

**GRANT CONTRACT
BETWEEN THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE
BY AND THROUGH
THE METROPOLITAN HOUSING TRUST FUND COMMISSION
AND
LIVING DEVELOPMENT CONCEPTS, INC.**

This Grant Contract issued and entered into by and between the Metropolitan Government of Nashville and Davidson County, a municipal corporation of the State of Tennessee hereinafter referred to as "Metro", and Living Development Concepts, Inc., hereinafter referred to as the "Recipient," is for the provision of the construction of affordable housing units as further defined in the "SCOPE OF PROGRAM." Living Development Concepts, Inc. will be adding 116 affordable housing units located on Sawyer Brown Road, Nashville, TN 37221 (parcel numbers 12800004500, 12810018800, and 12811005000). The recipient's budget request is incorporated herein by reference. The Recipient is a nonprofit charitable or civic organization.

A. SCOPE OF PROGRAM:

- A.1. Each Property to which these grant funds are provided for shall be subject to a Declaration of Restrictive Covenants ("Declaration") imposing certain affordability requirements to encumber the Property and run with the land over a 30-year term. Terms defined in the Declaration shall have the same meanings when used in this Agreement.
- A.2. The Recipient shall use the funds under this grant in accordance with the affordable housing project submitted in the work scope, which is incorporated herein as Exhibit A and attached hereto, and any of its amendments and subject to the terms and conditions set forth herein.
- A.3. The Recipient, under this Grant Contract, will spend funds solely for the purposes set forth in the work scope outlined in Exhibit A. These funds shall be expended consistent with the Grant Budget, included in Exhibit B. Although some variation in line-item amounts for the Grant is consistent with the Grant Budget, any change greater than 20% of a draw category shall require the prior written approval of Metro. However, in no event will the total amount of the Grant funds provided to Recipient go above the awarded Grant amount of \$2,000,000.
- A.4. This Grant Contract by and through the Housing Trust Fund Commission and the Recipient is expressly limited to the Grant award and for the purposes described herein. Prior to the use of any funds, the property must be properly zoned, and it is the sole responsibility of the Recipient to pursue any necessary rezoning or other land use change. This Grant Contract in no way serves to supersede the authority of the Metro Nashville Planning Commission or the Metropolitan Council's authority to approve or deny zoning or land use changes on the proposed property and shall not be used for such purposes.

Additional Conditions for Rental Properties:

- 1. Tenants must be income-eligible at the time of initial occupancy, and Recipient must certify all incomes annually and maintain a certified rent roll. In the event a tenant's income increases above the income-requirement for the unit, the tenant is not disqualified from remaining in the unit. However, the tenant's rent shall be adjusted to the corresponding AMI level for the next lease term.
- 2. The Recipient will provide Metro with a management plan program oversight which includes certification of the rents, utility allowances and tenant incomes. The Grantee shall also provide Metro an annual certification that Barnes rental requirements are being met throughout the compliance period.

3. The Grantee will allow Metro or a Metro-approved contractor to conduct on-site inspections of the grantee for compliance Barnes program requirements including, but not limited to, reviewing tenant income calculations, rent determinations and utility allowances.
4. Compliance restrictions on both tenant income and maximum rents shall apply for thirty (30) years from the date of issuance of the certificate of occupancy for the final building within the project. If a certificate of occupancy is not issued, the compliance period will begin on the date of recordation of the notice of completion for the project.
5. Recipient shall not increase rents during the initial lease term, but such prohibition shall not apply to any renewal of the lease, nor shall it affect the portion of rent paid by another federal, state, or local program with respect to the tenant or units benefitting from the grant funds.

B. GRANT CONTRACT TERM:

- B.1. Grant Contract Term. The term of this Grant shall be from execution of the grant agreement until Project completion, but in no way greater than 24 months from the execution of the grant agreement. Metro shall have no obligation for services rendered by the Recipient which are not performed within this term. Pursuant to Metropolitan Code of Laws § 2.149.040 (G), in the event the recipient fails to complete its obligations under this grant contract within twenty-four months from execution, Metro is authorized to rescind the contract and to reclaim previously appropriated funds from the organization.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of Metro under this Grant Contract exceed Two Million Dollars (\$2,000,000). The Grant Budget, attached and incorporated herein as part of Attachment A, shall constitute the maximum amount to be provided to the Recipient by Metro for all of the Recipient's obligations hereunder. The Grant Budget line items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Recipient.

This amount shall constitute the Grant Amount and the entire compensation to be provided to the Recipient by Metro.

- C.2. Compensation Firm. The maximum liability of Metro is not subject to escalation for any reason. The Grant Budget amount is firm for the duration of the Grant Contract and is not subject to escalation for any reason unless the grant contract is amended.
- C.3. Payment Methodology. The Recipient shall be compensated for actual costs based upon the Grant Budget, not to exceed the maximum liability established in Section C.1. Upon execution of the Grant Contract and receipt of a request for payment, the Recipient may be eligible to receive reimbursement for milestones as completed based upon the Grant Budget.

a. **Grant Draws**

Before a draw can be made, there must be a physical inspection of the property by Metro or an approved designee. The inspection must confirm appropriate completion of the project.

1) **Construction Grant Draw Schedule (% based on grant amount)**

- 12.5% - upon receipt of the Building Permit (check property address and contractors name) and Builder's Risk Insurance sufficient to cover cost of construction and confirmation of acquisition (make sure Metro is listed as lien holder)
- 25% - footing framing and foundation completed (25% complete)
- 25% - roofing completed and the plumbing, electric and mechanical are roughed in and approved by local Codes (50% complete)

- 25% - cabinets, counters, drywall, trim and doors are installed (75% complete)

Balance of grant upon receipt of a Final Use & Occupancy from local Codes (100% complete).

All draw requests except for the first 12.5% draw must be inspected before funding.

The above is the preferred draw method. Metro may occasionally fund based on a true percentage of completion as noted in a Construction Inspection report or if the application requested funds for land acquisition, understanding that the initial 12.5% or acquisition draw may overfund the grant, requiring later draws to be reduced.

2) Construction Grant Draw Process

- Draw request is received from the Recipient. It should be requested by the contractor and approved by the Recipient.
- Complete property inspection
- Metro or approved designee approves the request.
- Payments should be made to the Recipient.

All invoices shall be sent to:

Barnes Housing Trust Fund
Planning Department – Housing Division
800 2nd Avenue South
Nashville, TN 37210
(615) 862-7190
rasheedah.pardue@nashville.gov

Said payment shall not exceed the maximum liability of this Grant Contract.

Final invoices for the contract period should be received by Metro Payment Services by 24 months from the execution of the grant agreement. Any invoice not received by the deadline date will not be processed and all remaining grant funds will expire.

- C.4. Close-out Expenditure and Narrative Report. The Recipient must submit a final grant Close-out Expenditure and Narrative Report, to be received by the Metropolitan Housing Trust Fund Commission / Barnes Housing Trust Fund within 45 days of project completion in conjunction with the submission of the final draw on the award. Said report shall be in form and substance acceptable to Metro and shall be prepared by a Certified Public Accounting Firm or the Chief Financial Officer of the Recipient Organization.
- C.5. Payment of Invoice. The payment of any invoice by Metro shall not prejudice Metro's right to object to the invoice or any matter in relation thereto. Such payment by Metro shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the costs included therein.
- C.6. Unallowable Costs. The Recipient's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by Metro, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.
- C.7. Deductions. Metro reserves the right to adjust any amounts which are or shall become due and payable to the Recipient by Metro under this or any Contract by deducting any amounts which are or shall become due and payable to Metro by the Recipient under this or any Contract.
- C.9. Electronic Payment. Metro requires as a condition of this contract that the Recipient shall complete and sign Metro's form authorizing electronic payments to the Recipient. Recipients who

have not already submitted the form to Metro will have thirty (30) days to complete, sign, and return the form. Thereafter, all payments to the Recipient, under this or any other contract the Recipient has with Metro, must be made electronically.

- C. 10. Procurement. Recipient agrees and understands that procurement of goods and services for the grant project must comply with state and local law and regulations, including the Metropolitan Procurement Code. Recipient will provide Metro with all plans and specifications needed for these procurement purposes. Recipient will promptly review, and either approve or disapprove, in good faith and with reasonable grounds all estimates, amendments to scope of work, and all work performed by a contractor prior to payment.
- C. 11. Public Meetings. At the reasonable request of Metro, Recipient agrees to attend public meetings, neighborhood meetings, and other events regarding this Project.
- C. 12. Recognition. Any signage, printed materials, or online publications erected at the applicable Project site or elsewhere regarding the Project shall include the following language or language acceptable by Metro acknowledging that the Project is partially funded with a grant from the Barnes Fund for Affordable Housing of the Metropolitan Government of Nashville and Davidson County:

This project funded in part by the Barnes Affordable Housing Trust Fund of the
Metropolitan Government of Nashville & Davidson County.

Metropolitan Housing Trust Fund Commission

John Cooper, Mayor

Metropolitan Council of Nashville and Davidson County

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. Metro is not bound by this Grant Contract until it is approved by the appropriate Metro representatives as indicated on the signature page of this Grant.
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment that has been approved in accordance with all Metro procedures and by appropriate legislation of the Metropolitan Council.
- D.3. Default and Termination for Cause. Any failure by Owner to perform any term or provision of this Grant Contract shall constitute a "Default" (1) if such failure is curable within 30 days and Recipient does not cure such failure within 30 days following written notice of default from Metro, or (2) if such failure is not of a nature which cannot reasonably be cured within such 30-day period and Recipient does not within such 30-day period commence substantial efforts to cure such failure or thereafter does not within a reasonable time prosecute to completion with diligence and continuity the curing of such failure. Should the Recipient Default under this Grant Contract or if the Recipient violates any terms of this Grant Contract, Metro shall have the right to immediately terminate the Grant Contract and the Recipient shall return to Metro any and all grant monies for services or projects under the grant not performed as of the termination date. The Recipient shall also return to Metro any and all funds expended for purposes contrary to the terms of the Grant. Such termination shall not relieve the Recipient of any liability to Metro for damages sustained by virtue of any breach by the Recipient.
- D.4. Subcontracting. The Recipient shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of Metro. Notwithstanding any use of approved subcontractors, the Recipient shall be considered the prime Recipient and shall be responsible for all work performed.

- D.5. Conflicts of Interest. The Recipient warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of Metro as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Recipient in connection with any work contemplated or performed relative to this Grant Contract.

The Grantee also recognizes that no person identified as a Covered Person below may obtain a financial interest or benefit from a Metro Housing Trust Fund Competitive Grant assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those whom they have family or business ties, during their tenure or for one year thereafter.

Covered Persons include immediate family members of any employee or board member of the Grantee. Covered Persons are ineligible to receive benefits through the Metro Housing Trust Fund Competitive Grant program. Immediate family ties include (whether by blood, marriage or adoption) a spouse, parent (including stepparent), child (including a stepbrother or stepsister), sister, brother, grandparent, grandchild, and in-laws of a Covered Person.

- D.6. Nondiscrimination. The Recipient hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Recipient on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification which is in violation of applicable laws. The Recipient shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.7. Records. All documents relating in any manner whatsoever to the grant project, or any designated portion thereof, which are in the possession of Recipient, or any subcontractor of Recipient shall be made available to the Metropolitan Government for inspection and copying upon written request by the Metropolitan Government. Furthermore, said documents shall be made available, upon request by the Metropolitan Government, to any state, federal or other regulatory authority and any such authority may review, inspect and copy such records. Said records include, but are not limited to, all drawings, plans, specifications, submittals, correspondence, minutes, memoranda, tape recordings, videos or other writings or things which document the grant project, its design and its construction. Said records expressly include those documents reflecting the cost of construction, including all subcontracts and payroll records of Recipient.
- Recipient shall maintain documentation for all funds provided under this grant contract. The books, records, and documents of Recipient, insofar as they relate to funds provided under this grant contract, shall be maintained for a period of three (3) full years from the date of the final payment. The books, records, and documents of Recipient, insofar as they relate to funds provided under this grant contract, shall be subject to audit at any reasonable time and upon reasonable notice by Metro or its duly appointed representatives. Records shall be maintained in accordance with the standards outlined in the Metro Grants Manual. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.8. Monitoring. The Recipient's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by Metro or Metro's duly appointed representatives. The Recipient shall make all audit, accounting, or financial records, notes, and other documents pertinent to this grant available for review by the Metropolitan Office of Financial Accountability, Internal Audit or Metro's representatives, upon request, during normal working hours.
- D.9. Reporting. The Recipient must submit an Interim Program Report, to be received by the Metropolitan Housing Trust Commission / Barnes Housing Trust Fund, by no later than July 1, 2024 and a Final Program Report, to be received by the Metropolitan Housing Trust Fund Commission within 45 [forty-five] days of the end of the Grant Contract. Said reports shall detail the outcome of the activities funded under this Grant Contract.

- D.10. Strict Performance. Failure by Metro to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment by the appropriate parties as indicated on the signature page of this Grant.
- D.11. Insurance. The Recipient shall maintain adequate public liability and other appropriate forms of insurance, including other appropriate forms of insurance on the Recipient's employees, and to pay all applicable taxes incident to this Grant Contract.
- D.12. Metro Liability. Metro shall have no liability except as specifically provided in this Grant Contract.
- D. 13. Independent Contractor. Nothing herein shall in any way be construed or intended to create a partnership or joint venture between the Recipient and Metro or to create the relationship of principal and agent between or among the Recipient and Metro. The Recipient shall not hold itself out in a manner contrary to the terms of this paragraph. Metro shall not become liable for any representation, act, or omission of any other party contrary to the terms of this paragraph.
- D. 14. Indemnification and Hold Harmless.
- (a) Recipient shall indemnify, defend, and hold harmless Metro, its officers, agents and employees from any claims, damages, penalties, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of Recipient, its officers, employees and/or agents, including its sub or independent contractors, in connection with the performance of the contract, and any claims, damages, penalties, costs and attorney fees arising from any failure of Recipient, its officers, employees and/or agents, including its sub or independent contractors, to observe applicable laws, including, but not limited to, labor laws and minimum wage laws.
 - (b) Metro will not indemnify, defend or hold harmless in any fashion the Recipient from any claims, regardless of any language in any attachment or other document that the Recipient may provide.
 - (c) Recipient shall pay Metro any expenses incurred as a result of Recipient's failure to fulfill any obligation in a professional and timely manner under this Contract.
 - (d) Grantee's duties under this section shall survive the termination or expiration of the grant.
- D.15. Force Majeure. The obligations of the parties to this Grant Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.
- D.16. State, Local and Federal Compliance. The Recipient agrees to comply with all applicable federal, state and local laws and regulations in the performance of this Grant Contract.
- D.17. Governing Law and Venue. The validity, construction and effect of this Grant Contract and any and all extensions and/or modifications thereof shall be governed by and construed in accordance with the laws of the State of Tennessee. The venue for legal action concerning this Grant Contract shall be in the courts of Davidson County, Tennessee.
- D. 18. Attorney Fees. Recipient agrees that, in the event either party deems it necessary to take legal action to enforce any provision of the Grant Contract, and in the event Metro prevails, Recipient shall pay all expenses of such action including Metro's attorney fees and costs at all stages of the litigation.
- D.19. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions

of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

- D. 20. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D. 21. Licensure. The Recipient and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses. Recipient will obtain all permits, licenses, and permissions necessary for the grant project.
- D. 22. Waiver. No waiver of any provision of this contract shall affect the right of any party thereafter to enforce such provision or to exercise any right or remedy available to it in the event of any other default.
- D. 23. Inspection. The Grantee agrees to permit inspection of the project and/or services provided for herein, without any charge, by members of the Grantor and its representatives.
- D. 24. Assignment—Consent Required. The provisions of this contract shall inure to the benefit of and shall be binding upon the respective successors and assignees of the parties hereto. Except for the rights of money due to Recipient under this contract, neither this contract nor any of the rights and obligations of Recipient hereunder shall be assigned or transferred in whole or in part without the prior written consent of Metro. Any such assignment or transfer shall not release Recipient from its obligations hereunder. Notice of assignment of any rights to money due to Recipient under this Contract must be sent to the attention of the Metro Department of Finance.
- D.25. Gratuities and Kickbacks. It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparations of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefore. It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontract or order. Breach of the provisions of this paragraph is, in addition to a breach of this contract, a breach of ethical standards which may result in civil or criminal sanction and/or debarment or suspension from participation in Metropolitan Government contracts.
- D.26. Communications and Contacts. All instructions, notices, consents, demands, or other communications from the Recipient required or contemplated by this Grant Contract shall be in writing and shall be made by facsimile transmission, email, or by first class mail, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro:

For contract-related matters and enquiries regarding invoices:

Metropolitan Housing Trust Fund Commission / Barnes Housing Trust Fund
Planning Department – Housing Division
800 2nd Avenue South
Nashville, TN 37210
(615) 862-7190

Rasheedah.Pardue@Nashville.Gov

Recipient:

Living Development Concepts, Inc.
c/o Henry Miller
3250 Dickerson Pike, Ste. 212
Nashville, TN 37207
615-578-6590
hmiller@ldc-nashville.com

D.27. Lobbying. The Recipient certifies, to the best of its knowledge and belief, that:

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Recipient shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all subcontractors of federally appropriated funds shall certify and disclose accordingly.

D. 28 Effective Date. This contract shall not be binding upon the parties until it has been signed first by the Recipient and then by the authorized representatives of the Metropolitan Government and has been filed in the office of the Metropolitan Clerk. When it has been so signed and filed, this contract shall be effective as of the date first written above.

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THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:

APPROVED AS TO PROGRAM SCOPE:



Jim Schimtz, Chair,
Metropolitan Housing Trust Fund
Commission

APPROVED AS TO AVAILABILITY OF
FUNDS:

Kelly flannery *AP*

Kelly Flannery, Director
Department of Finance

APPROVED AS TO FORM AND
LEGALITY:

Tessa V. Ortiz-Marsh

Assistant Metropolitan Attorney

APPROVED AS TO RISK AND
INSURANCE:

Balogun Cobb

Director of Risk Management Services

APPROVED BY METROPOLITAN
GOVERNMENT OF NASHVILLE AND
DAVIDSON COUNTY:

Metropolitan Clerk

RECIPIENT:

Living Development Concepts, Inc.

By: Henry Miller

Title: Executive Director

Sworn to and subscribed to before me a
Notary Public, this 25th day
of April, 2023.

Notary Public

Katie Ingram

My Commission
expires 9/8/2025

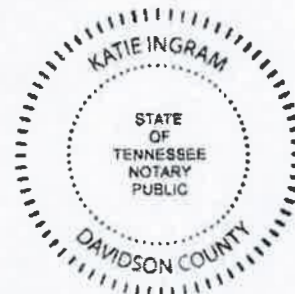


EXHIBIT A



Barnes Housing Trust Fund Round 11 Work Scope

Organization: Living Development Concepts, Inc.

Development Type: Rental

Development Address: Samuel's Peak Sawyer Brown Road, Nashville, TN 37221

Amount Awarded: \$2,000,000

Number of Barnes-funded Units: 116

Target Populations Served: All income-eligible tenants

AMI Targets:

Below 30% AMI	31-60% AMI	61-80% AMI
	116	

Samuel's Peak	
Vacant Land, Sawyer Brown Road	
Bellevue, TN 37221-1215	

Income Escalator Expense Escalator Vacancy	2%	Year Built	10/30/2025	\$	Total Paid Developer Fee
	3%	Closing Date	3/1/2024		5,096,061
	7%	Construction Periods	20	\$	Total Developer Fee
		Stabilization	28		7,811,596

Unit Type	Unit		Contract Rent	2024 Table	Total Monthly	Total Annal	% of Max TC Rent	
	Income	Size	Rate	Monthly Gross Rent	Charge by Unit Type	Charge by Unit Type		
1 Bed/ 1 Bath	30% AMI	-	0	\$ -	\$ -	-	100%	
2 Bed/ 1 Bath		1,082	0	-	-	-	100%	
3 Bed/ 2 Bath		1,219	0	-	-	-	100%	
4 Bed/ 2 Bath		1,400	0	-	-	-	100%	
	0%							
1 Bed/ 1 Bath	40% AMI	-	0	\$ -	\$ -	-	100%	
2 Bed/ 1 Bath		1,082	0	-	-	-	100%	
3 Bed/ 2 Bath		1,219	0	-	-	-	100%	
4 Bed/ 2 Bath		1,400	0	-	-	-	100%	
	0%							
1 Bed/ 1 Bath	50% AMI	-	0	\$ -	\$ -	-	100%	
2 Bed/ 1 Bath		1,082	0	-	-	-	100%	
3 Bed/ 2 Bath		1,219	0	-	-	-	100%	
4 Bed/ 2 Bath		1,400	0	-	-	-	100%	
	0%							
1 Bed/ 1 Bath	60% AMI	-	0	\$ -	\$ -	-	95%	
2 Bed/ 2 Bath		1,082	36	1,131	1,208	40,716	488,592	95%
3 Bed/ 2 Bath		1,219	68	1,308	1,397	88,944	1,067,328	95%
4 Bed/ 2 Bath		1,400	12	1,444	1,558	17,328	207,936	95%
	100%							
1 Bed/ 1 Bath	70% AMI	-	0	\$ -	\$ -	-	93%	
2 Bed/ 1 Bath		1,082	0	-	-	-	-	93%
3 Bed/ 2 Bath		1,219	0	-	-	-	-	93%
4 Bed/ 2 Bath		1,400	0	-	-	-	-	93%
	0%							
1 Bed/ 1 Bath	80% AMI	-	0	\$ -	\$ -	-	90%	
2 Bed/ 1 Bath		1,082	0	-	-	-	-	90%
3 Bed/ 2 Bath		1,219	0	-	-	-	-	90%
4 Bed/ 2 Bath		1,400	0	-	-	-	-	90%
	0%							
1 Bed/ 1 Bath	Market	-	0	\$ -	\$ -	-	30%	
2 Bed/ 1 Bath		1,082	0	-	-	-	-	30%
3 Bed/ 2 Bath		1,219	0	-	-	-	-	35%
4 Bed/ 2 Bath		1,400	0	-	-	-	-	35%
	0%							
Average/Total		1,195	116	\$ 1,267	\$ 1,355	\$ 146,988	\$ 1,763,856	
Applicable Fraction		100.00% Sqft Calculation						
		100.00% Units Calculation						
			Charge	Monthly Charge	Annual Charge	Tenant Utilization		

Income Averaging: 60.00% Average AMI

Late Fees	\$ 25	\$ 725	\$ 8,700	25%
Parking Income	-	-	-	50%
Pet Fee Income	-	-	-	50%
Storage Income	-	-	-	100%
Laundry Income	10	928	11,136	80%
Tenant Move-out Charge	-	-	-	25%
Misc. Income	25	2,900	34,800	100%
Total Other Income		4,553	54,636	
Potential Gross Income	\$	151,541	\$ 1,818,492	
Less: Vacancy				
7%		(10,608)	(127,294)	
Effective Gross Income	\$	140,933	\$ 1,691,198	Per Unit/Per Year 14,579

Expenses		Per Unit/Per Month	Per Unit/Per Year	Monthly	Annual
Personnel		135	1,622	15,675	188,100
Property Management	5%	61	729	7,047	84,560

Land		12,931	1,500,000	-	-	-	-	-
Building Basis		-	-	-	-	-	-	-
Title & Recording for Purchase (prior to Equity Closing)	No	-	-	-	-	-	-	-
Demo		-	-	-	-	-	-	-
Sub Total		\$ 12,931	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -
B. Site Work								
Earthwork		-	-	-	-	-	-	-
Site Work		62,069	7,200,000	4,695,600	-	4,695,600	-	-
Demo		-	-	-	-	-	-	-
Site Improvements		-	-	-	-	-	-	-
Landscaping		-	-	-	-	-	-	-
Sub Total		\$ 62,069	\$ 7,200,000	\$ 4,695,600	\$ -	\$ 4,695,600	\$ -	\$ -
C. Hard Costs								
Hard Construction	249,640	212,884	23,254,561	23,254,561	-	23,254,561	22,793,076	22,793,076
Special Allocation for Historic with New Construction		-	-	-	-	-	-	-
General Requirements	6.00%	15,752	1,827,274	1,827,274	-	1,827,274	1,367,585	1,367,585
Overhead	2.00%	5,251	609,091	609,091	-	609,091	455,862	455,862
Contractor P & L	6.00%	15,752	1,827,274	1,827,274	-	1,827,274	1,367,585	1,367,585
Other:		-	-	-	-	-	-	-
Other:		-	-	-	-	-	-	-
Sub Total Rehab and New Construction		\$ 237,226	\$ 27,518,200	\$ 27,518,200	\$ -	\$ 27,518,200	\$ 25,984,107	\$ 25,984,107
Total Contract Amount		\$ 299,295	\$ 34,718,200	\$ 32,213,800	\$ -	\$ 32,213,800	\$ 25,984,107	\$ 25,984,107
Construction Contingency	5.00%	14,965	1,735,910	1,735,910	-	1,735,910	1,735,910	1,735,910
Total Land + Site Work + Hard Costs + Contingency		\$ 314,260	\$ 37,954,110	\$ 33,949,710	\$ -	\$ 33,949,710	\$ 27,720,017	\$ 27,720,017
D. Design & Engineering Fees								
MAX Architect Fee OR Internal M+A Requi when no Agency limit:	3.50%							
Architect - Design	1,210,000	8,345	968,000	968,000	-	968,000	968,000	968,000
Architect - Supervision		2,086	242,000	242,000	-	242,000	242,000	242,000
Builder's Risk Insurance	0.41%	1,225	142,128	142,128	-	142,128	142,128	142,128
SAC/WAC/Park Dedication/Impact Fees	1,500	1,500	174,000	174,000	-	174,000	174,000	174,000
Plan & Cost Review Fees		216	25,000	25,000	-	25,000	25,000	25,000
Inspection Fees		216	25,000	25,000	-	25,000	25,000	25,000
Engineering		1,078	125,000	125,000	-	125,000	125,000	125,000
Surveying		302	35,000	35,000	-	35,000	35,000	35,000
Geotechnical Soil Borings		129	15,000	15,000	-	15,000	15,000	15,000
FF&E		474	55,000	55,000	-	55,000	-	-
Other: SP Amendment Fee		130	15,137	15,137	-	15,137	15,137	15,137
Other: Traffic Impact Assessment		95	11,000	11,000	-	11,000	11,000	11,000
Sub Total		\$ 15,795	\$ 1,832,265	\$ 1,832,265	\$ -	\$ 1,832,265	\$ 1,777,265	\$ 1,777,265
E. Professional Fees								
Appraisal		17	2,000	2,000	-	2,000	2,000	2,000
Market Study		52	6,000	6,000	-	6,000	6,000	6,000
Environmental Assessment		22	2,500	2,500	-	2,500	2,500	2,500
Energy Consultant		86	10,000	10,000	-	10,000	10,000	10,000
Energy Audit		86	10,000	10,000	-	10,000	10,000	10,000
Green Build Certification		129	15,000	15,000	-	15,000	15,000	15,000
Legal Fees, Borrower - Partnership		517	60,000	30,000	-	30,000	30,000	30,000
Legal Fees, Borrower - Local		259	30,000	-	-	-	-	-
Historic Consultant		-	-	-	-	-	-	-
Cost Cert/Audit		99	11,500	11,500	-	11,500	11,500	11,500
Other: URA Consultant		-	-	-	-	-	-	-
Other: URA Obligations		-	-	-	-	-	-	-
Sub Total		\$ 1,267	\$ 147,000	\$ 87,000	\$ -	\$ 87,000	\$ 87,000	\$ 87,000

F. Construction and Permanent Financing Costs								
Pre Dev Loan - Origination - Interest		-	-	-	-	-	-	-
<u>Construction/Bridge Loan/Short Term Bonds:</u>								
Application Fee		13	1,500	-	-	-	-	-
Firm Commitment & Incentive Fees		6,034	700,000	-	-	-	-	-
Bond Counsel, Underwriter's Fee & Counsel		4,310	500,000	-	-	-	-	-
Other: Miscellaneous Bond Fees		1,293	150,000	-	-	-	-	-
Construction Interest at:	4.50%	13,447	1,559,851	904,573	-	904,573	904,573	904,573
<u>Permanent Loan/Bonds: 221(d)(4)</u>								
Application Fee	0.30%	476	55,212	-	-	-	-	-
Origination Fee/Cost of Issuance	1.00%	1,587	184,040	-	-	-	-	-
Lender/Bond & Issuer Council		172	20,000	-	-	-	-	-
Other:	Rate during Construction	-	-	-	-	-	-	-
Construction period Interest/Prior to Stabilization	0.00%	-	-	-	-	-	-	-
<u>Second Mortgage:</u>								
Application Fee		-	-	-	-	-	-	-
Origination Fee	0.00%	-	-	-	-	-	-	-
Lender Counsel		-	-	-	-	-	-	-
Other:	Rate during Construction	-	-	-	-	-	-	-
Construction period Interest/Prior to Stabilization	3.50%	5,526	641,039	470,519	-	470,519	-	-
<u>TIF & Soft Loans:</u>								
Application Fee		-	-	-	-	-	-	-
Origination Fee	1.00%	-	-	-	-	-	-	-
Lender Counsel		-	-	-	-	-	-	-
Other:	Rate during Construction	-	-	-	-	-	-	-
Construction period Interest/Prior to Stabilization	0.00%	-	-	-	-	-	-	-
<u>Other Equity/Lending Costs:</u>								
Performance & Payment Bonds (NOT in GC contract)	No	-	-	-	-	-	-	-
Title Insurance - Filing - Recording (Equity/Construction)		1,724	200,000	200,000	-	200,000	200,000	200,000
Construction Draw Administration	1,500	272	31,500	31,500	-	31,500	31,500	31,500
Permanent Loan Title & Recording		172	20,000	-	-	-	-	-
Tax Credit Syndicator Due Diligence Fee		431	50,000	-	-	-	-	-
Other:		100	11,600	11,600	-	11,600	-	-
Other:		-	-	-	-	-	-	-
Sub Total		\$ 35,558	\$ 4,124,743	\$ 1,618,193	\$ -	\$ 1,618,193	\$ 1,136,073	\$ 1,136,073
G. Other Soft Costs								
Taxes During Construction		300	34,800	34,800	-	34,800	34,800	34,800
Hazard and Liability Insurance (First Year Escrow)		570	66,120	-	-	-	-	-
Rent-up Marketing	2,000	2,000	232,000	-	-	-	-	-
Soft Cost Contingency		216	25,000	25,000	-	25,000	25,000	25,000
Other:		-	-	-	-	-	-	-
Other:		-	-	-	-	-	-	-
Sub Total		\$ 3,086	\$ 357,920	\$ 59,800	\$ -	\$ 59,800	\$ 59,800	\$ 59,800
H. Tax Credit Fees								
Application Fee		40	4,640	-	-	-	-	-
Reservation Fee		1,271	147,415	-	-	-	-	-
Carryover Fee		-	-	-	-	-	-	-
8609 Fees		-	-	-	-	-	-	-
Agency Compliance Fee		600	69,600	-	-	-	-	-
Other:		-	-	-	-	-	-	-
Other:		-	-	-	-	-	-	-
Sub Total		\$ 1,911	\$ 221,655	\$ -	\$ -	\$ -	\$ -	\$ -
I. Developer Fee								
Developer Fee		67,341	7,811,596	7,811,596	-	7,811,596	7,811,596	7,811,596
Other: Consultant		-	-	-	-	-	-	-
Sub Total		\$ 67,341	\$ 7,811,596	\$ 7,811,596	\$ -	\$ 7,811,596	\$ 7,811,596	\$ 7,811,596
J. Development Reserves								
Debt Service Reserves	6	3,978	461,504	-	-	-	-	-
Operating Reserves	6	2,714	314,844	-	-	-	-	-
Lease Up Reserve	-	-	-	-	-	-	-	-

Other:		-	-	-	-	-	-	-
Other:		-	-	-	-	-	-	-
Sub Total		\$ 6,693	\$ 776,349	\$ -	\$ -	\$ -	\$ -	\$ -
Soft Cost Total			15,271,529	11,408,854	-	11,408,854	10,871,735	10,871,735
Total Development Cost		\$ 458,842	\$ 53,225,639	\$ 45,358,564	\$ -	\$ 45,358,564	\$ 38,591,752	\$ 38,591,752

				9% Basis	Acquisition Credit	State Credits	No Federal Historic Credits	No State Historic Credits
Credit Calculation:								
Eligible Basis				45,358,564	-	45,358,564	38,591,752	38,591,752
Less Historic Tax Credit Residential				-	-	-		
Less Other (Describe)				-	-	-		
Net Eligible Basis				45,358,564	-	45,358,564	38,591,752	38,591,752
QCT or DDA OR State Designated Basis Boost				130%	100%	130%	n/a	n/a
Applicable Fraction				100.00%	100.00%	100.00%		
TOTAL Qualified Basis				58,966,134	-	58,966,134	38,591,752	38,591,752
Tax Credit Percentage Rate				4.00%	4.00%	0.00%	0.00%	0.00%
Annual Credit Amount				\$ 2,358,645	\$ 2,358,645	\$ -	\$ -	\$ -
# of Years of Credits				10	10	6	1	1
Equity Pricing/Credit				\$ 0.8800	\$ 0.8800	\$ -	\$ -	\$ -
Ownership %				99.99%	99.99%	99.99%	99.99%	100.00%
Equity Proceeds				\$ 20,754,003	\$ 20,754,003	\$ -	\$ -	\$ -

EQUITY

	Period	LIHTC & State	Percentage	HISTORIC	Percentage	TOTAL EQUITY
1st Installment - At Closing	0	\$ 4,150,801	20.0%	\$ -	20.0%	\$ 4,150,801
2nd Installment - 25% Completion	3	\$ -	0.0%	\$ -	0.0%	\$ -
3rd Installment - 50% Completion	6	\$ -	0.0%	\$ -	0.0%	\$ -
4th - Installment - 100% Completion	21	\$ 6,226,201	30.0%	\$ -	30.0%	\$ 6,226,201
5th - Installment - Stabilization	28	\$ 10,169,462	49.0%	\$ -	49.0%	\$ 10,169,462
6th Installment - 8609's	31	\$ 207,540	1.0%	\$ -	1.0%	\$ 207,540
		\$ 20,754,003	100%	\$ -	100%	\$ 20,754,003

DEVELOPER FEE

	Period	Developer Fee	Installment %	Fee Split	
				Holladay Ventures	LDC
1st Installment - At Closing	0	\$ 1,019,212	20.0%	\$ 917,291	\$ 101,921
2nd Installment - 25% Completion	3	\$ -	0.0%	\$ -	\$ -
3rd Installment - 50% Completion	6	\$ -	0.0%	\$ -	\$ -
4th - Installment - 100% Completion	21	\$ 1,528,818	30.0%	\$ 1,375,937	\$ 152,882
5th - Installment - Stabilization	28	\$ 2,340,491	45.9%	\$ 2,106,442	\$ 234,049
6th Installment - 8609's	31	\$ 207,540	4.1%	\$ 186,786	\$ 20,754
NET Developer Fee		\$ 5,096,061	100%	\$ 4,586,455	\$ 509,606
Deferred Fee		2,715,535		2,443,982	271,554
Developer Fee		\$ 7,811,596		\$ 7,030,437	\$ 781,160
Consultants		-		-	-
TOTAL Developer Fee		\$ 7,811,596		\$ 7,030,437	\$ 781,160

S&U of Funds		
Sources of Funds	Construction	Permanent
1st Mortgage	-	18,404,000
2nd Mortgage	8,352,000	8,352,000
TIF Mortgage	-	-
Construction Mortgage	66.04%	30,154,005
Bridge Loan		
Equity:		
1st Installment - At Closing	4,150,801	4,150,801
2nd Installment - 25% Completion	-	-
3rd Installment - 50% Completion	-	-
4th - Installment - 100% Completion		6,226,201
5th - Installment - Stabilization		10,169,462

50% Test:

Land	\$ 1,500,000
Eligible Basis	45,358,564
	\$ 46,858,564
Investor % Requirement	60.0%
MIN ST BOND	\$ 28,115,139
BRIDGE LOAN	2,038,866

6th Installment - 8609's		207,540
GP/SLP	100	100
Soft Funds	3,000,000	3,000,000
Deferred Fee		2,715,535
Total Source Of Funds	\$ 45,656,906	\$ 53,225,639

Soft Funds Request	\$ 3,000,000
Annual Federal Tax Credit Request	\$ 2,358,645

(0.00) << Check



CINCINNATI OH 45999-0038

In reply refer to: 0248188044
Mar. 13, 2017 LTR 4168C 0
62-1855943 000000 00

00021913
BODC: TE

LIVING DEVELOPMENT CONCEPTS INC
% HENRY MILLER
3250 DICKERSON PIKE STE 212
NASHVILLE TN 37207

045273

Employer ID Number: 62-1855943
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated Mar. 02, 2017, regarding your tax-exempt status.

We issued you a determination letter in May 2002, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

0248188044
Mar. 13, 2017 LTR 4168C 0
62-1855943 000000 00
00021914

LIVING DEVELOPMENT CONCEPTS INC
% HENRY MILLER
3250 DICKERSON PIKE STE 212
NASHVILLE TN 37207

Sincerely yours,

A handwritten signature in dark ink, appearing to read "K. A. Billups", written in a cursive style.

Kim A. Billups, Operations Manager
Accounts Management Operations 1



IRS Department of the Treasury
Internal Revenue Service

CINCINNATI OH 45999-0038

045273.740259.137295.9804 1 AB 0.403 530



LIVING DEVELOPMENT CONCEPTS INC
% HENRY MILLER
3250 DICKERSON PIKE STE 212
NASHVILLE TN 37207

045273

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,
EVEN IF YOU ALSO HAVE AN INQUIRY.

The IRS address must appear in the window.

0248188044

BODCD-TE

Use for payments

Letter Number: LTR4168C

Letter Date : 2017-03-13

Tax Period : 000000

INTERNAL REVENUE SERVICE

CINCINNATI OH 45999-0038



621855943

LIVING DEVELOPMENT CONCEPTS INC
% HENRY MILLER
3250 DICKERSON PIKE STE 212
NASHVILLE TN 37207

621855943 RN LIVI 00 2 000000 670 000000000000

4 1 1 3 5 3 2 3 4

FILED

RECEIVED
STATE OF TENNESSEE

01 MAY 11 PM 2:33

**CHARTER
OF**

RILEY DARNELL
SECRETARY OF STATE **LIVING DEVELOPMENT CONCEPTS, INC.**

The undersigned person(s) under the Tennessee Nonprofit Corporation Act adopt(s) the following charter of the above listed corporation:

1. The name of the corporation is Living Development Concepts, Inc.
2. The corporation is a public benefit corporation.
3. The corporation is not a religious corporation.
4. (a) The complete address of the corporation's registered office at 2404 Ramblewood Drive, Murfreesboro, Tennessee is County of RUTHERFORD
(b) The name of the initial registered agent, to be located at the address listed in 4(a), is HENRY MILLER
5. The name and complete address of each incorporator is:
Henry O. Miller, 2404 Ramblewood Drive, Murfreesboro, TN. 37129
Lula B. Miller, 306 Jackson St., Murfreesboro, TN. 37130
Henry I. Miller 306 Jackson St., Murfreesboro, TN 37130
6. The complete address of the corporation's principal office is:
2404 Ramblewood Drive, Murfreesboro, TN ~~37130~~ 37129
7. The corporation is a nonprofit corporation.
8. The corporation will not have members.
9. Upon dissolution of this corporation assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code., i.e. charitable, educational, religious or scientific, or corresponding section of any future federal tax code, to relieve any and all indebtedness and as applicable, shall be distributed to the Federal government, or to a state or local government for a public purpose.

4-11305 3-12-85

10. Living Development Concepts, Inc. is organized exclusively for charitable and educational purposes as may qualify if as exempt from federal income tax under section 501(c)(3) or provision of any future United States Internal Revenue Law, such purposes include, but are not limited to:

(a) Living Development Concepts, Inc. is nonprofit corporation organized and incorporated in the state of Tennessee which is established to design and develop economic and human development programs that serve to improve the quality of life and prosperity for participants in programs, workshops, seminars, housing and services offered.

- **Develop, design and implement programs for historic restoration and cultural development, special needs, at risk, disenfranchised and low income populations, including infants, toddlers, children, youth, young adults, adults and seniors;**

- **Design of training programs for cultural and human development, saving persons from personal financial tragedies, housing support and placement, homeless programs, job development and re-establishment, new initiatives, special programs, medical support initiatives, educational initiatives and development of prosperity programs for new income sources and survival support networks, housing initiatives and historic preservation initiatives;**

- **To publish tapes and printed materials that serve to develop self esteem and personal growth, cultural expansion, historical recordation and information that will support seminars and presentations in the public arena;**

- **Conduct of studies and the development of an information base to serve to support network of the advancement of programs that will meet the critical appropriate personal, business, environmental, medical, human developmental needs of constituents and at risk populations;**

- **Develop programs for support of youth development, counseling and teen pregnancy prevention;**

- **Development of programs relating to career development and development of housing subdivisions and transitional housing and at risk populations to promote care, upkeep, and longevity of new life styles for safer and better living and the housing facilities;**

- **Development and management of food banks, clothing banks, job banks, housing acquisition and finance networks to support the basic needs of constituents.**

(b) Living Development Concepts, Inc. seeks to bring together resources that support the implementation of these and other related initiatives through the

solicitation of grants from the private foundation community and the solicitation of government grants. The government supported initiatives will be initiated through the programs available through the federal, state and local government programs as well.

(c) This is a nonstock corporation.

(d) The number of directors of the corporations shall be no less than 3 which number may be increased pursuant to the by-laws of the corporation.

(e) To host conferences, conventions and other such information gathering and distribution events geared toward advancing human and social causes; inclusive but not limited to educational and spiritual advancement of deprived, disenfranchised and at risk individuals.

(f) To acquire all or any part of the good will, rights, property and business of any person, firm, association or corporation heretofore and hereafter engaged in any activity similar to or in furtherance of any purposes which the corporation has the power to conduct, and to hold utilize, enjoy, and in any manner dispose of the whole or any part of the rights property, and business so acquired, and to assume in connection therewith any liabilities of any such person, firm, association or corporation.

(g) Officers and directors shall be indemnified against expenses incurred in defense of any suit or preceding, civil or criminal, in which he is made party by reason of being a director of officer, except in relation to matters as to which he is adjudged liable for negligence or misconduct in the performance of his duties to the corporation.

(h) Living Development Concepts, Inc. will work with government jurisdictions around the area to insure their ability to support initiatives ratified by the jurisdictions to assist in private public partnerships to improve the available facilities in a timely matter which will increase the program availability for sites for at risk populations and underserved populations within the metropolitan and county community and service area.

(I) To carry out all or any of the foregoing objects as principal, factor, agent, contractor, or otherwise, either alone through, or in conjunction with any carrying on of its purposes for the purpose of attaining or furthering any of its objects and purposes, to make and perform any contracts and to do any acts and things, and to exercise any powers suitable, and convenient or proper for the accomplishment of any of the objects and purposes herein enumerated or incidental to the powers herein specified, or which at any time may appear conducive to or expedient for the accomplishment of any such objects and purposes.

(j) No part of the net earnings of the corporation shall inure to the benefit of, or be distributed to its members, trustees, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of Section 501(c)(3) purposes. No substantial part of

4 1 13 15 3 12 13 17

the activities of the corporation shall be the carrying of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

(k) Notwithstanding any other provision of these articles, the corporation shall carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section (c)(3) of the Internal Revenue Code (or corresponding section of any future federal tax code) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code (or corresponding section of any future Federal tax code).

(l) All fiduciary responsibilities will be carried out according to the provisions set forth in the by-laws.

(m) To carry out all or any part of the aforesaid objects and purposes, and to conduct its activities in all or any part of its branches, in any or all states, territories, districts, and possessions of the United States of America and in foreign countries, and any and all provisions set forth in the by-laws as adopted by the directors and to maintain offices and agencies in the aforesaid jurisdictions.

5-11-2001
Signature Date

Henry O. Miller
Incorporator's Signature

Henry O. Miller

Incorporator's Name (typed or printed)

Jennifer M Gerhart, Register
Rutherford County Tennessee
Rec #: 257711 Instrument 1060651
Rec'd: 5.50 NBK: 60 Pg 166
State: 0.00
Clerk: 0.00 Recorded
EDP: 2.00 5/15/2001 at 9:00 am
Total: 7.50 in Record Book
67 Pages 1672-1677

By Laws

Of

Living Development

Concepts, Inc.

ARTICLE I

Living Development Concepts, Inc.

The name of the Corporation is Living Development Concepts, Inc. It is intended that the Corporation shall have the status of Corporation which is exempt from federal income taxation under Section 501 (a) of the Internal Revenue Code of 1986, as amended, or any corresponding provisions of any future federal tax laws not for profit, as an organization described in Section 501 (c) (3) of the Code.

ARTICLE II

OFFICES

Section 2.1 Corporate Office. The principal office of the Corporation shall be located at 3250 Dickerson Pike, Suite 212, Nashville, Tennessee, 37207. In addition to its registered and principal offices the corporation may have other offices and/or facilities at such other places as the Board of Trustees may from time to time determine and as the business of the Corporation may require. The address of the principal office may be changed by the Board of Trustees by amendment to the Corporation's Charter.

Section 2.2 Registered Office. The registered office of the Corporation required to be maintained in the State of Tennessee Nonprofit Corporation Act, as amended from time to time may, but need not, be identical with the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by Board of Trustees.

ARTICLE III

PURPOSE AND USE OF FUNDS

Section 3.1 Purposes. The purpose of the Corporation is to provide training and education to young men and women in the construction industry as well as assist with finding employment. The Corporation is to build homes including affordable homes for low income families. The Corporation is organized exclusively for religious, charitable, scientific, literary, and educational purposes within the meaning of Section 501 (c)(3) of the Code, including the receipt and acceptance of property, whether real, personal, or mixed, by gift or bequest from any person or entity; the retention, administration and investment of such property in accordance with the terms of the Corporation's Charter and these By-Laws; and the distribution of such property for the Charitable Purposes as herein delineated and/or (a) one or more organizations described in Section 501 (c)(3) of the Code and either Section 509 (a) (1) or Section 509 (a)(2) of the Code, Contributions to which are deductible under Section 170 (c)(2) , Section 2055(a) and Section 2522 (a) of the Code, or (b) A State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia, contribution to which are deductible under Section 170 (c)(1), Section 2055 (a) and Section 2522 (a) gift or bequest of property be received or accepted in such a manner as to require the disposition of its income or principal to any person, governmental unit or organization, other than a Qualified Beneficiary or for other than Charitable Purposes.

Section 3.2 Use of Funds. In making distribution to effectuate the religious, charitable, scientific, literacy and educational purposes of the Corporation, as delineated in Section 3.1 above, the Board of Trustees shall have the authority to make distributions if both income and principal in such promotions and amounts as the Board of Trustees, in its discretion, determines advisable, provided that all such distributions are consistent with all applicable federal tax laws and regulations as herein provide. The Corporation is not formed for financial or pecuniary gain; and no part of the assets, income, nonprofits of the Corporation shall be distributable to, or inure to; the benefit of its trustees or officers or any other private person, except as provided in Section 5.11, Section 6.10 and Article XI as reimbursement for expenses or reasonable compensation for services rendered to the Corporation, as set forth in the Charter and Section 3.1 above. No substantial part of the activities of the Corporation shall be the carrying on of the propaganda, or be the participation in, or intervention in (including the publishing or distribution of statement), any political campaign on behalf of (or in opposition to) any candidate for public office.

**By Laws
Of
Living Development Concepts, Inc.**

Section 3.3 Administration of Funds. In the event the Corporation is a private foundation within the meaning of Section 509 of the Code for a taxable year, the Corporation (a) tax on undistributed its income for each tax year in such manner so that it will not become subject to the tax on undistributed income for each tax year, in such a manner so that it will not become subject to the self-dealing, as defined in Section 4941 (d) of the Code (c) shall not retain any excess business holdings, as defined in Section 4943 (c) of the Code; (d) shall not make any investments in a manner expenditures, as defined in Section 4945 (d) of the Code. In order to fully effectuate the provisions of these Sections the Corporation shall adopt such procedures, and shall otherwise adhere to such administrative requirements as may from time to time be necessary, in order to fully comply with all applicable federal tax laws and regulations.

Section 3.4 Termination of Corporation. The Board of Trustees shall have the authority to terminate the Corporation at any time that, by a unanimous vote, it deems such termination appropriate or advisable. In such event, after paying, or making provision for the payment of all liabilities of the Corporation exclusively for Charitable Purposes, any assets not so distributed shall be distributed to one or more Qualified Beneficiaries, as the Board of Trustees shall determine. Any assets not so disposed of by the Board of Trustees shall be disposed of by the court having equity jurisdiction in the county in which the principal; office of the Corporation is then located, with the distribution of assets to be made for such Charitable Purposes, or to such Qualified Beneficiaries, as such court shall determine.

ARTICLE IV

MEMBERS

Section 4.1 Non-Members. The Corporation shall have members with no voting rights, no meeting requirements, and no compensations. Memberships are given to donors who contribute between \$500.00 and more to the organization. Recognition of membership will be distributed in publication.

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ARTICLE V

BOARD OF TRUSTEES

Section 5.1 General Powers. The business and affairs of the Corporation shall be supervised by its Board of Trustees, which shall exercise in the name of and behalf of the Corporation all of the rights and privileged legally exercisable by the Corporation as a corporate entity, except as many otherwise be provided by law, the Charter, or these By-laws. The Board of Trustees, as the governing body of the corporation, shall have the authority to receive, administer, invest and distribute property on behalf of the Corporation in accordance with the provisions set forth in these By-laws. May serve as committee members and give advice or make recommendations.

Section 5.2 Number, Tenure and Qualifications. The number of the members of the Board of Trustees shall be not less than three (3) not more than nine (9). However, the number of trustees may be increased or decreased from time to time by the Board of Trustees by amendment of these By-laws, but no decrease shall have the effect of shortening the term of an incumbent trustee or reducing the number of trustees below three (3). The initial members of the Board of Trustees shall be appointed by the Incorporate(s) for staggered terms of approximately one, two and three years, in order properly to stagger the terms thereafter and permit expiration of terms immediately following the annual meeting.

In the event additional members are added to the Board of Trustees, the initial terms of office of such additional trustees shall be staggered in such a manner to assure that the terms of office of not more than one-half (1/2) of all of the trustees will expire in any one year. The initial members of the Boards of Trustees shall be appointed by the Incorporate(s) to serve until after the first annual meeting of the Board of Trustees and until his or her successor shall have been elected and qualified. At its annual meeting, the Board of Trustees shall elect individuals to serve on the Board of Trustees for a term that does not exceed a period of five (5) years. Each trustee shall hold office until his or her term shall have expired and his or her successor shall have been elected and qualified, or until his or her earlier resignation, removal from office, or death. A retiring trustee may succeed himself or herself. Trustees shall be natural persons who have attained the age of twenty-one (21) years, but need not be residents of the State of Tennessee.

Section 5.3 Advisor Members. The Board of Trustees may elect advisory members from time to time, who may attend, without vote, all meetings of the Board of Trustees. Advisory members shall serve at the pleasure of Board of Trustees and shall advise and counsel the Board of Trustees on appropriate matters.

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Section 5.4 Annual Meeting. The annual meeting of the Board of Trustees shall be held within or without the State of Tennessee on the last business day of the fifth (5th) month following the close of the Corporation's fiscal year, or at such other time and date prior thereto and following the close of the Corporation's fiscal year as shall be determined by the Board of Trustees. The purpose of the annual meeting shall be to elect trustees and officers and transact such other business as may properly be brought before the meeting. If the election of trustees and officers shall not be held on the day herein designated for any annual meeting of the Board of Trustees, or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a special meeting of the Board of Trustees as soon thereafter as may be convenient.

Section 5.5 Special Meetings. Special meetings of the Board of Trustees may be called by the President, or at the request of any trustee. The President shall fix the time and place, either within or without the State of Tennessee, of any special meeting.

Section 5.6 Notices. Notice of any special meeting shall be given at least five (5) business days prior thereto. The attendance of a trustee at a meeting shall constitute a waiver of notice of such meeting, except where a trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. The business to be transacted at, or the purpose of, any special meeting of the Board of Trustees must be specified in the notice of such meeting and no other business shall be transacted at that meeting.

Section 5.7 Quorum. A majority of the total number of Trustees in office shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees.

Section 5.8 Participation in Meetings. Each Trustee other than an advisory member shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board of Trustees. The affirmative vote of a majority of the Trustees present at the meeting at which a quorum is present shall be the act of the Board of Trustees, except as may otherwise be specifically provided by law, by the Charter, or by these By-laws. Members of the Board of Trustees absent from any meetings shall be permitted to vote at such meeting by written proxies. The members of the Board of Trustees or any committee designated by the Board of Trustees, may participate in a meeting of the Board of Trustees, or of such committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this provision shall constitute in person at such meeting. The Trustees shall be promptly furnished a copy of the minutes of the meetings of the Board of Trustees.

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Section 5.9 Actions Without A Meeting. Any action required or permitted to be taken at a meeting by the Board of Trustees, or by any committee, as the case may be, consent in writing to taking such action without a meeting. If all members entitled to vote on the action shall consent in writing to taking such action without a meeting, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Board of Trustees. The action must be evidenced by the one (1) or more counterparts signed by each member entitled to vote on the action indicating each signing member's vote or abstention on the action taken. All such written consents and actions shall be filed with the minutes of the proceedings of the Board of Trustees or committee.

A consent signed under the Section shall have the same force and effect as a meeting vote of the Board of Trustees, or any committee thereof, and may be described as such in any document.

Section 5.10 Vacancies. Any vacancy occurring in the Board of Trustees including vacancies created by the removal of trustees without cause or for cause may be filled by the affirmative vote of a majority of the remaining trustees in office, so long as the requirements of Section 5.2 are satisfied. A Trustee elected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office, or if there is no predecessor until the next election of Trustees. If a vacancy is not filled within ninety (90) days of the event which resulted in there being fewer Trustees than required by the Charter of By-laws, any Trustee may apply to a court having equity jurisdiction in the county in which the Corporation has its principal office to have such court appoint a sufficient number of Trustees so that the corporation will have the number of Trustees required by its Charter or By-laws, whichever number is greater. Any trusteeship to be filled by reason of an increase in the number of trustees may be filled by election by the Board of Trustees for a term of office continuing only until the next election of trustees.

Section 5.11 Compensation and Reimbursement of Expenses. Each trustee shall be entitled to receive reasonable compensation, as may from time to time be set by the Board of Trustees for services rendered to the Corporation. In addition, each trustee may be paid his or her reasonable expenses incurred by the trustee directly related to the affairs of the Corporation upon prior approval by the Board of Trustees and proper substantiation of such expenses. No such payments shall preclude any trustee from serving the corporation in any capacity and receiving compensation therefore.

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Section 5.12 Presumption of Assent. A trustee of the corporation who is present at a meeting of the Board of Trustees at which action on any Corporation matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be presumed to have assented to the action taken, unless his or dissent shall be entered in the minutes of the meeting, or unless he or shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a trustee who voted in favor of such action.

Section 5.13 Resignation. A trustee may resign his or her membership at any time by tendering his or her resignation in writing to the President or, in the case of the resignation of the President, to the Secretary. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

ARTICLE VI

OFFICERS

Section 6.1 Number. There shall be a resident and a Secretary of the Corporation, each of whom shall be elected in accordance with the provisions of this Article. The Board of Trustees may also elect one (1) or more Vice-Presidents, a Treasurer, and such other assistant officers, as the Board of Trustees may from time to time deem necessary or appropriate. Any two or more offices may be held by the same person, except for the office of President and Secretary.

Section 6.2 Election and Term of Office. The initial officers of the corporation shall be elected by the incorporator(s) for a term of office expiring immediately following the first annual meeting of the Corporation. The Board of Trustees at its annual meeting shall elect the officers of the Corporation annually. If the election of the officers shall not be held at such meeting, such election shall be held, as soon thereafter as may be convenient. Each officer shall hold office for a term of one (1) year expiring immediately following the annual meeting at which he or she was elected and until his or her successor shall have been duly elected and qualified, or until his or her earlier death, resignation, or removal from office in the manner hereinafter provided. A retiring officer may not succeed himself or herself in office, but may be eligible for election to another office or to the Board of Trustees.

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Section 6.3 President. The President shall be the principal executive officer of the Corporation. He or she shall, when present, preside at all meetings of the Board of Trustees and the Executive Committee, and shall in general perform all of the duties, and have all of the authority, incident to the office of the chief executive officer of a corporation, and such other duties as may from time be prescribed by the Board of Trustees. The President may sign, with the Secretary or any other proper officer thereunto authorized by the Board of Trustees deeds, mortgages, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Trustees or these By-Laws to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed.

Section 6.4 Vice-President. In the absence of the President or in the event of his or her death, inability, or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice President in the order designated at the time of the election) shall perform the duties of the President (pending election, if necessary, of a successor pursuant to Section 6.8 below) and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Any vice-President shall perform such duties as may from time to time be assigned to him or her by the Board of Trustees.

Section 6.5 Secretary. The Secretary will keep the minutes of the proceedings of the Board of Trustees in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as requires by the law; be custodians of the corporate records and of the seal, if any, of the Corporation and see that the seal is affixed to all documents, the execution of which address shall be furnished to the Secretary by each Trustee; and in general perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him or her by the President of the Board of Trustees.

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Section 6.6 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of all the Corporations; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be select in accordance with the provisions of Article VIII of these By-laws; disburse the funds of the Corporation in accordance with the directives of the Board of Trustees, taking proper vouchers for such disbursements, and render to the Board of Trustees, and accounting for all the transactions of the Treasurer and of the financial conditions of the Corporation; and in general perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him or her by the President or other Board of Trustees.

Section 6.7 Removal. Any member of the Board of Trustees removed from office pursuant to Section 513 shall be automatically removed as an officer, the Board of Trustees may by a two-thirds (2/3) vote remove any officer when in its judgment, the best interest of the Corporation will be served thereby. Chairperson serves 5 years a 2/3 vote must carry for two consecutive meeting for the removal.

Section 6.8 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the affirmative vote of a majority of the Board of Trustees for the un-expired portion of the term.

Section 6.9 Resignations. An officer may resign his or her office at any time by tendering his or her resignation in writing to the President, or in the case of the resignation of the President, to the Secretary. A resignation shall become effective upon the date specified in such written notice, or if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

Section 6.10 Salaries and Expenses. The officers of the Corporation shall be entitled to reasonable compensation, as may be set by the Board of Trustees from time to time for services rendered to the Corporation. Reasonable expenses incurred by all of the officers of the Board of Trustees in the course of coordination shall be reimbursed by the Corporation upon proper substantiation. No officer shall be prevented from receiving reasonable compensation by reason of the fact that he also is a member of the Board of Trustees.

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ARTICLE VII

EXECUTIVE COMMITTEE AND OTHER COMMITTEES

Section 7.1 Appointment of Executive Committee. The Board of Trustees by resolution adopted by a majority of its voting members, may designate three (3) or more of its members to constitute an executive Committee and shall hold office until the next annual meeting of the Board of Trustees following his or her designation and until his or her successor has been appointed and qualified. The designation of the Executive Committee and the delegation of authority thereto shall not operate to relieve the Board of Trustees, or any member thereto, of any responsibility by law.

Section 7.2 Authority of Executive Committee. The Executive Committee, when the Board of Trustees is not in session, shall have and may exercise all the authority of the Board of Trustees except to the extent, if any that such authority shall be limited by the resolution appointing to the Executive Committee or by these By-laws. All action taken by the Executive Committee shall be subject to ratification by the Board of Trustees. However, the Executive Committee shall not have the authority of the Board of Trustees with respect to filling any vacancy on the Board of Trustees; amending or repealing any resolution of the Board of Trustees which by its express terms is not so amendable or repealable; amending or repealing the Charter or the By-laws of the corporation; adopting a plan of merger or consolidation, selling, leasing, or otherwise disposing of all or substantially all the property and assets of the corporation other than in the usual and regular course of its business; or voluntarily dissolving the Corporation or revoking a voluntary dissolution.

Section 7.3 Meeting of Executive Committee. Regular meeting of the Executive Committee may be held at such times and places as the Executive Committee may from time to time fix by resolution. Special meetings of the Executive Committee may be called by any member upon concurrence of a majority of the members of the Executive Committee upon not less than three (3) business days' notice prior thereto. The notices provided for in this Section shall state the place, date, and hour of the meeting, and the business proposed to be transacted at the meeting.

Section 7.4 Quorum of Executive Committee. A majority of the voting members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof. Action of the Executive Committee must be authorized by the affirmative vote of a majority of all voting members present at a meeting at which a quorum is present.

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Section 7.5 Action of Executive Committee. *Without a meeting.* Any action required or permitted to be taken by the Executive Committee without a meeting may be taken without a meeting in accordance with the revisions of Section 5.9 of these By-laws.

Section 7.6 Executive Committee Procedures. The Executive Committee shall fix its own rules of procedure, provided such rules are not inconsistent with these By-laws. The Executive Committee shall keep regular minutes of its proceedings and report its proceedings to the Board of Trustees for its information at the next meeting of the Board of Trustees held after such proceedings.

Section 7.7 Vacancies, Resignations and Removal. Any vacancy in the Executive Committee may be filled by a resolution adopted by a majority of the voting members of the Board of Trustees. Any member of the Executive Committee may be removed at any time with or without cause by resolution adopted by a majority of the voting members of the Board of Trustees. Any member of the Executive Committee may resign from the Executive Committee at any time by giving written notice to the President or Secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.8 Standing Committees. The Board of Trustees may maintain such standing committees as it may determine from time to time to be necessary or desirable for its proper functioning. Such committees shall consist of three (3) or more members, shall be under the control and serve at the pleasure of the Board of Trustees of these By-laws shall maintain a permanent record of actions and proceedings and shall regularly submit a report of their actions to the Boards of Trustees which shall ratify the actions of each committee. The President, or his or her designee, shall serve on each Committee as an ex-officio member. Such standing committees shall have such authority as the Board of Trustees may stipulate, except that no committee shall have the authority of the Board of Trustees with respect to those matters delineated in Section 5.2 above.

Section 7.9 Ad Hoc Committee. The President, with the approval of the Board of Trustees as evidenced by resolution, may from time to time create such ad hoc committees, as the President believes necessary or desirable to investigate matters or advise the Board of Trustees. Ad Hoc Committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by resolution of the Board of Trustees. Such committees shall operate until their tasks have been accomplished or until discharged by the Board of Trustees.

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ARTICLE VIII
CONTRACTS, LOANS, CHECKS, DEPOSITS,
INVESTMENTS

Section 8.1 Contracts and Employment of Agents. The Board of Trustees may authorize any trustee, officer or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation. The Board of Trustees shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants, and other counsel, legal, investment, or otherwise, as the Board of Trustees shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by such individuals or entities. Such authority may be general or confined to specific instances.

Section 8.2 Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its names, unless authorized by a resolution of the Board of Trustees. Such authority may be general or confined to specific instances.

Section 8.3 Checks, Drafts, and Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner, as shall from time to time be determined by resolution of the Board of Trustees.

Section 8.4 Deposits. All funds of the Corporation or otherwise employed shall be deposited from time to time to the credits of the Corporation with such banks, trust companies, brokerage accounts, investment managers, or other depositaries as the Board of Trustees may from time to time select.

Section 8.5 Investment Authority. The Board of Trustees shall be authorized to retain assets distributed to the Corporation, even though such assets may constitute an over concentration in one or more similar investments. Further, the Board of Trustees shall have the authority to make investments in unproductive property, or to hold unproductive property to the extent necessary until it can be converted into productive property at an appropriate time, provided the retention of such property is in the best interest of the corporation and does not in any way jeopardize the tax-exempt status of the Corporation.

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ARTICLE IX

STANDARDS OF CONDUCT

Section 9.1 Standards of Conduct. A trustee or an officer of the Corporation shall discharge his or her duties as a trustee or as an officer, including duties as a member of a committee:

- a) In good faith;
- b) With the care of an ordinarily prudent person in a like position would exercise under similar circumstances; and
- c) In a manner he or she reasonably believes to be in the best interest of the Corporation.

Section 9.2 Reliance on Third Parties. In discharging his or her duties, a trustee or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data if prepared or presented by:

- a) One or more officers or employees of the corporation whom the Trustee or officer reasonably believes to be reliable and competent in the matters presented;
- b) Legal counsel, public accountants and other persons as matters the trustees or officer reasonably believes are within the persons professional or expert competence; or
- c) With respect to a trustee, a committee of the Board or Boards of which the trustee is not a member, as to matters within its jurisdiction, if the trustee or officer reasonably believes the committee merits confidence.

Section 9.3 Bad Faith. A trustee or officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 9.2 unwarranted.

Section 9.4 No Liability. A trustee or officer is not liable for any action taken, or any failure to take action, as a trustee or officer, if he or she performs the duties of his or her office in compliance with the provisions of this Article, or if he or she is immune from suit under the provisions of Section 48-58-601 of the Act. No repeal or modification of the provisions of this Section 9.4, either directly or by the adoption of a provision inconsistent with the provisions of this Section shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time such repeal or modification.

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Section 9.5 No Fiduciary. No trustee or officer shall be deemed to be a fiduciary with respect to the Corporation or with respect to any property held or administrated by the Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

Section 9.6 Prohibition on Loans. No loans or guarantees shall be made by the Corporation to its trustees or officers. Any trustees who assents to or participates in the make of such loan shall be liable to the Corporation for the amount of such loan until the repayment thereof.

ARTICLE X

CONFLICTS OF INTEREST

Section 10.1 General. A conflict of interest transaction is a transaction with the corporation which a trustee or officer of the Corporation has a direct or indirect interest. A trustee or officer of the Corporation has an indirect interest in a transaction if, but not only if, a party to the transaction is another entity in which the trustee or officer has a material interest, or of which the trustee or officer is a general partner, director, officer, or trustee. A conflict of interest transaction is not voidable, or the basis for imposing liability on the trustee or officer, if the transaction was fair at the time it was entered into, or if the transaction is approved as provided in Section 10.2.

Section 10.2 Manner of Approval. A transaction in which a trustee or officer of the Corporation has a conflict of interest may be approved if:

- a) The material facts of the transaction and the interest of the Trustee or Officer were disclosed or known to the Board of Trustees or to committee consisting entirely of members of the Board of Trustees, and the Board of Trustees or such committee authorized, approved, or ratified the transaction; or
- b) Approval is obtained from the Attorney General of the State of Tennessee, or from a court of record having equity jurisdiction in an action in which the Attorney General is joined as a party.

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Section 10.3 Quorum Requirements. For purposes of Section 10.2, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of majority of the members of the Board of Trustees, or of a committee consisting entirely of members of the Board of Trustees, who have no direct or indirect interest in the transaction; but a transaction may not be authorized, approved, or ratified under this Article by a single trustee. A quorum is present for the purpose of taking action under this article if a majority of the members of the Board of Trustees who have no direct or indirect interest in the transaction vote, authorized, approved, or ratify the transaction. The presence of, or vote cast by, a trustee with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsection 10.2 (a) if the transaction is otherwise approved as provided in Section 10.2.

ARTICLE XI

**INDEMNIFICATION AND ADVANCEMENT OF
EXPENSES**

Section 11.1 Mandatory Indemnification of Trustees and Officers. To the maximum extent permitted by the provision of Section 48-58-501, et. seq., of the act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to the indemnification under this section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a trustee or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is or is threatened to be made a named defendant or respondent which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the proceeding or any appeal thereof reasonable expenses actually incurred with respect to the "Proceeding", all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

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- a) The proceeding was instituted by reason of the fact that such person is or was a trustee of the Corporation; and
- b) The trustee or officer conducted himself or herself in good faith, and he or she reasonably believed (i) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the trustee or officer did not meet the standard of conduct herein described.

Section 11.2 Permissive Indemnification Of Employee and Agents. The Corporation may, to the maximum extent permitted by the provisions of Section 48-58-501. Et seq. of the Act as amended from time to time (provided however, that if an amendment to the act in any way limits or restrict the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person, heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 11.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by the Charter, by these By-laws, by contract, or by general or specific action of the Board of Trustees.

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Section 11.3 Non-Exclusive Application. The rights to indemnification and advancement of expenses set forth in Sections 11.1 and 11.2 above are contractual between the Corporation and the person being indemnified, and his or her heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Trustees, by these By-Laws, by the purchase and maintenance by the Corporation of insurance on behalf of a trustee, officer, employee, or agent of the Corporation, or by an agreement with the Corporation providing such indemnification all of which means of indemnification and advancement of expenses are hereby specifically authorized.

Section 11.4 Non-Limiting Application. The provision of this Article XI shall not limit the power of the Corporation to pay or reimburse expenses incurred by a trustee, officer, employee, or agent of the Corporation in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.

Section 11.5 Prohibited Indemnification. Notwithstanding any other provision of this Article XI. The Corporation shall not indemnify or advance expenses to or on behalf of any trustee, officer, employee, or agent of the Corporation, or such person's heir, executors, administrators or legal representatives:

- a) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Corporation for act or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under Section 48-58-304 of the Act; or
- b) In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or
- c) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit, was improperly received by him or her.

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Section 11.6 Repeal or Modification Not Retroactive. No Repeal or modification of the provisions of this Article XI, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

ARTICLE XII

NOTICES AND WAIVER OF NOTICE

The notices provided for in these By-Laws shall be communicated in person, telegraph, teletype, or by mail (including e-mail) or private carrier. Written notice is effective at the earliest of (a) receipt; (b) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first class postage affixed hereon; (c) on the date shown on the return receipt. If sent by registered mail, return receipt requested, and the receipt signed by or on behalf of the addressee; or (d) twenty (20) days after its deposit in the United States mail, if mail correctly, addressed, and with other than first class, registered, or committee member of the Corporation under the Provisions of the Charter, these By-laws, or the Act, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII

FISCAL YEAR

The fiscal year of the Corporation shall end on the last day of December, or on such other dates as may be fixed from time to time by the Board of Trustees.

ARTICLE XIV

PROCESS FOR LOW-INCOME BENEFICIARIES

Low income beneficiaries, including committee members and most of our applicants will be involved in the advisement regarding the design, location, development and management of our affordable housing rental program. We will elect a committee for each planned rental housing project. Each committee member will be educated and informed of the Federal, State and Local government regulations to rehabilitating and/or building housing. Consideration includes:

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- a) The cost of the rehabilitation and/or property
- b) The size of the rental housing property
- c) The cost of the affordable housing
- d) The possibility of vandalism and/or theft during the process, as well as security and safety.

Development of projects is discussed during committee meetings.

All projects will be managed by CHDO Board Members, as well as the low income committee members will be educated about:

- The process of obtaining project funding.
- Obtaining permits.
- Ordering materials.
- Contract management and project/job tracking.

Our organization will make every attempt to include all potential affordable housing rental applicants from the beginning of the rehabilitation and/or construction phase to its completion.

ARTICLE XV

AMENDMENTS

These By-laws and the Charter may be altered, amended, or repealed, and a new Charter or By-laws adopted, upon the affirmative vote of two-thirds (2/3) of the Board of Trustees at any annual or special meeting, except to the extent that such alteration, amendment, or repeal is inconsistent with Article XV hereof.

By Laws
Of
Living Development Concepts, Inc.

ARTICLE XVI

EXEMPT STATUS

The Corporation has been organized and will be operated exclusively for exempt from federal income tax under Section 501 (a) of the Internal Revenue code as an organization described in Section 501 (c) (3).

These By-laws are adopted and shall be effective this 15th day of August, 2009.

Henry O. Miller

Suanna Murphy-Miller
Incorporator



“FOCUSING ON THE COMMUNITY”

3250 Dickerson Pike, Suite 212
Nashville, TN 37207
(615) 823-1931

Mission Statement:

Our mission is to provide reliable housing services in the development of safe, decent and affordable housing for low and very low income individuals. To provide community service opportunities through our staff volunteer program to further this mission. Our purpose is to operate as an advocate for housing acquisition opportunities within this community through awareness of resources.

LIVING DEVELOPMENT CONCEPTS, INC.

**INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
DECEMBER 31, 2021**

**LIVING DEVELOPMENT CONCEPTS, INC.
INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS**

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To the Board of Directors of
Living Development Concepts, Inc.
3250 Dickerson Pike, Suite 212
Nashville, TN 37207

We have audited the financial statements of Living Development Concepts, Inc., which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Living Development Concepts, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Living Development Concepts, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Living

SPD CPA Firm, 4121 Clarksville Pike, Nashville, TN 37218

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Development Concepts, Inc.' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Living Development Concepts, Inc.' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Living Development Concepts, Inc.' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls related matters that we identified during the audit.

A handwritten signature in blue ink that reads "SPD CPA Firm".

SPD CPA Firm
Nashville, TN
November 7, 2022

LIVING DEVELOPMENT CONCEPTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

Assets

Current assets

Cash	\$ 427,101
Investment Property	76,780
Total current assets	<u>503,881</u>

Fixed Assets

Property	178,770
Furniture and Equipment	8,100
Accumulated Depreciation	<u>(65,490)</u>
Total fixed assets	<u>121,380</u>

Total assets	<u>\$ 625,261</u>
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Liabilities and net assets

Current liabilities

Rental Security Deposits	\$ 1,660
Note Payable	<u>43,438</u>
Total current liabilities	<u>45,098</u>

Net Assets

Without Donor Restrictions	401,393
With Donor Restriction	<u>178,770</u>
Total net assets	<u>580,163</u>

Total liabilities and net assets	<u>\$ 625,261</u>
---	--------------------------

The accompanying notes are an integral part of these financial statements.

LIVING DEVELOPMENT CONCEPTS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Gross tenant rent potential	\$ 19,920	\$ -	\$ 19,920
Less: Vacancy	-	-	-
Net tenant rent potential	<u>19,920</u>	<u>-</u>	<u>19,920</u>
Grant Revenue	143,125	-	143,125
Contributions	318,085	-	318,085
Other Income	14,992	-	14,992
Total Operating Revenue	<u>496,122</u>	<u>-</u>	<u>496,122</u>
Expenses			
Affordable Housing	287,232	-	287,232
General and Administrative	27,307	-	27,307
Total Expenses	<u>314,539</u>	<u>-</u>	<u>314,539</u>
Change in Net Assets	181,583	-	181,583
Net Assets, Beginning of Year	<u>219,810</u>	<u>178,770</u>	<u>398,580</u>
Net Assets, End of Year	<u>\$ 401,393</u>	<u>\$ 178,770</u>	<u>\$ 580,163</u>

The accompanying notes are an integral part of these financial statements

LIVING DEVELOPMENT CONCEPTS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Cash flows from operating activities

Increase in net assets	\$ 181,583
Adjustments to reconcile change used in net assets to used net cash provided by (used in) operating activities:	
Depreciation	6,686
Prior period adjustment	41,552
Decrease in accounts payable	(35,280)
Increase in accrued liabilities	706
Net cash provided by operating activities	<u>195,247</u>

Cash flows from investing activities

Donation of fixed assets	<u>(7,500)</u>
Net cash provided by investing activities	<u>(7,500)</u>

Cash flows from financing activities

Draws on Housing Fund Note	141,503
Payments on Housing Fund Note	<u>(115,164)</u>
Net cash provided by financing activities	<u>26,339</u>

Net increase in cash and cash equivalents	214,086
Cash and cash equivalents, beginning of year	<u>213,015</u>
Cash and cash equivalents, end of year	<u>\$ 427,101</u>

The accompanying notes are an integral part of these financial statements.

LIVING DEVELOPMENT CONCEPTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Affordable Housing	General and Administrative	Total
Bank Service Charges	\$ -	\$ 5,351	\$ 5,351
Business Licenses and Permits	-	221	221
Charitable Contributions	-	2,236	2,236
Computer and Internet Expenses		2,479	2,479
Contract Labor	-	256	256
Insurance Expense	2,611	2,024	4,635
Interest Expense	275	-	275
Miscellaneous Expense	18,385	-	18,385
Office Supplies	-	220	220
Payroll Expenses	7,324	-	7,324
Printing and Reproduction	1,170	-	1,170
Professional Fees	219,344	4,664	224,008
Rent Expense	-	8,257	8,257
Repairs and Maintenance	10,962	-	10,962
Settlement Charges	15,981	-	15,981
Small Tools and Equipment	615	-	615
Taxes - Property	3,759	-	3,759
Telephone Expense	-	1,599	1,599
Utilities	120	-	120
Depreciation	6,686	-	6,686
Total Expenses	<u>\$ 287,232</u>	<u>\$ 27,307</u>	<u>\$ 314,539</u>

The accompanying notes are an integral part of these financial statements

**LIVING DEVELOPMENT CONCEPTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 1---NATURE OF THE ORGANIZATION AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of the Organization

Living Development Concepts, Inc. ("LDC"), is a Tennessee Not-For-Profit corporation. LDC is a Community Housing Development Organization established to transform communities by innovative partnership and initiatives that revitalizes neighborhoods by creating affordable housing for eligible populations.

Programs

ABC's of Home Ownership Program- Education:

LDC develops housing solutions for qualified first-time buyers earning low-to-moderate incomes. LDC provides free workshops and one-on-one sessions to help individuals understand what is required and to navigate through the home buying process.

Affordable Housing Program:

LDC's mission is to promote home ownership through education and development. We build, renovate, sell, and rent affordable housing for veterans, seniors, families and individuals that are at or below eighty percent of the area medium income.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting and accordingly revenue is recognized when earned, support and promises to give are recognized when received and expenses are recorded when incurred.

The financial statements presentation follows the recommendations of the Financial Accounting Standard Board's Accounting Standard Codification (FASB ASC 958), Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958, LDC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Financial position and activities are classified based on the existence or absence of donor restrictions as follows:

Net Assets Without Donor Restrictions — Net assets that are not restricted by purpose or time either temporarily or permanently by explicit donor stipulations or by law. Board designation does not constitute a donor restriction.

Net Assets With Donor Restrictions — Net assets that are restricted by purpose or time either temporarily or permanently by explicit donor stipulations or by law.

At December 31, 2021, The Organization had \$178,770 in assets with donor restrictions.

LIVING DEVELOPMENT CONCEPTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Revenue, Support, and Expenses

LDC receives contributions from corporations and individual donors and recognizes revenue when cash or a firm promise to give is obtained.

Contributions received are measured at their fair value and are reported as an increase in net assets. LDC reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In-Kind Donations

LDC follows the recommendations of the Financial Accounting Standard Board's Accounting Standard Codification (FASB ASC 958), Financial Statements of Not-for-profit Organizations regarding contributions received and contributions made. These standards require recording the value of donated goods or services that create or enhance non-financial assets require specialized skills. Subject matter experts lend their time and talents at no charge to spare the organization the cash outlay for such goods and services rendered. All in-kind donations are captured and reported appropriately in the Organization's financial records.

LDC records donated goods at fair value.

Cash and Cash Equivalents

For purposes of the statement of cash flows, LDC considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Income Taxes

LDC is a tax-exempt entity under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for income tax is considered necessary.

Fixed Assets

Disbursements for property and equipment are capitalized and reflected in the statement of financial position at cost. Expenditures for additions and major improvements are capitalized while those for maintenance and repairs are charged to expenses as incurred. Depreciation, which is reflected as an expense in the statement of activities, is computed on the straight-line method over the following estimated useful lives:

LIVING DEVELOPMENT CONCEPTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Years</u>
Furniture and equipment	3—10
Buildings	20—39

NOTE 2—LIQUIDITY AND AVAILABILITY

LDC has \$427,101 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures.

NOTE 3—ASSETS WITH DONOR RESTRICTIONS

LDC entered into an agreement with the Metropolitan Development and Housing Agency (MDHA) in accordance with the Neighborhood Stabilization Program 2 (NSP2):

1. 1611 21 st Avenue North	\$ 100,000
2. 1102 Clay Street	<u>78,770</u>
Total	<u>\$ 178,770</u>

In consideration for the funds received, the following restrictions are placed on the property:

1. For the entire Affordability Period, the property shall be occupied only by households whose incomes meet the requirements described below.
2. The property must be set aside for households that that qualify as middle-income households, which select households must have annual incomes that do not exceed 50 to 120 percent of the area median income, as determined by HUD and in accordance with the NSP2 Requirements, as may be amended from time to time.
3. The foregoing income and rent restrictions (the Affordability Restrictions) shall begin at Project Completion, which is defined as the date on which all necessary title transfer requirements and construction work have been performed, and MDHA has entered the project completion information into the disbursement and information system established by HUD. The Affordability Restrictions shall continue for a period of 20 years beginning on the date of Project Completion (the Affordability Period). The Property must remain affordable for the entire Affordability Period.
4. The Affordability Restrictions may be released in writing by MDHA in its sole discretion, prior to the end of the Affordability Period. A sale by foreclosure or transfer in lieu of foreclosure under a deed of trust encumbering the Property that has priority shall terminate the Affordability Period and the Affordability Restrictions, to the extent permitted by HUD.

NOTE 4—NOTE PAYABLE

In December 2019, LDC received a loan commitment in the amount of \$231,000 from the Housing Fund for the development of two affordable housing units.

In July 2021, \$114,217 was repaid to The Housing Fund with the sale of one of the affordable

LIVING DEVELOPMENT CONCEPTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

housing units.

The remaining loan commitment was \$115,500 dated August 4, 2021 with a floating interest rate based on the floating rate for the period of the loan. The maturity date of the loan is February 2, 2023. The balance of the loan as of December 31, 2021 was \$43,438.

NOTE 5—OFFICE RENT

LDC rents space in the building known as The Ellwood, located at 3250 Dickerson Pike. The monthly rental expense is \$400 monthly. Additional operational costs are \$281. Total monthly rent expense is \$681. Total rental expense as of December 31, 2021 was \$8,257.

NOTE 6—CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject LDC to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2021, LDC had \$177,101 in excess of the FDIC insured limit.

NOTE 7—PRIOR PERIOD ADJUSTMENT

The following adjustments were made to correct prior year transactions:

Correction of Accounts Payable	\$ 35,280
Correction of Credit Card Liability	<u>6,272</u>
Total	<u><u>\$ 42,552</u></u>

NOTE 8--SUBSEQUENT EVENTS

In May 2022, the remaining loan balance was repaid to the Housing Fund. The final balance repaid was \$113,614 and the investment property was sold.

There were no other subsequent events requiring disclosure as of November 7, 2022 the date management evaluated such events. November 7, 2022 is the date the financial statements were available to be issued.