RPC, the Project Agreement (as such documents may be amended from time to time with the prior written consent of the RPC), ARPA, the Regulations, and all applicable ordinances, regulations, rules, procedures and requirements of the RPC.
- C. The Borrower shall not, in the selection of tenants, in the provision of services, or in

any other manner unlawfully discriminate against any person on the grounds of race, color, creed, religion, sex, unfavorable military discharge, ancestry, disability, national origin, marital status, familial status, or because the prospective tenant is receiving governmental rental assistance. The Borrower shall comply with all of the provisions of Paragraph 13 of the Illinois Housing Development Act (20 ILCS 3805/13), as amended, Sections 92.350 and 92.351 of the Regulations (24 C.F.R. 92.350 and 351, as amended) and all other provisions of federal, state and local law relative to non-discrimination.

- D. In the management, maintenance, and operation of the Project, the Borrower shall abide by the terms and conditions of the Project Agreement, as such document may be amended from time to time with the prior written approval of the RPC. The Borrower shall be responsible for ensuring any management agent's compliance with ARPA, the Regulations, and all applicable ordinances, regulations and statutes and the rules, procedures and requirements of the RPC.
- E. On forms approved by the RPC, the Borrower shall obtain from each prospective tenant for an ERA2 Assisted Unit, prior to his or her admission to the Project, a determination of income in accordance with 42 U.S.C. 1437a(a) ("Determination"), and at such intervals thereafter as required by the RPC conduct a reexamination of income in accordance with 42 U.S.C. 1437a(a) (the "Reexamination") from all such tenants. The Borrower shall submit the initial Determination and results of each subsequent Reexamination to the RPC in the manner prescribed by the RPC.
- F. In the manner prescribed by the RPC, the Borrower shall obtain written evidence substantiating the information given for the initial Determination and each subsequent Reexamination and shall retain such evidence in its files at the Project or at the offices of the Borrower for three years after the year to which such evidence pertains.
- G. Rent for the ERA2 Assisted Units shall not be greater than the rent allowed under the terms of the Project Agreement. Any increases in rents for the ERA2 Assisted Units in accordance with the Project Agreement are subject to the provisions of outstanding leases, and, in any event, the Borrower shall provide tenants of ERA2 Assisted Units no fewer than 30 days' prior written notice before implementing any increase in rents.
- H. ERA2 Assisted Units will be deemed to comply with this paragraph 2, despite a temporary noncompliance with this paragraph, if (i) the noncompliance is caused by increases in the incomes of tenants already occupying such ERA2 Assisted Units; and (ii) actions satisfactory to the RPC are being taken to ensure that all vacancies are filled in accordance with this paragraph 2 until the noncompliance is corrected. Subject to the limitations set forth in Section 92.252(i)(2) of the Regulations with respect to low-income housing tax credits, if applicable, tenants who no longer qualify as low-income tenants must pay for rent and utilities an amount not less than 30% of the family's adjusted monthly income, as recertified annually.
- I. The Borrower shall require all tenants occupying ERA2 Assisted Units to execute a lease

in a form approved by the RPC in accordance with Section 92.253 of the Regulations (24 C.F.R. 92.253), as amended, and all applicable provisions of the Regulations.

- J. The Borrower shall cause all Loan proceeds to be used for affordable rental housing purposes serving very low-income families, as such terms are defined in 15 U.S.C. 9058c and FAQ guidance regarding such definitions issued by Treasury.
 - K. The Borrower shall submit to the RPC on an annual basis the rent schedule for the ERA2 Assisted Units reflecting the actual rates being charged at the Project.
 - L. The Borrower shall not evict any tenant from an ERA2 Assisted Unit in the Project without good cause.
 - M. Within 30 days after the end of each calendar year, the Borrower shall certify to the RPC that, at the time of such certification and during the preceding calendar year, the Borrower was in compliance with the requirements of this paragraph 2, or, if the Borrower is not or has not been in compliance with such requirements, the Borrower shall give notice to the RPC of its failure to comply and the corrective action the Borrower is taking or has taken.
 - N. Subject to termination in the event of foreclosure or transfer in lieu of foreclosure as provided in Section 92.252(e) of the Regulations (24 C.F.R. 92.252(e)), the occupancy and rental restriction provisions of this paragraph 2 shall remain in effect for a period of 20 years from the date the Project has achieved full initial occupancy (the "Affordability Period"). In the event of foreclosure or deed in lieu of foreclosure relating to any other loan encumbering the Project, the RPC shall have the right, but not the obligation, to acquire the Project prior to such foreclosure or deed in lieu of foreclosure to preserve the foregoing affordability provisions as provided in Section 92.252 of the Regulations.
3. Acts Requiring RPC Approval. Except as permitted pursuant to the other Loan Documents, the Borrower shall not without the prior written approval of the RPC, which may be given or withheld in the RPC's sole discretion, do any of the following:
- A. except with respect to the Senior Loan and as permitted in the Mortgage, convey, transfer, or encumber the Project or any part thereof, or permit the conveyance, transfer, or encumbrance of the Project or any part thereof;
 - B. except with respect to the Senior Loan, convey, assign, or transfer any right to manage or receive the rents and profits from the Project;
 - C. rent any ERA2 Assisted Unit for less than one year, unless otherwise mutually agreed in writing by the Borrower and the tenant in accordance with the Regulations; or
 - D. lease or sublease any non-residential facility in the Project or amend or modify any

such lease or sublease, which, to the best of the Borrower's knowledge, would result in a conflict of interest between any of the parties to such contracts and the RPC, its officers, employees, agents or members of their respective immediate families; or require, as a condition of the occupancy or leasing of any ERA2 Assisted Unit in the Project, any consideration or deposit other than the pre-payment of the first month's rent plus a security deposit in an amount not to exceed one month's rent to guarantee the performance by the tenant of the covenants of such lease. Any funds collected by the Borrower as security deposits shall be kept separate and apart from all other funds of the Project.

4. Program Requirements. The Borrower further covenants, represents and warrants to the RPC as follows:

- A. Flood Insurance. If required by the RPC, the Borrower shall procure flood insurance satisfactory to the RPC if the Project is located in a 100-year flood plain.
- B. Scope of Work. The only work to be done in connection with the Project will be that described in the Project Agreement.
- C. Insurance Proceeds. If the Borrower receives insurance proceeds for any damage or destruction to the Real Estate occurring during the Affordability Period, the Borrower shall apply such proceeds to the repair of such damage or destruction, in accordance with the provisions set forth in the Mortgage.
- D. Cooperation and Project Design. The Borrower shall expeditiously complete construction of the Project, as set forth in the Project Agreement. The Borrower shall design and construct the Project in conformity with (i) applicable federal, state and local statutes, regulations, ordinances, standards and codes (except as otherwise approved by the RPC), (ii) industry practices in Illinois and (iii) applicable rules, contracts, agreements, procedures, guides and other requirements of the RPC provided to the Borrower in writing.
- E. Furnishing Records, Reports, and Information. At the request of the RPC, the Borrower shall furnish (i) such records and information as required by the RPC in connection with the maintenance, occupancy, and physical condition of the Real Estate; and (ii) such reports, projections, certifications, budgets, financial reports, operating reports, tax returns, and analyses as required pursuant to the Regulations and any other applicable statutes, rules, and regulations.
- F. Audit. The Project and the equipment, buildings, plans, specifications, offices, apparatus, devices, books, contracts, records, documents and other papers relating thereto, and the books and records relating to the Borrower, shall at all times be maintained in reasonable condition for proper audit, and shall be subject to examination, inspection and copying at the office of the Borrower by the RPC or its

agents or representatives at any time during regular business hours as the RPC reasonably requires.

5. Violation of Agreement by the Borrower.

- A. Upon violation of any of the provisions of this Regulatory Agreement by the Borrower, the RPC shall give written notice thereof to the Borrower in the manner provided in paragraph 14 hereof. If such violation is not corrected to the satisfaction of the RPC within 30 days after the date such notice is mailed, or within such further time as the RPC in its sole discretion permits (but if such default is of a nature that it cannot be cured within such 30 day period, then so long as the Borrower commences to cure within such 30 day period and diligently pursues such cure to completion within a reasonable period not to exceed 120 days from the date of such notice, such violation shall not be considered to be a default) (any such violation, a “Default”), or if any Default or event of Default under any other Loan Document is not cured within any applicable grace, cure, or notice period set forth therein, then the RPC may declare a Default under this Regulatory Agreement, effective on the date of such declaration of Default and notice thereof to the Borrower, and upon such Default the RPC may undertake any or all of the following:
- (1) Declare the whole of the indebtedness under the Note immediately due and payable and proceed with the rights and remedies set forth in the Mortgage.
 - (2) Withhold further disbursement of the Loan.
 - (3) Subject to the rights of Senior Lenders, as defined in the Mortgage, collect all rents and charges in connection with the operation of the Project and use such collections to pay the Borrower’s debts under the Loan Documents and such other debts of the Borrower in connection with the Project and the necessary expenses of preserving and operating the Project.
 - (4) Subject to the rights of Senior Lenders, take possession of the Project, bring any action necessary to enforce any rights of the Borrower in connection with the operation of the Project and operate the Project in accordance with the terms of this Regulatory Agreement until such time as the RPC, in its sole discretion, determines that the Borrower is again in a position to operate the Project in accordance with the terms of the Regulatory Agreement and in compliance with the requirements of the Note and the Mortgage.
 - (5) Apply to any state or federal court for an injunction against any violation of this Regulatory Agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Regulatory Agreement, or for such other relief as may be appropriate.
 - (6) Subject to the rights of Senior Lenders, use and apply any monies deposited by

the Borrower with the RPC regardless of the purpose for which the same were deposited, to cure any such Default or to repay any indebtedness under the Loan Documents which is due and owing to the RPC.

- (7) Exercise such other rights or remedies as may be available to the RPC hereunder, under any other Loan Document, at law or in equity.

The Borrower's limited partner, any affiliates/successors of the Borrower's limited partner, and any of the Borrower's partners shall have the right, but not the obligation, to cure defaults under this Regulatory Agreement, and any cure tended by such entity shall be accepted or rejected as if made by the Borrower.

- B. Because the injury to the RPC arising from a Default under any of the terms of this Regulatory Agreement would be irreparable and the number of damages would be difficult to ascertain, the Borrower acknowledges and agrees that in the event of a violation of this Regulatory Agreement, the RPC's remedies at law would be inadequate to assure the RPC's continued compliance with ARPA and the ERA2 Program.

6. Waiver. The RPC's remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the RPC. No waiver of any breach of this Regulatory Agreement by the RPC shall be deemed to be a waiver of any other breach or a subsequent breach. If the RPC fails to exercise, or delays in exercising, any right under this Regulatory Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

7. Termination of Liabilities.

- A. In the event the RPC consents to a sale or other transfer of the Project, or in the event of a permitted sale or other transfer, if any, pursuant to the Loan Documents, all of the duties, obligations, undertakings and liabilities of the transferor under the terms of this Regulatory Agreement will thereafter cease and terminate as to such transferor; provided, however, as a condition precedent to the termination of the liability of the transferor hereunder, the transferee of the Project ("New Borrower") shall assume in writing, on the same terms and conditions as apply hereunder to the transferor, all of the duties of such transferor arising under this Regulatory Agreement from and after such sale or transfer. Such assumption will be in form and substance acceptable to the RPC in its sole discretion.
- B. Any New Borrower shall be bound by the terms of this Regulatory Agreement to the same extent and on the same terms as the present the Borrower is bound hereunder and shall execute an assumption of such duties in form and substance acceptable to the RPC as a condition precedent to such transferee's admission as a New Borrower.

8. Term of Agreement; Covenants Run with the Land.

- A. The covenants, conditions, restrictions and agreements set forth in this Regulatory Agreement (collectively, the “Obligations”) will be deemed to run with, bind, and burden the Real Estate and the Project and will be deemed to bind any New Borrower and any other future owners of the Real Estate or the Project and the holder of any legal, equitable or beneficial interest therein for the Affordability Period; provided, moreover, that if the date of the cancellation of the Note is prior to the expiration date of the Affordability Period, the Obligations shall remain in effect until the last day of the Affordability Period, irrespective of whether the proceeds of the Loan are repaid voluntarily by the Borrower or tendered by any party following an acceleration by the RPC of the Note or enforcement by the RPC of its remedies in connection with the Loan. The Borrower shall, if so requested by the RPC, execute a written memorandum, prepared by the RPC, which memorandum shall memorialize said date of Project completion and the foregoing Affordability Period. Any waiver by the RPC of its right to prepare or record any such memorandum and any failure by the Borrower to execute and deliver the same will not affect the validity or enforceability of the Obligations. In the event of a foreclosure or deed in lieu of foreclosure relating to any other loan encumbering the Project, the RPC or its designee will have the right, but not the obligation, to acquire the Project prior to such foreclosure or deed in lieu of foreclosure to preserve the foregoing affordability provisions as provided in Section 92.252 of the Regulations, as amended, provided that any such acquisition will be subject to existing mortgages between the Borrower and Senior Lender.
- B. Notwithstanding that the Loan may be repaid prior to the expiration of the Affordability Period, the Borrower’s undertaking to perform the Obligations for the full Affordability Period set forth in the previous paragraph is a condition precedent to the willingness of the RPC to make the Loan.
9. Indemnification. The Borrower shall indemnify and defend the RPC, its officers, agents, employees, or agents against any and all liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, reasonable attorneys’ fees, settlements or judgments, whether by direct suit or from third parties, arising from or in any way related to the Borrower’s performance or failure to perform the provisions of this Regulatory Agreement or the work performed by a contractor in connection with the Project, in any claim or suit brought by a person or third party against the RPC, or its respective officers, agents, employees or servants, except to the extent caused by the gross negligence or willful misconduct of the RPC, or its officers, employees, or agents.
10. Amendment. This Regulatory Agreement shall not be altered or amended except in a writing signed by the parties hereto.
11. Conflicts and Partial Invalidity. The Borrower warrants that it has not executed, and shall not execute, any other agreement with provisions contradictory, or in opposition to, the provisions hereof and that, in any event, the requirements of this Regulatory Agreement are paramount and controlling as to the rights and duties set forth in such other agreement and supersede any other requirements in conflict therewith; provided, however, that to the extent this Regulatory Agreement conflicts with any provision or requirement set forth in the Loan Documents, as the

case may be, the more restrictive provision and requirement shall prevail and control. If any term, covenant, condition or provision of this Regulatory Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Regulatory Agreement, or the application thereof to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Regulatory Agreement shall be valid and enforceable to the fullest extent permitted by law. The provisions of this paragraph 11 shall not be deemed to be violated by, or violate, the Senior Loan Documents, as defined in the Mortgage.

12. Successors. Subject to the provision of paragraph 7 hereof, this Regulatory Agreement will bind, and the benefits will inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest and assigns; provided, however, that the Borrower shall not assign this Regulatory Agreement or any of its Obligations hereunder without the prior written approval of the RPC.

13. Capitalized Terms, Plurals, Gender and Captions. Capitalized terms used in this Regulatory Agreement and not otherwise defined shall have the meanings established in the Project Agreement, and, if not defined therein, then in ARPA, and if not defined therein, then in the Regulations. The use of the plural herein shall include the singular; the singular shall include the plural; and the use of any gender shall be deemed to include all genders. The captions used in this Regulatory Agreement are used only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Regulatory Agreement.

14. Notices. Except where the terms of this Regulatory Agreement expressly provide otherwise, the parties shall give all notices required or permitted by this Regulatory Agreement in writing. All notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier service (e.g., FedEx or UPS). A notice delivered by email will be deemed given when the recipient acknowledges having received the email by an email sent to the sender's email address, as stated in this section, or by a notice delivered by another method in accordance with this section. An automatic "read receipt" will not constitute acknowledgment of an email for purposes of this section. Each party's address is stated below and may be changed to such other address as the party may hereafter designate by notice.

To the Borrower:

Parker Glen II Limited Partnership
c/o Housing Services Alliance, Inc.
1 W. Winter Street, Suite 200
Delaware, Ohio 43015
Attention: Tanya Corbett

With copies to:

Woda Cooper Companies, Inc.
500 S Front. St. 10th Floor
Columbus, Ohio 43215

Attn: David Cooper, Jr.

Reno & Cavanaugh, PLLC
455 Massachusetts Avenue NW
Suite 400
Washington, DC 20001
Attention: Efrem Levy, Esq.

OEF Investment Fund, LLC
671 S. High St., Suite 600
Columbus, OH 43206
Attention: Asset Management

Barnes & Thornburg LLP
41 S. High Street, Suite 3300
Columbus, OH 43215
Attention: Laing Akers

To the RPC:

Champaign County Regional Planning Commission
1776 E. Washington Street
Urbana, Illinois 61802
Attention: Dalitso Sulamoyo

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Ryan Hatten

15. Survival of Obligations. The Borrower's Obligations, as set forth in this Regulatory Agreement, shall survive the disbursement of the Loan, and the Borrower shall continue to cooperate with the RPC and furnish any documents, exhibits, or records reasonably requested pursuant to paragraph 4(F) of this Regulatory Agreement.

16. Construction. This Regulatory Agreement will be construed and interpreted in accordance with the laws of the State of Illinois.

17. Counterparts. The parties may sign this Regulatory Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

18. Limited Non-Recourse Obligation. Notwithstanding anything herein to the contrary, the

indebtedness evidenced by the Note shall be a non-recourse obligation of the Borrower and neither the Borrower nor any general or limited partner of the Borrower or their respective successors or assigns, nor any related or unrelated party, shall have any personal liability for repayment of said indebtedness or any other amounts evidence or secured by the Loan Documents, the sole recourse of the RPC or any subsequent holder of the Note being the exercise of its rights against the Project and any other collateral under the Loan Documents, including without limitation (a) the Project and the rents issues, profits and income therefrom, (b) any funds or property held pursuant to any of the Loan Documents, and (c) insurance proceeds and condemnation awards paid or payable relative to the Project.

19. Waiver of Jury Trial. The parties waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any way connected with any of the Loan Documents and agree that any such action or proceeding will be tried before a court and not before a jury.

20. Subordination. This Regulatory Agreement is and shall be subject and subordinate in all respects to the Senior Loans and the Senior Loan Documents, both as defined in the Mortgage.

[Signature Pages Follow]

Exhibit A

Legal Description

Situated in the County of Champaign, State of Illinois, and more particularly described as follows:

Lot 301 of Parker Glen Subdivision, being a part of the Southwest 1/4 of Section 36, Township 20 North, Range 8 East of the Third Principal Meridian, Champaign County, Illinois, according to the plat thereof recorded as Document No. 2025R05121, in the Office of the Recorder of Champaign County, Illinois.

TOGETHER WITH the appurtenant rights and interests acknowledged, confirmed, created and/or granted by the following agreement(s):

- a. Reciprocal Easement Agreement by and between Parker Glen I Limited Partnership, an Ohio limited partnership, Parker Glen II Limited Partnership, an Ohio limited partnership, and Erie Land Co., LLC, an Ohio limited liability company, dated _____, 2025, and recorded concurrently herewith in the Recorder's Office, Champaign County, Illinois.
- b. Easements Agreement by and between Valhalla Housing Properties, Ltd., an Ohio limited liability company, and Parker Glen Limited Partnership, an Ohio limited partnership, dated October 19, 2021, and recorded October 26, 2021, in Instrument Number 2021R25481, Recorder's Office, Champaign County, Illinois.
- c. Abrogation of Declaration of Covenants and Restrictions, Grant of Easements Concerning J.T. Coffman Drive, and Recording of Cost Sharing Agreement by and between Champaign Land Investment Company, LLC, an Ohio limited liability Company and Villas at Ashland Farm Condominium Association, dated March 16, 2021, and recorded March 24, 2021, in Instrument Number 2021R06684, Recorder's Office, Champaign County, Illinois.

PROMISSORY NOTE

Secured by Mortgage

\$700,000.00

Urbana, Illinois

May 14, 2025

FOR VALUE RECEIVED, **Parker Glen II Limited Partnership**, an Ohio limited partnership (the “Maker”), promises pursuant to this Promissory Note (this “Note”) to pay on the fortieth (40th) anniversary of the date hereof (the “Maturity Date”), to **Champaign County Regional Planning Commission**, a division of the County of Champaign, Illinois, or its successors in interest (the “Holder”), the total principal sum of Seven Hundred Thousand and No/100ths Dollars (\$700,000.00), plus 0.0% annual interest, payable to the order of and delivered to the Holder.

1. The Maker’s obligation hereunder is secured by that certain Leasehold Mortgage, bearing even date herewith, from the Maker on a certain parcel of real property situated in Champaign, Champaign County, Illinois (the “Mortgage”), upon which the Maker will construct and operate a number of affordable rental dwelling units commonly known as Parker Glen II (the “Project”). The Maker’s obligation hereunder is due on the Holder’s demand upon the occurrence of an uncured default after the expiration of all applicable notice and cure periods as set forth in the Mortgage.

2. All interest on this Note shall be calculated on the basis of twelve (12) thirty (30) day months; however, for portions of the aggregate of all sums advanced by the Holder to or for the benefit of Maker under this Note and not repaid (such aggregate sum, the “Outstanding Principal Balance”) that are outstanding for less than a full calendar month, interest on such portion of the Outstanding Principal Balance shall be calculated on the basis of a three hundred sixty (360) day year and the actual number of days elapsed in any portion of a month for which interest may be due on such portion of the Outstanding Principal Balance.

3. The Maker shall pay to the Holder each year during the term of the Loan an amount equal to 25.0% of the Project’s annual Cash Flow (as defined in the Maker’s Amended and Restated Limited Partnership Agreement (the “Partnership Agreement”)) in accordance with the provisions for distribution of Cash Flow under the Partnership Agreement, with any unpaid amounts to be remitted to the Holder on or prior to the Maturity Date.

4. Unless otherwise specified by the Holder hereof, any payment under this Note may be made by check subject to collection, in United States dollars, delivered to the Holder at Champaign County Regional Planning Commission, 1776 E. Washington Street, Urbana, IL 61802, or at such other address as the Holder of this Note shall specify to Maker.

5. If the Holder files suit to recover on this Note, the Maker shall pay all costs of such collection, including reasonable attorneys' fees and court costs.

6. The Maker shall INDEMNIFY and DEFEND the Holder, its agents, employees, officers, and elected officials against all losses, damage, claims or liability whatsoever, including reasonable attorney's fees and costs, directly or indirectly resulting from the failure or alleged failure of the Maker to strictly and timely perform its obligations under this Note and the Mortgage referenced in Section 1 herein.

7. This Note is a nonrecourse obligation of the Maker. Neither the Maker nor any of its general and limited partners, or their respective successors and assigns, nor any other party shall have any personal liability for repayment of this Note. The sole recourse of the Holder under this Note for repayment of the loan advanced by the Holder to the Maker shall be the exercise of the Holder's rights against the Project and any related security thereunder.

8. Holder's rights hereunder are expressly subject and subordinate to the rights of RiverHills Bank ("Senior Lender") against Maker related to that certain construction loan from RiverHills to Maker in the amount of \$10,970,000 (the "Construction Loan") as set forth in those certain loan documents, of even date herewith, evidencing and securing the Construction Loan.

[Signature Page Follows]

IN WITNESS WHEREOF, the Maker has executed this Note as of the date above first written.

PARKER GLEN II LIMITED PARTNERSHIP,
an Ohio limited partnership

By: H.S.A. Parker Glen II GP, LLC,
an Ohio limited liability company,
its General Partner

By: H.S.A. Housing Corp.,
an Ohio corporation,
its Sole Member

By: _____
Name: Tanya Corbett
Its: Executive Director

This instrument was prepared by,
and after recording return to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Ryan Hatten

LEASEHOLD MORTGAGE

THIS INDENTURE (this “Mortgage”) made as of May 14, 2025 by **Parker Glen II Limited Partnership**, an Ohio limited partnership, having a principal place of business at 500 S. Front Street, 10th Floor, Columbus, OH 43215 (the “Mortgagor”), in favor of **Champaign County Regional Planning Commission**, a division of the County of Champaign, Illinois (the “Mortgagee”), having its place of business at 1776 E. Washington Street, Urbana, IL 61802, witnesseth:

THAT WHEREAS the Mortgagor is justly indebted to the Mortgagee upon that certain Promissory Note (the “Note”) of even date herewith, in the principal sum of Seven Hundred Thousand and No/100ths Dollars, with a 0.0% annual interest rate and a maturity date on the fortieth (40th) anniversary of the date hereof (the “Maturity Date”), payable to the order of and delivered to the Mortgagee as repayment of a loan made by the Mortgagee to the Mortgagor (the “Loan”); and

NOW, THEREFORE, to secure the payment of said principal sum of money under the Note in accordance with the terms, provisions and limitations of this Mortgage, and the performance of the Mortgagor’s covenants and agreements herein contained, and also in consideration of the sum of Ten Dollars in hand paid, the receipt whereof is hereby acknowledged, the Mortgagor does by these presents CONVEY AND WARRANT unto the Mortgagee, and the Mortgagee’s successors and assigns, the Mortgagor’s leasehold estate pursuant to that certain Ground Lease Agreement of even date herewith the “Ground Lease”) between the Mortgagor and Erie Land Co., LLC (the “Ground Lease”) in the real estate, legally described on Exhibit A attached hereto (the “Real Estate”), and all of its estate, right, title and interest therein, situated, lying and being in the City of Champaign,

County of Champaign, and State of Illinois, to wit, which, with the property hereinafter described, is referred to herein as the “Premises.”

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as the Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said Real Estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, awnings, stoves, and water heaters. All the foregoing are declared to be a part of said Real Estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the Premises by the Mortgagor or its successors or assigns shall be considered as constituting part of the Real Estate.

TO HAVE AND TO HOLD the Premises unto the Mortgagee, and the Mortgagee’s successors and assigns, forever, for the purposes, and upon the uses herein set forth, free from any and all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, if applicable, which said rights and benefits the Mortgagor does hereby expressly release and waive.

The name of the record owner is: **Erie Land Co., LLC**. The Mortgagor owns leasehold title to the Real Estate as lessee under the Ground Lease.

COVENANTS, CONDITIONS AND PROVISIONS

1. Definitions:

“Loan Agreement” means that certain Rental Housing Developer Agreement between the Mortgagee, the Mortgagor and the County of Champaign, a body politic and corporate of the State of Illinois (the “County”), of even date herewith.

“Project” means the Premises and the improvements to be constructed thereon primarily consisting of a 56-unit affordable housing development known commonly as Parker Glen II.

“Senior Lender” means collectively:

- (1) RiverHills Bank (“Construction Lender”); and
- (2) Illinois Housing Development Authority (“IHDA”).

“Senior Loans” means, collectively, the (i) construction loan from Construction

Lender to the Mortgagor, and (ii) HOME loan from IHDA to the Mortgagor.

“Senior Loan Documents” means any and all of the Mortgage of Real Property, Security Agreement, Financing Statement and Assignment of Rents (Leasehold) granted by Mortgagor to Construction Lender and the Mortgage, Security Agreement and Assignment of Rents and Leases granted by Mortgagor to IHDA, and all other documents evidencing, securing or governing the Senior Loans.

2. The Mortgagor shall (1) in accordance with paragraph 7 hereof, promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (2) keep said Premises in good condition and repair in accordance with the City of Champaign building codes without waste, and free from mechanic’s or other liens or claims for lien not expressly subordinated to the lien thereof; (3) pay when due any indebtedness which may be secured by a lien or charge on the Premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said Premises; (5) comply with all requirements of law or municipal ordinances with respect to the Premises and the use thereof; (6) make no material alterations in said Premises except for the improvements to be constructed in connection with the Loan and except as required by law or municipal ordinance; and (7) do all things necessary to preserve and keep unimpaired its rights under the Ground Lease, and enforce in a commercially reasonable manner its rights under the Ground Lease.

3. The Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the Premises when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. To prevent default hereunder, the Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which the Mortgagor may desire to contest.

4. In the event of the enactment after this date of any law of Illinois deducting from the value of the Premises for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee’s interest in the property, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holder thereof, then in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it will be unlawful to require the Mortgagor to make such payment or (b) the making of such payment will result in the imposition of interest beyond the maximum amount permitted by law, then in such event, the Mortgagee may elect, by notice

in writing given to the Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

5. If, by the laws of the United States of America or of any state having jurisdiction in the Premises, any tax is due or becomes due in respect of the issuance of the Note hereby secured, the Mortgagor covenants and agrees to pay such tax in the manner required by any such law. The Mortgagor further covenant to hold harmless and agree to indemnify the Mortgagee, and the Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note secured hereby.

6. At such time as the Mortgagor is not in default either under the terms of the Note secured hereby or under the terms of this Mortgage, the Mortgagor shall have such privilege of making prepayments on the principal of said Note.

7. The Mortgagor shall keep all buildings and improvements now or hereafter situated on said Premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to the Mortgagee (subject to the rights of Senior Lender as set forth in the Senior Loan Documents), such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to the respective dates of expiration. Subject to the rights of Senior Lender and notwithstanding any provision to the contrary in this Mortgage, in the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, the Mortgagor shall have the right to rebuild the Project and to use all available insurance or condemnation proceeds therefore, provided that (a) such proceeds are sufficient to keep the Loan in balance and rebuild the Project in a manner that provides adequate security to the Mortgagee for repayment of the Loan or if such proceeds are insufficient, then the Mortgagor shall have funded any deficiency, (b) the Mortgagor shall have the right to approve plans and specifications for any major rebuilding (provided that such approval shall not be unreasonably withheld, conditioned or delayed) and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, provided that in the event of a disagreement, the decision of the Senior Lender shall control, and (c) no material default then exists beyond applicable notice and cure periods under this Mortgage, the Ground Lease, the Note or the Loan Agreement. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding, subject to the rights of the Senior Lender, and partial repayment of the Loan in a manner that provides adequate security to the Mortgagee for repayment of the remaining balance of the Loan.

8. In case of default therein, the Mortgagee may, but need not, make any payment or perform any act hereinbefore required of the Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other moneys advanced by the Mortgagee to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. Inaction of the Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagor.

9. The Mortgagee, in making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

10. The Mortgagor shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms of the Note or, as applicable, this Mortgage. At the option of the Mortgagee and without notice to the Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any required payment of principal or interest on the Note; provided, however, that the Mortgagor shall have seven (7) business days after receipt of notice of nonpayment to cure said default before the Mortgagee can exercise any remedy hereunder, or (b) when default shall occur and continue for thirty (30) days in the performance of any other agreement of the Mortgagor herein contained (inclusive of the Ground Lease), which 30-day period shall be extended by an additional ninety (90) days in the event cure of such default is commenced but cannot by its nature be completed within such 30-day period. The Mortgagor's limited partner, any affiliates/successors of the Mortgagor's limited partner, and any of the Mortgagor's partners shall have the right, but not the obligation, to cure defaults under the Note or this Mortgage, and any cure tended by such entity shall be accepted or rejected as if made by the Mortgagor.

11. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof, subject to the rights of Senior Lender under Senior Loan Documents. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs

(which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches, and examinations, title insurance policies, and similar data and assurances with respect to title as the Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned shall become additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by the Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the Premises or the security hereof.

12. Subject to rights of Senior Lender under the Senior Loan Documents, the remaining proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any remainder to the Mortgagor, its successors, legal representatives or assigns, as their rights may appear.

13. Subject to rights of Senior Lender under the Senior Loan Documents, upon or at any time after the filing of a complaint to foreclose this Mortgage the court in which such complaint is filed may appoint a receiver of said Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not, and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (1) The indebtedness secured hereby, or by an decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such

decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

14. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note hereby secured.

15. The Mortgagor shall not, without first obtaining the Mortgagee's written consent (which consent shall not be unreasonably withheld, conditioned or delayed), (i) refrain from exercising any right or remedy accorded to it under the Ground Lease on account of any material default by the Mortgagor under the Ground Lease, (ii) modify or amend the Ground Lease or terminate or surrender the Ground Lease or, where the Mortgagor has the legal right to refuse, prevent or object to its termination or surrender, to suffer or permit the Ground Lease to be terminated or surrendered, or (iii) permit the use of the Premises for any purpose except uses permitted under the Loan Agreement and the Ground Lease.

16. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said Premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provision hereof shall continue in full force. The Loan is a nonrecourse obligation of the Mortgagor. Neither the Mortgagor nor any of its general and limited partners, or their respective successors and assigns, nor any other party shall have any personal liability for repayment of the Loan. The sole recourse of the Mortgagee under the Note and this Mortgage for repayment of the Loan shall be the exercise of its right against the Project and any related security thereunder.

17. The Mortgagee shall release this Mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment to the Mortgagee of the costs of recording of such release.

18. This Mortgage and all provisions hereof, shall extend to and be binding upon the Mortgagor and all persons claiming under or through the Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder or holders, from time to time, of the Note secured hereby.

19. If all or any part of the Premises or any interest in it is sold or transferred without the Mortgagee's prior written consent, the Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by the Mortgagee if exercise is prohibited by federal law as of the date of this Mortgage. Notwithstanding the foregoing, (i) the limited partner of the Mortgagor may

transfer or assign its limited partner interest without the Mortgagee's prior consent, and (ii) the general partner of the Mortgagor may transfer or assign its general partner interest without the consent of the Mortgagee so long as Jeffrey J. Woda or David Cooper, Jr. continues to directly or indirectly control the general partner of Mortgagor, and provided that the Mortgagee receives notice of such transfer. Further, neither the withdrawal, removal, replacement, and/or addition of a general partner of the Mortgagor pursuant to the terms of the Mortgagor's limited partnership agreement, nor the withdrawal, replacement, and/or addition of any of its limited partners or its limited partner's general partners or members, shall constitute a default under this Mortgage or the Loan, and any such actions shall not accelerate the maturing of the Loan.

20. Unless the Mortgagor is in default as provided in the Loan Agreement, upon payment of the outstanding balance of the Loan, the Mortgagee shall release this Mortgage. The Mortgagor shall pay any recordation costs. If, however, the Mortgagor is in default and fails to cure such default within thirty (30) days from receipt of notice from the Mortgagee, the outstanding balance of all loans made under this agreement, if not sooner paid, will be immediately due and payable. This paragraph will survive the termination of this agreement. This Mortgage is and shall be subject and subordinate in all respects to the Senior Loans and the Senior Loan Documents. That certain Rental Housing Developer Agreement by and between the Mortgagor, the Mortgagee and the County of even date herewith is and shall be subject and subordinate in all respects to the Senior Loans and the Senior Loan Documents.

21. Any notice required or permitted to be given under this Mortgage shall be deemed given (i) when personally delivered, or (ii) three (3) business days after the date deposited in the United States mail, by certified or registered mail, postage prepaid, or (iii) the next business day following the date deposited, with all delivery charges prepaid, with a national delivery service for overnight delivery. Notices shall be addressed as follows:

To the Mortgagor:

Parker Glen II Limited Partnership
c/o Housing Services Alliance, Inc.
1 W. Winter Street, Suite 200
Delaware, Ohio 43015
Attention: Tanya Corbett

With copies to:

Woda Cooper Companies, Inc.
500 S Front. St. 10th Floor
Columbus, Ohio 43215
Attn: David Cooper, Jr.

Reno & Cavanaugh, PLLC
455 Massachusetts Avenue NW
Suite 400
Washington, DC 20001
Attention: Efrem Levy, Esq.

OEF Investment Fund, LLC
671 S. High St., Suite 600
Columbus, OH 43206
Attention: Asset Management

Barnes & Thornburg LLP
41 S. High Street, Suite 3300
Columbus, OH 43215
Attention: Laing Akers

To the Mortgagee:

Champaign County Regional Planning Commission
1776 E. Washington Street
Urbana, Illinois 61802
Attention: Dalitso Sulamoyo

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Ryan Hatten

Any recipient of notices under this provision may change its address for receipt of copies of notices by giving notice in writing stating its new address to all notice recipients hereunder.

22. Notwithstanding any provisions of this Mortgage to the contrary, the lien, terms, covenants and conditions of this Mortgage shall be subject and subordinate in all respects, including right of payment, to the indebtedness secured by (i) a Mortgage of Real Property, Security Agreement, Financing Statement and Assignment of Rents (Leasehold) (the "Construction Mortgage") on the Real Estate to be executed by Mortgagor in favor of RiverHills Bank ("RiverHills") to secure repayment of a loan in the principal amount of \$10,970,000.00 (the "Construction Loan") to be made by RiverHills for the benefit of Mortgagor and the development of the Real Estate as evidenced by that certain Construction Loan Promissory Note by Mortgagor to RiverHills in the amount of the Construction Loan (as modified or amended). Notwithstanding anything herein to the

contrary, Mortgagee (or any of its successors in interest) shall not be entitled to exercise any rights or remedies under this Mortgage without the prior written consent of RiverHills unless and until all amounts secured by the Construction Mortgage have been paid in full.

[Signature Page Follows]

EXHIBIT A
Legal Description

Situated in the County of Champaign, State of Illinois, and more particularly described as follows:

Lot 301 of Parker Glen Subdivision, being a part of the Southwest 1/4 of Section 36, Township 20 North, Range 8 East of the Third Principal Meridian, Champaign County, Illinois, according to the plat thereof recorded as Document No. 2025R05121, in the Office of the Recorder of Champaign County, Illinois.

TOGETHER WITH the appurtenant rights and interests acknowledged, confirmed, created and/or granted by the following agreement(s):

- a. Reciprocal Easement Agreement by and between Parker Glen I Limited Partnership, an Ohio limited partnership, Parker Glen II Limited Partnership, an Ohio limited partnership, and Erie Land Co., LLC, an Ohio limited liability company, dated _____, 2025, and recorded concurrently herewith in the Recorder's Office, Champaign County, Illinois.
- b. Easements Agreement by and between Valhalla Housing Properties, Ltd., an Ohio limited liability company, and Parker Glen Limited Partnership, an Ohio limited partnership, dated October 19, 2021, and recorded October 26, 2021, in Instrument Number 2021R25481, Recorder's Office, Champaign County, Illinois.
- c. Abrogation of Declaration of Covenants and Restrictions, Grant of Easements Concerning J.T. Coffman Drive, and Recording of Cost Sharing Agreement by and between Champaign Land Investment Company, LLC, an Ohio limited liability Company and Villas at Ashland Farm Condominium Association, dated March 16, 2021, and recorded March 24, 2021, in Instrument Number 2021R06684, Recorder's Office, Champaign County, Illinois.