

## **PROJECT NOTE**

US \$[INSERT]

[INSERT], 2026

FOR VALUE RECEIVED, the undersigned, **MURDEAUX REHAB DEVELOPMENT, LP**, a Texas limited partnership (together with such party's successors and assigns, the "Borrower"), promises to pay to the order of **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas (the "Governmental Lender"), and its assigns, the principal sum of [INSERT] DOLLARS (\$[INSERT]), and interest thereon and to pay the other amounts owing from time to time hereunder, all as set forth below.

This Project Note (this "Project Note") is being delivered pursuant to that certain Project Loan Agreement, dated as of [INSERT] 1, 2026, among the Governmental Lender, Wilmington Trust, National Association, a national banking association, as fiscal agent (the "Fiscal Agent"), and Borrower (together with any and all amendments, modifications, supplements and restatements, the "Project Loan Agreement") pursuant to which the Governmental Lender has made a mortgage loan in the principal amount of this Project Note to Borrower (the "Project Loan"), and this Project Note is entitled to the benefits of the Project Loan Agreement and is subject to the terms, conditions and provisions thereof. The Project Loan was funded from the separate loan (the "Funding Loan") incurred by the Governmental Lender pursuant to the Funding Loan Agreement dated as of [INSERT] 1, 2026 (the "Funding Loan Agreement") by and among International Bank of Commerce, a Texas state banking corporation (the "Initial Funding Lender"), the Governmental Lender, and the Fiscal Agent.

### **1. Defined Terms.**

(a) As used in this Project Note:

**"Business Day"** means any day other than (a) a Saturday or a Sunday, or (b) a day on which (i) banking institutions in the City of New York or in the city in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed or (ii) the New York Stock Exchange is closed.

**"Construction Disbursement Agreement"** means the Construction Disbursement Agreement dated as of [INSERT] 1, 2026 between Initial Funding Lender and Borrower.

**"Event of Default"** means an Event of Default (as defined therein) under the Project Loan Agreement, the Funding Loan Agreement or the Construction Disbursement Agreement.

**"Holder"** means the holder from time to time of this Project Note.

**"Indebtedness"** means the principal of, premium, if any, and interest on or any other amounts due at any time under this Project Note or the Project Loan Agreement.

**“Interest Rate”** means a [[fixed rate of [INSERT]% per annum]/[variable rate of interest, computed no less often than monthly, on or prior to each Project Loan Payment Date, on the basis of a 360-day year consisting of twelve 30-day months, equal to the greater of (i) [INSERT]% per annum and (ii) the New York Prime Rate on the date of calculation, plus [INSERT]% per annum]].

**“Maximum Interest Rate”** has the meaning given to such term in the Funding Loan Agreement.

**“Mortgaged Property”** shall have the meaning assigned to that term in the Security Instrument.

[**“New York Prime Rate”** means the annual lending rate of interest announced from time to time by JP Morgan Chase & Co., New York, New York, as its prime rate].

**“Project Loan Payment Date”** is defined in Section 2 of this Project Note.

**“Property Jurisdiction”** means the State of Texas.

**“Scheduled Maturity Date”** means [INSERT].

**“Security Instrument”** means the [Leasehold Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing], dated as of [INSERT] 1, [INSERT], from Borrower to or for the benefit of Governmental Lender and its assigns and securing this Project Note, as amended, modified or supplemented from time to time.

(b) Other capitalized terms used but not defined in this Project Note shall have the meanings given to such terms in the Project Loan Agreement, the Funding Loan Agreement, or the Construction Disbursement Agreement.

2. **Payments of Principal and Interest.** Borrower shall pay on the first calendar day of each month commencing on [INSERT] 1, [INSERT], interest at the Interest Rate on the outstanding principal balance of this Project Note, and shall also pay interest on this Project Note at the Interest Rate in the event of an optional or mandatory prepayment or acceleration of all or a part of the Project Loan pursuant to this Project Note or the Project Loan Agreement, in an amount equal to the accrued and unpaid interest to the date of prepayment on the portion of this Project Note subject to prepayment (each such date for payment a “**Project Loan Payment Date**”).

Borrower shall pay the outstanding principal of this Project Note in full on the Scheduled Maturity Date and at such earlier times and in such amounts as may be required in the event of an optional or mandatory prepayment or acceleration of the Project Loan pursuant to this Project Note or the Project Loan Agreement.

In addition to the foregoing, Borrower shall make payments hereunder in respect of the Project Loan at such times and in such amounts as are sufficient to pay, when due (whether at

stated maturity, upon prepayment before maturity, upon acceleration of stated maturity or otherwise), the principal of, premium, if any, and interest on the Funding Loan at any time outstanding.

To ensure such timely payment of the amounts payable pursuant to this Section 2, Fiscal Agent shall collect from Borrower, and Borrower shall provide to Fiscal Agent, the foregoing payments by 1:00 p.m., Eastern Time, on the second (2nd) Business Day prior to each Project Loan Payment Date. Any regularly scheduled monthly installment of principal and interest payable pursuant to this Section 2 that is received by Holder before the date on which it is due will be deemed to have been received on the due date for the purpose of calculating interest due.

**3. Payment of Fees and Expenses; Other Required Payments.** Borrower shall also pay fees and expenses due under Section 4.02 of the Project Loan Agreement, rebate amounts under Sections 2.04 and 4.03 of the Project Loan Agreement and indemnification amounts under the Project Loan Agreement and the Construction Disbursement Agreement, as well as any other amounts owed by Borrower under the Financing Documents, when due and in accordance with the terms and provisions set forth therein.

**4. Manner of Payment; Deficiencies.** All payments under this Project Note shall be made in lawful currency of the United States and in immediately available funds as provided for herein and in the Project Loan Agreement. In the event of any deficiency in the funds available under the Funding Loan Agreement for payment of the principal of, premium, if any, or interest on the Funding Loan when due, Borrower shall immediately pay the amount of the deficiency to the Fiscal Agent upon notice of the deficiency from the Governmental Lender, the Initial Funding Lender or the Fiscal Agent. Borrower shall be obligated to pay the deficiency regardless of the reason for the deficiency, including any deficiency resulting from any shortfall in payments made or to be made by Borrower under this Project Note, any loss due to a default under any investment held by the Fiscal Agent, a change in value of any such investment or otherwise.

**5. Application of Partial Payments.** If at any time Holder receives, from Borrower or otherwise, any amount applicable to the Indebtedness which is less than all amounts due and payable at such time, Holder may apply the amount received to amounts then due and payable in any manner and in any order determined by Holder, in Holder's discretion. Borrower agrees that neither Holder's acceptance of a payment from Borrower in an amount that is less than all amounts then due and payable nor Holder's application of such payment shall constitute or be deemed to constitute either a waiver of the unpaid amounts or an accord and satisfaction.

**6. Security.** The Indebtedness is secured by, among other things, the Security Instrument. Reference is made to the Security Instrument and the Project Loan Agreement for other rights of Holder with respect to collateral for the Indebtedness.

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

**8. Personal Liability.** Borrower will be personally liable to Holder under this Project Note, the Project Loan Agreement and any of the other Financings Documents for the repayment of the Indebtedness and for the performance of or compliance with any other obligations of Borrower under the Financing Documents. Holder may, to the fullest extent permitted by applicable law, exercise its rights against Borrower personally without regard to whether Holder has exercised any rights against the Mortgaged Property or any other security, or pursued any rights against any Guarantor, or pursued any other rights available to Holder under this Project Note, the Project Loan Agreement, any other Financing Document, or applicable law. To the fullest extent permitted by applicable law, in any action to enforce Borrower's personal liability under this Section 8, Borrower waives any right to set off the value of the Mortgaged Property against such personal liability.

**9. Prepayments.**

(a) This Project Note, together with accrued interest hereon, is subject to mandatory prepayment on any Business Day, in whole or in part as provided in the Project Loan Agreement and upon the occurrence of any of the following:

(i) the application of any Insurance proceeds or Condemnation award to the prepayment of the Project Loan as required under the Security Instrument and the Construction Disbursement Agreement; or

(ii) in whole, upon the occurrence of a Determination of Taxability.

(b) Borrower may voluntarily prepay the unpaid principal balance of this Project Note upon the prior written approval of Initial Funding Lender, which Initial Funding Lender may grant or withhold in its sole and absolute discretion.

(c) In order to voluntarily prepay all of the principal of this Project Note, Borrower must also pay to Holder, together with the amount of principal being prepaid, (i) all accrued and unpaid interest due under this Project Note and, (ii) all other fees and amounts due under the Financing Documents at the time of such prepayment.

(d) Unless Holder agrees otherwise in writing, a permitted or required prepayment of less than the unpaid principal balance of this Project Note will not extend or postpone the due date of any subsequent monthly installments or change the amount of such installments.

**10. Costs and Expenses.** To the fullest extent allowed by applicable law, Borrower must pay all expenses and costs, including Attorneys' Fees and Costs incurred by Holder as a result of any default under this Project Note or in connection with efforts to collect any amount due under this Project Note, or to enforce the provisions of any of the other Financing 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. Borrower acknowledges and agrees that, in connection with each request by Borrower under this Project Note or any Financing Document, Borrower must pay all reasonable Attorneys' Fees and Costs and expenses incurred by Holder, regardless of whether the matter is approved, denied or withdrawn.

11. **Forbearance.** Any forbearance by Holder in exercising any right or remedy under this Project Note, the Project Loan Agreement, or any other Financing Document or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of that or any other right or remedy. The acceptance by Holder of any payment after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of Holder's right to require prompt payment when due of all other payments or to exercise any right or remedy with respect to any failure to make prompt payment. Enforcement by Holder of any security for Borrower's obligations under this Project Note shall not constitute an election by Holder of remedies so as to preclude the exercise of any other right or remedy available to Holder.

12. **Waivers.** Borrower and all endorsers and Guarantors of this Project Note and all other third-party obligors waive 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.

13. **Loan Charges.** Borrower and Holder intend at all times to comply with the law of the State of Texas governing the Maximum Interest Rate or the maximum amount of interest payable on or in connection with this Project Note and the Indebtedness (or applicable United States federal law to the extent that it permits Holder to contract for, charge, take, reserve, or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount payable under this Project Note or under any other Financing Document, or contracted for, charged, taken, reserved, or received with respect to the Indebtedness, or as a result of acceleration of the maturity of this Project Note, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by any applicable law, then Borrower and Holder expressly intend that all excess amounts collected by Holder will be applied to reduce the unpaid principal balance of this Project Note (or, if this Project Note has been or would thereby be paid in full, will be refunded to Borrower), and the provisions of this Project Note, the Project Loan Agreement and any other Financing Documents immediately will be deemed reformed and the amounts thereafter collectible under this Project Note or any other Financing Document reduced, without the necessity of the execution of any new documents, so as to comply with any applicable law, but so as to permit the recovery of the fullest amount otherwise payable under this Project Note or any other Financing Document. The right to accelerate the maturity date of this Project Note does not include the right to accelerate any interest, which has not otherwise accrued on the date of such acceleration, and Holder does not intend to collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Holder for the use, forbearance, or detention of the Indebtedness will, to the extent permitted by any applicable law, be amortized, prorated, allocated and spread throughout the full term of the Indebtedness until payment in full so that the rate or amount of interest on account of the Indebtedness does not exceed the applicable usury ceiling. Notwithstanding any provision contained in this Project Note, the Project Loan Agreement or any other Financing Document that permits the compounding of interest, including any provision by which any accrued interest is added to the principal amount of this Project Note, the total amount of interest that Borrower is obligated to pay and Holder is entitled to receive with respect to the Indebtedness will not exceed the amount calculated on a simple (i.e., non-compounded) interest basis at the maximum rate on principal amounts actually advanced to or for the account of Borrower, including all current and

prior advances and any advances made pursuant to the Project Loan Agreement or other Financing Documents (such as for the payment of taxes, insurance premiums and similar expenses or costs).

14. **Commercial Purpose.** Borrower represents that Borrower is incurring the Indebtedness solely for the purpose of carrying on a business or commercial enterprise, and not for personal, family, household, or agricultural purposes.

15. **Counting of Days.** Any reference in this Project Note to a period of "days" means calendar days, not Business Days, except where otherwise specifically provided.

16. **Governing Law.** This Project Note shall be governed by the law of the Property Jurisdiction.

17. **Captions.** The captions of the Sections of this Project Note are for convenience only and shall be disregarded in construing this Project Note.

18. **Address for Payment; Notices.** All payments due under this Project Note shall be payable at the principal office of the Fiscal Agent as designated in the Funding Loan Agreement, or such other place as may be designated by written notice to Borrower from or on behalf of Holder. All notices, demands, and other communications required or permitted to be given pursuant to this Project Note will be given in accordance with Section 8.01 of the Project Loan Agreement.

19. **Consent to Jurisdiction and Venue.** Borrower agrees that any controversy arising under or in relation to this Project Note shall be litigated in the Property Jurisdiction. The state and federal courts and authorities with jurisdiction in the Property Jurisdiction shall have jurisdiction over all controversies which shall arise under or in relation to this Project Note. Borrower irrevocably consent 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 in this Project Note is intended to limit any right that Holder may have to bring any suit, action, or proceeding relating to matters arising under this Project Note in any court of any other jurisdiction.

**20. WAIVER OF TRIAL BY JURY. BORROWER AND HOLDER EACH (a) AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES AS HOLDER AND BORROWER 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 SEPARATELY GIVEN BY EACH PARTY KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.**

21. **Default Rate.** So long as (a) any monthly installment under this Project Note remains past due, or (b) any other Event of Default has occurred and is continuing, interest under this Note shall accrue on the unpaid principal balance from the earlier of the due date of the first unpaid monthly installment or the occurrence of such other Event of Default, as applicable, at a

rate (the “**Default Rate**”) equal to the lesser of (i) the Interest Rate otherwise in effect notwithstanding the default plus [INSERT] percent ([INSERT]%) per annum or (ii) the Maximum Interest Rate. If the unpaid principal balance and all accrued interest are not paid in full on the Scheduled Maturity Date, the unpaid principal balance and all accrued interest shall bear interest from the Scheduled Maturity Date at the Default Rate. Borrower also acknowledges that its failure to make timely payments will cause Holder to incur additional expenses in servicing and processing the Project Loan, that, during the time that any monthly installment under this Project Note is delinquent, Holder will incur additional costs and expenses arising from its loss of the use of the money due and from the adverse impact on Holder’s ability to meet its other obligations and to take advantage of other lending opportunities, and that it is extremely difficult and impractical to determine those additional costs and expenses. Borrower also acknowledges that, during the time that any monthly installment under this Project Note is delinquent or any other Event of Default has occurred and is continuing, Holder’s risk of nonpayment of this Project Note will be materially increased and Holder is entitled to be compensated for such increased risk. Borrower agrees that the increase in the rate of interest payable under this Project Note to the Default Rate represents a fair and reasonable estimate, taking into account all circumstances existing on the date of this Project Note, of the additional costs and expenses Holder will incur by reason of Borrower’s delinquent payment and the additional compensation Holder is entitled to receive for the increased risks of nonpayment associated with a delinquent loan.

22. **Assignment.** Borrower acknowledges that this Project Note is being assigned by the Governmental Lender to the Fiscal Agent as security for the Funding Loan.

23. **Amendments.** Any modification or amendment to this Project Note will be ineffective unless in writing and signed by the party sought to be charged with such modification or amendment, and Initial Funding Lender gives prior written consent.

[Signature pages follow]

IN WITNESS WHEREOF, and in consideration of Governmental Lender's agreement to lend Borrower the principal amount set forth above, Borrower has signed and delivered this Project Note.

**BORROWER:**

**MURDEAUX REHAB DEVELOPMENT, LP,  
a Texas limited partnership**

By: [INSERT]

## **ASSIGNMENT**

Pay to the order of Wilmington Trust, National Association, a national banking association, without recourse, as Fiscal Agent under the Funding Loan Agreement, as security for the Governmental Note issued under the Funding Loan Agreement. This assignment is given without any warranty as to the authority or genuineness of the signature of the maker of the Project Note.

### **GOVERNMENTAL LENDER:**

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS,  
a public and official agency of the State of Texas**

By: \_\_\_\_\_

James B. "Beau" Eccles  
Secretary to the Board