

EXHIBIT D

TAX COMPLIANCE AGREEMENT

[A COPY OF THE TAX COMPLIANCE AGREEMENT TO BE FILED WITH THE CITY
CLERK]

Please see Transcript Item I.8

ARBITRAGE AND TAX COMPLIANCE AGREEMENT

CITY OF CHICAGO \$20,476,000 MULTI-FAMILY HOUSING REVENUE BONDS (GRACE MANOR APARTMENTS PROJECT), SERIES 2023

Dated: October 31, 2023

In connection with the issuance by the City of Chicago (the “**City**”) of its \$20,476,000 Multi-Family Housing Revenue Bonds (Grace Manor Apartments Project), Series 2023 (the “**Bonds**”) pursuant to Treasury Regulation Section 1.148-2(b)(2), the City and Grace Manor, LP, an Illinois limited partnership (the “**Borrower**”) enter into this Arbitrage and Tax Compliance Agreement (the “**Tax Agreement**”), dated this 31st day of October, 2023, pursuant to Treasury Regulations Section 1.148-2(b)(2) and hereby agree and represent as follows:

RECITALS

The City and the Borrower agree to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. The City and the Borrower agree to comply with the provisions of this Tax Agreement.

The City and the Borrower agree to make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Internal Revenue Code of 1986 (the “**Code**”).

Any amounts required to be paid to the United States Department of the Treasury will be so remitted.

The City and the Borrower understand and acknowledge that the opinion of BurgherGray LLP, as Bond Counsel (“**Bond Counsel**”), regarding the exclusion of interest on the Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code (a) is rendered in reliance on the representations and statements of fact and expectations contained herein and (b) assume the City’s and the Borrower’s continued compliance with the provisions of this Tax Agreement.

The City and the Borrower agree as set forth herein:

Section 1 Definitions

1.1 Definitions. In addition to capitalized terms elsewhere defined in this Tax Agreement, capitalized terms used herein shall have the meanings set forth in **Exhibit A** hereto or, where not so defined, shall have the meanings set forth in the Indenture or the Loan Agreement (each as defined in Section 2.5 hereof).

Section 2 General Representations; Purpose of Bonds

2.1 Responsible Persons. The undersigned representatives of the City and the Borrower, together with others, are persons charged with the responsibility for, and authorized to make due execution of, this Tax Agreement and have made due inquiry with respect to and are fully informed as to the matters set forth in this Tax Agreement. With respect to any facts or matters that do not relate directly to the City but relate to the Borrower, the use of proceeds of the Bonds or the below-defined Project, the undersigned representative of the City is relying upon representations made by the Borrower and has not made independent investigation of such matters.

2.2 Statement as to Expectations. To the best of the knowledge and belief of the undersigned officers of the City and the Borrower, the City's and the Borrower's expectations with respect to the Bonds as set forth in this Tax Agreement are reasonable. All statements in this Tax Agreement as to the requirements, interpretation, or conclusions of federal income tax law are made in reliance upon the advice of Bond Counsel.

2.3 City's Reliance on Borrower. With respect to the use of proceeds of the Bonds and the use of the below-defined Project, the Borrower is aware that the City, in making its own representations, is relying upon certifications and representations of the Borrower, including those set forth in the Borrower Project Certificate, attached hereto as **Exhibit B** (the "**Borrower Project Certificate**").

2.4 Purpose of Tax Agreement. One purpose of executing this Tax Agreement is to set forth various facts regarding the Bonds and to establish the expectations of the City and the Borrower as to future events regarding the Bonds and the use of the proceeds of the Bonds. The certifications and representations made herein and the Borrower's compliance with the covenants contained herein are intended, and may be relied on, as a certification of an officer of the City given in good faith as described in United States Treasury Regulations (the "**Regulations**") Section 1.148-2(b)(2) for all purposes of this Tax Agreement and for purposes of the Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, to be filed with the Internal Revenue Service ("**IRS**") with respect to the Bonds ("**Form 8038**"), a copy of which is attached hereto as **Exhibit C**.

2.5 Post-Issuance Compliance. The execution and delivery of this Tax Agreement by the City and the Borrower will be treated by the City and the Borrower as the establishment of the written procedures set forth in **Exhibit D** hereto (and the Borrower agrees to abide by such written procedures) (a) to ensure that if any portion of the Bonds becomes unqualified under the Code, thereby jeopardizing the tax-exempt status thereof, it is identified and remediated in accordance with the requirements of the Code and Regulations, including the remediation provisions of Regulations Section 1.141-12, 1.142-2, 1.144-2 or other applicable regulations, and (b) to monitor compliance with the arbitrage, yield restriction and rebate requirements of Code Section 148.

2.6 No Arbitrage Bonds. Neither the City nor the Borrower will intentionally use any of the proceeds of the Bonds in a manner that will cause the Bonds to be “arbitrage bonds” under Section 148 of the Code. No portion of the Bonds is being issued solely for the purpose of investing the Proceeds or Replacement Proceeds at a yield higher than the yield on the Bonds.

2.7 Timing of Issuance. The date of issuance of the Bonds has been determined by the Borrower solely on the basis of bona fide financial reasons, in accordance with ordinary financial practice in financing facilities similar to the Projects (as defined herein) and has not been determined with a view to abnormally prolonging the period between issuance of the Bonds and the expenditure of the Proceeds thereof.

2.8 Reliance by Bond Counsel. The City and the Borrower understand and acknowledge that the opinion of BurgherGray LLP, as Bond Counsel (“**Bond Counsel**”), regarding the exclusion of interest on the Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code (a) is rendered in reliance on the representations and statements of fact and expectations contained herein and (b) assumes the City’s and the Borrower’s continued compliance with the provisions of this Tax Agreement.

Section 3 Authorization, Sale and Use of Proceeds

3.1 Authorization. The Bonds are being issued pursuant to an Ordinance adopted by the City Council of the City on September 21, 2022 and a Bond Indenture (the “**Indenture**”) dated as of October 1, 2023 between the City and Zions Bancorporation, National Association, as trustee with respect to the Bonds (the “**Trustee**”).

3.2 Purpose for Issuance. The Sale Proceeds of the Bonds are being loaned to the Borrower, whose general partner is Grace Manor LLC, an Illinois limited liability company (the “**General Partner**”), pursuant to a Loan Agreement dated as of October 1, 2023, by and among the City, the borrower and the Trustee (the “**Loan Agreement**”), in the form of a loan (the “**Loan**”), which Loan will be used, together with other amounts, to finance the costs of construction on land located at 3401-23 W. Ogden Avenue, Chicago, Illinois (the “**Project Site**”) of a residential rental facility consisting of 65 housing units of which 100% will be affordable for households earning no more than 60% of the area median income, together with a ground floor devoted to residential amenities, retail and community space (the “**Facility**”) to be known as Grace Manor Project (the “**Project**”).

3.3 Sale Proceeds. The amount to be actually and constructively received by the City from the sale of the Bonds is \$20,599,675.04, which equals the aggregate principal amount of the Bonds of \$20,476,000, plus an amount of original issue premium on the Bonds in the amount of \$123,675.04 (the “**Sale Proceeds**”). The Sale Proceeds will be used as described below. A schedule of the sources and uses of money as reasonably expected as of the Closing is set forth in **Exhibit E** hereto.

3.4 Funds and Accounts. Pursuant to the Indenture, the following Funds and Accounts have been established in connection with the Bonds:

- (a) Bond Fund (and therein, the Negative Arbitrage Account and the Remarketing Proceeds Account);
- (b) Project Fund;
- (c) Costs of Issuance Fund;
- (d) Collateral Fund;
- (e) Rebate Fund; and
- (f) Expense Fund.

3.5 Fund Deposits on Closing Date. On the Closing Date, Sale Proceeds will be deposited as follows:

- (a) [Reserved for Accrued Interest, if any];
- (b) Into the Project Fund, an amount equal to \$20,599,675.04, which amount will be used to finance costs of the Project (“**Project Costs**”); and
- (c) Into the Costs of Issuance Fund, an amount equal to \$411,993.00, which amount will be used to pay costs of issuance of the Bonds within 30 days after the Closing Date.

3.6 Fund Deposits after Closing Date. After the Closing Date, the Trustee will deposit amounts into the following Funds, as described herein:

- (a) Into the Collateral Fund, amounts received by the Trustee pursuant to Section 4.2 of the Loan Agreement and any other Eligible Funds (as defined in the Indenture) received by the Trustee for deposit into the Collateral Fund.
- (b) Into the Bond Fund, (i) amounts withdrawn from the Collateral Fund, as provided in the Indenture, to pay Bond Service Charges on each Bond Payment Date, (ii) the amount necessary to pay the purchase price of the Bonds on each Mandatory Tender Date (to the extent the Bonds are not remarketed on any Mandatory Tender Date), and (iii) on the Maturity Date, the amount necessary to pay all amounts due on the Bonds on such date.
- (c) Into the Rebate Fund, as required to pay any arbitrage rebate that may be owed with respect to the Bonds in accordance with Section 148 of the Code, as further described in Section 5, below.

3.7 Investment of Funds. Each Fund and Account therein will be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered, as provided in the Indenture. All money deposited in such Funds and Accounts will be used solely for the purposes set forth in the Indenture.

3.8 No Over-issuance. The Sale Proceeds of the Bonds, together with any investment earnings thereon, do not exceed the amount necessary to finance the costs of the Project.

3.9 Costs of Issuance. To the extent that Sale Proceeds of the Bonds are used to pay costs of issuance of the Bonds, such amount will not exceed two percent (2%) of the Sale Proceeds of the Bonds. Any costs of issuance in excess of 2% of the proceeds of the Sale Proceeds of the Bonds will be paid from sources other than Sale Proceeds of the Bonds.

3.10 Reimbursement. (a) To the extent that any Sale Proceeds of the Bonds are used to reimburse the Borrower for costs incurred prior to the date of issuance of the Bonds (“**Reimbursed Expenditures**”), unless such Reimbursed Expenditures constitute Preliminary Expenditures, as defined in Exhibit A hereto, such Reimbursed Expenditures will have been incurred no earlier than sixty (60) days prior to September 21, 2022, the date on which the City adopted the Ordinance, which Bond Counsel has advised constitutes a “declaration of official intent” for purposes of Section 1.150-2 of the Regulations.

(b) With respect to each Reimbursed Expenditure, the reimbursement allocation date is not later than 18 months after the later of (i) the date the Reimbursed Expenditure was paid or (ii) the date the Project was placed in service or abandoned, but in no event more than three years after the date the Reimbursed Expenditure was paid (the “**Reimbursement Period Requirement**”).

(c) Each Reimbursed Expenditure is a capital expenditure or a cost of issuing the Bonds.

(d) The parties hereto understand that the Reimbursement Period Requirement does not apply to (i) Preliminary Expenditures to the extent such expenditures are not in excess of 20 percent of the Sale Proceeds of the Bonds, (ii) costs of issuance, and (iii) an amount not in excess of \$100,000.

3.11 No Sale of the Project or Portion Thereof. The Borrower does not expect to sell or otherwise dispose of any portion of the Project prior to the maturity date of the Bonds.

Section 4 Yield and Yield Limitations

4.1 Yield Restriction. Except as expressly set forth below or to the extent yield reduction payments to the United States may be made pursuant to Regulations Section 1.148-5(c), no Gross Proceeds of the Bonds will be invested at a yield in excess of the Yield on the Bonds.

4.2 Calculation of Yield. The Yield on the Bonds is the discount rate which, when used in computing the present value as of the first day of the Computation Period of all payments of principal, interest and fees for qualified guarantees (if any) on the Bonds that are attributable to the Computation Period, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of the Bonds as of the first day of the Computation

Period. The yield on Investments purchased with Gross Proceeds of the Bonds are computed using the same compounding interval and financial conventions used to compute yield on the Bonds. The yield on an Investment is the discount rate that, when used in computing the present value as of the date the Investment is first allocated to the Bonds of all unconditionally payable Receipts from the Investment, produces an amount equal to the present value of all unconditionally payable Payments for the Investment.

4.3 Issue Price. The Issue Price of the Bonds, based on certain information provided by the Underwriter in the Certificate of Underwriter (as set forth in **Exhibit F** hereto) is \$20,599,675.04, which equals the face amount of the Bonds of \$20,476,000.00, plus original issue premium on the Bonds in the amount of \$123,675.04.

4.4 Interest Rate on Bonds. (a) The interest rate on the Bonds is a variable rate, as further described in the Indenture. From the date of their initial delivery to, but not including, the Initial Mandatory Tender Date, the interest rate on the Bonds will be the Initial Interest Rate, which is five percent (5%). On the Initial Mandatory Tender Date, the Bonds will be subject to Mandatory Tender pursuant to Section 3.05 of the Indenture. If insufficient funds are available to pay the purchase price on the Bonds following such Mandatory Tender on the Initial Mandatory Tender Date, the Bonds will be redeemed in accordance with the provisions of Section 3.01(c) of the Indenture.

(b) The Remarketing Agent will establish the interest rate on the Bonds Outstanding for each Remarketing Period at the Remarketing Rate in accordance with Section 2.02 of the Indenture. Not less than ten (10) Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, will, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Bonds then Outstanding for the Remarketing Period specified by the Remarketing Agent at the direction of the Borrower as provided in Section 3.05 of the Indenture, would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. The rate of interest determined in accordance with the previous sentence will be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the Maximum Interest Rate, the Bonds Outstanding will be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate, the Bonds Outstanding will not be remarketed and will be redeemed from funds available to pay the tender price thereof in accordance with Section 3.05(e) of the Indenture.

(c) The Remarketing Agent will, upon determination of the Remarketing Rate and Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone or electronic mail, promptly confirmed in writing, to the Trustee, the Issuer and the Borrower. The Remarketing Rate and the

Remarketing Period will be conclusive and binding upon actual receipt thereof by the Trustee, the Issuer, the Borrower and the Holders for the purposes of the Indenture.

4.5 Computation of Yield. Because the interest rate on the Bonds is a variable rate, Bond Counsel has informed the parties hereto that Yield on the Bonds is to be computed pursuant to Section 1.148-4(c) of the Treasury Regulations.

4.6 Temporary Period. The Borrower represents that it has entered into, or reasonably expects to incur, within six months of the Closing Date, a substantial binding obligation (not subject to contingencies within the control of the City, any Related Party to the City, the Borrower, or any Related Party to the Borrower) to a third party to expend at least five percent of the Sale Proceeds of the Bonds on capital expenditures for the Project. On or before October 31, 2026, a date that is within the three-year period beginning on the Closing Date, the Borrower reasonably expects that all of the Sale Proceeds of the Bonds, together with any investment earnings thereon earned prior to the completion of the Project, will have been expended to pay costs of the Project. The Borrower will proceed with due diligence to complete the acquisition and rehabilitation of the Project and to expend the Sale Proceeds of the Bonds.

4.7 Construction Escrow. Sale Proceeds will be used to pay costs of the Project and, based upon the representations set forth in Section 4.6, Bond Counsel has advised the City and the Borrower that such Sale Proceeds may be invested without regard to yield restriction for up to three years beginning on the Closing Date and thereafter at a yield not in excess of the Yield on the Bonds plus one-eighth of one percent.

4.8 Financing Program. The Bonds are being issued by the City as part of its program to finance residential rental housing (the "**Program**"). In carrying out its Program, the City acquires obligations representing loans to persons who provide housing and related facilities ("**Acquired Program Obligations**"). At least 95% of all Acquired Program Obligations acquired under the Program, by amount of cost, are evidences of loans to the persons who provide housing and related facilities. At least 95% of all amounts received by the City with respect to Acquired Program Obligations will be used for one or more of the following purposes: to pay principal, interest or redemption premium on obligations issued by the City in pursuance of the Program; to pay, or reimburse the City for payment of, administrative costs or fees of issuing its obligations; to pay, or reimburse the City for payment of, administrative costs of the Program and obligations issued pursuant to the Program and anticipated future losses directly related to the Program; to make additional loans for the same general purposes of the Program; or to redeem and retire City obligations at the next earliest possible date of redemption. Neither the Borrower nor any Related Person to the Borrower shall purchase the City's obligations in any amount related to the amount of the Bonds and there is no arrangement, formal or informal, to such effect.

4.9 Yield on Loan. Taking into account the fees the City is charging the Borrower in connection with the issuance of the Bonds, as calculated by the Underwriter, the yield to the City from the payments to be made by the Borrower under the Loan Agreement (the "**Loan Yield**") will not exceed the yield on the Bonds by more than one and one-half percent (1.50%).

The Loan Yield is that yield which, when used in computing the present worth of all payments to be paid by the Borrower under the Loan Agreement, produces an amount equal to its purchase price (*i.e.*, the amount of the loan to the Borrower), based upon monthly compounding, a 360-day year and treatment of the payments received from the Borrower under the Loan Agreement as received monthly. The purchase price of such payments from the Borrower allocable to the Bonds is equal to the Issue Price of the Bonds.

4.10 Bona Fide Debt Service Fund. Gross proceeds in a “bona fide debt service fund” may be invested without regard to yield restriction for a period of up to 13 months. Generally, a fund will qualify as a bona fide debt service fund if (a) it is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year and (b) the fund is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on the fund for the immediately preceding bond year or (ii) one-twelfth of the principal and interest payments on the issue for the immediately preceding bond year. If only a portion of a fund qualifies as a bona fide debt service fund, that portion (but only that portion) is entitled to the 13-month temporary period described above. Based upon advice of Bond Counsel, the City and the Borrower understand that the Bond Fund constitutes a bona fide debt service fund.

4.11 No Additional Sinking Funds. Other than as described above, neither the City nor the Borrower has created or established, nor does either expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund which is reasonably expected to be used to pay debt service on the Bonds or pledged therefor and for which there is reasonable assurance that amounts deposited therein will be available to pay debt service on the Bonds in the event of financial difficulty of the City or the Borrower. No portion of the proceeds of the Bonds will be used as a substitute for other funds that were otherwise to have been used as a source of financing for the Project, or for the payment of debt service on the Bonds, and that have been or will be used to acquire directly or indirectly securities producing a yield in excess of the yield on the Bonds.

4.12 No Additional Pledged Funds. After the issuance of the Bonds, neither the City nor the Borrower, nor any Related Person to either of them has or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(a) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus); or

(b) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the holders of the Bonds, or any credit enhancement provider, including any liquidity device or negative pledge (*e.g.*, any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the

amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds).

4.13 No Other Funds Tied to Bonds. (a) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at or above a particular level or similar arrangement exists with respect to, in any way, the Bonds, the Indenture, the Loan Agreement, or any credit enhancement or liquidity device related to the Bonds.

(b) All property subject to the mortgage and security agreement given by the Borrower to the Trustee is and will be used by the Borrower in the conduct of its trade or business, and none of such property consists of securities, obligations, annuity contracts or other property held principally as a passive vehicle for the production of income.

4.14 Tax-Exempt Obligations. Proceeds of the Bonds invested in Tax-Exempt Obligations (to the extent permitted by the Indenture and the Loan Agreement) may be invested without regard to yield restriction.

4.15 Minor Portion. Proceeds of the Bonds in an amount not to exceed the lesser of five percent of the Sale Proceeds of the Bonds or \$100,000 may be invested without regard to yield restriction.

Section 5 Rebate Requirement, Calculations and Payment

5.1 In General. The Code requires the City to rebate at least 90 percent of any arbitrage earned on the Bonds every five years beginning on the Closing Date. In addition, the City must rebate 100 percent of any arbitrage earned on the Bonds once the Bonds are retired. Section 148(f) of the Code generally provides that the rebatable arbitrage is the sum of (a) the excess of (i) the amount earned on Nonpurpose Investments (other than Nonpurpose Investments that are attributable to the excess in this clause (a)), over (ii) the amount that would have been earned on such Nonpurpose Investments if the yield on such Nonpurpose Investments was equal to the yield on the Bonds; and (b) any income attributable to the excess described in clause (a). In order to satisfy these requirements of the Code, the City and the Borrower shall comply with the requirements set forth in this Section 5 (the “**Rebate Requirement**”).

5.2 Computation of Rebatable Arbitrage. The amount of arbitrage that must be rebated on any Computation Date is the excess of the Future Value of all Receipts over the Future Value of all Payments. The City and the Borrower must determine the Future Value (using the Yield on the Bonds) to a Computation Date all the Receipts and also Future Value all Payments. If the Future Value of the Receipts exceeds the Future Value of the Payments, the excess equals the rebate amount due (the “**Rebate Amount**”). The Borrower shall make, or cause to be made, calculations of the Rebate Amount on each Computation Date. Because the Bonds are variable rate obligations, Bond Counsel has advised the undersigned that the rebate computation with respect to the Bonds must be made on an annual basis, even though any Rebate Amount would have to be paid as provided in Section 5.9, below.

5.3 Relationship to Yield Restriction. The requirements of this Section 5 relating to the Rebate Requirement apply to all Gross Proceeds, regardless of whether or not such amounts must be yield restricted. Thus, an amount of Gross Proceeds may be unrestricted as to yield but will, notwithstanding that characterization, be subject to the Rebate Requirement. Similarly, an amount of Gross Proceeds may be restricted as to yield but will, notwithstanding that characterization, also be subject to the Rebate Requirement.

5.4 Gross Proceeds Subject to Rebate. Except as provided in Section 5.6 hereof, the following funds and accounts contain or will contain Gross Proceeds of the Bonds subject to the Rebate Requirement: (a) the Project Fund; (b) the Collateral Fund and (iii) the Bond Fund. The City and the Borrower acknowledge that, subsequent to the Closing Date, other Gross Proceeds of the Bonds may arise in addition to the Gross Proceeds described in the preceding sentence, and such Gross Proceeds would be subject to the provisions of this Tax Agreement.

5.5 Rebate Exceptions. The Code contains spending exceptions to the general application of the Rebate Requirement that may be applicable to the Bonds. These are set forth in Sections 5.6 and 5.7.

5.6 Six-Month Exception. If all of the Gross Proceeds of the Bonds (excluding amounts in a bona fide debt service fund) are expended within the six-month period beginning on the Issue Date, the calculation of the Rebate Amount shall be made by treating any Gross Proceeds that arise after the six-month period as the only Gross Proceeds of the Bonds.

5.7 18-Month Exception. If all of the Gross Proceeds of the Bonds (excluding amounts in a bona fide debt service fund) are expended within the prescribed spending periods set forth below, the calculation of the Rebate Amount shall be made by treating any Gross Proceeds that arise after the 18-month spending period as the only Gross Proceeds of the Bonds. The Gross Proceeds must be expended in accordance with the following schedule:

- (a) at least 15 percent within 6 months of the Closing Date;
- (b) at least 60 percent within 12 months of the Closing Date; and
- (c) 100 percent within 18 months of the Closing Date (or, 95 percent within 18 months and 100 percent within 30 months, if the unexpended amounts at the end of 18 months represent reasonable retainage to ensure completion of a construction contract). Amounts qualify as reasonable retainage if retained by the City and the Borrower for reasonable business purposes relating to the property being financed with the Proceeds of the Bonds. In addition, a de minimis exception is provided from the final spending period requirement if the City and the Borrower exercise due diligence to complete the Project and the unexpended amount does not exceed the lesser of three percent of the issue price of the Bonds or \$250,000. For purposes of determining compliance with each of the first two spending periods, Gross Proceeds of the Bonds include the amount of investment earnings (if any) that the City and the Borrower reasonably expect as of the Closing Date.

5.8 No Arbitrage Rebate Elections. No elections regarding arbitrage rebate computations are being made by the City or the Borrower on the Issue Date.

5.9 Payment of Rebate Amount. (a) Interim Payments (If Applicable). Not later than 60 days after the end of each fifth Bond Year, the City must pay to the United States Department of the Treasury (“**Treasury**”) a payment that, when aggregated with any prior payments, ensures that the City has paid to the Treasury an amount that is equal to at least 90 percent (90%) of the Rebate Amount as of the Rebate Payment Date (each payment an “**Interim Rebate Payment**”).

Final Payment. Not later than 60 days after the date the Bonds have been redeemed or have matured, the City must pay to the Treasury a payment that, when aggregated with any prior payments, is equal to 100 percent of the Rebate Amount as of the Final Computation Date (the “**Final Rebate Payment**” and collectively with an Interim Rebate Payment, a “**Rebate Payment**”). Any such Rebate Payment will be provided by the Borrower, and the City is not obligated to use any of its own moneys for payment of any Rebate Amount. The Rebate Amount shall be provided by the Borrower to the Trustee, and deposited into the Rebate Fund, as provided in the Indenture.

5.10 Procedure for Remittance. Each payment of the Rebate Amount shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date such payment is due, and shall be accompanied by Form 8038-T, Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate.

Section 6 Allocation and Accounting Rules

6.1 In General. In applying the provisions of this Tax Agreement, the City and the Borrower must account for Investments and expenditures of Gross Proceeds of the Bonds using a reasonable, consistently applied accounting method. Deviations from this accounting method that occur for bona fide governmental purposes shall be permitted.

6.2 Investments. Upon a purchase or sale of an Investment, Gross Proceeds of the Bonds may not be allocated to a payment for that Investment in an amount greater than, or to a receipt from that Investment in an amount less than, the fair market value (adjusted for Qualified Administrative Costs) of the Investment as of the purchase or sale date. To satisfy the requirements of this Section 6.2, the City and the Borrower shall comply with the fair market value procedures set forth on **Exhibit G**. Gross Proceeds of the Bonds should be invested at all times in Investments permitted under this Tax Agreement, Indenture, and Loan Agreement.

6.3 Expenditures. Reasonable methods of accounting for expenditures of Gross Proceeds and other amounts from different sources include any of the following methods if consistently applied: a specific tracing method; a Gross Proceeds spent first method; a first-in, first-out method; or a ratable allocation method. An allocation of Gross Proceeds of the Bonds to an expenditure must involve an outlay of cash reasonably expected to occur not later than five banking days after the date the allocation of Gross Proceeds to the expenditure is made. The

City and the Borrower must allocate Proceeds of the Bonds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the Project is placed in service, but in no event later than the earlier of the date 60 days after the fifth anniversary of the Issue Date or the date 60 days after the retirement of the Bonds.

6.4 Commingled Funds. Neither the City nor the Borrower will invest any of the Gross Proceeds in a Commingled Fund that does not comply with the requirements set forth on Exhibit E.

6.5 Grants. Neither the City nor the Borrower will use any of the Gross Proceeds to make any grants (as defined in Treasury Regulation Section 1.148-6(d)(4)(iii)).

6.6 Universal Cap. In general, Gross Proceeds will cease to be allocated to the Bonds if the amount of Gross Proceeds exceeds the value of the outstanding principal amount of the Bonds (the “**Universal Cap**”). The City and the Borrower reasonably expect as of the Issue Date that the Universal Cap will not reduce the amount of Gross Proceeds allocable to the Bonds during the term of the Bonds. The Universal Cap need not be applied to the Bonds on any date if (a) no Replacement Proceeds are allocable to the Bonds, other than Replacement Proceeds in a bona fide debt service fund or a reasonably required reserve or replacement fund; (b) the Sale Proceeds of the Bonds are expended within the allowable three-year temporary period or are deposited in a refunding escrow and expended as originally expected; (c) the Bonds does not refund a prior issue that has unspent proceeds; (d) no portion of the Bonds are retired prior to the date on which such portion is treated as retired in computing the yield on the Bonds; and (e) no Proceeds of the Bonds are invested in qualified student loans or qualified mortgage loans.

6.7 Payments to Related Parties. Any payment of Gross Proceeds of the Bonds to a Related Party of the Borrower is not an expenditure of those Gross Proceeds.

6.8 Separate Accounts. In order to perform the calculations required by the Code, it is necessary to separately account for all of the Gross Proceeds and each Investment acquired therewith. The City and the Borrower, as the case may be, shall establish separate sub-accounts or take other accounting measures in order to account fully and with specific City for all Gross Proceeds and Investments acquired therewith.

6.9 Records. The Borrower shall keep and retain until six years after the Bonds are paid in full adequate records pertaining to the investment of Gross Proceeds of the Bonds and moneys in the Rebate Fund, including the following with respect to each Investment: (a) purchase price; (b) purchase date; (c) type of Investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation. If any Investment becomes Gross Proceeds of the Bonds on a date other than the date such Investment is purchased, the records required to be kept shall include the fair market value of such Investment on the date it becomes Gross Proceeds. If any Investment is retained after the date the Bonds are retired, the records required to be kept shall include the fair market value of such Investment on the date the Bonds are retired.

Section 7 Valuation of Investments

7.1 Fair Market Value Requirement. Except as provided in Sections 7.3 and 7.4 hereof, an Investment must be valued at fair market value on the date that it is first allocated to the Bonds or first ceases to be allocated to the Bonds as a consequence of a “deemed” acquisition or “deemed” disposition of such Investment (*e.g.*, if an existing Investment is deposited into the fund, such Investment must be valued at fair market value as of the date of deposit into such fund). To satisfy the requirements of this Section 7.1, the City and the Borrower shall comply with the procedures set forth on Exhibit G.

7.2 Valuation Options. Except as provided in Section 7.1 hereof, the value of an Investment (including a Payment or Receipt on the Investment) on a date must be determined using one of the following valuation methods consistently for all purposes of Section 148 of the Code to that Investment on that date: (a) a Plain Par Investment may be valued at its outstanding stated principal amount, plus any accrued unpaid interest on that date; (b) a fixed rate Investment may be valued at its present value on that date; and (c) an Investment may be valued at its fair market value on that date.

7.3 Fair Market Value Determinations. For purposes of this Section 7, whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(a) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm’s length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(b) Except as provided in Sections 7.4 and 7.5, a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code Section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(c) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

7.4 Certificates of Deposit. The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(a) the yield on reasonably comparable direct obligations of the United States; and

(b) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

7.5 Guaranteed Investment Contracts. A Guaranteed Investment Contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(a) A bona fide solicitation in writing (which includes a hard copy, a fax, or an electronic email copy) for a specified Guaranteed Investment Contract, including all material terms, is timely forwarded, or made available on an internet website or other similar electronic media that is regularly used to post bid specifications, to all potential bidders. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or Borrower or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the City or Borrower or any other person for purposes of satisfying Treasury Regulation Section 1.148-5(d)(6)(iii)(B)(1) or (2).

(b) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid, except as permitted by Treasury Regulation Section 1.148-5 including any applicable proposed Treasury Regulations.

(c) At least three reasonably competitive providers (*i.e.*, having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (*e.g.*, a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the City or Borrower uses an agent to conduct the bidding, the agent may not bid.

(d) The highest-yielding Guaranteed Investment Contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(e) The determination of the terms of the Guaranteed Investment Contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(f) The terms for the Guaranteed Investment Contract are commercially reasonable (*i.e.*, have a legitimate business purpose other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract).

(g) The provider of the investment contract certifies the administrative costs (as defined in Regulations Section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the Guaranteed Investment Contract.

(h) The City or Borrower retains until three years after the last outstanding Bond is retired, (i) a copy of the Guaranteed Investment Contract, (ii) a receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including any administrative costs

paid by the City or Borrower and a copy of the provider's certification described in (g) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the Guaranteed Investment Contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

Section 8 Use and Qualification of Project

8.1 Residential Rental Facility. As represented by the Borrower in the Borrower Project Certificate, attached hereto as Exhibit B, the Borrower expects the Sale Proceeds to be used to finance the Project, which Project will constitute a qualified residential rental facility described in, and meeting the requirements of, Section 142(d) of the Code.

8.2 City's Reliance. The Borrower Project Certificate includes representations, certifications and covenants of the Borrower regarding the Project and the use of the Proceeds of the Bonds. The Borrower covenants that it will take all actions that may be necessary to cause all representations, certifications and covenants in the Borrower Project Certificate with respect to future events to be true. The Borrower acknowledges and agrees that the City is relying upon information provided by the Borrower herein and in the Borrower Project Certificate as the basis for the City's representations and certifications herein. The Borrower acknowledges that the City has not made an independent investigation as to any such information provided by the Borrower.

8.3 Remedial Actions. The City and the Borrower hereby (a) acknowledge that the disposition and certain uses of the Project may require remediation in accordance with Treasury Regulation Section 1.142-2, (b) covenant to track the use and disposition of all property constituting the Project as required by the Code and Regulations and to comply with the remediation requirements of Treasury Regulation Section 1.142-2, and (c) agree that the City may rely on the Borrower to monitor the use and disposition of property constituting the Project.

Section 9 Miscellaneous Tax Law Requirements

9.1 No Other Obligations. There are no other governmental obligations (a) issued at substantially the same time as the Bonds, (b) sold pursuant to a common plan of financing with the Bonds, and (c) to be paid out of substantially the same source of funds (or that will have substantially the same claim to be paid out of substantially the same funds) as will be used to pay the Bonds.

9.2 No Federal Guarantees. No portion of the payment of principal or interest on the Bonds, or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). No Gross Proceeds

shall be invested in federally insured deposits or accounts or in any obligation the payment of principal of or interest on which is (in whole or in part) a direct obligation of, or guaranteed by, the United States (or any agency or instrumentality thereof). Notwithstanding the foregoing, the City or the Borrower may invest the Gross Proceeds of the Bonds in any of the following:

(a) Any Investment guaranteed by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, or the Bonneville Power City pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984;

(b) Any Investment described in the following subparagraphs:

(i) Investments during an initial temporary period until such Sale Proceeds are needed for the purpose for which the Bonds were issued;

(ii) Investments of amounts in a bona fide debt service fund;

(iii) Investments of amounts in a reasonably required reserve fund;

(iv) Investments in obligations issued by the United States Treasury;

(v) Investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act (as amended by Section 511 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, or any successor provision); or

(vi) Any Investments held in a refunding escrow (as defined in Treasury Regulation Section 1.148-1).

9.3 Registration Requirement. The Bonds are being issued in registered form within the meaning of Section 149(a) of the Code.

9.4 Public Hearing and Elected Official Approval. The City represents that it has satisfied the requirements of Section 147(f) of the Code and the applicable Treasury Regulations relating to public hearing and approval of the Bonds. The materials with respect to the satisfaction of such requirements are detailed in Item II.1 (Exhibits C and E) in the transcript for the Bonds and attached hereto as **Exhibit H**.

9.5 Volume Cap Allocation. The City has allocated the requisite amount of volume cap to the Bonds, required by and pursuant to Section 146 of the Code (“**Volume Cap**”). The amount of Volume Cap allocated to the Bonds was derived from an amount of cap carried forward by the City from its 2021 allocation. The proof of carryforward and allocation is attached hereto as **Exhibit I**.

9.6 Information Report. The City acknowledges that Bond Counsel has prepared Internal Revenue Service Form 8038 and that the City has executed such Form 8038 and returned same to Bond Counsel for timely filing. The City and the Borrower certify that the information contained in Form 8038, attached hereto as Exhibit C, is accurate as of the date hereof.

9.7 Written Procedures. The execution and delivery of this Tax Agreement by the City and the Borrower will be treated by the City and the Borrower as the establishment of written procedures (a) to ensure that any Bond that becomes a “nonqualified bond” within the meaning of Treasury Regulation Section 1.142-2 is identified and remediated in accordance with the requirements of the Code and Regulations, including the remediation provisions of Treasury Regulation Section 1.142-2, and (b) to monitor compliance with the arbitrage, yield restriction, and rebate requirements of Code Section 148. By executing this Tax Agreement, the City and the Borrower agree that the City may rely upon the Borrower’s compliance with the covenants and procedures described in this Tax Agreement, including all Exhibits hereto, for purposes of maintaining the tax-exempt status of interest on the Bonds and complying with the requirements of Form 8038. See Exhibit D hereto.

9.8 Further Assurances. (a) The Borrower shall take all necessary and desirable steps to comply with the requirements hereunder in order to ensure that interest on the Bonds is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the Borrower and the Purchaser receive a Bond Counsel’s Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds, or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the Borrower receives such a Bond Counsel’s Opinion, the parties agree to amend this Certificate to conform to the requirements set forth in such opinion.

(b) If for any reason any requirement hereunder is not complied with, the Borrower shall take all necessary and desirable steps, as determined by the Borrower, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and shall pay from amounts in the funds and accounts held under the Indenture, if any, or if such amounts are insufficient the Borrower shall pay, any required interest or penalty under Regulations Section 1.143-3(h).

Section 10 Miscellaneous Provisions

10.1 Notices. All notices, demands, communications and requests which may or which are required to be given hereunder or by any party hereto shall be deemed given on the date on which the same shall have been mailed by registered or certified mail, postage prepaid, addressed as provided in the Loan Agreement.

10.2 Severability. If any clause, provision or section of this Tax Agreement is ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, sections or provisions hereof.

10.3 Counterparts. This Tax Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

10.4 Successors and Assigns. The terms, provisions, covenants and conditions of this Tax Agreement shall bind and inure to the benefit of the respective successors and assigns of the City and the Borrower.

10.5 Headings. The headings of this Tax Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Tax Agreement.

10.6 Governing Law. This Tax Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

10.7 Survival of Payment or Defeasance. Except as provided in the next sentence, this Tax Agreement shall terminate on the date the Bonds have been fully paid and retired. Notwithstanding anything in this Tax Agreement, the Indenture, or the Loan Agreement to the contrary, the obligation of the City and the Borrower to comply with the Rebate Requirement contained in Section 5, the records requirement contained in Section 6.9 and the records requirement described on Exhibit B of this Tax Agreement shall survive the payment or defeasance of the Bonds.

10.8 Amendments. This Tax Agreement sets forth the information, representations and procedures necessary for Bond Counsel to render their opinions regarding the exclusion of interest on the Bonds from gross income for purposes of federal income taxation and may be amended or supplemented from time to time to maintain the tax exemption only with the approval of Bond Counsel.

Notwithstanding any other provision herein, the covenants and obligations contained herein may be and shall be deemed modified to the extent the City and the Borrower secure an opinion of Bond Counsel that any action required hereunder is no longer required or that some further action is required in order to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

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IN WITNESS WHEREOF the undersigned have hereunto affixed their official signatures as of the day and year first set forth above.

CITY OF CHICAGO

By:



Name: Jill Jaworski

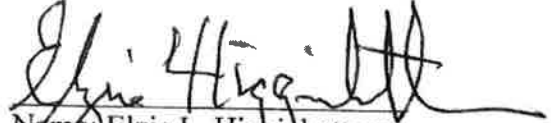
Title: Chief Financial Officer

[City's Signature Page of Arbitrage and Tax Compliance Agreement]

GRACE MANOR, LP, as Borrower

By: GRACE MANOR LLC,
Its General Partner

By:


Name: Elzie L. Higginbottom
Title: President

[Borrower's Signature Page of Arbitrage and Tax Compliance Agreement]

EXHIBIT A DEFINITIONS

Words or Terms used in the Arbitrage and Tax Compliance Agreement to which this Exhibit is attached as Exhibit A, not otherwise defined, shall have the meanings set forth in this Exhibit A.

“Bond Counsel” shall mean BurgherGray LLP, which firm is acting as bond counsel with respect to the Bonds, or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

“Bond Year” shall mean the one-year period that ends on the day selected by the City and the Borrower. The first and last Bond Years may be short periods. If no day is selected by the City and the Borrower before the earlier of the final maturity date of the Bonds or the date that is five years after the Issue Date, Bond Years end on each anniversary of the Issue Date and on the final maturity date.

“Borrower Project Certificate” shall mean the Borrower Project Certificate being executed by the Borrower on the Issue Date, and attached to this Tax Agreement as Exhibit B, wherein the Borrower makes certain representations, certifications and covenants regarding the Projects described therein and the Bonds.

“Code” shall mean the Internal Revenue Code of 1986.

“Computation Date” shall mean an Installment Computation Date or the Final Computation Date.

“Computation Date Credit” shall mean on the last day of each Bond Year with respect to the Bonds during which there are amounts allocated to Gross Proceeds of the Bonds that are subject to the rebate requirement, and on the final maturity date of the Bonds, a credit of \$1,000, as adjusted from time to time.

“Final Computation Date” shall mean the date the last obligation that is part of the Bonds are discharged.

“Future Value” shall mean, with respect to a Payment or Receipt, at the end of any period an amount determined using the economic accrual method that equals the value of such Payment or Receipt when paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over such period at a rate equal to the yield on the Bonds, using the same compounding interval and financial conventions used to compute the Yield on the Bonds.

“Gross Proceeds” shall mean any Proceeds and Replacement Proceeds of the Governmental Lender Notes.

“Guaranteed Investment Contract” shall mean any Nonpurpose Investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, and also includes any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

“Installment Computation Date” shall mean the last day of each Bond Year.

“Investment” shall mean any Investment Property and any Tax-Exempt Obligation.

“Investment Proceeds” shall mean any amounts actually or constructively received from investing Sale Proceeds of the Bonds and investment earnings thereon.

“Investment Property” shall mean any security or obligation (other than Tax-Exempt Obligations), any annuity contract and any other investment-type property.

“Issue Date” or **“Closing Date”** shall mean October 31, 2023, the date on which the City receives the purchase price in exchange for delivery of the Bonds.

“Loan Agreement” shall mean the Borrower Loan Agreement between the City and the Borrower, dated as of October 1, 2023.

Nonpurpose Investment” shall mean any Investment Property (other than a Purpose Investment) in which Gross Proceeds are invested or allocated.

“Payments” shall mean:

(i) amounts actually or constructively paid to acquire a Nonpurpose Investment (or treated as paid to a Commingled Fund as described in Exhibit B to this Tax Agreement);

(ii) for a Nonpurpose Investment that is first allocated to the Bonds on a date after it is actually acquired (*e.g.*, an Investment that becomes allocable to Replacement Proceeds) or that becomes subject to the rebate requirement on a date after it is actually acquired the value of the Investment on that date;

(iii) for a Nonpurpose Investment that was allocated to the Bonds at the end of the preceding computation period, the value of that Investment at the beginning of the computation period;

(iv) on the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of the Bonds that are subject to the rebate requirement, and on the final maturity date, a computation credit of \$1,000; and

(v) yield reduction payments on Nonpurpose Investments made pursuant to Treasury Regulation Section 1.148-5(c).

“Plain Par Investment” shall mean an Investment that is an obligation (i) issued with not more than a de minimis amount (as defined in Treasury Regulation Section 1.148-1(b) of original issue discount or premium, or, if acquired on a date other than the Issue Date, acquired with not more than a de minimis amount of market discount or premium, (ii) issued for a price that does not include accrued interest other than pre-issuance accrued interest, (iii) that bears interest from the Issue Date at a single, stated, fixed rate or that is a variable rate debt instrument under Section 1275 of the Code, in each case with interest unconditionally payable at least annually, and (iv) that has a lowest stated redemption price that is not less than its outstanding stated principal amount.

“Preliminary Expenditures” shall include architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs incurred prior to commencement of construction, rehabilitation, or acquisition of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

“Proceeds” shall mean any Sale Proceeds and Investment Proceeds of the Bonds.

“Purpose Investment” shall mean an Investment that is acquired to carry out the governmental purpose of bonds issued by the City.

“Qualified Administrative Costs” shall mean reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the City and the Borrower such as employee salaries and office expenses and costs associated with computing the Rebate Amount are not Qualified Administrative Costs. In general, administrative costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of tax-exempt obligations. Qualified Administrative Costs include all reasonable administrative costs, without regard to the limitation on indirect costs described above, incurred by (i) a publicly offered regulated investment company (as defined in Section 67(c)(2)(B) of the Code), and (ii) a widely held commingled fund in which no investor in the fund owns more than ten percent of the beneficial interest in the fund. For a guaranteed investment contract and investments purchased for a yield restricted defeasance escrow, a broker’s commission or similar fee paid on behalf of either an issuer, conduit borrower, or the provider is a Qualified Administrative Cost to the extent that the present value of the commission does not exceed a reasonable amount or qualifies for the safe harbor set forth in Treasury Regulation § 1.148-5(e)(2)(iii).

“Receipts” shall mean:

(i) amounts actually or constructively received from a Nonpurpose Investment (including amounts treated as received from a Commingled Fund), such as earnings and return of principal;

(ii) for a Nonpurpose Investment that ceases to be allocated to the Bonds before its disposition or redemption date (*e.g.*, an Investment that ceases to be allocable to the Bonds pursuant to the universal cap under Treasury Regulation Section 1.148-6) or that ceases to be subject to the rebate requirement on a date earlier than its disposition or redemption date (*e.g.*, an Investment allocated to a fund initially subject to the rebate requirement but that subsequently qualifies as a bona fide debt service fund), the value of that Nonpurpose Investment on that date; and

(iii) for a Nonpurpose Investment that is held at the end of a computation period, the value of that Investment at the end of that period.

“Regulations and Treasury Regulations” shall mean the Federal Income Tax Regulations, as in effect from time to time, together with temporary and proposed regulations issued under the Code.

“Replacement Proceeds” shall mean (i) amounts in debt service funds, redemption funds, reserve funds, replacement funds or any similar funds, to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds, (ii) any amounts held in funds or otherwise for which there is provided, directly or indirectly, a reasonable assurance that such amounts will be available to pay principal or interest on the Bonds or the obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the City and the Borrower encounter financial difficulties, including any negative pledge to the extent described in Treasury Regulation Section 1.148-1(c)(3)(ii), and (iii) any other amounts treated as Replacement Proceeds under Treasury Regulation Section 1.148-1(c).

“Tax Agreement” shall mean this Tax Compliance Agreement.

“Tax-Exempt Obligations” shall mean (i) obligations described in Section 103(a) of the Code, the interest on which is excludable from gross income of any owner thereof for federal income tax purposes, (ii) interests in regulated investment companies to the extent that at least 95 percent of the income to the holder of the interest is interest that is excludable from the gross income of any owner thereof for federal income tax purposes and (iii) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. part 344.

“Yield on the Bonds” shall mean the yield on the Bonds as defined in [Section 4.4] of this Tax Agreement.

EXHIBIT B

BORROWER PROJECT CERTIFICATE

The undersigned hereby certifies as of this 31st day of October, 2023, that the undersigned is an authorized representative of Grace Manor LLC, an Illinois limited liability company, which is the general partner of Grace Manor, LP, an Illinois limited partnership and the borrower with respect to the below-defined Bonds (the “**Borrower**”), and as such, is familiar with (a) the properties, affairs and records of the Borrower, (b) the issuance of the Bonds (as hereinafter defined) and the use of the proceeds thereof (“**Proceeds**”) and (c) the acquisition, construction and equipping of the Project (as hereinafter defined) and the use and intended use of the Project. The Project consists solely and exclusively of the assets listed on Schedule 1 hereto, which consists of all of the assets related to the Project to be financed or reimbursed from Proceeds of the Bonds.

This Borrower Project Certificate is delivered in connection with the issuance by the City of Chicago (the “**City**”) of its \$20,476,000 Multi-Family Housing Revenue Bonds (Grace Manor Apartments Project), Series 2023 (the “**Bonds**”), issued pursuant to that certain Bond Indenture, dated as of October 1, 2023 (the “**Indenture**”), between the City and Zions Bancorporation, National Association, as trustee (the “**Trustee**”), the proceeds of which are being loaned to the Borrower (the “**Borrower Loan**”) pursuant to the terms of that certain Loan Agreement dated as of October 1, 2023 (the “**Loan Agreement**”) between the City and the Borrower. The Proceeds of the Bonds will be used solely and exclusively by the Borrower to provide the funds necessary, together with other amounts, to finance on land located at 3401-23 W. Ogden Avenue, Chicago, Illinois (the “**Project Site**”), the construction of a residential rental facility consisting of 65 housing units of which 100% will be affordable for households earning no more than 60% of the area median income, together with a ground floor devoted to residential amenities, retail and community space (the “**Facility**”), to be known as Grace Manor Apartments.

All terms not defined herein shall have the same meaning as set forth in the Indenture, the Loan Agreement, or the Tax Compliance Agreement for the Bonds, executed by the City and the Borrower.

I have reviewed this Borrower Project Certificate with counsel to the Borrower (“**Counsel**”), and in the course of such review have reviewed with Counsel (a) all agreements and understandings (whether written or oral) relating to the use and intended use of the project described above (the “**Project**”) by any Person (as hereinafter defined) other than the Borrower, (ii) the use and intended use of the Project by any Person other than the Borrower and (c) the Borrower’s use and intended use of the Project. I have identified to Counsel all agreements and understandings (whether written or oral) pertaining to the use and intended use of the Project. “**Person**” means any natural person, firm, joint venture, association, partnership, business trust, corporation, limited liability company, public body, agency or political subdivision thereof or any other similar entity.

This Borrower Project Certificate may be relied upon by (a) the City in making its representations with respect to the Bonds and the Project, which are set forth in the Tax Compliance Agreement to which this Borrower Project Certificate is attached as Exhibit B and (b) BurgherGray LLP, bond counsel, for purposes of establishing the facts, circumstances and expectations which form the basis for their opinions that interest on the Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, including, without limitation, the requirement that not less than 95 percent of the Proceeds of the Bonds will be used to provide a qualified residential rental project within the meaning of Section 142(d) of the Code.

In connection with the issuance of the Bonds, the undersigned authorized party of member does hereby represent, certify and covenant on behalf of the Borrower as follows:

1. The Borrower will use proceeds of the Borrower Loan (together with other amounts) to finance (a) the costs of acquisition of the Project Site and (b) the construction on the Project Site of the Facility.

2. Bond Counsel has informed the undersigned that, under provisions of the Code and Treasury Regulations applicable to the Bonds, buildings can only be part of the same "project" for tax purposes if they are (a) owned for federal tax purposes by the same person, (b) financed pursuant to a common plan and (c) (i) located on a single tract of land which are contiguous except for the interposition of a road, street, stream or similar property, or (ii) if their boundaries meet at one or more points.

3. In no event will continual or frequent nursing, medical or psychiatric services be made available at the Project, within the meaning of Revenue Ruling 98-47, 1998-2 C.B. 397, or any successor thereto.

4. The Project will be composed entirely of (a) similarly constructed dwelling units containing separate and complete facilities for living, sleeping, eating, cooking (including a refrigerator, sink, oven and range top) and sanitation, which will be used on other than a transient basis by one or more persons and which will be available on a regular basis for use by members of the general public, (b) residential common areas and recreational facilities to be used solely and exclusively by residential tenants in the Project and their guests, and (c) "community service facilities" as defined in Section 42(d)(4)(C)(ii) of the Code to serve primarily individuals whose income is 60 percent or less of area median income (within the meaning of § 42(g)(1)(B)). The residential common areas and recreational facilities are of a character and size commensurate with the number and size of the residential units and are not functionally related and subordinate to any other facilities.

5. A description of the components of the Project and the aggregate cost of the components of the Project is listed on the attached Schedule 1. The costs on the attached Schedule 1 are the Borrower's best current estimates of such costs. In developing these cost estimates, the Borrower has used architectural, engineering and accounting data and methods of such detail, accuracy and completeness as are generally used in their experience in developing plans and specifications and a budget for a development similar in size and scope to the Project.

6. The Borrower has been and will be the only owner, for federal income tax purposes, of all assets constituting the Project.

7. The Borrower has no present plan or intention to sell, transfer, lease, or otherwise dispose of, whether voluntarily or involuntarily, or for consideration or otherwise, any assets constituting the Project or any portion thereof or interest therein prior to the final maturity date of the Bonds.

8. All of the costs of the Project will be paid by the Borrower on or after the date hereof.

9. All proceeds of the Bonds are expected to be used to pay Costs of the Project.

10. The Project is expected to be Placed in Service (as hereinafter defined) by the Completion Date (as defined in the Loan Agreement). For purposes of this Certificate, the term "Placed in Service" means, with respect to a facility, the date on which, based on all the facts and circumstances, (a) the facility has reached a degree of completion which would permit its operation at substantially its design level, and (b) the facility is, in fact, in operation at such level. No portion of the Proceeds of the Bonds will be used to pay construction period interest, taxes, or insurance accruing subsequent to the date the Project is Placed in Service.

11. All costs listed on Schedule 1 with respect to the Project will constitute expenditures for property qualifying for depreciation under Section 168 of the Code which are or will be chargeable to the Project's capital account or would be so chargeable either with a proper election by the Borrower or but for a proper election by the Borrower to deduct such amounts.

12. The Borrower does not intend to use any of the Sale Proceeds of the Bonds, and in no event will the Borrower use more than two percent of the Sale Proceeds of the Bonds, to pay costs relating to the issuance of the Bonds (within the meaning of Section 147(g) of the Code).

13. No portion of the Proceeds of the Bonds will be used for the cost of acquiring land (or an interest therein) or any costs capitalizable as expenditures for the acquisition of land (or an interest therein).

14. No portion of the Project, including any personal property attached thereto or installed therein, will be first placed in service prior to the use of such property by the Borrower.

15. No portion of the Proceeds of the Bonds will be used to provide any airplane, skybox, or other luxury box, health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

16. Any office to be financed with Proceeds of the Bonds will be located on the premises of the Project. Not more than a de minimis amount of the functions to be performed at any office financed with Proceeds of the Bonds are not directly related to the day-to-day operations of the Project.

17. No portion of the Proceeds of the Bonds will be used to provide working capital for the Borrower.

18. No portion of the Proceeds of the Bonds will be used to provide depreciable farm property or for the acquisition of land (or an interest therein) used for farming purposes.

19. Other than the Bonds, the Borrower will not use the proceeds of any tax-exempt obligations to finance any portion of the Project while the Bonds are outstanding.

20. The Borrower will not use any portion of the Proceeds of the Bonds to make payments to any member of the Borrower or Related Party of the Borrower or any such member.

21. The Bonds satisfy the public approval requirement of Section 147(f) of the Code.

22. The weighted average of the reasonably expected economic life of the assets constituting the Project, determined as of the date hereof, is not less than ___ years, as shown on Schedule 2. In calculating such economic life, the individual items of property that together constitute the Project have each been assigned an estimated economic life by the Borrower. The actual economic life of each item is reasonably expected to equal or exceed the estimate assigned to such item by the Borrower, based upon the historical experience of the Borrower with substantially similar property, taking into account obsolescence caused by technological changes. Based on the foregoing, the weighted average maturity of the Bonds is less than, and in the case of any substitutions of property for assets constituting the Project will continue to be, less than 120 percent of the weighted average of the reasonably expected economic life of the Project (*i.e.*, at least 48.5 years).

23. No use will be made of the Proceeds of the Bonds and no changes will be made in the Project or in the operation or beneficial use thereof (including, without limiting the generality of the foregoing, the use of the Project by any Person, or any use of the Project by the Borrower or any Related Party) without an opinion of Bond Counsel that such a use or change will not adversely affect the exclusion of the interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

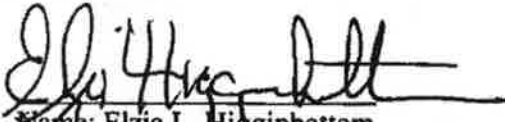
24. The Borrower shall comply with all provisions of this Borrower Project Certificate from the date hereof until the final maturity date of the Bonds, except upon the issuance of an opinion of Bond Counsel to the effect that any failure to comply with such provisions will not adversely affect the exclusion of the interest on the Bonds from the gross income of the owners thereof for federal income tax purposes.

The undersigned on behalf of the Borrower has examined and is familiar with this Borrower Project Certificate and all of the attachments hereto, and hereby certifies that all of the statements, facts and information contained herein and therein are true, complete, and correct and do not omit to state a material fact required to be stated herein or therein or necessary to make the statements, facts, or information contained herein and therein, in light of the circumstances under which they were made, not misleading.

WITNESS my signature to this Borrower Project Certificate of the Borrower as of the date first set forth above.

GRACE MANOR, LP, as Borrower

By: GRACE MANOR LLC,
Its General Partner

By: 
Name: Elzie L. Higginbottom
Title: President

[Signature Page to Borrower Project Certificate]

Schedule to Borrower Project Certificate

PROJECT COSTS TO BE FINANCED WITH PROCEEDS OF THE BONDS

ECONOMIC LIFE

Reasonably Expected Economic Life

Description	A ¹	B ²	C ³	D ⁴	E ⁵	F ⁶
Land Acquisition	-	-	-	-	-	-
Building Acquisition	-	-	-	-	-	-
Construction	40	48	1.5	49.5	20,187,682	999,290,259
FF & E	-	-	-	-	-	-
Costs of Issuance	0	0	0	0	411,993	0
Total	-	-	-	-	20,599,675	999,290,259

120% of the Average Reasonably Expected Economic Life of the Project⁷: 48.51 Years.

1 Economic Life (expressed in years).

2 120% of (A).

3 If the Asset has not yet been placed in service, the number of years after the date hereof (expressed as a positive number) the Asset is expected to be placed in service. If the Asset has already been placed in service, the number of years prior to the date hereof (expressed as a negative number) the Asset was placed in service.

4 The Adjusted Economic Life of the Asset ((B) plus (C)).

5 The Cost of the Asset (expressed in dollars).

6 The product of the Adjusted Economic Life of the Asset (D) and the Cost of the Asset (E).

7 The sum of (F) divided by the sum of (E).

EXHIBIT C
IRS FORM 8038

[see attached]

Information Return for Tax-Exempt Private Activity Bond Issues

(Under Internal Revenue Code section 149(e))
 ▶ See separate instructions.

OMB No. 1545-0047

▶ Go to www.irs.gov/Form8038 for instructions and the latest information.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>
1 Issuer's name City of Chicago		2 Issuer's employer identification number 36-6005820
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 121 North LaSalle Street	Room/suite	5 Report number (For IRS Use Only) 1 <input type="checkbox"/> <input type="checkbox"/>
6 City, town, or post office, state, and ZIP code Chicago, Illinois 60602		7 Date of issue (MM/DD/YYYY) 10/31/2023
8 Name of issue Multi-Family Housing Revenue Bonds (Grace Manor Apartments Project) Series 2023		9 CUSIP number 167570 TU4
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Jill Jaworski, Chief Financial Officer		10b Telephone number of officer or other employee shown on 10a 312.744.2204

Part II Type of Issue (Enter the issue price.)	Issue Price
11 Exempt facility bond:	
a Airport (sections 142(a)(1) and 142(c))	11a
b Docks and wharves (sections 142(a)(2) and 142(c))	11b
c Water furnishing facilities (sections 142(a)(4) and 142(e))	11c
d Sewage facilities (section 142(a)(5))	11d
e Solid waste disposal facilities (section 142(a)(6))	11e
f Qualified residential rental projects (sections 142(a)(7) and 142(d)) (see instructions)	11f 20,599,675.04
Meeting 20–50 test (section 142(d)(1)(A)) <input type="checkbox"/>	
Meeting 40–60 test (section 142(d)(1)(B)) <input checked="" type="checkbox"/>	
Meeting 25–60 test (NYC only) (section 142(d)(6)) <input type="checkbox"/>	
Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No	
g Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f))	11g
h Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions)	11h
Facility type _____	
1986 Act section _____	
i Qualified enterprise zone facility bonds (section 1394) (see instructions)	11i
j Qualified empowerment zone facility bonds (section 1394(f)) (see instructions)	11j
k Qualified broadband projects (sections 142(a)(16) and 142(n))	11k
l Qualified public educational facility bonds (sections 142(a)(13) and 142(k))	11l
m Mass commuting facilities (sections 142(a)(3) and 142(c))	11m
n Qualified highway or surface freight transfer facilities (sections 142(a)(15) and 142(m))	11n
o Qualified carbon dioxide capture facilities (sections 142(a)(17) and 142(o))	11o
p Local district heating or cooling facilities (sections 142(a)(9) and 142(g))	11p
q Other (see instructions) _____	11q
12a Qualified mortgage bond (section 143(a))	12a
b Other (see instructions) _____	12b
13 Qualified veterans' mortgage bond (section 143(b)) (see instructions) ▶	13
Check the box if you elect to rebate arbitrage profits to the United States <input type="checkbox"/>	
14 Qualified small issue bond (section 144(a)) (see instructions) ▶	14
Check the box for \$10 million small issue exemption <input type="checkbox"/>	
15 Qualified student loan bond (section 144(b))	15
16 Qualified redevelopment bond (section 144(c))	16
17 Qualified hospital bond (section 145(c)) (attach schedule—see instructions)	17
18 Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule—see instructions)	18
Check box if 95% or more of net proceeds will be used only for capital expenditures ▶ <input type="checkbox"/>	
19 Nongovernmental output property bond (treated as private activity bond) (section 141(d))	19
20a Other (see instructions) _____	
b Reissuance (see instructions) _____	20b
c Other. Describe (see instructions) ▶ _____	20c

Part III Description of Bonds (Complete for the entire issue for which this form is being filed.)					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	11/01/2026	\$ 20,599,675.04	\$ 20,476,000.00	3.00278 years	VR %

Part IV Uses of Proceeds of Issue (including underwriters' discount)			Amount
22	Proceeds used for accrued interest		0.00
23	Issue price of entire issue (enter amount from line 21, column (b))		20,599,675.04
24	Proceeds used for bond issuance costs (including underwriters' discount)	411,993.00	
25	Proceeds used for credit enhancement	0.00	
26	Proceeds allocated to reasonably required reserve or replacement fund	0.00	
27	Proceeds used to refund prior tax-exempt bonds. Complete Part VI	0.00	
28	Proceeds used to refund prior taxable bonds. Complete Parts V and VI	0.00	
29	Add lines 24 through 28		411,993.00
30	Nonrefunding proceeds (subtract line 29 from line 23, enter amount here, and complete Part V)		20,187,682.04

Part V Description of Property Financed		Amount
Caution: Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.		
31	Type of Property Financed:	
a	Land	
b	Buildings and structures	20,187,682.04
c	Equipment with recovery period of more than 5 years	
d	Equipment with recovery period of 5 years or less	
e	Other. Describe (see instructions)	
32	North American Industry Classification System (NAICS) of the projects financed.	
	NAICS Code	Amount of nonrefunding proceeds
a	531110	\$ 20,187,682.04
b		\$

Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)		
33	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	_____ years
34	Enter the remaining weighted average maturity of the taxable bonds to be refunded	_____ years
35	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	____/____/____
36	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	____/____/____

Part VII Miscellaneous

37 Name of governmental unit(s) approving issue (see the instructions) ▶ City Council of the City of Chicago
 Hearing Date: September 19, 2022 Approval Date: September 21, 2022

38 Check the box if you have designated any issue under section 265(b)(3)(B)(i)(III) ▶

39 Check the box if you have elected to pay a penalty in lieu of arbitrage rebate ▶

40a Check the box if you have identified a hedge and enter the following information ▶

b Name of hedge provider _____

c Type of hedge ▶ _____

d Term of hedge ▶ _____

41 Check the box if the hedge is superintegrated ▶

42a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) ▶ _____

b Enter the final maturity date of the GIC (MM/DD/YYYY) ▶ ____/____/____

c Enter the name of the GIC provider ▶ _____

43 Check the box if the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated in accordance with the requirements under the Code and Regulations (see instructions) ▶

44 Check the box if the issuer has established written procedures to monitor the requirements of section 148 ▶

45a Enter the amount of reimbursement if some portion of the proceeds was used to reimburse expenditures ▶ 104,702.31

b Enter the date the official intent was adopted (MM/DD/YYYY) ▶ 09 / 21 / 2022

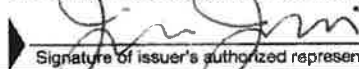
46 Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds, and provide name and EIN of the primary private user ▶

Name ▶ Grace Manor, LP

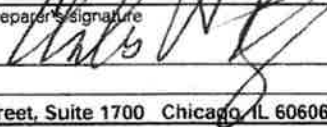
EIN 88-3278503

Part VIII Volume Caps	Amount
47 Amount of state volume cap allocated to the issuer. Attach copy of state certification	47
48 Amount of issue subject to the unified state volume cap	48 0.00
49 Amount of issue not subject to the unified state volume cap or other volume limitations:	49
a Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental enhancements of hydroelectric generating facilities, high-speed intercity rail facilities, qualified broadband projects, or qualified carbon dioxide capture facilities. See instructions	49a
b Under a carryforward election. Attach a copy of Form 8328 to this return	49b 20,599,675.04
c Under transitional rules of the Tax Reform Act of 1986. Enter Act section ▶	49c
d Under the exception for current refunding (section 146(i) and section 1313(a) of the Tax Reform Act of 1986)	49d
50a Amount of issue of qualified veterans' mortgage bonds	50a
b Enter the state limit on qualified veterans' mortgage bonds	50b
51a Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification	51a
b Name of empowerment zone ▶	51b
52 Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification	52

Signature and Consent Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.



Jill Jaworski, Chief Financial Officer
 Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name Charles D Katz	Preparer's signature 	Date 10/31/2023	Check <input type="checkbox"/> if self-employed	Preparer's PTIN P01079288
	Firm's name ▶ BurgherGray LLP		Firm's EIN ▶ 41-2221382		
	Firm's address ▶ River Point 444 W Lake Street, Suite 1700 Chicago, IL 60606			Phone no. 312.416.8442	



DEPARTMENT OF LAW
CITY OF CHICAGO

February 8, 2022

VIA CERTIFIED MAIL #91 7199 9991 7036 9844 0966

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201

Dear Sir or Madam:

Enclosed for filing are one original and one copy of IRS Form 8328 Carryforward Election of Unused Private Activity Bond Volume Cap for the City of Chicago relating to unused Private Activity Bond Volume Cap for calendar year 2021. Please stamp the copy to indicate receipt and return it to me in the enclosed stamped, self-addressed envelope. Thank you.

Sincerely,

Maribel Mata-Benedict
Assistant Corporation Counsel - Supervisor
312-744-0214

Enclosures

cc: James F. McDonald

**Carryforward Election of Unused
 Private Activity Bond Volume Cap**
 (Under Sections 146(f) and 142(k))
 ▶ Go to www.irs.gov/Form8328 for latest information.

OMB No. 1545-0047

Enter the calendar year for which the election is made ▶ 2021

Part I Reporting Authority
 State name for qualifying public educational facility bond or issuer's name for all other bonds

City of Chicago, Illinois		Reporting Authority's EIN	
Number, street (or P.O. box if mail is not delivered to street address)		3 6 6 0 0 5 8 2 0	Report number
121 North LaSalle Street	Room/suite 700	9	
City or town, state, and ZIP code			
Chicago, Illinois 60602			

Caution: Part II is only for section 146(f) filers. Part III is only for qualifying public educational facility bond filers.

Part II Unused Volume Cap and Carryforward under Section 146(f)

Computation of Unused Volume Cap

1	Total volume cap of the issuer for the calendar year		1	\$294,366,169.56
2	Aggregate amount of private activity bonds issued to date that are taken into account under section 146. See instructions			
3	Total amount of volume cap exchanged for authority to issue mortgage credit certificates. See instructions			
4	Total amount of volume cap allocated to private activity portion of governmental bonds. See instructions	\$33,900,000.00		
5	Add lines 2 through 4		5	\$33,900,000.00
6	Unused volume cap (subtract line 5 from line 1)		6	\$260,466,169.56

Purpose and Amount of Each Carryforward

7	Qualified student loan bonds		7	
8	Qualified mortgage bonds or mortgage credit certificates		8	
9	Qualified redevelopment bonds		9	
10	Exempt facility bonds:			
a	Mass commuting facilities (section 142(a)(3))		10a	
b	Water furnishing facilities (section 142(a)(4))		10b	
c	Sewage facilities (section 142(a)(5))		10c	
d	Solid waste disposal facilities (section 142(a)(6))		10d	
e	Qualified residential rental projects (section 142(a)(7))		10e	\$260,466,169.56
f	Facilities for the local furnishing of electric energy or gas (section 142(a)(8))		10f	
g	Local district heating or cooling facilities (section 142(a)(9))		10g	
h	Qualified hazardous waste facilities (section 142(a)(10))		10h	
i	25% of bonds for privately owned high-speed intercity rail facilities (section 142(a)(11))		10i	
j	Qualified enterprise zone facility bonds (section 1394(a)-(e))		10j	
11	Total carryforward amount (add lines 7 through 10j) (not to exceed line 6)		11	

Part III Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

12	Total volume cap for the calendar year		12	
13	Total amount of bonds issued under section 142(k) for the calendar year		13	
14	Unused volume cap available for carryforward (subtract line 13 from line 12)		14	
15	Amount elected to carryforward (not to exceed line 14)		15	

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

2/7/22

**Carryforward Election of Unused
 Private Activity Bond Volume Cap**
 (Under Sections 146(f) and 142(k))
 ▶ Go to www.irs.gov/Form8328 for latest information.

Enter the calendar year for which the election is made ▶ **2021**

Part I Reporting Authority

State name for qualifying public educational facility bond or issuer's name for all other bonds		Reporting Authority's EIN	
City of Chicago, Illinois		3 6 6 0 0 5 8 2 0	
Number, street (or P O box if mail is not delivered to street address)	Room/suite	Report number	
121 North LaSalle Street	700	9	
City or town, state, and ZIP code			
Chicago, Illinois 60602			

Caution: Part II is only for section 146(f) filers. Part III is only for qualifying public educational facility bond filers.

Part II Unused Volume Cap and Carryforward under Section 146(f)

Computation of Unused Volume Cap			
1	Total volume cap of the issuer for the calendar year	1	\$294,366,169.56
2	Aggregate amount of private activity bonds issued to date that are taken into account under section 146. See instructions	2	
3	Total amount of volume cap exchanged for authority to issue mortgage credit certificates. See instructions	3	
4	Total amount of volume cap allocated to private activity portion of governmental bonds. See instructions	4	\$33,900,000.00
5	Add lines 2 through 4	5	\$33,900,000.00
6	Unused volume cap (subtract line 5 from line 1)	6	\$260,466,169.56
Purpose and Amount of Each Carryforward			
7	Qualified student loan bonds	7	
8	Qualified mortgage bonds or mortgage credit certificates	8	
9	Qualified redevelopment bonds	9	
10	Exempt facility bonds:		
a	Mass commuting facilities (section 142(a)(3))	10a	
b	Water furnishing facilities (section 142(a)(4))	10b	
c	Sewage facilities (section 142(a)(5))	10c	
d	Solid waste disposal facilities (section 142(a)(6))	10d	
e	Qualified residential rental projects (section 142(a)(7))	10e	\$260,466,169.56
f	Facilities for the local furnishing of electric energy or gas (section 142(a)(8))	10f	
g	Local district heating or cooling facilities (section 142(a)(9))	10g	
h	Qualified hazardous waste facilities (section 142(a)(10))	10h	
i	25% of bonds for privately owned high-speed intercity rail facilities (section 142(a)(11))	10i	
j	Qualified enterprise zone facility bonds (section 1394(a)-(e))	10j	
11	Total carryforward amount (add lines 7 through 10j) (not to exceed line 6)	11	

Part III Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

12	Total volume cap for the calendar year	12	
13	Total amount of bonds issued under section 142(k) for the calendar year	13	
14	Unused volume cap available for carryforward (subtract line 13 from line 12)	14	
15	Amount elected to carryforward (not to exceed line 14)	15	

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of authorized public official: Jennie Huang Bennett Date: 2/7/22

Chief Financial Officer
 Type or print name and title.

[COPY]

EXHIBIT D
POST-ISSUANCE COMPLIANCE AND MONITORING

The following is a copy of Article IV, "Post-Closing Monitoring," of the Issuer's Conduit Bond Program Guidelines. These guidelines remain subject to change by the Issuer.

The City considers post-closing monitoring essential to ensuring accomplishment of its public mission. Borrowers and other participants are required to cooperate with City staff conducting post-closing monitoring tasks.

A. Annual Financing Statements

The City requires, consistent with its Act, Borrowers to submit audited financial statements annually to the City.

B. Certificate of Completion

The City requires all Borrowers to complete and submit a certificate stating that the Project is completed (a "**Certificate of Completion**"). The Certificate of Completion should be delivered to the Director of the City's Asset Management Department within thirty (30) days of Project completion.

C. Site Visit

Prior to, during or after completion of the Project, the City, at its discretion, and without obligation, reserves the right to conduct site visits, upon reasonable notice to the Borrower.

D. Tenant Income Certifications

It is the City's policy that the housing financed by the issuance of City obligations meet the general income and occupancy requirements as set by the Code and established by HUD. On forms approved by the City, Borrowers shall obtain from each prospective tenant prior to admission to the development, a certification of income and thereafter on an annual basis, a recertification of income.

E. Arbitrage Rebate Calculations

The City requires Borrowers to maintain responsibility for all arbitrage rebate calculations. These calculations must be obtained by the Borrower through a qualified arbitrage rebate consultant selected by the City and submitted to the trustee for the obligations at least fourteen (14) days prior to the end of each fifth year that the obligations remain outstanding and upon retirement of the obligations. The City will select the arbitrage rebate consultant. However, all costs and expenses associated with retaining the consultant will be the sole responsibility of the Borrower. The trustee and the City shall be entitled conclusively to rely on the calculations and

directions of the Borrower's arbitrage rebate consultant and shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in reliance of those calculations and directions.

F. Reporting Requirements

The Borrower must furnish to the City and agencies of the State such periodic reports or statements as are required under the Act, or as such agencies may otherwise reasonably require of the City or Borrower throughout the term of the Loan Agreement. Without limiting the foregoing, (i) at the Closing, the Borrower must provide to the City a written certification as to the scheduled monthly amortization of the Loan and the obligations, and represent to the City in connection therewith that the Loan and the obligations will remain in compliance therewith unless and until the Borrower provides a new schedule with respect thereto, and (ii) on or before October 31 of each year, the Borrower will provide (or cause to be provided) to the City a written certification as to the unpaid principal balances of the Loan and the obligations as of the prior October 31.

[Remainder of Page Intentionally Left Blank]

G. Post-Closing Compliance for other City Programs

As noted previously, developments utilizing other City financing or low-income housing tax credits will have additional requirements both in the initial underwriting process and post-closing. Borrowers and their counsel should consult these programs and/or the appropriate City personnel to determine what post-closing requirements these programs require.

GRACE MANOR, LP,
an Illinois limited partnership

By: GRACE MANOR LLC, an Illinois limited
liability company,

Its: General Partner

By: 
Name: Elzie L. Higginbottom
Title: President

[Borrower's Signature Page to Post-Issuance Compliance and Monitoring]

EXHIBIT E
SOURCES AND USES

Sources:

Series 2023 BOND Proceeds:	\$20,476,000.00
Original Issue Premium:	<u>123,675.04</u>
TOTAL SOURCES	\$20,599,675.04

Uses of Series 2023 Bond Proceeds:

Deposit to Project Fund	\$20,599,675.04
Project Costs	20,187,682
Costs of Issuance	411,993

EXHIBIT F
CERTIFICATE OF UNDERWRITER

October 31, 2023

\$20,476,000
City of Chicago
Multi-Family Housing Revenue Bonds
(Grace Manor Apartments Project)
Series 2023

The undersigned, Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule I attached to the Bond Purchase Agreement dated October 25, 2023 between the Underwriter, Grace Manor, LP, an Illinois limited partnership (the “Borrower”), and City of Chicago (the “Issuer”).

2. Defined Terms

(a) “*Issuer*” means the City of Chicago, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois, or its successor.

(b) “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than the Underwriter or a related party to the Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.


(d) “*Underwriter*” means (i) Stifel, Nicolaus & Company, Incorporated, (ii) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (iii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (ii) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and the Borrower with respect to certain of the representations set forth in the Tax Regulatory Agreement and with respect to compliance with the federal income tax rules affecting the Bonds, and by BurgherGray LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer and the Borrower from time to time relating to the Bonds.

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[Signature page to Issue Price Certificate]

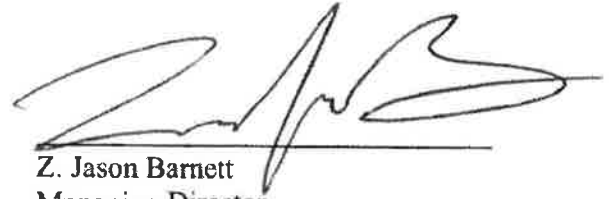
**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By:  _____
Daniel Dill
Managing Director

[Signature page to Issue Price Certificate]

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By:

A handwritten signature in black ink, appearing to read 'Z. Jason Barnett', is written over a horizontal line. The signature is stylized and cursive.

Z. Jason Barnett
Managing Director

EXHIBIT G
FAIR MARKET VALUE PROCEDURES;
COMMINGLED FUNDS

General Rules. The fair market value of any Investment Property is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Investment Property becomes binding (*i.e.*, the trade date rather than the settlement date). In general, an investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

Certificates of Deposit. In the case of a certificate of deposit that has a fixed interest rate, a fixed principal schedule and a substantial penalty for early withdrawal, the purchase price of the certificate of deposit shall be considered its fair market value if the yield on the certificate of deposit is not less than (a) the yield on reasonably comparable direct obligations of the United States and (b) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if:

(a) the Borrower makes a bona fide solicitation for the purchase of a specified Guaranteed Investment Contract;

(b) the bid specifications are in writing, include all material terms of the bid (a term is material if it may directly or indirectly affect the yield on the Guaranteed Investment Contract) and are timely forwarded to potential providers;

(c) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Borrower or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the Borrower or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the Guaranteed Investment Contract;

(d) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the Guaranteed Investment Contract);

(e) the terms of the solicitation take into account the Borrower's reasonably expected deposit and drawdown schedule for the amounts to be invested;

(f) all bidders for the Guaranteed Investment Contract have an equal opportunity to bid so that, for example, no bidder is given the opportunity to review others bids (*i.e.*, a last look) before bidding;

(g) at least three of the entities solicited for bids for the Guaranteed Investment Contract are reasonably competitive providers of investments of the type purchased (a reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased);

(h) the Borrower receives at least three bids from entities that do not have a material financial interest in the Bonds;

(i) at least one of the entities that provide a bid is a reasonably competitive provider;

(j) if the Borrower uses an agent to conduct the bidding process, the agent did not bid to provide the Guaranteed Investment Contract;

(k) the Borrower purchases the highest-yielding Guaranteed Investment Contract for which a bona fide bid is made (determined net of broker's fees);

(l) the obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying or expects to pay to third parties in connection with the Guaranteed Investment Contract; and

(m) the Borrower retains the following records with the Governmental Lender Notes documents until three years after the last outstanding Bonds are redeemed:

(i) a copy of the Guaranteed Investment Contract;

(ii) the receipt or other record of the amount actually paid by the Borrower for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Borrower, and the certification under paragraph (12) of this section;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

Commingled Funds. Neither the City nor the Borrower shall invest any of the Gross Proceeds in a Commingled Fund (other than a bona fide debt service fund) unless the requirements of this paragraph are satisfied. For purposes of this Tax Agreement, a "Commingled Fund" is any fund or account containing both Gross Proceeds of the Bonds and amounts in excess of \$25,000 that are not Gross Proceeds of the Bonds if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account. An open-end regulated investment company under Section 851 of the Code, however, is not a Commingled Fund. Not less frequently than as of the close of each fiscal period, all payments and receipts (including deemed payments and receipts) on investments held by a Commingled Fund must be allocated (but not necessarily distributed)

among the different investors in the fund. This allocation must be based on a consistently applied, reasonable ratable allocation method. Reasonable ratable allocation methods include, without limitation, methods that allocate these items in proportion to either (a) the average daily balances of the amounts in the Commingled Fund from different investors during a fiscal period or (b) the average of the beginning and ending balances of the amounts in the Commingled Fund from different investors for a fiscal period that does not exceed one month. An investor means each different source of funds invested in a Commingled Fund. The fiscal year of a Commingled Fund is the calendar year unless the fund adopts another fiscal year. A Commingled Fund may use any consistent fiscal period that does not exceed three months (*e.g.*, a daily, weekly, monthly or quarterly fiscal period).

In the case of a Commingled Fund in which the City and the Borrower and any Related Party own more than 25 percent of the beneficial interest in the fund (an “internal” Commingled Fund), the Commingled Fund must treat all its investments as if sold at fair market value either on the last day of the fiscal year or the last day of each fiscal period. The net gains or losses from these deemed sales of investments must be allocated to all investors of the Commingled Fund during the period since the last allocation. However, if the remaining weighted average maturity of all investments held by a Commingled Fund during a particular fiscal year does not exceed 18 months, and the investments by the Commingled Fund during that fiscal year consist exclusively of obligations, the mark-to-market requirement described in the preceding sentence does not apply. Additionally, the mark-to-market requirement does not apply to a Commingled Fund that operates exclusively as a reserve fund, sinking fund or replacement fund for two or more issues of the City or the Borrower. Special rules apply for purposes of allocating a Commingled Fund that serves as a common reserve fund, replacement fund or sinking fund for two or more issues.

EXHIBIT H
TEFRA NOTICE, HEARING AND APPROVAL

[see attached]

**EXHIBIT I
VOLUME CAP**

[see attached]



DEPARTMENT OF LAW
CITY OF CHICAGO

February 8, 2022

VIA CERTIFIED MAIL #91 7199 9991 7036 9844 0966

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201

Dear Sir or Madam:

Enclosed for filing are one original and one copy of IRS Form 8328 Carryforward Election of Unused Private Activity Bond Volume Cap for the City of Chicago relating to unused Private Activity Bond Volume Cap for calendar year 2021. Please stamp the copy to indicate receipt and return it to me in the enclosed stamped, self-addressed envelope. Thank you.

Sincerely,

Maribel Mata-Benedict
Assistant Corporation Counsel - Supervisor
312-744-0214

Enclosures

cc: James F. McDonald

**Carryforward Election of Unused
 Private Activity Bond Volume Cap**
 (Under Sections 146(f) and 142(k))
 ▶ Go to www.irs.gov/Form8328 for latest information.

OMB No. 1545-0047

Enter the calendar year for which the election is made ▶ 2021

Part I Reporting Authority

State name for qualifying public educational facility bond or issuer's name for all other bonds		Reporting Authority's EIN
City of Chicago, Illinois		3 6 6 0 0 5 8 2 0
Number, street (or P.O. box if mail is not delivered to street address)	Room/suite	Report number
121 North LaSalle Street	700	9
City or town, state, and ZIP code		
Chicago, Illinois 60602		

Caution: Part II is *only* for section 146(f) filers. Part III is *only* for qualifying public educational facility bond filers.

Part II Unused Volume Cap and Carryforward under Section 146(f)

Computation of Unused Volume Cap			
1	Total volume cap of the issuer for the calendar year	1	\$294,366,169.56
2	Aggregate amount of private activity bonds issued to date that are taken into account under section 146. See instructions	2	
3	Total amount of volume cap exchanged for authority to issue mortgage credit certificates. See instructions	3	
4	Total amount of volume cap allocated to private activity portion of governmental bonds. See instructions	4	\$33,900,000.00
5	Add lines 2 through 4	5	\$33,900,000.00
6	Unused volume cap (subtract line 5 from line 1)	6	\$260,466,169.56
Purpose and Amount of Each Carryforward			
7	Qualified student loan bonds	7	
8	Qualified mortgage bonds or mortgage credit certificates	8	
9	Qualified redevelopment bonds	9	
10	Exempt facility bonds:		
a	Mass commuting facilities (section 142(a)(3))	10a	
b	Water furnishing facilities (section 142(a)(4))	10b	
c	Sewage facilities (section 142(a)(5))	10c	
d	Solid waste disposal facilities (section 142(a)(6))	10d	
e	Qualified residential rental projects (section 142(a)(7))	10e	\$260,466,169.56
f	Facilities for the local furnishing of electric energy or gas (section 142(a)(8))	10f	
g	Local district heating or cooling facilities (section 142(a)(9))	10g	
h	Qualified hazardous waste facilities (section 142(a)(10))	10h	
i	25% of bonds for privately owned high-speed intercity rail facilities (section 142(a)(11))	10i	
j	Qualified enterprise zone facility bonds (section 1394(a)-(e))	10j	
11	Total carryforward amount (add lines 7 through 10j) (not to exceed line 6)	11	

Part III Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

12	Total volume cap for the calendar year	12	
13	Total amount of bonds issued under section 142(k) for the calendar year	13	
14	Unused volume cap available for carryforward (subtract line 13 from line 12)	14	
15	Amount elected to carryforward (not to exceed line 14)	15	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here ▶ J. Bennett Date 2/7/22 ▶ **Jennie Huang Bennett**
 Signature of authorized public official Chief Financial Officer
 Type or print name and title.

**Carryforward Election of Unused
 Private Activity Bond Volume Cap**
 (Under Sections 146(f) and 142(k))

OMB No. 1545-0047

► Go to www.irs.gov/Form8328 for latest information.

Enter the calendar year for which the election is made ► **2021**

Part I Reporting Authority

State name for qualifying public educational facility bond or issuer's name for all other bonds		Reporting Authority's EIN	
City of Chicago, Illinois		3 6 6 0 0 5 8 2 0	
Number, street (or P O box if mail is not delivered to street address)	Room/suite	Report number	
121 North LaSalle Street	700	9	
City or town, state, and ZIP code			
Chicago, Illinois 60602			

Caution: Part II is only for section 146(f) filers. Part III is only for qualifying public educational facility bond filers.

Part II Unused Volume Cap and Carryforward under Section 146(f)

Computation of Unused Volume Cap			
1	Total volume cap of the issuer for the calendar year	1	\$294,366,169.56
2	Aggregate amount of private activity bonds issued to date that are taken into account under section 146. See instructions	2	
3	Total amount of volume cap exchanged for authority to issue mortgage credit certificates. See instructions	3	
4	Total amount of volume cap allocated to private activity portion of governmental bonds. See instructions	4	\$33,900,000.00
5	Add lines 2 through 4	5	\$33,900,000.00
6	Unused volume cap (subtract line 5 from line 1)	6	\$260,466,169.56
Purpose and Amount of Each Carryforward			
7	Qualified student loan bonds	7	
8	Qualified mortgage bonds or mortgage credit certificates	8	
9	Qualified redevelopment bonds	9	
10	Exempt facility bonds:		
a	Mass commuting facilities (section 142(a)(3))	10a	
b	Water furnishing facilities (section 142(a)(4))	10b	
c	Sewage facilities (section 142(a)(5))	10c	
d	Solid waste disposal facilities (section 142(a)(6))	10d	
e	Qualified residential rental projects (section 142(a)(7))	10e	\$260,466,169.56
f	Facilities for the local furnishing of electric energy or gas (section 142(a)(8))	10f	
g	Local district heating or cooling facilities (section 142(a)(9))	10g	
h	Qualified hazardous waste facilities (section 142(a)(10))	10h	
i	25% of bonds for privately owned high-speed intercity rail facilities (section 142(a)(11))	10i	
j	Qualified enterprise zone facility bonds (section 1394(a)-(e))	10j	
11	Total carryforward amount (add lines 7 through 10j) (not to exceed line 6)	11	

Part III Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

12	Total volume cap for the calendar year	12	
13	Total amount of bonds issued under section 142(k) for the calendar year	13	
14	Unused volume cap available for carryforward (subtract line 13 from line 12)	14	
15	Amount elected to carryforward (not to exceed line 14)	15	

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of authorized public official: J. Huang Bennett Date: 2/7/22

Jennie Huang Bennett
 Chief Financial Officer
 Type or print name and title.

[COPY]