**Loan Agreement Rider – TAH Express**

**Larger Loan Requirements (Revised 5-31-2018)**

1. Section 6.02 (a) is deleted and replaced with the following:

(a) Borrower will not amend or restate its organizational documents if such change would cause the provisions set forth in those organizational documents not to comply with the requirements set forth in 6.13(e).

1. Section 6.07(b) is deleted and replaced with the following:

(b) Delivery of Borrower Financial Information; Quarterly and Annual Requirements.

(i) **Quarterly Requirements.** Within 25 days after the end of each calendar quarter (or the end of each fiscal quarter, if Borrower has adopted fiscal year financial reporting), Borrower will deliver all of the following to Lender:

(A) A Rent Schedule dated no earlier than the date that is 5 days prior to the end of such quarter.

(B) A statement of income and expenses for Borrower’s operation of the Mortgaged Property for such quarter.

(ii) **Annual Requirements.** Within 90 days after the end of each calendar year (or the end of Borrower’s fiscal year, if Borrower has adopted fiscal year financial reporting), Borrower will deliver all of the following to Lender:

(A) An annual statement of income and expenses for Borrower’s operation of the Mortgaged Property.

(B) If the Mortgaged Property is subject to one or more Regulatory Agreements, evidence that the Mortgaged Property is in ongoing compliance with all income, occupancy and rent restrictions under the Regulatory Agreement(s).

(C) If the Mortgaged Property is subject to one or more HAP Contracts, evidence that the Mortgaged Property is in ongoing compliance with all requirements under the HAP Contract(s).

C. The following new Section 6.13(e) is added to this Loan Agreement:

(e) In addition to the Single Asset Entity requirements in Section 6.13(c), Borrower will satisfy each of the following requirements:

(i) It will not incur or assume any debt other than the Indebtedness, except that Borrower is permitted to incur unsecured trade payables that are necessary for owning and operating the Mortgaged Property (“**Trade Payables**”). The Trade Payables:

(A) Must not be evidenced by a promissory note.

(B) Must be paid within 60 days of the date incurred.

(C) In the aggregate, at any one time, must not exceed 5% of the Loan Amount.

(ii) It will hold all of its assets in its own name and will not commingle its assets with the assets of any other Person.

(iii) It will identify its assets on its financial statements separate from those of any other Person.

(iv) It will not guaranty the debts or obligations of, hold itself out to be responsible for the debts of, pledge its assets for the benefit of or to secure the obligations of, or

hold out its credit as being available to satisfy the obligations of, any other Person.

(v) It will pay (or cause the Property Manager to pay on behalf of Borrower from Borrower’s funds) its own liabilities (including salaries of its own employees) from its own funds; provided, however, that this requirement will not be deemed to require additional capital contributions by Borrower’s members, limited partners, or any Guarantor.

(vi) It will file its own tax returns and maintain its records, books of account, bank accounts, financial statements, accounting records and other entity documents separate and apart from those of any other Person and will not list its assets as assets on the financial statement of any other Person; provided, however, that (A) Borrower will not be required to file its own tax returns if (1) it is treated as a “disregarded entity” for tax purposes and is not required to file tax returns under applicable law, or (2) it is required by applicable law to file consolidated tax returns, and (B) Borrower’s assets may be included in a consolidated financial statement of its Affiliate provided that (1) appropriate notation will be made on such consolidated financial statements to indicate the separateness of Borrower from such Affiliate and to indicate that Borrower’s assets and credit are not available to satisfy the debts and other obligations of such Affiliate or any other Person, and (2) such assets will also be listed on Borrower’s own separate balance sheet.

(vii) Except for capital contributions or capital distributions permitted under the terms and conditions of its organizational documents, it will only enter into any contract or agreement with any general partner, member, shareholder, principal or Affiliate of Borrower or any Guarantor, or any general partner, member, principal or Affiliate thereof, upon terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm’s-length basis with third parties.

(viii) It will not make or permit to remain outstanding any loans or advances to any other Person except for those investments permitted under the Loan Documents and will not buy or hold evidence of indebtedness issued by any other Person (other than cash or investment-grade securities).

(ix) It will hold itself out to the public as a legal entity separate and distinct from any other Person and conduct its business solely in its own name, will correct any known misunderstanding regarding its separate identity and will not identify itself or any of its Affiliates as a division or department of any other Person.