

BORROWER NOTE

AFTER THE ENDORSEMENT AS HEREON PROVIDED AND PLEDGE OF THIS NOTE, THIS NOTE MAY NOT BE ASSIGNED, PLEDGED, ENDORSED OR OTHERWISE TRANSFERRED EXCEPT TO AN ASSIGNEE OR SUCCESSOR OF THE FISCAL AGENT IN ACCORDANCE WITH THE FUNDING LOAN AGREEMENT, BOTH REFERRED TO HEREIN.

[\$30,000,000]

[CLOSING DATE]

FOR VALUE RECEIVED, LDG THE LEGACY ON Kiest, LP, a limited partnership duly formed and validly existing under the laws of the State of Texas (the “Borrower”), by this promissory note (the “Note” or “Borrower Note”) hereby promises to pay to the order of the TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (the “Governmental Lender”) the principal sum of [THIRTY MILLION] and no/100 Dollars (\$[30,000,000]), together with interest on the drawn and unpaid principal amount hereof, from the Closing Date (as defined in the Funding Loan Agreement referenced below) until paid in full, at a rate per annum, and acceleration premium, if any, as set forth herein.

Defined Terms. As used in this Note, the following terms shall have the following definitions:

“**First Loan Payment Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**First Optional Call Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**First Par Call Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**First Principal Payment Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**First Put Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**Fixed Rate**” shall mean the fixed rate set forth on the Schedule of Financial Terms and computed on the basis of a 360-day year comprised of twelve 30-day months.

“**Funding Loan Agreement**” shall mean that certain Funding Loan Agreement dated as of [July 1], 2025 by and among Texas Department of Housing and Community Affairs, as the “Governmental Lender”, BOKF, NA, as the “Fiscal Agent”, and Community Housing Investment Partners II, LP, as the “Funding Lender”.

“**Loan Payment Date**” has the meaning set forth in the Funding Loan Agreement.

“**Maturity Date**” shall have the meaning set forth in the Schedule of Financial Terms.

“**Maximum Lawful Rate**” has the meaning set forth in the Funding Loan Agreement.

“**Stabilization Date**” has the meaning set forth in the Funding Loan Agreement.

“**Surplus Funding Loan Proceeds**” means all drawn but unexpended moneys and any unliquidated investments with respect thereto remaining upon final Completion and delivery of the Construction Closeout Deliveries and after payment in full of the Project Costs, except for Funding Loan proceeds retained to pay for Project Costs not then due and payable.

All other capitalized terms used but not defined in this Note shall have the meanings given to such terms in the Borrower Loan Agreement.

Method of Payment. All payments due under this Note shall be payable to Fiscal Agent, or, if there is no Fiscal Agent, to the Funding Lender, or its successor. Each such payment shall be made by wire transfer of immediately available funds in accordance with wire transfer instructions that the Funding Lender or Controlling Person shall supply by written notice to the Borrower from time to time on the date that is two Business Days before any other date that any payment of interest, premium, if any, principal or other amount is required to be made hereunder.

Payments Due on Non-Business Days. In any case where the date of maturity of, interest on or premium, if any, or principal of this Note or the date fixed for prepayment of any Borrower Note shall not be a Business Day, then payment of such interest, premium or principal need not be made on such date but shall be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for prepayment, and, in the case of such payment, no interest shall accrue for the period from and after such date.

Interest Rate. Interest shall accrue on the drawn and unpaid principal of this Note from, and including, the Closing Date, until the Maturity Date, at the Fixed Rate. Notwithstanding any other provision of this Note to the contrary, interest shall not exceed the Maximum Lawful Rate.

Payment of Principal and Interest. Principal and interest shall be paid as follows:

Borrower shall pay all amounts due under this Note at the times and in the amounts set forth herein and in the Borrower Loan Agreement. Borrower shall make its payments under this Note in immediately available funds.

Commencing on the First Loan Payment Date and continuing on each Loan Payment Date thereafter until and including the First Principal Payment Date, Borrower shall pay monthly payments of interest only, at the Interest Rate, in successive monthly installments. Such payments shall be made to the Fiscal Agent by 2:00 p.m., New York City time, on the second (2nd) Business Day prior to each Loan Payment Date.

Commencing on the First Principal Payment Date, and continuing on each Loan Payment Date thereafter until and including the Maturity Date, Borrower shall pay monthly payments of principal and interest as set forth on the Debt Service Schedule to the Borrower Loan Agreement, in successive monthly installments. Such payments shall be made to the Fiscal Agent by 2:00 p.m., New York City time, on the second (2nd) Business Day prior to each Loan Payment Date.

Any accrued interest remaining past due may, at Funding Lender's discretion, be added to and become part of the unpaid principal balance and shall bear interest at the rate or rates specified in this Note, and any reference below to "accrued interest" shall refer to accrued interest that has not become part of the unpaid principal balance.

Borrower shall pay all unpaid principal of and interest on this Note on the Maturity Date and any other amounts due hereunder.

Any regularly scheduled monthly installment of principal and interest that is received by Funding Lender before the date it is due shall be deemed to have been received on the due date solely for the purpose of calculating interest due.

Borrower shall make all payments of principal and interest under this Note without relief from valuation and appraisal laws.

Borrower acknowledges that the calculation of all interest payments shall be made by the Funding Lender and Controlling Person and shall be final and conclusive, absent manifest error.

Acceleration. If an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, the prepayment premium payable hereunder, if any, and all other amounts payable under this Note and any other Borrower Loan Document shall at once become due and payable, at the option of Funding Lender, without any prior notice to Borrower (except if notice is required by applicable law, then after such notice). Funding Lender may exercise this option to accelerate regardless of any prior forbearance.

Prepayments.

(a) In connection with any prepayment (*i.e.*, any receipt by Funding Lender of principal, other than principal required to be paid in monthly installments pursuant to Section 5 of this Note, prior to the Maturity Date) made under this Note, whether voluntary or involuntary, a prepayment premium shall be payable to the extent provided in Section 9 of this Note and Section 2.3 of the Borrower Loan Agreement and/or the Schedule of Financial Terms. EXCEPT AS OTHERWISE PERMITTED HEREIN, NO VOLUNTARY PREPAYMENTS OF THIS NOTE, IN WHOLE OR IN PART, SHALL BE PERMITTED.

Optional Prepayment of Borrower Note.

The Borrower Note is subject to optional prepayment in whole but not in part, by the Borrower upon not less than forty-five (45) days written notice to the Funding Lender, the Controlling Person, the Governmental Lender and the Fiscal Agent (which notice shall be unconditional and irrevocable) on any Loan Payment Date occurring on or after the First Optional Call Date, at a prepayment price as set forth on the Schedule of Financial Terms, plus accrued interest thereon to, but not including, the prepayment date.

The Borrower Note is subject to optional prepayment in part on any Loan Payment Date specified by the Borrower and consented to by the Controlling Person following Completion but not later than the Stabilization Date in an amount which will not reduce, in the aggregate, the Borrower Loan to less than the Minimum Permanent Loan Amount at a prepayment price equal to 100% of the principal amount being prepaid without premium or penalty plus interest accrued thereon to, but not including, the prepayment date.

Mandatory Prepayment of Borrower Note.

The Borrower Note is subject to mandatory prepayment in part upon the written direction of the Controlling Person from, and to the extent of, any Surplus Funding Loan Proceeds, on any Loan Payment Date after Completion of the Project Facilities and delivery of the Construction Closeout Deliveries, but in no event later than the Stabilization Date, at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid plus interest accrued thereon to, but not including, the prepayment date.

The Borrower Note is subject to mandatory prepayment in whole or in part upon the written direction of the Controlling Person on any Loan Payment Date to the extent that Insurance Proceeds or a Condemnation Award in connection with the Project Facilities are deposited in the Tax and Insurance Escrow Fund and are not to be used to repair or restore

the Project Facilities at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid plus interest accrued thereon to, but not including, the prepayment date.

The Borrower Note is subject to mandatory prepayment in part on any Loan Payment Date at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid plus interest accrued thereon to, but not including, the prepayment date upon the written direction of, and in the amount as specified by, the Controlling Person equal to the greater of: (i) the amount necessary to cause the Project Facilities to meet the requirements of clause (ii) of the definition of Stabilization,” on the Stabilization Date; or (ii) the amount necessary to reduce, in the aggregate, the Borrower Loan to not more than the Maximum Permanent Loan Amount.

The Borrower Note is subject to extraordinary mandatory prepayment in whole or in part on any Loan Payment Date at the direction of the Controlling Person at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid plus interest accrued thereon to, but not including, the prepayment date following receipt by the Funding Lender of the direction of the Controlling Person, within one hundred eighty (180) days of the occurrence of any of the following events:

the Project Facilities shall have been damaged or destroyed to such an extent that in the judgment of the Controlling Person (A) it cannot reasonably be restored within a period of three (3) consecutive months to the condition thereof immediately preceding such damage or destruction, (B) the Borrower is thereby prevented from carrying on its normal operations at the Project Facilities for a period of three (3) consecutive months, or (C) it would not be economically feasible for the Borrower to replace, repair, rebuild or restore the same;

title in and to, or the temporary use of, all or substantially all of the Project Facilities shall have been taken under the exercise of the power of eminent domain by any Governmental Authority or any Person acting under Governmental Authority (including such a taking as, in the judgment of the Controlling Person, results in the Borrower being prevented thereby from carrying on its normal operations at the Project Facilities for a period of three (3) consecutive months);

as a result of any changes in the Constitution of the State, or the Constitution of the United States of America or by legislative or administrative action (whether state or federal) or by final decree, judgment, decision or order of any court or administrative body (whether state or federal), any material provision of the Borrower Loan Agreement or the Funding Loan Documents, in the judgment of the Controlling Person shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein;

unreasonable burdens or excessive liabilities shall have been imposed on the Borrower with respect to the operations of the Project Facilities, including, without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of this Note that, in the judgment of the Controlling Person, render the continued operation of the Project Facilities uneconomical;

changes which the Borrower cannot reasonably control or overcome in the economic availability of materials, supplies, labor, equipment and other properties and things necessary for the efficient operation of the Project Facilities for the purposes contemplated by the Borrower Loan Agreement shall have occurred or technological changes that the Borrower cannot reasonably overcome shall have occurred that, in the judgment of the Controlling Person, render the continued operation of the Project Facilities uneconomical;

legal curtailment of the Borrower's use and occupancy of all or substantially all of the Project Facilities for any reason other than that set forth in (ii) above, which curtailment shall, in the judgment of the Controlling Person, prevent the Borrower from carrying on its normal operations at the Project Facilities for a period of three (3) consecutive months; or

the Borrower Loan Agreement is terminated prior to its expiration for any reason, including the occurrence of an Event of Default under the Borrower Loan Agreement.

The Borrower Note is subject to mandatory prepayment in whole at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid plus interest accrued thereon to, but not including, the prepayment date, on the first Loan Payment Date for which notice of prepayment can be given in accordance with the Funding Loan Agreement within forty-five (45) days after the occurrence of a Determination of Taxability; provided, however, if mandatory prepayment on account of a Determination of Taxability of less than all the Governmental Note would result, in the Favorable Opinion of Governmental Lender Counsel, in the interest on the Governmental Note outstanding following such mandatory prepayment being excludable from the gross income of the Noteowners of such Governmental Note outstanding, then the Borrower Note is subject to mandatory prepayment upon the occurrence of a Determination of Taxability in the amount specified in such opinion, provided that such prepayment must be in an Authorized Denomination.

The Borrower Note is subject to mandatory prepayment in whole on any Loan Payment Date specified by the Controlling Person on or after the First Put Date, if the Controlling Person directs prepayment by providing notice to the Borrower, the Funding Lender, the Fiscal Agent and the Governmental Lender at least one hundred eighty (180) days prior to the Loan Payment Date specified in such notice on which the Borrower Note is to be prepaid at a prepayment price equal to 100% of the principal amount thereof plus interest accrued thereon to, but not including, the prepayment date.

Obligations of the Borrower Absolute and Unconditional. Subject to Section 10.13 of the Borrower Loan Agreement, the obligations of the Borrower to make all payments required under this Note and the other Borrower Loan Documents on or before the date the same become due, and to perform all of its other obligations, covenants and agreements hereunder and under the other Borrower Loan Documents shall be primary, absolute, unconditional and irrevocable, and shall be paid or performed strictly in accordance with the terms of this Note and the other Borrower Loan Documents under any and all circumstances, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Borrower's title to the Project Facilities or to any part thereof is defective or nonexistent, and notwithstanding any damage due to loss, theft or destruction of the Project Facilities or any part thereof, any failure of consideration or

frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Project Facilities, legal curtailment of the Borrower's use thereof, the eviction or constructive eviction of the Borrower, any change in the tax or other laws of the United States of America, the State or any political subdivision thereof, any change in the legal organization or status of the Funding Lender, Governmental Lender or Fiscal Agent, or any default of hereunder or under any other Borrower Loan Document, and regardless of the invalidity of any action of the Funding Lender or the invalidity of any portion of this Note or the other Borrower Loan Documents. Provided further, the obligations of Borrower under this Note and the other Borrower Loan Documents shall not be affected by:

(b) any lack of validity or enforceability of any Borrower Loan Document or any of the Funding Loan Documents;

(c) any amendment of, or any waiver or consent with respect to, any of the Borrower Loan Documents or Funding Loan Documents;

the existence of any claim, set-off, defense or other rights which Borrower, General Partner or Guarantor may have at any time against Funding Lender (other than the defense of payment in accordance with the terms of this Note or the other Borrower Loan Documents) or any other Person, whether in connection with this Note or any other Borrower Loan Document, the Funding Loan Documents or any transaction contemplated thereby or any unrelated transaction;

any breach of contract or other dispute between Borrower, General Partner or Guarantor, and Funding Lender;

any Requisition or any document presented in connection therewith, proving to be forged, fraudulent, untrue, inaccurate, invalid or insufficient in any respect (except in the event of willful misconduct by Funding Lender with respect to same); or

any exchange, release or nonperfection of any lien or security interest in any collateral pledged or otherwise provided to secure any of the obligations contemplated herein, in any other Borrower Loan Document or in any Funding Loan Document.

The Borrower hereby waives the application to it of the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Note or the other Borrower Loan Documents or which releases or purports to release the Borrower therefrom. Nothing contained herein shall be construed as prohibiting the Borrower from pursuing any rights or remedies it may have against any Person in a separate legal proceeding.

Default Interest and Acceleration Premium. In the event that principal or interest payable on the Borrower Note is not paid when due, there shall be payable on the amount not timely paid, interest at the Default Rate, to the extent permitted by law. This interest shall accrue at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full. In the event there shall have occurred an acceleration of the Borrower Note or the Borrower's obligations under the Borrower Loan Agreement following an Event of Default on or before the First Par Call Date, any tender of payment of any amount necessary to pay the Borrower Note in full shall include the acceleration premium set forth in Section 2.3(c) of the Borrower Loan Agreement.

Costs and Expenses. To the fullest extent allowed by applicable law, Borrower shall pay all expenses and costs, including, without limitation, out-of-pocket expenses and reasonable fees of attorneys (including, without limitation, in-house attorneys) and expert witnesses and costs of investigation, incurred by Funding Lender, Governmental Lender or Fiscal Agent as a result of any default under this Note or in connection with efforts to collect any amount due under this Note, or to enforce the provisions of any of the other Borrower Loan Documents, including those incurred in post-judgment collection efforts and in

any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding) or judicial or non-judicial foreclosure proceeding. For purposes of this Section 10, attorneys' out of pocket expenses shall include, but are not limited to, support staff costs, costs of preparing for litigation, computerized research, telephone and facsimile transmission expenses, mileage, deposition costs, postage, duplicating, process service, videotaping and similar costs and expenses.

Waivers. Presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace, and diligence in collecting the Indebtedness are waived by Borrower and all endorsers and guarantors of this Note and all other third party obligors.

Governing Law. This Note shall be governed by and enforced in accordance with the laws of the State, without giving effect to the choice of law principles of the State that would require the application of the laws of a jurisdiction other than the State.

Consent to Jurisdiction and Venue. Borrower agrees that any controversy arising under or in relation to this Note shall be litigated exclusively in the State. The state and federal courts and authorities with jurisdiction in the State shall have exclusive jurisdiction over all controversies which shall arise under or in relation to this Note. Borrower irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. However, nothing herein is intended to limit Funding Lender's right to bring any suit, action or proceeding relating to matters arising under this Note against Borrower or any of Borrower's assets in any court of any other jurisdiction.

Further Assurances. Borrower shall at any time and from time to time, promptly execute and deliver all further instruments and documents, and take all further action that may be reasonably necessary or desirable, or that Funding Lender may reasonably request, in order to protect any right or interest granted by this Note or to enable the Funding Lender to exercise and enforce its rights and remedies under this Note.

Captions. The captions of the sections of this Note are for convenience only and shall be disregarded in construing this Note.

Controlling Person. Borrower hereby acknowledges and agrees that, pursuant to the terms of the Funding Loan Documents: (a) from time to time, Funding Lender may appoint a controlling person to collect payments, escrows and deposits, to give and to receive notices under this Note or the other Borrower Loan Documents, and to otherwise service the Borrower Loan and (b) unless Borrower receives written notice from Funding Lender to the contrary, any action or right which shall or may be taken or exercised by Funding Lender may be taken or exercised by such controlling person with the same force and effect.

Waiver of Trial by Jury. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, BORROWER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN BY BORROWER KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

Time of the Essence. Time is of the essence with respect to this Note.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Note or caused this Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

LDG THE LEGACY ON Kiest, LP, a Texas limited partnership

By: DHFC The Legacy on Kiest GP, LLC, a Texas limited liability company, its general partner

By: City of Dallas Housing Finance Corporation, a Texas housing finance corporation, its sole member

By: _____
Name: Aaron Eaquinto
Title: General Manager

ENDORSEMENT

Pay to the order of BOKF, NA, without recourse, as Fiscal Agent under the Funding Loan Agreement referred to in the within mentioned Agreement, as security for such Governmental Note issued under such Funding Loan Agreement. This endorsement is given without any warranty as to the authority or genuineness of the signature of the maker of the Borrower Note.

**TEXAS DEPARTMENT OF HOUSING AND
COMMUNITY AFFAIRS**

By: _____
James B. "Beau" Eccles
Secretary to the Board

Dated: _____, 2025