Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 000-56274

VINEBROOK HOMES TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland	**83-1268857**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification Number)**
300 Crescent Court, Suite 700, Dallas, Texas	**75201**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (214) 276-6300

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
N/A	**N/A**	**N/A**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☒	Smaller reporting company	☐
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 10, 2023, the registrant had 28,624,686 shares of its Class A Common Stock, par value $0.01 per share, and no shares of its Class I Common Stock, par value $0.01 per share, outstanding.

VineBrook Homes Trust, Inc.
Form 10-Q
Quarter Ended March 31, 2023

INDEX

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q (this "Form 10-Q") of VineBrook Homes Trust, Inc. ("we", "us", "our", or the "Company") other than historical facts may be considered forward-looking statements. In particular, statements relating to our business and investment strategies, plans or intentions, our liquidity and capital resources, our performance and results of operations contain forward-looking statements. Furthermore, all statements regarding future financial performance (including market conditions) are forward-looking statements. We caution investors that any forward-looking statements presented in this Form 10-Q are based on management's beliefs and assumptions made by, and information currently available to, management. When used, the words "anticipate," "believe," "expect," "intend," "may," "might," "plan," "estimate," "project," "should," "will," "would," "result," the negative version of these words and similar expressions that do not relate solely to historical matters are intended to identify forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. We caution you against relying on any of these forward-looking statements.

Some of the risks and uncertainties that may cause our actual results, performance, liquidity or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- unfavorable changes in economic conditions and their effects on the real estate industry generally and our operations and financial condition, including our ability to access funding and generate returns for stockholders;
- risks associated with the COVID-19 pandemic, including unpredictable variants and future outbreak of other highly infectious or contagious diseases;
- risks associated with our limited operating history and the possibility that we may not replicate the historical results achieved by other entities managed or sponsored by affiliates of NexPoint Real Estate Advisors V, L.P. (our "Adviser"), members of VineBrook Homes, LLC's (our "Manager") management team or their affiliates;
- our dependence on our Adviser, Manager and their affiliates and personnel to conduct our day-to-day operations and potential conflicts of interest with our Adviser, Manager and their affiliates and personnel;
- risks associated with the Manager's ability to terminate the Management Agreements (as defined below) and risks associated with any potential internalization of our management functions;
- risks associated with the fluctuation in the net asset value ("NAV") per share amounts;
- loss of key personnel of our Adviser and our Manager;
- the risk we make significant changes to our strategies in a market downturn, or fail to do so;
- risks associated with ownership of real estate, including properties in transition, subjectivity of valuation, environmental matters and lack of liquidity in our assets;
- risks associated with acquisitions, including the risk of expanding our scale of operations and acquisitions, which could adversely impact anticipated yields;
- risks related to increasing property taxes, homeowner's associations ("HOAs") fees and insurance costs may negatively affect our financial results;
- risks associated with our ability to identify, lease to and retain quality residents;
- risks associated with leasing real estate, including the risks that rents do not increase sufficiently to keep pace with inflation and other rising costs of operations and loss of residents to competitive pressures from other types of properties or market conditions;

- risks related to governmental laws, executive orders, regulations and rules applicable to our properties or that may be passed in the future which may impact operations, costs, revenue, or growth;
- risks relating to the timing and costs of the renovation of properties which has the potential to adversely affect our operating results and ability to make distributions;
- risks related to our ability to change our major policies, operations and targeted investments without stockholder consent;
- risks related to climate change and natural disasters;
- risks related to our use of leverage;
- risks associated with our substantial current indebtedness and indebtedness we may incur in the future, rising interest rates and the availability of sufficient financing;
- risks related to failure to maintain our status as a real estate investment trust ("REIT");
- risks related to failure of our OP (defined below) to be taxable as a partnership for U.S. federal income tax purposes, possibly causing us to fail to qualify for or to maintain REIT status;
- risks related to compliance with REIT requirements, which may limit our ability to hedge our liabilities effectively and cause us to forgo otherwise attractive opportunities, liquidate certain of our investments or incur tax liabilities;
- the risk that the Internal Revenue Service ("IRS") may consider certain sales of properties to be prohibited transactions, resulting in a 100% penalty tax on any taxable gain;
- the ineligibility of dividends payable by REITs for the reduced tax rates available for some dividends;
- risks associated with the stock ownership restrictions of the Internal Revenue Code of 1986, as amended (the "Code") for REITs and the stock ownership limit imposed by our charter;
- recent and potential legislative or regulatory tax changes or other actions affecting REITs;
- failure to generate sufficient cash flows to service our outstanding indebtedness or pay distributions at expected levels;
- risks associated with the Highland Capital Management, L.P. ("Highland") bankruptcy, including related litigation and potential conflicts of interest; and
- any of the other risks included under Item 1A, "Risk Factors," in our Form 10-K, filed with the U.S. Securities and Exchange Commission ("SEC") on March 30, 2023 (our "Annual Report").

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. They are based on estimates and assumptions only as of the date of this Form 10-Q. We undertake no obligation to update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes, except as required by law.

VINEBROOK HOMES TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	March 31, 2023	December 31, 2022
	(unaudited)	
ASSETS		
Operating real estate investments		
Land	$ 617,392	$ 632,278
Buildings and improvements	3,092,374	3,098,258
Intangible lease assets	368	6,319
Total gross operating real estate investments	3,710,134	3,736,855
Accumulated depreciation and amortization	(196,088)	(171,648)
Total net operating real estate investments	3,514,046	3,565,207
Real estate held for sale, net	52,007	3,360
Total net real estate investments	3,566,053	3,568,567
Investments, at fair value	2,500	2,500
Cash	48,506	76,751
Restricted cash	33,622	37,998
Accounts and other receivables	12,778	13,292
Prepaid and other assets	25,134	65,466
Interest rate derivatives, at fair value	57,453	70,813
TOTAL ASSETS	$ 3,746,046	$ 3,835,387
LIABILITIES AND EQUITY		
Liabilities:		
Notes payable, net	$ 954,981	$ 947,499
Credit facilities, net	1,590,814	1,580,108
Bridge facility, net	74,013	73,622
Accounts payable and other accrued liabilities	47,694	46,055
Due to Manager (see Note 13)	2,947	3,110
Accrued real estate taxes payable	29,222	34,992
Accrued interest payable	17,332	14,945
Security deposit liability	26,492	25,605
Prepaid rents	6,234	5,936
Total Liabilities	2,749,729	2,731,872
Redeemable Series A preferred stock, $0.01 par value: 16,000,000 shares authorized; 5,000,000 and 5,000,000 shares issued and outstanding, respectively	121,748	121,662
Redeemable noncontrolling interests in the OP	236,384	240,647
Redeemable noncontrolling interests in consolidated VIEs	109,158	112,972
Stockholders' Equity:		
Class A Common stock, $0.01 par value: 300,000,000 shares authorized; 24,769,760 and 24,615,364 shares issued and outstanding, respectively	249	248
Additional paid-in capital	734,748	737,129
Distributions in excess of retained earnings	(250,592)	(160,048)
Accumulated other comprehensive income	35,937	43,999
Total Stockholders' Equity	520,342	621,328
Noncontrolling interests in consolidated VIEs	8,685	6,906
TOTAL LIABILITIES AND EQUITY	$ 3,746,046	$ 3,835,387

See Accompanying Notes to Consolidated Financial Statements

VINEBROOK HOMES TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(in thousands, except per share amounts)
(Unaudited)

	For the Three Months Ended March 31,	
	2023	**2022**
Revenues		
Rental income	$ 84,497	$ 50,980
Other income	1,608	1,337
Total revenues	86,105	52,317
Expenses		
Property operating expenses	17,982	8,687
Real estate taxes and insurance	15,175	9,542
Property management fees	6,295	3,111
Advisory fees	4,846	3,086
Corporate general and administrative expenses	2,896	2,162
Property general and administrative expenses	5,630	2,873
Depreciation and amortization	32,840	15,956
Interest expense	35,323	9,620
Total expenses	120,987	55,037
Loss on extinguishment of debt	(23)	—
(Loss)/gain on sales and impairment of real estate, net	(15,853)	7
Investment income	75	—
Loss on forfeited deposits	(41,714)	—
Net loss	(92,397)	(2,713)
Dividends on and accretion to redemption value of Redeemable Series A preferred stock	2,207	2,209
Net loss attributable to redeemable noncontrolling interests in the OP	(13,860)	(423)
Net loss attributable to redeemable noncontrolling interests in consolidated VIEs	(3,213)	—
Net loss attributable to noncontrolling interests in consolidated VIEs	(312)	—
Net loss attributable to common stockholders	$ (77,219)	$ (4,499)
Other comprehensive (loss)/income		
Unrealized (loss)/gain on interest rate hedges	(9,485)	16,854
Total comprehensive (loss)/income	(101,882)	14,141
Dividends on and accretion to redemption value of Redeemable Series A preferred stock	2,207	2,209
Comprehensive (loss)/income attributable to redeemable noncontrolling interests in the OP	(15,283)	2,201
Comprehensive loss attributable to redeemable noncontrolling interests in consolidated VIEs	(3,213)	—
Comprehensive loss attributable to noncontrolling interests in consolidated VIEs	(312)	—
Comprehensive (loss)/income attributable to common stockholders	$ (85,281)	$ 9,731
Weighted average common shares outstanding - basic	24,607	23,249
Weighted average common shares outstanding - diluted	24,607	23,249
Loss per share - basic	$ (3.14)	$ (0.19)
Loss per share - diluted	$ (3.14)	$ (0.19)

See Accompanying Notes to Consolidated Financial Statements

VINEBROOK HOMES TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(dollars in thousands, except share and per share amounts)
(Unaudited)

	Class A Common Stock					
Three Months Ended March 31, 2023	**Number of Shares**	**Par Value**	**Additional Paid-in Capital**	**Distributions in Excess of Retained Earnings**	**Accumulated Other Comprehensive Income (Loss)**	**Total**
Balances, December 31, 2022	24,615,364	$ 248	$ 737,129	$ (160,048)	$ 43,999	$ 621,328
Net loss attributable to common stockholders			—	(77,219)	—	(77,219)
Issuance of Class A common stock	110,107	1	6,726	—	—	6,727
Redemptions of Class A common stock	—	—	—	—	—	—
Equity-based compensation	44,289	—	857	—	—	857
Common stock dividends declared ($0.5301 per share)			—	(13,325)	—	(13,325)
Other comprehensive loss attributable to common stockholders			—	—	(8,062)	(8,062)
Adjustments to reflect redemption value of redeemable noncontrolling interests in the OP			(9,964)	—	—	(9,964)
Adjustment to reflect redemption value of redeemable noncontrolling interests in consolidated VIEs			—	—	—	—
Balances, March 31, 2023	24,769,760	$ 249	$ 734,748	$ (250,592)	$ 35,937	$ 520,342

	Class A Common Stock					
Three Months Ended March 31, 2022	**Number of Shares**	**Par Value**	**Additional Paid-in Capital**	**Distributions in Excess of Retained Earnings**	**Accumulated Other Comprehensive Income (Loss)**	**Total**
Balances, December 31, 2021	21,814,248	$ 219	$ 651,531	$ (68,011)	$ (791)	$ 582,948
Net loss attributable to common stockholders			—	(4,499)	—	(4,499)
Issuance of Class A common stock	2,907,334	29	152,091	—	—	152,120
Redemptions of Class A common stock	(55,405)	(1)	(3,001)	—	—	(3,002)
Offering costs			(343)	—	—	(343)
Equity-based compensation	30,264	—	759	—	—	759
Common stock dividends declared ($0.5301 per share)			—	(12,565)	—	(12,565)
Other comprehensive income attributable to common stockholders			—	—	14,230	14,230
Adjustments to reflect redemption value of redeemable noncontrolling interests in the OP			(20,649)	—	—	(20,649)
Balances, March 31, 2022	24,696,441	$ 247	$ 780,388	$ (85,075)	$ 13,439	$ 708,999

See Accompanying Notes to Consolidated Financial Statements

VINEBROOK HOMES TRUST, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(Unaudited)

	For the Three Months Ended March 31,	
	2023	**2022**
Cash flows from operating activities		
Net loss	$ (92,397)	$ (2,713)
Adjustments to reconcile net loss to net cash provided by operating activities		
Loss/(gain) on sales and impairment of real estate, net	15,853	(7)
Depreciation and amortization	32,840	15,956
Non-cash interest amortization	2,500	1,526
Change in fair value of interest rate derivatives included in interest expense	3,845	735
Net cash received/(paid) on derivative settlements	7,441	(1,063)
Loss on extinguishment of debt	23	—
Equity-based compensation	1,769	1,455
Loss on forfeited deposits	41,714	—
Changes in operating assets and liabilities, net of effects of acquisitions:		
Operating assets	(2,571)	1,657
Operating liabilities	8,125	5,378
Net cash provided by operating activities	19,142	22,924
Cash flows from investing activities		
Investment in unconsolidated entity	—	(100,819)
Net proceeds from sales of real estate	14,094	642
Prepaid acquisition deposits	(175)	(434)
Insurance proceeds received	264	43
Acquisitions of real estate investments	(2,976)	(511,369)
Additions to real estate investments	(55,445)	(34,726)
Net cash used in investing activities	(44,238)	(646,663)
Cash flows from financing activities		
Notes payable proceeds received	8,825	—
Notes payable payments	(1,565)	(237)
Credit facilities proceeds received	10,500	355,000
Bridge facilities proceeds received	—	150,000
Bridge facilities principal payments	—	(17,352)
Financing costs paid	(1,681)	(1,124)
Proceeds from issuance of Class A common stock	—	119,639
Redemptions of Class A common stock paid	(17,094)	3,276
Offering costs paid	—	(600)
Dividends paid to common stockholders	(6,345)	(5,851)
Payments for taxes related to net share settlement of stock-based compensation	—	(555)
Preferred stock offering costs paid	(90)	—
Preferred stock dividends paid	(2,031)	(2,031)
Contributions from redeemable noncontrolling interests in the OP	520	4,873
Distributions to redeemable noncontrolling interests in the OP	(54)	(1,477)
Contributions from redeemable noncontrolling interests in consolidated VIEs	—	—
Distributions to redeemable noncontrolling interests in consolidated VIEs	(601)	—
Contributions from noncontrolling interests in consolidated VIEs	3,592	—
Distributions to noncontrolling interests in consolidated VIEs	(1,501)	—
Net cash (used in)/provided by financing activities	(7,525)	603,561
Change in cash and restricted cash	(32,621)	(20,178)
Cash and restricted cash, beginning of period	114,749	74,997
Cash and restricted cash, end of period	$ 82,128	$ 54,819

Supplemental Disclosure of Cash Flow Information		
Interest paid, net of amount capitalized	$ 32,167	$ 2,471
Cash paid for income and franchise taxes	2	120
Supplemental Disclosure of Noncash Activities		
Assumed liabilities in asset acquisitions	—	2,420
Accrued dividends payable to common stockholders	251	219
Accrued distributions payable to redeemable noncontrolling interests in the OP	322	313
Accrued dividends payable to preferred stockholders	2,031	2,031
Accrued redemptions payable to common stockholders	—	6,278
Accrued capital expenditures	2,116	885
Accretion to redemption value of Redeemable Series A preferred stock	176	178
Fair market value adjustment on assumed debt	—	89
Assumed debt on acquisitions	—	13,582
Offering costs accrued	—	84
Issuance of Class A common stock related to DRIP dividends	11,774	6,495
DRIP dividends to common stockholders	(11,774)	(6,495)
Contributions from redeemable noncontrolling interests in the OP related to DRIP distributions	1,973	467
DRIP distributions to redeemable noncontrolling interests in the OP	(1,973)	(467)
Contributions from redeemable noncontrolling interests in consolidated VIEs related to DRIP distributions	669	—
DRIP distributions to redeemable noncontrolling interests in consolidated VIEs	(669)	—
Contributions from noncontrolling interests in consolidated VIEs related to DRIP distributions	56	—
DRIP distributions to noncontrolling interests in consolidated VIEs	(56)	—

See Accompanying Notes to Consolidated Financial Statements

VINEBROOK HOMES TRUST, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Description of Business

VineBrook Homes Trust, Inc. (the "Company", "we", "us," "our") was incorporated in Maryland on July 16, 2018 and has elected to be taxed as a real estate investment trust ("REIT"). The Company is focused on acquiring, renovating, leasing, maintaining and otherwise managing single family rental ("SFR") home investments primarily located in large to medium size cities and suburbs located in the midwestern, heartland and southeastern United States and providing our residents with affordable, safe and clean dwellings with a high level of service. Substantially all of the Company's business is conducted through VineBrook Homes Operating Partnership, L.P. (the "OP"), the Company's operating partnership, as the Company owns its properties indirectly through the OP. VineBrook Homes OP GP, LLC (the "OP GP"), is the general partner of the OP. As of March 31, 2023, there were a combined 23,615,071 Class A, Class B and Class C units of the OP (collectively, "OP Units"), of which 19,760,146 Class A OP Units, or 83.7%, were owned by the Company, 2,714,660 Class B OP Units, or 11.5%, were owned by NexPoint Real Estate Opportunities, LLC ("NREO"), 90,588 Class C OP Units, or 0.4%, were owned by NRESF REIT Sub, LLC ("NRESF"), 142,957 Class C OP Units, or 0.6%, were owned by GAF REIT, LLC ("GAF REIT") and 906,720 Class C OP Units, or 3.8%, were owned by limited partners that were sellers in the Formation Transaction (defined below) (and in certain instances affiliated with the equity holders of the Manager) (the "VineBrook Contributors") or other Company insiders. NREO, NRESF and GAF REIT are noncontrolling limited partners unaffiliated with the Company but are affiliates of the Adviser (defined below). The Second Amended and Restated Limited Partnership Agreement of the OP (the "OP LPA") generally provides that Class A OP Units and Class B OP Units each have 50.0% of the voting power of the OP Units, including with respect to the election of directors to the Partnership Board (defined below in Note 10), and the Class C OP Units have no voting power. Each Class A OP Unit, Class B OP Unit and Class C OP Unit otherwise represents substantially the same economic interest in the OP.

The Company began operations on November 1, 2018 as a result of the acquisition of various partnerships and limited liability companies owned and operated by the VineBrook Contributors and other third parties, which owned 4,129 SFR assets located in Ohio, Kentucky and Indiana (the "Initial Portfolio") for a total purchase price of approximately $330.2 million, including closing and financing costs of $6.0 million (the "Formation Transaction"). On November 1, 2018, the Company accepted subscriptions for 1,097,367 shares of its Class A common stock, par value $0.01 ("Shares"), for gross proceeds of approximately $27.4 million in connection with the Formation Transaction. The proceeds from the issuance of Shares were used to acquire OP Units. The OP used the capital contribution from the Company to fund a portion of the purchase price for the Initial Portfolio. The remaining purchase price and closing costs were funded by a capital contribution totaling $70.7 million from NREO, $8.6 million of equity rolled over from VineBrook Contributors, and $241.4 million from a Federal Home Loan Mortgage Corporation ("Freddie Mac") mortgage (the "Initial Mortgage") provided by KeyBank N.A. ("KeyBank"). On May 1, 2019 (the "Release Date"), approximately $1.4 million worth of OP Units were released to various VineBrook Contributors from an indemnity reserve escrow that was established at the time the Initial Portfolio was acquired. From the time the escrow reserve was established until the Release Date, no indemnity claims were made against said escrow.

Between November 1, 2018 and March 31, 2023, the Company, through the SPEs (as defined in Note 3) owned by the OP, purchased 20,750 additional homes and sold 352 homes within the VineBrook reportable segment (see Note 15), and through the OP's consolidated investment in NexPoint Homes (as defined in Note 2) purchased 2,570 additional homes and sold two homes. Together with the Initial Portfolio, the Company, through the OP's SPEs and its consolidation of NexPoint Homes, indirectly owned an interest in 27,095 homes (the "Portfolio") in 20 states as of March 31, 2023. The acquisitions of the additional homes in the VineBrook reportable segment were funded by loans (see Note 7), proceeds from the sale of Shares and Preferred Shares (defined below) and excess cash generated from operations.

The Company is externally managed by NexPoint Real Estate Advisors V, L.P. (the "Adviser"), through an agreement dated November 1, 2018, subsequently amended and restated on May 4, 2020, and amended on October 25, 2022 (the "Advisory Agreement"). The Advisory Agreement will automatically renew on the anniversary of the renewal date for one-year terms thereafter, unless otherwise terminated. The Adviser provides asset management services to the Company. The OP caused the SPEs to retain VineBrook Homes, LLC (the "Manager"), an affiliate of certain VineBrook Contributors, to renovate, lease, maintain, and operate the VineBrook properties under management agreements (as amended, the "Management Agreements") that generally have an initial three-year term with one-year automatic renewals, unless otherwise terminated. The Management Agreements are supplemented by a side letter (as amended and restated, the "Side Letter") by and among the Company, the OP, the OP GP, the Manager and certain of its affiliates. Certain SPEs from time to time may have property management agreements with independent third parties that are not the Manager. These are typically the result of maintaining legacy property managers after an acquisition to help transition the properties to the Manager or, in the case of a future sale, to manage the properties until they are sold. All of the Company's investment decisions are made by employees of the Adviser and the Manager, subject to general oversight by the OP's investment committee and the Company's board of directors (the "Board"). Because the equity holders of the Manager own OP Units, the Manager is considered an affiliate for financial reporting disclosure purposes.

The Company's primary investment objectives are to provide our residents with affordable, safe, clean and functional dwellings with a high level of service through institutional management and a renovation program on the homes purchased, while enhancing the cash flow and value of properties owned. We intend to acquire properties with cash flow growth potential, provide quarterly cash distributions and achieve long-term capital appreciation for our stockholders.

On August 28, 2018, the Company commenced the offering of 40,000,000 Shares through a continuous private placement (the "Private Offering"), under regulation D of the Securities Act of 1933, as amended (the "Securities Act") (and various state securities law provisions) for a maximum of $1.0 billion of its Shares. The Private Offering closed on September 14, 2022. The initial offering price for Shares sold through the Private Offering was $25.00 per Share. The Company conducted periodic closings and sold Shares at the prior net asset value ("NAV") per share as determined using the valuation methodology recommended by the Adviser and approved by the pricing committee (the "Pricing Committee") of the Board (the "Valuation Methodology"), plus applicable fees and commissions. The NAV per share is calculated on a fully diluted basis. NAV may differ from the values of our real estate assets as calculated in accordance with accounting principles generally accepted in the United States ("GAAP").

NexPoint Securities, Inc. (the "Dealer Manager"), an entity under common ownership with the Adviser, served as the sole dealer manager for the Private Offering and Raymond James & Associates, Inc. ("Raymond James") and other unaffiliated broker-dealers served as placement agents (the "Placement Agents") through selling agreements ("Selling Agreements") between each Placement Agent and the Company.

The Company has adopted a Long-Term Incentive Plan (the "2018 LTIP") whereby the Board, or a committee thereof, may grant awards of restricted stock units of the Company ("RSUs") or profits interest units in the OP ("PI Units") to certain employees of the Adviser and the Manager, or others at the discretion of the Board (including the directors and officers of the Company or other service providers of the Company or the OP). Under the terms of the 2018 LTIP, 426,307 Shares were initially reserved, subject to automatic increase on January 1st of each year beginning with January 1, 2019 by a number equal to 10% of the total number of OP Units and vested PI Units outstanding on December 31st of the preceding year, provided that the Board may act prior to each such January 1st to determine that there will be no increase for such year or that the increase will be less than the number of shares by which the Share Reserve would otherwise increase (the "Share Reserve"). In addition, the Shares available under the 2018 LTIP may not exceed in the aggregate 10% of the number of OP Units and vested PI Units outstanding at the time of measurement (the "Share Maximum"). Grants may be made annually by the Board, or more or less frequently in the Board's sole discretion. Vesting of grants made under the 2018 LTIP will occur over a period of time as determined by the Board and may include the achievement of performance metrics, also as determined by the Board in its sole discretion.

2. Summary of Significant Accounting Policies

Basis of Accounting and Use of Estimates

The accompanying unaudited consolidated financial statements are presented in accordance with GAAP and the rules and regulations of the SEC. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the dates of the consolidated financial statements and the amounts of revenues and expenses during the reporting periods. Actual amounts realized or paid could differ from those estimates.

The accompanying unaudited consolidated financial statements have been prepared according to the rules and regulations of the SEC. Certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted according to such rules and regulations, although management believes that the disclosures are adequate to make the information presented not misleading. References to number of properties are unaudited.

In the opinion of management, all adjustments and eliminations necessary for the fair presentation of the Company's financial position as of March 31, 2023 and December 31, 2022 and results of operations for the three months ended March 31, 2023 and 2022 have been included. The unaudited information included in these interim financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended December 31, 2022 and 2021 included in our Annual Report. The results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2023, or any other future period.

Principles of Consolidation

The Company accounts for subsidiary partnerships, limited liability companies, joint ventures and other similar entities in which it holds an ownership interest in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 810, *Consolidation*. The Company first evaluates whether each entity is a variable interest entity ("VIE"). Under the VIE model, the Company consolidates an entity when it has control to direct the activities of the VIE and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. If the Company determines the entity is not a VIE, it evaluates whether the entity should be consolidated under the voting model. The Company consolidates an entity when it controls the entity through ownership of a majority voting interest. As of March 31, 2023, the Company has determined it must consolidate the OP, its subsidiaries and the OP's investment in NexPoint Homes Trust, Inc. ("NexPoint Homes") (see Note 5) under the VIE model as it was determined the Company both controls the direct activities of the OP and its investments, including NexPoint Homes, and has the right to receive benefits that could potentially be significant to the OP, its subsidiaries and its investment in NexPoint Homes. The Company has control to direct the activities of the OP and its subsidiaries because the OP GP must generally receive approval of the Board to take any actions. The Company has control to direct the activities of NexPoint Homes because the OP owns approximately 86% of the outstanding equity of NexPoint Homes and the parties that beneficially own over 99% of the operating partnership of NexPoint Homes are related parties to the Company as of March 31, 2023. The consolidated financial statements include the accounts of the Company and its subsidiaries, including the OP, its subsidiaries and NexPoint Homes. All significant intercompany accounts and transactions have been eliminated in consolidation. OP Units and equity interests in consolidated VIEs that are not owned by the Company are presented as noncontrolling interests in the consolidated financial statements, and income or loss generated is allocated between the Company and the noncontrolling interests based upon their relative ownership percentages. In these consolidated financial statements, redeemable noncontrolling interests in the OP are exclusive of any interests in NexPoint Homes and its SFR OP (as defined in Note 5). Noncontrolling interests in consolidated VIEs are representative of interests in NexPoint Homes and redeemable noncontrolling interests in consolidated VIEs are representative of interests in the SFR OP (as defined in Note 5).

Reclassifications

During the period ended March 31, 2023, the Company reclassified $1.4 million from due from Manager and $4.5 million from accounts payable and other accrued liabilities to due to Manager on the December 31, 2022 consolidated balance sheet to conform to our current presentation.

Real Estate Investments

Upon acquisition, we evaluate our acquired SFR properties for purposes of determining whether a transaction should be accounted for as an asset acquisition or business combination. Since substantially all of the fair value of our acquired properties is concentrated in a single identifiable asset or group of similar identifiable assets and the acquisitions do not include a substantive process, our purchases of homes or portfolios of homes qualify as asset acquisitions. Accordingly, upon acquisition of a property, the purchase price and related acquisition costs ("Total Consideration") are allocated to land, buildings, improvements, fixtures, and intangible lease assets based upon their relative fair values.

The allocation of Total Consideration, which is determined using inputs that are classified within Level 3 of the fair value hierarchy established by FASB ASC 820, *Fair Value Measurement* ("ASC 820") (see Note 8), is based on an independent third-party valuation firm's estimate of the fair value of the tangible and intangible assets and liabilities acquired or management's internal analysis based on market knowledge obtained from historical transactions. The valuation methodology utilizes market comparable information, depreciated replacement cost and other estimates in allocating value to the tangible assets. The allocation of the Total Consideration to intangible lease assets represents the value associated with the in-place leases, as one month's worth of effective gross income (rental revenue, less credit loss allowance, plus other income) as the average downtime of the assets in the portfolio is approximately one month and the assets in the portfolio are leased on a gross rental structure. If any debt is assumed in an acquisition, the difference between the fair value, which is estimated using inputs that are classified within Level 2 of the fair value hierarchy, and the face value of debt is recorded as a premium or discount and amortized or accreted as interest expense over the life of the debt assumed.

Real estate assets, including land, buildings, improvements, fixtures, and intangible lease assets are stated at historical cost less accumulated depreciation and amortization. Costs incurred in making repairs and maintaining real estate assets are expensed as incurred. Expenditures for improvements, renovations, and replacements are capitalized at cost. The Company also incurs indirect costs to prepare acquired properties for rental. These costs are capitalized to the cost of the property during the period the property is undergoing activities to prepare it for its intended use. We capitalize interest, real estate taxes, insurance, utilities and other indirect costs as costs of the property only during the period for which activities necessary to prepare an asset for its intended use are ongoing, provided that expenditures for the asset have been made and the costs have been incurred. Upon completion of the renovation of our properties, all costs of operations, including repairs and maintenance, are expensed as incurred, unless the renovation meets the Company's capitalization criteria. Real estate-related depreciation and amortization are computed on a straight-line basis over the estimated useful lives as described in the following table:

Land	Not depreciated
Buildings	27.5 years
Improvements and other assets	3 - 15 years
Acquired improvements and fixtures	1 - 7 years
Intangible lease assets	6 months

As of March 31, 2023, the gross balance and accumulated amortization related to the intangible lease assets was $0.4 million and $0.3 million, respectively. As of December 31, 2022, the gross balance and accumulated amortization related to the intangible lease assets was $6.3 million and $5.1 million, respectively. For the three months ended March 31, 2023 and 2022, the Company recognized approximately $1.2 million and $1.0 million, respectively, of amortization expense related to the intangible lease assets.

Real estate assets are reviewed for impairment quarterly or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Significant indicators of impairment may include, but are not limited to, declines in home values, rental rates or occupancy percentages, as well as significant changes in the economy. In such cases, the Company will evaluate the recoverability of the assets by comparing the estimated future cash flows expected to result from the use and eventual disposition of each asset to its carrying amount and provide for impairment if such undiscounted cash flows are insufficient to recover the carrying amount. If impaired, the real estate asset will be written down to its estimated fair value. The process whereby we assess our SFR homes for impairment requires significant judgment and assessment of factors that are, at times, subject to significant uncertainty. For the three months ended March 31, 2023, the Company recorded approximately $13.1 million of impairment charges on real estate assets, which are included in (loss)/gain on sales and impairment of real estate, net on the consolidated statement of operations and comprehensive income (loss). No significant impairments on real estate assets were recorded during the three months ended March 31, 2022.

Cash and restricted cash

The Company maintains cash at multiple financial institutions and, at times, these balances exceed federally insurable limits. As a result, there is a concentration of credit risk related to amounts on deposit. We believe any risks are mitigated through the size of the financial institutions at which our cash balances are held.

Restricted cash represents cash deposited in accounts related to security deposits, property taxes, insurance premiums and deductibles and other lender-required escrows. Amounts deposited in the reserve accounts associated with the loans can only be used as provided for in the respective loan agreements, and security deposits held pursuant to lease agreements are required to be segregated.

The following table provides a reconciliation of cash and restricted cash reported on the consolidated balance sheets that sum to the total of such amount shown in the consolidated statements of cash flows (in thousands):

	March 31,		
	2023	**2022**	**December 31, 2022**
Cash	$ 48,506	$ 36,640	$ 76,751
Restricted cash	33,622	18,179	37,998
Total cash and restricted cash	$ 82,128	$ 54,819	$ 114,749

Revenue Recognition

The Company's primary operations consist of rental income earned from its residents under lease agreements typically with terms of one year or less. The Company classifies the SFR property leases as operating leases and elects to not separate the lease component, comprised of rents from SFR properties, from the associated non-lease component, comprised of fees from SFR properties and resident charge-backs. The combined component is accounted for under the new lease accounting standard while certain resident reimbursements are accounted for as variable payments under the revenue accounting guidance. Rental income is recognized when earned. This policy effectively results in income recognition on a straight-line basis over the related terms of the leases. Resident reimbursements and other income consist of charges billed to residents for utilities, resident-caused damages, pets, and administrative, application and other fees and are recognized when earned. Historically, the Company has used a direct write-off method for uncollectible rents; wherein uncollectible rents are netted against rental income. The Company additionally has established a reserve for any accounts receivable that are not expected to be collectible, which are netted against rental income and other income. For the three months ended March 31, 2023 and 2022, rental income includes $2.8 million and $2.2 million of variable lease payments, respectively.

Gains or losses on sales of properties are recognized pursuant to the provisions included in ASC 610-20, *Other Income*. We recognize a full gain or loss on sale, which is presented in (loss)/gain on sales of real estate on the consolidated statements of operations and comprehensive income (loss), when the derecognition criteria under ASC 610-20 have been met.

Redeemable Securities

Included in the Company's consolidated balance sheets are redeemable noncontrolling interests in the OP, redeemable noncontrolling interests in consolidated VIEs and 6.50% Series A Cumulative Redeemable Preferred Stock (the "Preferred Shares"). These interests are presented in the "mezzanine" section of the consolidated balance sheets because they do not meet the functional definition of a liability or equity under current accounting literature. The Company accounts for these under the provisions of ASC Topic 480-10-S99-3A, paragraph 15(b).

In accordance with ASC Topic 480-10-S99, since the redeemable noncontrolling interests in the OP and redeemable noncontrolling interests in consolidated VIEs have a redemption feature, they are measured at their redemption value if such value exceeds the carrying value of interests. The redemption value is based on the NAV per unit at the measurement date. The offset to the adjustment to the carrying amount of the redeemable noncontrolling interests in the OP and redeemable noncontrolling interests in consolidated VIEs is reflected in the Company's additional paid-in capital on the consolidated balance sheets. In accordance with ASC Topic 480-10-S99, the Preferred Shares are measured at their carrying value plus the accretion to their future redemption value on the balance sheet. The accretion is reflected in the Company's dividends on and accretion to redemption value of Series A redeemable preferred stock on the consolidated statements of operations and comprehensive income (loss).

Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted average number of shares of the Company's common stock outstanding, which excludes any unvested RSUs and PI Units issued pursuant to the 2018 LTIP. Diluted earnings (loss) per share is computed by adjusting basic earnings (loss) per share for the dilutive effects of the assumed vesting of RSUs and PI Units and the conversion of OP Units and vested PI Units to Shares. During periods of net loss, the assumed vesting of RSUs and PI Units and the conversion of OP Units and vested PI Units to Shares is anti-dilutive and is not included in the calculation of earnings (loss) per share. The following table sets forth the computation of basic and diluted earnings (loss) per share for the periods presented (in thousands, except per share amounts):

	For the Three Months Ended March 31,	
	2023	**2022**
Numerator for loss per share:		
Net loss	$ (92,397)	$ (2,713)
Less:		
Dividends on and accretion to redemption value of Redeemable Series A preferred stock	2,207	2,209
Net loss attributable to redeemable noncontrolling interests in the OP	(13,860)	(423)
Net loss attributable to redeemable noncontrolling interests in consolidated VIEs	(3,213)	—
Net loss attributable to noncontrolling interests in consolidated VIEs	(312)	—
Net loss attributable to common stockholders	$ (77,219)	$ (4,499)
Denominator for earnings (loss) per share:		
Weighted average common shares outstanding - basic	24,607	23,249
Weighted average unvested RSUs, PI Units, and OP Units (1)	—	—
Weighted average common shares outstanding - diluted	24,607	23,249
Earnings (loss) per weighted average common share:		
Basic	$ (3.14)	$ (0.19)
Diluted	$ (3.14)	$ (0.19)

(1) For the three months ended March 31, 2023 and 2022, excludes approximately 4,471,500 shares and 4,243,000 shares, respectively, related to the assumed vesting of RSUs and PI Units and the conversion of OP Units and vested PI Units to Shares, as the effect would have been anti-dilutive.

Segment Reporting

Under the provision of ASC 280, *Segment Reporting*, the Company has determined that it has two reportable segments, VineBrook and NexPoint Homes. Both reportable segments involve activities related to acquiring, renovating, developing, leasing and operating SFR homes as rental properties. The Company's management allocates resources and evaluates operating performance across the two segments. The VineBrook reportable segment is the legacy reportable segment and represents the majority of the Company's operations and generally purchases homes to implement a value-add strategy. The NexPoint Homes reportable segment was formed June 8, 2022 and represents a supplemental reportable segment that generally purchases newer homes that require less rehabilitation compared to the VineBrook reportable segment. Within the VineBrook reportable segment, the Company had a geographic market concentration in one market (Cincinnati) that represents more than 10% of the total gross book value of SFR homes as of March 31, 2023.

Recent Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform* (Topic 848) (“ASU 2020-04”). ASU 2020-04 contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. During the three months ended March 31, 2023, the Company elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future London Interbank Offered Rate ("LIBOR") -indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives consistent with past presentation. The Company has elected practical expedients within FASB ASU 2020-04 related to replacing the source of hedged transactions and continues evaluating the impact the adoption of this ASU will have on the Company’s consolidated financial statements.

In December 2022, the FASB issued ASU 2022-06, *Deferral of the Sunset Date of Topic 848* (“ASU 2022-06”) which was issued to defer the sunset date of *Reference Rate Reform* (Topic 848): *Facilitation of the Effects of Reference Rate Reform* to December 31, 2024. ASU 2022-06 is effective immediately for all companies. ASU 2022-06 will have no impact on the Company’s consolidated financial statements for the three months ended March 31, 2023.

3. Investments in Subsidiaries

In connection with its indirect investments in real estate assets acquired, the Company, through its ownership of the OP, indirectly holds a proportional ownership interest in the Portfolio, through the OP's beneficial ownership of all of the issued and outstanding membership interests in the special purpose limited liability companies ("SPEs") that directly or indirectly own the Portfolio. All of the properties in the Portfolio are consolidated in the Company's consolidated financial statements. The assets of each entity can only be used to settle obligations of that particular entity, and the creditors of each entity have no recourse to the assets of other entities or the Company, except as discussed below. Under the terms of the notes payable, except as discussed below, the lender has a mortgage interest in each real estate asset in the SPE to which the loan is made.

As of March 31, 2023, the Company, through the OP and its SPE subsidiaries, owned the Portfolio, which consisted of 24,527 properties in the VineBrook reportable segment and 2,568 properties in the NexPoint Homes reportable segment, through 13 SPEs and their various subsidiaries and through the consolidated investment in NexPoint Homes. The following table presents the ownership structure of each SPE group that directly or indirectly owns the title to each real estate asset as of March 31, 2023, the number of assets held, the cost of those assets, the resulting debt allocated to each SPE and whether the debt is a mortgage loan. The mortgage loan may be settled from the assets of the below entity or entities to which the loan is made. Loans from the Warehouse Facility (as defined in Note 7) can only be settled from the assets owned by VB One, LLC (dollars in thousands):

VIE Name	Homes	Cost Basis	OP Beneficial Ownership %	Encumbered by Mortgage (1)	Debt Allocated	
NREA VB I, LLC	65	$ 6,021	100 %	Yes	$ 5,005	
NREA VB II, LLC	167	16,671	100 %	Yes	10,681	
NREA VB III, LLC	1,322	122,346	100 %	Yes	70,526	
NREA VB IV, LLC	385	37,787	100 %	Yes	24,060	
NREA VB V, LLC	1,828	127,781	100 %	Yes	107,426	
NREA VB VI, LLC	294	28,343	100 %	Yes	18,503	
NREA VB VII, LLC	36	3,139	100 %	Yes	2,963	
True FM2017-1, LLC	209	19,724	100 %	Yes	10,095	
VB One, LLC	13,812	1,825,589	100 %	No	1,270,000	
VB Two, LLC	1,844	175,007	100 %	No	124,046	
VB Three, LLC	3,870	552,884	100 %	No	330,500	
VB Five, LLC	170	19,194	100 %	Yes	8,746	
VB Eight, LLC	525	74,446	100 %	No	75,000	
NexPoint Homes	2,568	753,209	86 %	No	476,080	
	27,095	$ 3,762,141			$ 2,533,631	(2)

(1) Assets held, directly or indirectly, by VB One, LLC, VB Two, LLC, VB Three, LLC and VB Eight, LLC are not encumbered by a mortgage. Instead, the lender has an equity pledge in certain assets of the respective SPEs and an equity pledge in the equity of the respective SPEs.

(2) In addition to the debt allocated to the SPEs noted above, as of March 31, 2023, NexPoint Homes had approximately $100.1 million of debt (excluding amounts owed to the OP from NexPoint Homes, as these are eliminated in consolidation) not collateralized directly by homes which reflects the amount outstanding on the SFR OP Convertible Notes (as defined in Note 13) as of March 31, 2023.

4. Real Estate Assets

As of March 31, 2023, the Company, through the OP and its SPE subsidiaries, owned 27,095 homes, including 24,527 homes in the VineBrook reportable segment and 2,568 homes in the NexPoint Homes reportable segment. As of December 31, 2022, the Company, through the OP and its SPE subsidiaries, owned 27,211 homes, including 24,657 homes in the VineBrook reportable segment and 2,554 homes in the NexPoint Homes reportable segment. The components of the Company's real estate investments in homes were as follows (in thousands):

	Land	Buildings and improvements (1)	Intangible lease assets	Real estate held for sale, net	Total gross real estate	Accumulated depreciation and amortization
Real Estate Balances, December 31, 2022	$ 632,278	$ 3,098,258	$ 6,319	$ 3,360	$ 3,740,215	$ (171,648)
Additions	412	59,638 (2)	12	—	60,062	(32,840)
Transfers to held for sale	(15,298)	(65,389)	(39)	78,278	(2,448)	2,448
Write-offs	—	—	(5,924)	—	(5,924)	5,924
Dispositions	—	—	—	(16,697)	(16,697)	28
Impairment	—	(133)	—	(12,934)	(13,067)	—
Real Estate Balances, March 31, 2023	$ 617,392	$ 3,092,374	$ 368	$ 52,007	$ 3,762,141	$ (196,088)

(1) Includes capitalized interest, real estate taxes, insurance, improvements, and other costs incurred during rehabilitation of the properties.
(2) Includes capitalized interest of approximately $3.8 million and other capitalizable costs outlined in (1) above of approximately $4.2 million.

During the three months ended March 31, 2023 and 2022, the Company recognized depreciation expense of approximately $31.7 million and $15.0 million, respectively.

Acquisitions and dispositions

During the three months ended March 31, 2023, the Company, through the OP, acquired two homes within the VineBrook reportable segment. During the three months ended March 31, 2023, the Company, through its consolidated investment in NexPoint Homes, acquired 16 homes. See Note 5 for additional information about NexPoint Homes.

During the three months ended March 31, 2023, the Company, through the OP, disposed of 132 homes within the VineBrook reportable segment. During the three months ended March 31, 2023, the Company, through its consolidated investment in NexPoint Homes, disposed of two homes. The Company strategically identified these homes for disposal and expects the disposal of these properties to be accretive to the Portfolio's results of operations and overall performance.

On August 3, 2022, VB Five, LLC ("Buyer"), an indirect subsidiary of the Company, entered into a purchase agreement under which the Buyer agreed to acquire a portfolio of approximately 1,610 SFR homes located in Arizona, Florida, Georgia, Ohio and Texas (the "Tusk Portfolio"). Also on August 3, 2022, the Buyer entered into a purchase agreement under which the Buyer agreed to acquire a portfolio of approximately 1,289 SFR homes located in Arizona, Florida, Georgia, North Carolina, Ohio and Texas (the "Siete Portfolio"). On January 17, 2023, the Company, through its indirect subsidiary, VB Seven, LLC, entered into an agreement under which the acquisition of the Tusk Portfolio was terminated by the seller and the Buyer forfeited its initial deposit of approximately $23.3 million. Additionally, on January 17, 2023, the Company, through its indirect subsidiary, VB Seven, LLC, entered into an agreement under which the acquisition of the Siete Portfolio was terminated by the seller and the Buyer forfeited its initial deposit of approximately $17.7 million. The total initial deposit forfeitures of $41.0 million from the Tusk Portfolio and the Siete Portfolio are included in loss on forfeited deposits on the consolidated statement of operations and comprehensive income (loss) for the three months ended March 31, 2023.

Held for sale properties

The Company periodically classifies real estate assets as held for sale when certain criteria are met in accordance with GAAP. At that time, the Company presents the net real estate assets separately in its consolidated balance sheet, and the Company ceases recording depreciation and amortization expense related to that property. Real estate held for sale is reported at the lower of its carrying amount or its estimated fair value less estimated costs to sell. For the three months ended March 31, 2023, the Company recorded approximately $13.1 million of impairment charges on real estate assets held for sale, which includes approximately $2.5 million of casualty related impairment, which are included in (loss)/gain on sales and impairment of real estate, net on the consolidated statement of operations and comprehensive income (loss). As of March 31, 2023, there are 576 properties that are classified as held for sale. These held for sale properties have a carrying amount of approximately $52.0 million.

5. NexPoint Homes Investment

During the year ended December 31, 2022, the Company, through its taxable REIT subsidiary ("the TRS"), invested approximately $100.8 million in Ensign Peak Realty, LLC ("Ensign"), an owner and operator of SFR homes. This investment was redeemed in full on June 8, 2022 in connection with the formation of NexPoint Homes, described below.

Formation of NexPoint Homes - Contribution Agreements

On June 8, 2022, the Company, through the OP, entered into a contribution agreement (the "Contribution Agreement") with NexPoint Homes, which is externally advised by an affiliate of our Adviser. In accordance with the Contribution Agreement, the OP contributed $50.0 million to NexPoint Homes in exchange for 2,000,000 shares of Class A common stock, par value $0.01 per share of NexPoint Homes (the "NexPoint Homes Class A Shares"). The NexPoint Homes Class A Shares were issued and valued at $25.00 per share. The NexPoint Homes Class A Shares owned by the Company are eliminated in consolidation.

Following the contribution by the OP to NexPoint Homes, NexPoint Homes entered into a contribution agreement (the "SFR OP Contribution Agreement") with NexPoint SFR Operating Partnership, L.P. (the "SFR OP"), the operating partnership of NexPoint Homes, certain funds managed by affiliates of our Adviser and certain individuals (the "Principals") affiliated with HomeSource Operations, LLC, the external manager of the SFR OP. In accordance with the SFR OP Contribution Agreement, NexPoint Homes contributed $50.0 million to the SFR OP in exchange for 2,000,000 limited partnership units of the Operating Partnership ("SFR OP Units"). The SFR OP Units owned by NexPoint Homes are eliminated in consolidation.

On June 8, 2022, the OP loaned $50.0 million to NexPoint Homes in exchange for $50.0 million of 7.50% convertible notes of NexPoint Homes (the "NexPoint Homes Convertible Notes"). The NexPoint Homes Convertible Notes bear interest at 7.50%, are interest only during the term of the NexPoint Homes Convertible Notes and mature on June 30, 2027. From August 1, 2022 through March 31, 2027, the NexPoint Homes Convertible Notes are convertible into NexPoint Homes Class A Shares at the election of the OP at the then-current net asset value of NexPoint Homes, subject to certain limitations. Subsequent to June 8, 2022, NexPoint Homes repaid $28.0 million of the NexPoint Homes Convertible Notes and the balance of the NexPoint Homes Convertible Notes was $22.0 million as of March 31, 2023. The NexPoint Homes Convertible Notes held by the Company are eliminated in consolidation.

On June 8, 2022, in connection with the formation of NexPoint Homes, the Company consolidated a note with Metropolitan Life Insurance Company (the "NexPoint Homes MetLife Note 1"). The NexPoint Homes MetLife Note 1 is guaranteed by the OP and bears interest at a fixed rate of 3.72% on the tranche collateralized by stabilized properties and 4.47% on the tranche collateralized by non-stabilized properties. The NexPoint Homes MetLife Note 1 is interest-only and matures and is due in full on March 3, 2027. As of March 31, 2023, the NexPoint Homes MetLife Note 1 had an outstanding principal balance of $239.0 million which is included, net of unamortized deferred financing costs, in notes payable on the consolidated balance sheets.

See Note 7 for more information on the Company's consolidated debt related to its investment in NexPoint Homes.

Consolidation of NexPoint Homes

Under ASC 810, *Consolidation*, the Company has determined that NexPoint Homes represents a variable interest entity. Under the VIE model, the Company concluded that the Company both controls and directs the activities of NexPoint Homes and has the right to receive benefits that could potentially be significant to its investment in NexPoint Homes. The Company has control to direct the activities of NexPoint Homes as the OP owns approximately 86% of the outstanding equity of NexPoint Homes as of March 31, 2023 and the parties that beneficially own approximately 99% of the SFR OP are related parties to the Company. As such, the Company determined it is appropriate to consolidate NexPoint Homes. All significant intercompany accounts and transactions have been eliminated in consolidation. As NexPoint Homes continues to raise additional capital, the Company will continue to evaluate whether the entity is a VIE and if the Company is the primary beneficiary of the VIE and should consolidate the entity.

6. Investments, at Fair Value

On November 22, 2021, the Company, through the TRS, invested $2.5 million in Vesta Ventures Fund I, LP (the "Vesta Fund"). The Vesta Fund is a closed-end fund with an initial seven-year term beginning on February 24, 2021, subject to certain extension provisions, that invests in early and growth stage technology companies that provide solutions to the SFR real estate sector. Vesta Ventures GP, LLC (the "Vesta GP") is the general partner and managing member of the Vesta Fund and accordingly has the exclusive right to manage and control the Vesta Fund. The TRS is a limited partner in the Vesta Fund with a minority interest and accordingly has no control or influence over the Vesta Fund.

Investments in privately held entities that report NAV, such as our privately held equity investments, are presented at fair value using NAV as a practical expedient, with changes in fair value recognized in net income. We use NAV reported by limited partnerships generally without adjustment, unless we are aware of information indicating that the NAV reported by a limited partnership does not accurately reflect the fair value of the investment at our reporting date. We disclose the timing of liquidation of an investee's assets and the date when redemption restrictions will lapse (or indicate if this timing is unknown) if the investee has communicated this information to us or has announced it publicly. We recognize both realized and unrealized gains and losses in our consolidated statements of operations. Unrealized gains and losses represent changes in NAV as a practical expedient to estimate fair value for investments in privately held entities that report NAV. Realized gains and losses on our investments represent the difference between proceeds received upon disposition of investments and their historical or adjusted cost. At March 31, 2023, the Company had no material unrealized or realized gains or losses related to the investment.

7. Debt

As of March 31, 2023, the VineBrook Homes reportable segment had approximately $2.1 billion of debt outstanding, and the NexPoint Homes reportable segment had $576.2 million of debt outstanding. See the summary table below for further information on the Company's outstanding debt. Additionally, we have included a summary of any significant changes in debt agreements during the three months ended March 31, 2023 below.

On March 1, 2021, the Company entered into a non-recourse carveout guaranty and certain wholly owned subsidiaries of VB Three, LLC (as borrowers) entered into a $500.0 million credit agreement with JP Morgan (the “JPM Facility”). The JPM Facility is secured by equity pledges in VB Three, LLC and its wholly owned subsidiaries and bears interest at a variable rate equal to one-month LIBOR plus 2.75%. The JPM Facility is interest-only and originally matured and was due in full on March 1, 2023. On March 10, 2022, the Company entered into Amendment No. 1 to the JPM Facility, wherein each advance under the JPM Facility will bear interest at daily Secured Overnight Financing Rate (“SOFR”) plus 2.85%. The balance of the JPM Facility, net of unamortized deferred financing costs, is included in credit facilities on the consolidated balance sheets. On January 31, 2023, the Company entered into Amendment No. 2 to the JPM Facility, wherein the total facility amount was updated to $350.0 million, and the maturity date was extended to January 31, 2025, which may be extended for 12 months upon submission of an extension request, subject to approval. On March 15, 2023, the Company entered into Amendment No. 3 to the JPM Facility to give the Company credit for pledging an interest rate swap by reducing the interest reserve requirements under the JPM Facility based on the capped rate. As of March 31, 2023, the JPM Facility had $19.5 million in available capacity.

As of March 31, 2023, the Company is in compliance with all debt covenants in all of its debt agreements, with the exception that the NexPoint Homes MetLife Note 2 was not in compliance with the debt service coverage ratio requirement. The Company received a waiver from the lender through May 31, 2023 to either (i) make a principal paydown to bring the debt into compliance or (ii) contribute additional properties as collateral to achieve the required debt service ratio and provide an annual budget to the lender for approval. The Company intends to contribute additional properties as collateral but also has the ability to make the required principal paydown.

The weighted average interest rate of the Company’s debt was 6.4348% as of March 31, 2023 and 6.0684% as of December 31, 2022. As of March 31, 2023 and December 31, 2022, the adjusted weighted average interest rate of the Company’s debt, including the effect of derivative financial instruments, was 5.0363% and 4.9101%, respectively. For purposes of calculating the adjusted weighted average interest rate of the Company’s debt as of March 31, 2023, including the effect of derivative financial instruments, the Company has included the weighted average fixed rate of 1.9508% on its combined $1.3 billion notional amount of interest rate swap and cap agreements, representing a weighted average fixed rate for one-month LIBOR, daily SOFR and one-month term SOFR, which effectively fixes the interest rate on $1.3 billion of the Company’s floating rate indebtedness (see Note 8).

For further descriptions of the debt arrangements not included in this Form 10-Q, please see Note 7 to the consolidated financial statements in our Annual Report.

The following table contains summary information of the Company's debt as of March 31, 2023 and December 31, 2022 (dollars in thousands):

	Type	Outstanding Principal as of March 31, 2023	Outstanding Principal as of December 31, 2022	Interest Rate (1)	Maturity	
Initial Mortgage	Floating	$ 239,164	$ 240,408	6.41%	12/1/2025	
Warehouse Facility	Floating	1,270,000	1,270,000	6.86%	11/3/2024	(2)
JPM Facility	Floating	330,500	320,000	7.72%	1/31/2025	(3)
Bridge Facility III	Floating	75,000	75,000	7.80%	9/30/2023	
MetLife Note	Fixed	124,046	124,279	3.25%	1/31/2026	
TrueLane Mortgage	Fixed	10,095	10,143	5.35%	2/1/2028	
Crestcore II Note	Fixed	4,630	4,651	5.12%	7/9/2029	
Crestcore IV Note	Fixed	4,116	4,135	5.12%	7/9/2029	
Total VineBrook reportable segment debt		$ 2,057,551	$ 2,048,616			
NexPoint Homes MetLife Note 1	Fixed	238,990	233,545	3.76%	3/3/2027	
NexPoint Homes MetLife Note 2	Fixed	174,590	171,209	5.44%	8/12/2027	
NexPoint Homes KeyBank Facility	Floating	62,500	62,500	7.50%	8/12/2025	
SFR OP Convertible Notes (4)	Fixed	100,100	100,100	7.50%	6/30/2027	
Total debt		$ 2,633,731	$ 2,615,970			
Debt premium, net (5)		360	378			
Deferred financing costs, net of accumulated amortization of $15,512 and $12,995, respectively		(14,283)	(15,119)			
		$ 2,619,808	$ 2,601,229			

(1) Represents the interest rate as of March 31, 2023. Except for fixed rate debt, the interest rate is one-month LIBOR, daily SOFR or one-month term SOFR, plus an applicable margin. One-month LIBOR as of March 31, 2023 was 4.8577%, daily SOFR as of March 31, 2023 was 4.8700% and one-month term SOFR as of March 31, 2023 was 4.8025%.

(2) This is the stated maturity for the Warehouse Facility, but it is subject to a 12-month extension option.

(3) This is the stated maturity for the JPM Facility, but it is subject to a 12-month extension option.

(4) The SFR OP Convertible Notes exclude the amounts owed to NexPoint Homes by the SFR OP, as these are eliminated in consolidation.

(5) The Company reflected valuation adjustments on its assumed fixed rate debt to adjust it to fair market value on the dates of acquisition for the difference between the fair value and the assumed principal amount of debt. The difference is amortized into interest expense over the remaining terms of the debt.

Schedule of Debt Maturities

The aggregate scheduled maturities, including amortizing principal payments, of total debt for the next five calendar years subsequent to March 31, 2023 are as follows (in thousands):

	Total	
2023	$ 77,177	
2024	3,021	
2025	1,567,469	(1)
2026	454,951	(2)
2027	514,108	
Thereafter	17,005	
Total	$ 2,633,731	

(1) Assumes the Company exercises the 12-month extension option on the Warehouse Facility, subject to approval from the lender.
(2) Assumes the Company exercises the 12-month extension option on the JPM Facility, subject to approval from the lender.

Deferred Financing Costs

The Company defers costs incurred in obtaining financing and amortizes the costs over the term of the related debt using the straight-line method, which approximates the effective interest method. Deferred financing costs, net of amortization, are recorded as a reduction from the related debt on the Company's consolidated balance sheets. Upon repayment of, or in conjunction with, a material change in the terms of the underlying debt agreement, any unamortized costs are charged to loss on extinguishment of debt. For the three months ended March 31, 2023 and 2022, amortization of deferred financing costs of approximately $2.5 million and $1.5 million, respectively, are included in interest expense on the consolidated statements of operations and comprehensive income (loss).

Loss on Extinguishment of Debt

Loss on extinguishment of debt includes prepayment penalties and defeasance costs incurred on the early repayment of debt and other costs incurred in a debt extinguishment. Upon repayment of or in conjunction with a material change in the terms of the underlying debt agreement, any unamortized costs are charged to loss on extinguishment of debt. For the three months ended March 31, 2023 and 2022, the Company incurred less than $0.1 million and $0.0 million of debt extinguishment costs which are included in loss on extinguishment of debt on the consolidated statements of operations and comprehensive income (loss).

8. Fair Value of Derivatives and Financial Instruments

Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy):

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are the unobservable inputs for the asset or liability, which are typically based on an entity's own assumption, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on input from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. The Company utilizes independent third parties to perform the allocation of value analysis for each property acquisition and to perform the market valuations on its derivative financial instruments and has established policies, as described above, processes and procedures intended to ensure that the valuation methodologies for investments and derivative financial instruments are fair and consistent as of the measurement date.

Derivative Financial Instruments and Hedging Activities

The Company manages interest rate risk primarily by managing the amount, sources, and duration of its debt funding and the use of derivative financial instruments. Specifically, the Company has entered into an interest rate cap and interest rate swaps to manage exposures that arise from changes in interest rates. The Company's derivative financial instruments are used to manage the Company's risk of increased cash outflows from the floating rate loans that may result from rising interest rates, in particular the reference rate for the loans, which include one-month LIBOR, daily SOFR and one-month term SOFR. In order to minimize counterparty credit risk, the Company has entered into and expects to enter in the future into hedging arrangements and intends to only transact with major financial institutions that have high credit ratings.

The Company utilizes an independent third party to perform the market valuations on its derivative financial instruments. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. The fair value of the interest rate cap is determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates rise above the strike rate of the cap. The variable interest rates used in the calculation of projected receipts on the cap are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities.

To comply with the provisions of ASC 820, the Company incorporates credit valuation adjustments to appropriately reflect both the Company's own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of the Company's derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees. Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with the Company's derivatives utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by the Company and its counterparties. The Company has determined that the significance of the impact of the credit valuation adjustments made to its derivative contracts, which determination was based on the fair value of each individual contract, was not significant to the overall valuation. As a result, all of the Company's derivatives held as of March 31, 2023 and December 31, 2022 were classified as Level 2 of the fair value hierarchy.

The changes in the fair value of derivative financial instruments that are designated as cash flow hedges are recorded in other comprehensive income (loss) and are subsequently reclassified into net income (loss) in the period that the hedged forecasted transaction affects earnings. Amounts reported in other comprehensive income (loss) related to derivatives will be reclassified to interest expense as interest payments are made on the Company's floating rate debt. Derivatives not designated as hedges are not speculative and are used to manage the Company's exposure to interest rate movements but either do not meet the strict requirements to apply hedge accounting in accordance with FASB ASC 815, *Derivatives and Hedging*, or the Company has elected not to designate such derivatives as hedges. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in net income (loss) as interest expense.

In order to fix a portion of, and mitigate the risk associated with, the Company's floating rate indebtedness, the Company, through the OP, has entered into 12 interest rate swap transactions with KeyBank and Mizuho with a combined notional amount of $970.0 million. The interest rate swaps the Company has entered into effectively replace the floating interest rate (one-month LIBOR or daily SOFR) with respect to those amounts with a weighted average fixed rate of 2.0902%. The Company has designated these interest rate swaps as cash flow hedges of interest rate risk.

As of March 31, 2023, the Company had the following outstanding interest rate swaps that were designated as cash flow hedges of interest rate risk (dollars in thousands):

Effective Date	Expiration Date	Counterparty	Index (1)	Notional	Fixed Rate	
7/1/2019	7/1/2024	KeyBank	One-Month LIBOR	$ 100,000	1.6290 %	
9/1/2019	12/21/2025	KeyBank	One-Month LIBOR	100,000	1.4180 %	
9/1/2019	12/21/2025	KeyBank	One-Month LIBOR	50,000	1.4190 %	
2/3/2020	2/1/2025	KeyBank	One-Month LIBOR	50,000	1.2790 %	
3/2/2020	3/3/2025	KeyBank	One-Month LIBOR	20,000	0.9140 %	
				$ 320,000	1.4309 %	(2)

Effective Date	Expiration Date	Counterparty	Index (1)	Notional	Fixed Rate	
3/31/2022	11/1/2025	KeyBank	Daily SOFR	$ 100,000	1.5110 %	
3/31/2022	11/1/2025	KeyBank	Daily SOFR	100,000	1.9190 %	
3/31/2022	11/1/2025	KeyBank	Daily SOFR	50,000	2.4410 %	
6/1/2022	11/1/2025	Mizuho	Daily SOFR	100,000	2.6284 %	
6/1/2022	11/1/2025	Mizuho	Daily SOFR	100,000	2.9413 %	
6/1/2022	11/1/2025	Mizuho	Daily SOFR	100,000	2.7900 %	
7/1/2022	11/1/2025	Mizuho	Daily SOFR	100,000	2.6860 %	
				$ 650,000	2.4148 %	(2)

(1) As of March 31, 2023, one-month LIBOR was 4.8577% and daily SOFR was 4.8700%.

(2) Represents the weighted average fixed rate of the interest rate swaps for one-month LIBOR interest rate swaps and daily SOFR interest rate swaps, respectively, which have a combined weighted average fixed rate of 2.0902%.

Interest rate caps involve the receipt of variable-rate amounts from a counterparty if interest rates rise above the strike rate on the contract in exchange for an up-front premium. On April 13, 2022, the Company, through the OP, paid a premium of approximately $12.7 million and entered into an interest rate cap transaction with Goldman Sachs Bank USA ("Goldman") with a notional amount of $300.0 million. The interest rate cap effectively caps one-month term SOFR at 1.50% on $300.0 million of floating rate debt. The interest rate cap expires on November 1, 2025.

As of March 31, 2023, the Company had the following outstanding derivatives that were not designated as hedges in qualifying hedging relationships (dollars in thousands):

Derivative	Notional	Hedged Floating Rate Debt	Index	Index as of March 31, 2023	Strike Rate
Interest Rate Cap	$ 300,000	Warehouse Facility	One-Month Term SOFR	4.8025 %	1.50 %

The table below presents the fair value of the Company's derivative financial instruments, which are presented on the consolidated balance sheets as of March 31, 2023 and December 31, 2022 (in thousands):

		Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Derivatives designated as hedging instruments:					
Interest rate swaps	Interest rate derivatives, at fair value	$ 39,758	$ 49,244	$ —	$ —
Derivatives not designated as hedging instruments:					
Interest rate caps	Interest rate derivatives, at fair value	17,695	21,569	—	—
Total		$ 57,453	$ 70,813	$ —	$ —

The table below presents the effect of the Company's derivative financial instruments on the consolidated statements of operations and comprehensive income (loss) for the three months ended March 31, 2023 and 2022 (in thousands):

		For the Three Months Ended	
	Location of gain/(loss) recognized on Statement of Operations and Comprehensive Income/(Loss)	March 31, 2023	March 31, 2022
Derivatives designated as hedging instruments:			
Interest rate swaps	Unrealized (loss)/gain on interest rate hedges	$ (9,485)	$ 16,854
Derivatives not designated as hedging instruments:			
Interest rate caps	Interest expense	(3,845)	—
Total		$ (13,330)	$ 16,854

Financial assets and liabilities for which the carrying values approximate their fair values include cash, restricted cash, accounts receivable, accounts payable, and security deposits. Generally, these assets and liabilities are short-term in duration and are recorded at fair value on the consolidated balance sheets. For the Company's outstanding debt, in calculating the fair value of its indebtedness, the Company used interest rate and spread assumptions that reflect current credit worthiness and market conditions available for the issuance of debt with similar terms and remaining maturities. The table below presents the carrying value (outstanding principal balance) and estimated fair value of our debt at March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023		December 31, 2022	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Debt	$ 2,633,731	$ 2,557,392	$ 2,615,970	$ 2,515,475

The following table sets forth a summary of the Company's held for sale assets that were accounted for at fair value on a nonrecurring basis as of their respective measurement date (in thousands):

		Fair Value Hierarchy Level		
Description	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Assets held at March 31, 2023				
Real estate held for sale - impaired at March 31, 2023	$ 36,057	$ —	$ —	$ 36,057

Real estate held for sale is reported at the lower of its carrying amount or its estimated fair value, which includes estimated selling price less estimated costs to sell.

9. Stockholders' Equity

The Company issues shares under the Company's distribution reinvestment program (the "DRIP") and issued Shares under the Private Offering during the three months ended March 31, 2022. Shares issued under the DRIP are issued at a 3% discount to the then-current NAV per share and the Company does not receive any cash for DRIP issuances as those dividends are instead reinvested into the Company. During the three months ended March 31, 2023 and 2022, the Company issued approximately 154,396 Shares and 2,907,334 Shares, respectively, for equity contributions of approximately $6.7 million and $149.4 million, respectively, under the DRIP and the Private Offering.

Long-Term Incentive Plan

The Company adopted the 2018 LTIP whereby the Board, or a committee thereof, may grant RSUs or PI Units to certain employees of the Adviser and the Manager, or others at the discretion of the Board (including the directors and officers of the Company or other service providers of the Company or the OP). The 2018 LTIP provides for the Share Reserve and the Share Maximum for issuance of RSUs or PI Units. Grants may be made annually by the Board or more or less frequently in the Board's sole discretion. Vesting of grants made under the 2018 LTIP will occur ratably over a period of time as determined by the Board and may include the achievement of performance metrics also as determined by the Board in its sole discretion.

RSU Grants Under the 2018 LTIP

On December 10, 2019, a total of 73,700 RSUs were granted to certain employees of the Adviser and officers of the Company. On May 11, 2020, a total of 179,858 RSUs were granted to certain employees of the Adviser, officers of the Company and independent Board members. On February 15, 2021, a total of 191,506 RSUs were granted to certain employees of the Adviser, officers of the Company and independent Board members. On February 17, 2022, a total of 185,111 RSUs were granted to certain employees of the Adviser, officers of the Company and independent Board members. The RSUs granted to certain employees of the Adviser and officers of the Company on December 10, 2019 vest over a four-year period. The RSUs granted to certain employees of the Adviser and officers of the Company on February 17, 2022, February 15, 2021 and May 11, 2020 vest 50% ratably over four years and 50% at the successful completion of an initial public offering. The RSUs granted to independent Board members fully vest on the first anniversary of the grant date. Any unvested RSU is forfeited, except in limited circumstances, as determined by the compensation committee of the Board, when the recipient is no longer employed by the Adviser. RSUs are valued at fair value (which is the NAV per share in effect) on the date of grant, with compensation expense recorded in accordance with the applicable vesting schedule that approximates a straight-line basis. Beginning on the date of grant, RSUs accrue dividends that are payable in cash on the vesting date. Once vested, the RSUs convert on a one-for-one basis into Shares.

As of March 31, 2023, the number of RSUs granted that are outstanding was as follows (dollars in thousands):

Dates	Number of RSUs		Value (1)
Outstanding December 31, 2022	488,326	$	19,943
Granted	—		—
Vested	(52,921)	(2)	(2,468)
Forfeited	—		—
Outstanding March 31, 2023	435,405	$	17,475

(1) Value is based on the number of RSUs granted multiplied by the most recent NAV per share on the date of grant, which was $54.14 for the February 17, 2022 grant, $36.56 for the February 15, 2021 grant, $30.82 for the May 11, 2020 grant, and $29.85 for the December 10, 2019 grant.

(2) Certain grantees elected to net the taxes owed upon vesting against the Shares issued resulting in 44,289 Shares being issued as shown on the consolidated statements of stockholders' equity.

The vesting schedule for the outstanding RSUs is as follows:

Vest Date	RSUs Vesting
May 11, 2023	21,217
December 10, 2023	18,426
February 15, 2024	22,591
February 17, 2024	22,019
May 11, 2024	21,217
February 14, 2025	22,591
February 17, 2025	22,019
February 17, 2026	22,019
Upon successful completion of IPO	263,306
	435,405

For the three months ended March 31, 2023 and 2022, the Company recognized approximately $0.9 million and $0.8 million, respectively, of non-cash compensation expense related to the RSUs, which is included in corporate general and administrative expenses on the consolidated statements of operations and comprehensive income (loss).

10. Noncontrolling Interests

Redeemable Noncontrolling Interests in the OP

Other than PI Units and 6.50% Series A Cumulative Redeemable Preferred Units of the OP ("OP Preferred Units"), partnership interests in the OP are represented by OP Units. Net income (loss) is allocated pro rata to holders of OP Units and PI Units based upon net income (loss) attributable to the OP and the respective members' OP Units and PI Units held during the period. Capital contributions, distributions, and profits and losses are allocated to PI Units and OP Units not held by the Company (the "noncontrolling interests").

The following table presents the redeemable noncontrolling interests in the OP (in thousands):

	Balances
Redeemable noncontrolling interests in the OP, December 31, 2022	$ 240,647
Net loss attributable to redeemable noncontrolling interests in the OP	(13,860)
Contributions by redeemable noncontrolling interests in the OP	2,493
Distributions to redeemable noncontrolling interests in the OP	(2,349)
Redemptions by redeemable noncontrolling interests in the OP	—
Equity-based compensation	912
Other comprehensive loss attributable to redeemable noncontrolling interests in the OP	(1,423)
Adjustment to reflect redemption value of redeemable noncontrolling interests in the OP	9,964
Redeemable noncontrolling interests in the OP, March 31, 2023	$ 236,384

As of March 31, 2023, the Company held 19,760,146 Class A OP Units, NREO held 2,714,660 Class B OP Units, NRESF held 90,588 Class C OP Units, GAF REIT held 142,957 Class C OP Units and the VineBrook Contributors and other Company insiders held 906,720 Class C OP Units.

On September 7, 2021, the general partner of the OP executed the OP LPA for the purposes of creating a board of directors of the OP (the "Partnership Board") and subdividing and reclassifying the outstanding common partnership units of the OP into Class A, Class B and Class C OP Units. The OP LPA generally provides that the newly created Class A OP Units and Class B OP Units each have 50.0% of the voting power of the OP Units, including with respect to the election of directors to and removal of directors from the Partnership Board, and that the Class C OP Units have no voting power. The reclassification of the OP Units did not have a material effect on the economic interests of the holders of OP Units. In connection with the OP LPA, the OP Units held by the Company were reclassified into Class A OP Units, the OP Units held by NREO were reclassified into Class B OP Units and the remaining OP Units were reclassified into Class C OP Units. In addition, the OP LPA provides that holders of PI Units will receive Class C OP Units upon conversion of vested PI Units into OP Units.

The Partnership Board of the OP has exclusive authority to select, remove and replace the general partner of the OP and no other authority. The Partnership Board may replace the general partner of the OP at any time. Pursuant to the terms of the OP LPA, the Company appointed Brian Mitts as the sole initial director of the Partnership Board. The number of directors on the Partnership Board is initially one but may be increased by following the affirmative vote or consent of the majority of the voting power of the OP Units (the "Requisite Approval"). The election of directors to and removal of directors from the Partnership Board also requires the Requisite Approval.

Upon execution of the OP LPA, the Company reconsidered whether it was still the primary beneficiary of the OP. Upon reconsideration, the Company determined that it is the member of the related party group most closely associated with the OP and has the power to direct the activities that are most significant to the OP as any actions taken by the OP GP are subject to the authority and approval of the Company's Board. Accordingly, the Company determined that it should continue to consolidate the OP.

PI Unit Grants Under the 2018 LTIP

In connection with the 2018 LTIP, PI Units have been issued to key personnel, senior management and executives of the Manager. On April 19, 2019, a total of 40,000 PI Units were granted; on November 21, 2019, a total of 80,399 PI Units were granted; on May 11, 2020, a total of 219,826 PI Units were granted; on November 30, 2020, a total of 11,764 PI Units were granted; on May 31, 2021, a total of 246,169 PI Units were granted; on August 10, 2022, a total of 27,849 PI Units were granted; and on February 22, 2023, a total of 79,304 PI Units were granted. The PI Units are a special class of partnership interests in the OP with certain restrictions, which are convertible into Class C OP Units, subject to satisfying vesting and other conditions. PI Unit holders are entitled to receive the same distributions as holders of our OP Units (only if we declare and pay such distributions). The PI Units granted in 2019 generally fully vest over a period of two to four years. The PI Units granted on May 11, 2020 and May 31, 2021 vest 50% ratably over four years and 50% at the successful completion of an initial public offering and the PI Units granted on November 30, 2020 vest 100% ratably over four years or alternatively 100% on the successful completion of an initial public offering. The PI Units granted on August 10, 2022 and February 22, 2023 generally vest ratably over five years. Once vested and converted into Class C OP Units in accordance with the OP LPA, the PI Units will then be fully recognized as Class C OP Units, which are subject to a one year lock up period before they can be converted to Shares. Any unvested PI Unit granted to an employee of the Manager is forfeited, except in limited circumstances, as determined by the compensation committee of the Board, when the recipient is no longer employed by the Manager. PI Units are valued at fair value on the date of grant, with compensation expense recorded in accordance with the applicable vesting schedule over the periods in which the restrictions lapse, that approximates a straight-line basis. We valued the PI Units at a per-unit value equivalent to the per-share offering price of our OP Units less a discount for lack of marketability and other discounts estimated by a third-party consultant. Beginning on the date of grant, PI Units accrue dividends that are payable in cash quarterly (if we declare and pay distributions to holders of our OP Units).

As of March 31, 2023, the number of PI Units granted that are outstanding and unvested was as follows (dollars in thousands):

Dates	**Number of PI Units**	**Value (1)**
Outstanding December 31, 2022	430,102	$ 16,286
Granted	79,304	4,999
Vested	(29,831)	(1,135)
Forfeited	—	—
Outstanding March 31, 2023	479,575	$ 20,150

(1) Value is based on the number of PI Units granted multiplied by the estimated per unit fair value on the date of grant, which was $27.88 for the April 19, 2019 grant, $29.12 for the November 21, 2019 grant, $30.16 for the May 11, 2020 grant, $33.45 for the November 30, 2020 grant, $38.29 for the May 31, 2021 grant, $61.74 for the August 10, 2022 grant, and $63.04 for the February 22, 2023 grant.

The vesting schedule for the PI Units is as follows:

Vest Date	PI Units Vesting
May 11, 2023	27,478
August 10, 2023	5,570
November 1, 2023	7,200
November 21, 2023	18,425
November 30, 2023	1,470
February 22, 2024	15,861
March 30, 2024	29,831
April 25, 2024	5,171
May 11, 2024	27,478
May 27, 2024	398
November 30, 2024	1,470
February 22, 2025	15,861
March 30, 2025	29,831
April 25, 2025	5,171
May 27, 2025	398
February 22, 2026	15,861
April 25, 2026	5,171
May 27, 2026	398
February 22, 2027	15,861
April 25, 2027	5,171
May 27, 2027	398
February 22, 2028	15,860
Upon successful completion of IPO*	229,242
	479,575

*Upon successful completion of an IPO, an additional 11,764 PI Units will vest immediately instead of vesting ratably according to the schedule above on each of November 30, 2023 and November 30, 2024.

For the three months ended March 31, 2023 and 2022, the OP recognized approximately $0.9 million and $0.7 million, respectively, of non-cash compensation expense related to the PI Units, which is included in corporate general and administrative expenses on the Company's consolidated statements of operations and comprehensive income (loss).

The table below presents the consolidated Shares and OP Units outstanding held by the noncontrolling interests ("NCI"), as the OP Units held by the Company are eliminated in consolidation:

Period End	Shares Outstanding	OP Units Held by NCI	Consolidated Shares and NCI OP Units Outstanding
March 31, 2023	24,769,760	3,854,925	28,624,685

Redeemable Noncontrolling Interests in Consolidated VIEs

Partnership interests in the SFR OP are represented by SFR OP Units. Net income (loss) is allocated pro rata to holders of SFR OP Units and is based upon net income (loss) attributable to the SFR OP and the respective members' SFR OP Units held during the period. Capital contributions, distributions, and profits and losses are allocated to SFR OP Units not held by the Company (the "redeemable noncontrolling interests in consolidated VIEs"). As of March 31, 2023, approximately 4,546,489 SFR OP Units were held by affiliates of the Company.

The following table presents the redeemable noncontrolling interests in consolidated VIEs (in thousands):

	Balances
Redeemable noncontrolling interests in consolidated VIEs, December 31, 2022	$ 112,972
Net loss attributable to redeemable noncontrolling interests in consolidated VIEs	(3,213)
Contributions by redeemable noncontrolling interests in consolidated VIEs	669
Distributions to redeemable noncontrolling interests in consolidated VIEs	(1,270)
Adjustment to reflect redemption value of redeemable noncontrolling interests in consolidated VIEs	—
Redeemable noncontrolling interests in consolidated VIEs, March 31, 2023	$ 109,158

Noncontrolling Interests in Consolidated VIEs

NexPoint Homes has issued NexPoint Homes Class A Shares and NexPoint Homes Class I common stock, par value $0.01 (the "NexPoint Homes Class I Shares," collectively with NexPoint Homes Class A Shares, the "NexPoint Homes Shares"). Interests in NexPoint Homes are represented by NexPoint Homes Shares. Both classes of NexPoint Homes Shares have the same rights and value.

Capital contributions, distributions, and profits and losses are allocated to NexPoint Homes Shares not held by the Company (the "noncontrolling interests in consolidated VIEs").

The following table presents the noncontrolling interests in consolidated VIEs (in thousands):

	Balances
Noncontrolling interests in consolidated VIEs, December 31, 2022	$ 6,906
Net loss attributable to noncontrolling interests in consolidated VIEs	(312)
Contributions by noncontrolling interests in consolidated VIEs	3,592
Distributions to noncontrolling interests in consolidated VIEs	(1,501)
Noncontrolling interests in consolidated VIEs, March 31, 2023	$ 8,685

11. Redeemable Series A Preferred Stock

The Company has issued 5,000,000 Preferred Shares as of March 31, 2023. The Preferred Shares have a redemption value of $25.00 per share and are mandatorily redeemable on October 7, 2027, subject to certain extensions.

The following table presents the redeemable Series A preferred stock (dollars in thousands):

	Preferred Shares	Balances
Redeemable Series A preferred stock, December 31, 2022	5,000,000	$ 121,662
Issuance of Redeemable Series A preferred stock	—	—
Issuance costs related to Redeemable Series A preferred stock	—	(90)
Net income attributable to Redeemable Series A preferred stockholders	—	2,031
Dividends declared to Redeemable Series A preferred stockholders	—	(2,031)
Accretion to redemption value	—	176
Redeemable Series A preferred stock, March 31, 2023	5,000,000	$ 121,748

12. Income Taxes

The Company has made the election and intends to be taxed as a REIT under Sections 856 through 860 of the Code and expects to continue to qualify as a REIT upon filing their tax return for the year ended December 31, 2022. NexPoint Homes intends to be taxed as a REIT under Sections 856 through 860 of the Code, which will occur upon filing the NexPoint Homes tax return for the year ended December 31, 2022. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement to distribute annually at least 90% of its "REIT taxable income," as defined by the Code, to its stockholders in order for its distributed earnings to not be subject to corporate income tax. Additionally, the Company will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions it pays with respect to any calendar year are less than the sum of (1) 85% of its ordinary income, (2) 95% of its capital gain net income and (3) 100% of its undistributed income from prior years. The Company intends to operate in such a manner so as to qualify as a REIT, but no assurance can be given that the Company will operate in a manner so as to qualify as a REIT. Taxable income from certain non-REIT activities is managed through a TRS and is subject to applicable federal, state, and local income and margin taxes. The Company had no significant taxes associated with its TRS for the three months ended March 31, 2023 or 2022.

If the Company fails to meet these requirements, it could be subject to U.S. federal income tax on all of the Company's taxable income at regular corporate rates for that year. The Company would not be able to deduct distributions paid to stockholders in any year in which it fails to qualify as a REIT. Additionally, the Company will also be disqualified from electing to be taxed as a REIT for the four taxable years following the year during which qualification was lost unless the Company is entitled to relief under specific statutory provisions. As of March 31, 2023, the Company believes it is in compliance with all applicable REIT requirements. The Company is still subject to state and local income taxes and to federal income and excise tax on its undistributed income, however those taxes are not material to the financial statements.

The Company evaluates the accounting and disclosure of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" (greater than 50 percent probability) of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. The Company's management is required to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, which include federal and certain states. The Company has no examinations in progress and none are expected at this time. The tax years subject to examination are 2021, 2020 and 2019.

The Company had no material unrecognized federal or state tax benefit or expense, accrued interest or penalties as of March 31, 2023. When applicable, the Company recognizes interest and/or penalties related to uncertain tax positions in corporate general and administrative expenses on its consolidated statements of operations and comprehensive income (loss).

13. Related Party Transactions

Advisory Fee

Pursuant to the Advisory Agreement, the Company will pay the Adviser, on a monthly basis in arrears, an advisory fee at an annualized rate of 0.75% of the gross asset value of the Company on a consolidated basis (excluding the value of the OP's assets but inclusive of the Company's pro rata share of the debt held at the OP and its SPEs). The Adviser will manage the Company's business including, among other duties, advising the Board to issue distributions, preparing our quarterly and annual consolidated financial statements prepared under GAAP, development and maintenance of internal accounting controls, management and conduct of maintaining our REIT status, calculation of our NAV and recommending the appropriate NAV to be set by the Board, processing of sales of Shares through the Private Offering, reporting to holders of Shares, our tax filings, and other responsibilities customary for an external advisor to a business similar to ours. With certain specified exceptions, the advisory fee together with reimbursement of operating and offering expenses may not exceed 1.5% of average total assets of the Company and the OP, as determined in accordance with GAAP on a consolidated basis, at the end of each month (or partial month) (i) for which any advisory fee is calculated or (ii) during the year for which any expense reimbursement is calculated.

For the three months ended March 31, 2023 and 2022, the Company incurred advisory fees of approximately $4.8 million and $3.1 million, respectively, which are included in advisory fees on the consolidated statements of operations and comprehensive income (loss).

Management Fee

The equity holders of the Manager are holders of noncontrolling interests in the OP and comprise a portion of the VineBrook Contributors. Through this noncontrolling ownership, the Manager is deemed to be a related party. Pursuant to the Management Agreements, the OP will pay the Manager (i) an acquisition fee equal to 1.0% of the purchase price paid for any new property acquired during the month, (ii) a construction fee monthly in arrears that shall not exceed the greater of 10% of construction costs or $1,000, whichever is higher, in connection with the repair, renovation, improvement or development of any newly acquired property, and (iii) a property management fee monthly in arrears equal to a percentage of collected rental revenues for all properties during the month as follows:

- 8.0% of collected rental revenue up to and including $45 million on an annualized basis;
- 7.0% of the incremental collected rental revenue above $45 million but below and including $65 million on an annualized basis;
- 6.0% of the incremental collected rental revenue above $65 million but below and including $85 million on an annualized basis; and
- 5.0% of the incremental collected rental revenue above $85 million on an annualized basis.

Under the Management Agreements and the Side Letter, the aggregate fees that the Manager can earn in any fiscal year are capped such that the Manager's EBITDA (as defined in the Management Agreements) derived from these fees may not exceed the greater of $1.0 million or 0.5% of the combined equity value of the Company and the OP on a consolidated basis, calculated on the first day of each fiscal year based on the aggregate NAV of the outstanding Shares and OP Units held other than by the Company on the last business day of the prior fiscal year (the "Manager Cap"). The aggregate fees up to the Manager Cap are payable (1) in cash in an amount equal to the tax obligations of the Manager's equity holders resulting from the aggregate management fees earned in such fiscal year up to a maximum rate of 25% (the "Manager Cash Cap") and (2) with respect to the remaining portion of the aggregate fees, in Class C OP Units, at a price per OP Unit equal to the Cash Amount (as defined in the OP LPA). The aggregate fees paid in cash that exceed the Manager Cash Cap are rebated back to the OP. No Manager Cash Cap rebate was recorded for the three months ended March 31, 2023 and 2022.

The Manager is responsible for the day-to-day management of the properties, acquisition of new properties, disposition of existing properties (with acquisition and disposition decisions made under the approval of the investment committee and the Board), leasing the properties, managing resident issues and requests, collecting rents, paying operating expenses, managing maintenance issues, accounting for each property using GAAP, and other responsibilities customary for the management of SFR properties.

Property management fees are included in property management fees on the consolidated statements of operations and comprehensive income (loss) and acquisition and construction fees are capitalized into each home and are included in buildings and improvements on the consolidated balance sheet and are depreciated over the useful life of each property.

As of March 31, 2023, approximately $3.0 million is due to the Manager, net of receivables due from the Manager, which is included in due to Manager on the consolidated balance sheet as of March 31, 2023. As of December 31, 2022, approximately $3.1 million is due to the Manager, net of receivables due from the Manager, which is included in due to Manager on the consolidated balance sheet as of December 31, 2022. The following table is a summary of fees that the OP incurred to the Manager and its affiliates, as well as reimbursements paid to the Manager and its affiliates for various operating expenses the Manager paid on the OP's behalf, under the terms of Management Agreements and Side Letter, for the three months ended March 31, 2023 and 2022 (dollars in thousands):

		For the Three Months Ended March 31,	
	Location on Financial Statements	**2023**	**2022**
Fees Incurred			
Property management fees	Statement of Operations	$ 5,407	$ 3,111
Acquisition fees	Balance Sheet	4	5,040
Construction supervision fees	Balance Sheet	5,256	3,174
Reimbursements			
Payroll and benefits	Balance Sheet and Statement of Operations	10,458	5,895
Other reimbursements	Balance Sheet and Statement of Operations	513	310
Totals		$ 21,638	$ 17,530

Internalization of the Adviser or the Manager

The Company may acquire all of the outstanding equity interests of the Adviser, the Manager or both (an "Internalization") under certain provisions (a "Purchase Provision") of the Advisory Agreement or the Side Letter to effect an Internalization upon the payment of a certain fee (an "Internalization Fee"). If the Company determines to acquire the equity interests of the Adviser, the applicable Purchase Provision of the Advisory Agreement provides that the Adviser must first agree to such acquisition and that the Company will pay the Adviser an Internalization Fee equal to three times the total of the prior 12 months' advisory fee, payable only in capital stock of the Company. If the Company determines to acquire the equity interests of Manager, the applicable Purchase Provision of the Side Letter provides the Company has a right to do so and that the Company will pay the Manager an Internalization Fee equal to $6.5 million plus 50% of the subtraction of $6.5 million from three times the total of the prior 12 months' property management fee, payable in cash, Shares or Class C OP Units. The OP may also acquire the equity interests of the Manager on the same terms under the applicable Purchase Provision. Certain additional conditions and limitations apply to the Internalizations, including but not limited to caps on the Internalization Fees.

On June 28, 2022, the OP notified the Manager that it elected to exercise its Purchase Provision of the Manager. As of March 31, 2023, the Internalization of the Manager has not closed. The Company expects to close the Internalization of the Manager as promptly as possible following the effectiveness of a consent and sixth amendment to the credit agreement by and among the OP, certain subsidiaries of the OP as subsidiary borrowers, KeyBank National Association, a national banking association (in its individual capacity and as administrative agent), and the other lenders party thereto (the "Consent"), following which the services previously provided by the Manager will be internally managed, although there can be no assurance that the transaction will close on this timeline or at all. Under the Purchase Provision, the Internalization Fee is fixed based on the NAV per share in effect on May 31, 2022.

On March 9, 2023, the OP entered into a letter agreement (the "Letter Agreement") with VineBrook Management, LLC, VineBrook Development Corporation, VineBrook Homes Property Management Company, Inc., VineBrook Homes Realty Company, Inc., VineBrook Homes Services Company, Inc. and certain individuals set forth therein (collectively, the "Contributors") and Dana Sprong, solely in his capacity as the representative of the Contributors pursuant to which the OP and the Contributors agreed to a form of contribution agreement (the "Contribution Agreement") to effectuate the acquisition of the Manager pursuant to the Purchase Provision to be entered into as promptly as practicable following the effectiveness of the Consent.

Pursuant to the Letter Agreement, the OP agreed to use reasonable best efforts to obtain the Consent as soon as possible, and the OP and the Contributors agreed to enter into the Contribution Agreement and close the transactions contemplated thereby, including the acquisition of the Manager (the "Closing"), as promptly as practicable following the effectiveness of the Consent and in any event, no later than one business day thereafter. Following the Closing, the Manager will become a wholly owned subsidiary of the OP and the Portfolio will be internally managed.

Pursuant to the Letter Agreement, the OP and the Contributors also agreed that March 9, 2023 would be used for purposes of calculating the closing consideration after estimated net working capital adjustments payable to the Contributors.

Termination Fees Payable to the Adviser or Manager

If the Advisory Agreement or any one of the Management Agreements is terminated without cause by the Company or the SPE, as applicable, or is otherwise terminated under certain conditions, the Adviser or the Manager, as applicable, will be entitled to a termination fee (a "Termination Fee") in the amount of three times the prior 12 months' advisory fee, in the case of a termination of the Advisory Agreement, or three times the prior 12 months' property management fee, in the case of the applicable Management Agreement. In addition to termination by the Company without cause, the Adviser will be entitled to the Termination Fee if the Adviser terminates the Advisory Agreement without cause or terminates the agreement due to the occurrence of certain specified breaches of the Advisory Agreement by the Company. The Advisory Agreement may be terminated without cause by the Company or the Adviser with 180 days' notice prior to the expiration of the then-current term. In addition to termination by the SPE without cause, the Manager will be entitled to the Termination Fee if the SPE sells or otherwise disposes of all or substantially all of the properties subject to the applicable Management Agreement. The Management Agreements may be terminated by the SPE with 90 days' notice without cause. Termination Fees are payable in cash.

Advance Acquisition and Construction Fee Advances Paid to the Manager

Pursuant to the Side Letter, the Manager may request from the OP from time-to-time an advance on acquisition and construction fees (the "Fee Advances") to fund the performance of its obligations under the Management Agreements. Each Fee Advance is repaid from future acquisition and construction fees earned by and owed to the Manager. Fee Advances are included in either the line item due from Manager on the consolidated balance sheets, or net of the line item due to Manager when applicable. As of March 31, 2023 and December 31, 2022, the Company recorded no receivable for Fee Advances.

Backstop Loans to the Manager

Pursuant to the Side Letter, in the event the Manager does not have sufficient cash flow from operations to meet its budgeted obligations under the Management Agreements, the Manager may from time to time request from the Company a temporary loan (the "Backstop Loan") to satisfy the shortfall. Backstop Loans are interest free, may be prepaid at any time and may not exceed a principal amount that is in the aggregate equal to the lesser of the Internalization Fee or Termination Fee under the applicable Management Agreement. Unless otherwise repaid, each Backstop Loan is payable upon termination of the applicable Management Agreement. Backstop Loans are included as a reduction in payables in the line item due to Manager on the consolidated balance sheets. As of March 31, 2023 and December 31, 2022, the balance of the Backstop Loan due from the Manager was approximately $0.7 million and approximately $0.7 million, respectively.

Dealer Manager Fees

Investors may be charged a dealer manager fee of between 0.50% and 3.00% of gross investor equity by the Dealer Manager for sales of Shares pursuant to the Private Offering, subject to certain breakpoints and various terms of the Dealer Manager Agreements. At the sole discretion of the Dealer Manager, the dealer manager fee may be partially or fully waived. The dealer manager fee is paid to an affiliate of the Adviser.

Organization and Private Offering Expenses

Offering and organizational expenses ("O&O Expenses") may be incurred in connection with sales in the Private Offering at the discretion of the Company and are borne by investors through a fee of up to 0.50% of gross investor equity for sales through Raymond James and up to 1.00% of gross investor equity for other sales. O&O Expenses are intended to reimburse the Company, Adviser and Placement Agents for the costs of maintaining the Private Offering and selling costs incurred in raising equity under the Private Offering. Payments for bona fide expenses and reimbursements are O&O Expenses which are recorded as a reduction to equity.

NexBank

The Company and the OP maintain bank accounts with an affiliate of the Adviser, NexBank N.A. ("NexBank"). NexBank charges no recurring maintenance fees on the accounts. As of March 31, 2023, in the VineBrook reportable segment, the Company and OP had approximately $0.1 million and $0.1 million, respectively, in cash at NexBank. As of March 31, 2023, in the NexPoint Homes reportable segment, NexPoint Homes and the SFR OP had approximately $3.1 million and $2.5 million, respectively, in cash at NexBank.

NexPoint Homes Transactions

In connection with the Company's consolidated investment in NexPoint Homes, the Company consolidated non-controlling interests in NexPoint Homes that were contributed by affiliates of the Adviser. As of March 31, 2023, these affiliates had contributed approximately $113.7 million of equity to NexPoint Homes. Additionally, the Company consolidated five SFR OP convertible notes that are loans from affiliates of the Adviser to the SFR OP that bear interest at 7.50% and mature on June 30, 2027 (the "SFR OP Convertible Notes"). As of March 31, 2023, the total principal outstanding on the SFR OP Convertible Notes was approximately $100.1 million (excluding amounts owed to NexPoint Homes by the SFR OP, as these are eliminated in consolidation) which is included in notes payable on the consolidated balance sheets. For the three months ended March 31, 2023, the SFR OP recorded approximately $1.9 million of interest expense related to the SFR OP Convertible Notes. As of March 31, 2023, all interest expense related to the SFR OP Convertible Notes remained accrued within accrued interest payable on the consolidated balance sheets.

The Company consolidates an approximately $4.8 million loan from the SFR OP to the NexPoint Homes Manager (defined below) (the "HomeSource Note"). The HomeSource Note bears interest at daily SOFR plus 2.00% and matures on February 1, 2027. In connection with the HomeSource Note, the SFR OP received a 9.99% non-voting interest in the HomeSource Operations LLC (the "HomeSource Investment"). The HomeSource Note and the HomeSource Investment are included in prepaid and other assets on the consolidated balance sheet, in addition to approximately $1.2 million of amounts due from HomeSource for interest on the HomeSource Note and routine funding.

On June 8, 2022, NexPoint Homes entered into an advisory agreement (the "NexPoint Homes Advisory Agreement") with NexPoint Real Estate Advisors XI, LP (the "NexPoint Homes Adviser"), an affiliate of the Adviser. Under the terms of the NexPoint Homes Advisory Agreement, the NexPoint Homes Adviser manages the day-to-day affairs of NexPoint Homes for a fee equal to 0.75% of the consolidated enterprise value of NexPoint Homes. Additionally, the NexPoint Homes Adviser charges a fee equal to 0.25% of each transaction in connection with the procurement of debt of equity capital for NexPoint Homes. No fees were collected by the NexPoint Homes Adviser in connection with the NexPoint Homes Advisory Agreement during the three months ended March 31, 2023 as the NexPoint Homes Adviser waived approximately $0.9 million of fees during the three months ended March 31, 2023.

The NexPoint Homes portfolio is generally managed by HomeSource Operations, LLC, a Delaware limited liability company (the "NexPoint Homes Manager"), pursuant to the terms of a management agreement, dated June 8, 2022 (the "NexPoint Homes Management Agreement"), among the NexPoint Homes Manager and the SFR OP. The NexPoint Homes Manager is responsible for the day-to-day management of the NexPoint Homes portfolio, paying operating expenses, managing maintenance issues, accounting for each property using GAAP, overseeing third-party property managers and other responsibilities customary for the management of SFR properties. The NexPoint Homes Manager is entitled to an acquisition fee, a construction fee and an asset management fee. The acquisition fee is paid at closing of homes and the construction fee and asset management fee are paid monthly in arrears. Approximately $0.4 million in fees were earned by the NexPoint Homes Manager in connection with the NexPoint Homes Management Agreement during the three months ended March 31, 2023, of which approximately $0.1 million was expensed and $0.3 million was capitalized to the property basis based on the nature of the fee.

14. Commitments and Contingencies

Commitments

In the normal course of business, the Company enters into various construction related purchase commitments with parties that provide these goods and services. In the event the Company were to terminate construction services prior to the completion of projects, the Company could potentially be committed to satisfy outstanding or uncompleted purchase orders with such parties. As of March 31, 2023, management does not anticipate any material deviations from schedule or budget related to rehabilitation projects currently in process.

Contingencies

In the normal course of business, the Company is subject to claims, lawsuits, and legal proceedings. While it is not possible to ascertain the ultimate outcome of all such matters, management believes that the aggregate amount of such liabilities, if any, in excess of amounts provided or covered by insurance, will not have a material adverse effect on the consolidated balance sheets or consolidated statements of operations and comprehensive income (loss) of the Company. The Company is not involved in any material litigation nor, to management's knowledge, is any material litigation currently threatened against the Company or its properties or subsidiaries.

The Company is not aware of any environmental liability with respect to the properties it owns that could have a material adverse effect on the Company's business, assets, or results of operations. However, there can be no assurance that such a material environmental liability does not exist. The existence of any such material environmental liability could have an adverse effect on the Company's results of operations and cash flows.

An entity purchased by the OP as a part of the Formation Transaction, the Huber Transaction Sub, LLC ("Huber"), had potential liability exposure to a legacy environmental issue related to a 1988 petroleum release from an underground storage tank located on a property subsequently not purchased by Huber. The owner of the property prior to Huber has assumed the defense of alleged environmental violations and is proceeding with the required regulatory investigation and remediation of the underground storage tank release clean up. Huber received an indemnification, and the Company and the OP in turn received an indemnification, which was evidenced by approximately $2.6 million of proceeds in an escrow account (the "Indemnification Escrow") that is for the benefit of the Company and the OP in the event the prior owner fails to perform their obligations in regard to any required remediation of the issue. On January 27, 2021, the Indemnification Escrow was released and this matter was fully resolved.

15. Segment Information

Reportable Segments

Following the formation of NexPoint Homes, the Company has two reportable segments. For the three months ended March 31, 2023, the majority of the Company's operations are included within the Company's primary reportable segment, VineBrook, as the NexPoint Homes reportable segment was recently formed on June 8, 2022. For the three months ended March 31, 2022, the Company had one reportable segment, VineBrook. All corporate related costs are included in the VineBrook segment to align with how financial information is presented to the chief operating decision maker. The following presents select operational results for the reportable segments (in thousands):

	For the Three Months Ended March 31,					
	2023			2022		
	Revenues	Expenses	Net loss	Revenues	Expenses	Net loss
VineBrook	$ 73,982	$ 101,723	$ (85,331)	$ 52,317	$ 55,037	$ (2,713)
NexPoint Homes	12,123	19,264	(7,066)	—	—	—
Total Company	$ 86,105	$ 120,987	$ (92,397)	$ 52,317	$ 55,037	$ (2,713)

The following presents select balance sheet data for the reportable segments (in thousands):

	As of March 31, 2023			As of December 31, 2022		
	VineBrook	NexPoint Homes	Total Company	VineBrook	NexPoint Homes	Total Company
Assets						
Gross operating real estate investments	$ 2,956,925	$ 753,209	$ 3,710,134	$ 2,985,314	$ 751,541	$ 3,736,855
Accumulated depreciation and amortization	(176,900)	(19,188)	(196,088)	(155,957)	(15,691)	(171,648)
Net operating real estate investments	2,780,025	734,021	3,514,046	2,829,357	735,850	3,565,207
Real estate held for sale, net	52,007	—	52,007	3,360	—	3,360
Net real estate investments	2,832,032	734,021	3,566,053	2,832,717	735,850	3,568,567
Other assets	122,620	57,373	179,993	218,535	48,285	266,820
Total assets	$ 2,954,652	$ 791,394	$ 3,746,046	$ 3,051,252	$ 784,135	$ 3,835,387
Liabilities						
Debt payable, net	$ 2,045,648	$ 574,160	$ 2,619,808	$ 2,035,991	$ 565,238	$ 2,601,229
Other liabilities	101,064	28,857	129,921	113,819	16,824	130,643
Total liabilities	$ 2,146,712	$ 603,017	$ 2,749,729	$ 2,149,810	$ 582,062	$ 2,731,872

16. Subsequent Events

The Company evaluated subsequent events through the date the consolidated financial statements were issued, to determine if any significant events occurred subsequent to the balance sheet date that would have a material impact on these consolidated financial statements and determined the following events were material:

Dispositions

Subsequent to March 31, 2023, the Company disposed of 164 homes in the VineBrook reportable segment for net proceeds of approximately $16.0 million.

RSU Grants under the 2018 LTIP

On April 11, 2023 the Board approved grants of 186,770 RSUs to our non-employee directors and certain employees of the Adviser and its affiliates. The RSUs vest after one year for our non-employee directors and for the employees of the Adviser and its affiliates they vest 50% ratably over four years and 50% at the successful completion of an initial public offering.

Bridge Facility III Upsize

On April 17, 2023, the Company, through the OP, entered into the first amendment to the bridge credit agreement with Raymond James Bank (the "Bridge Facility III Amendment No. 1"), which amended the Bridge Facility III dated December 28, 2022 (for a full description of the Bridge Facility III, see our Annual Report). The Bridge Facility III Amendment No. 1 increased the borrowing capacity of the Bridge Facility III by $25.0 million to $100.0 million and requires repayment of the principal amount outstanding so that (1) by May 30, 2023, no more than $66.7 million remains outstanding, (2) by June 30, 2023, no more than $40.0 million remains outstanding and (3) by August 30, 2023, no more than $20.0 million remains outstanding. In connection with the Bridge Facility III Amendment No. 1, on April 19, 2023, the Company drew $25.0 million on the Bridge Facility III, resulting in a total outstanding balance of $100.0 million on the Bridge Facility III.

Second Quarter 2023 Dividends

On April 17, 2023, the Company approved a common stock dividend of $0.1767 per Share for shareholders of record as of April 17, 2023 that will be paid on June 30, 2023. On April 24, 2023, the Company approved a common stock dividend of $0.1767 per Share for shareholders of record as of May 15, 2023 that will be paid on June 30, 2023.

NAV Determination

In accordance with the Valuation Methodology, on April 25, 2023, the Company determined that its NAV per share calculated on a fully diluted basis was $61.32 as of March 31, 2023. Shares and OP Units issued under the respective DRIPs will be issued a 3% discount to the NAV per share in effect.

Interest Rate Swap

On March 24, 2023, the Company entered into an interest rate swap agreement with Mizuho as the counterparty with a notional amount of $250.0 million. The interest rate swap agreement effectively replaces the floating interest rate, daily SOFR, with respect to the notional amount with a fixed rate of 3.5993%. The effective date of the interest rate swap agreement is April 3, 2023.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our financial condition and our historical results of operations. The following should be read in conjunction with our financial statements and accompanying notes included herein and with our annual report on Form 10-K (our "Annual Report"), filed with the Securities and Exchange Commission (the "SEC") on March 30, 2023. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those projected, forecasted, or expected in these forward-looking statements as a result of various factors, including, but not limited to, those discussed below and elsewhere in this Form 10-Q. See "Cautionary Note Regarding Forward-Looking Statements" in this report and the information under the heading "Risk Factors" in Part I, Item IA, "Risk Factors" of our Annual Report. Our management believes the assumptions underlying the Company's financial statements and accompanying notes are reasonable. However, the Company's financial statements and accompanying notes may not be an indication of our financial condition and results of operations in the future.

Overview

The Company is an owner and operator of SFR homes for lease. The Company's primary investment objectives are to provide our residents with affordable, safe, clean and functional dwellings with a high level of service through institutional management and a renovation program on the homes purchased, while enhancing the cash flow and value of properties owned. We intend to acquire properties with cash flow growth potential, provide quarterly cash distributions and achieve long-term capital appreciation for our stockholders. The Company has two reportable segments, VineBrook and NexPoint Homes. The VineBrook reportable segment is the Company's primary reportable segment comprised of 24,527 homes as of March 31, 2023 which represents a significant majority of the Company's consolidated portfolio and operations. The VineBrook reportable segment is the legacy reportable segment and generally purchases homes to implement a value-add strategy. The NexPoint Homes reportable segment is a supplementary reportable segment added during 2022 comprised of 2,568 homes as of March 31, 2023 and represents a minority of the Company's consolidated portfolio and operations. The NexPoint Homes reportable segment is a consolidated and supplemental reportable segment that generally purchases newer homes that require less rehabilitation compared to the VineBrook reportable segment. As of March 31, 2023, we, through our OP and its consolidated subsidiaries, owned and operated 27,095 SFR homes located in 20 states.

As of March 31, 2023, our VineBrook Portfolio consisted of 24,527 SFR homes primarily located in the midwestern, heartland and southeastern United States. As of March 31, 2023, the VineBrook Portfolio had occupancy of approximately 87.8% with a weighted average monthly effective rent of $1,178 per occupied home. As of March 31, 2023, the VineBrook Portfolio had a stabilized occupancy of approximately 95.8% with a weighted average monthly stabilized effective rent of $1,199 per occupied home and 43.2% of homes in our VineBrook Portfolio were excluded from being stabilized because the homes were in rehabilitation, were purchased with residents in place or are classified as held for sale. Substantially all of the Company's business is conducted through the OP, as the Company owns its homes indirectly through the OP. VineBrook Homes OP GP, LLC, is the OP GP. As of March 31, 2023, there were 23,615,071 OP Units outstanding, of which 19,760,146 Class A OP Units, or 83.7% of the OP Units outstanding, were owned by the Company. Please see the notes to the financial statements for the breakdown of the non-controlling ownership of our OP.

As of December 31, 2022, our VineBrook Portfolio consisted of 24,657 SFR homes primarily located in the midwestern, heartland and southeastern United States. As of December 31, 2022, the VineBrook Portfolio had occupancy of approximately 83.4% with a weighted average monthly effective rent of $1,155 per occupied home. As of December 31, 2022, the VineBrook Portfolio had a stabilized occupancy of approximately 95.3% with a weighted average monthly stabilized effective rent of $1,176 per occupied home and 47.9% of homes in our VineBrook Portfolio were excluded from being stabilized either because the homes were in rehabilitation or were purchased with residents in place. As of December 31, 2022, there were 24,183,798 OP Units outstanding, of which 20,366,423 Class A OP Units, or 84.2% of the OP Units outstanding, were owned by the Company.

We are primarily focused on acquiring, renovating, leasing, maintaining and otherwise managing SFR home investments primarily located in large to medium size cities and suburbs located in the midwestern, heartland and southeastern United States. We intend to employ targeted management and a value-add program at a majority of our homes in an attempt to improve rental rates and the net operating income ("NOI") at our homes, enhance cash flow, provide quarterly cash distributions and achieve long-term capital appreciation for our stockholders as well as provide our residents with affordable, safe and clean dwellings with a high quality of service. We are externally managed by the Adviser through the Advisory Agreement, which will automatically renew on the anniversary of the renewal date for one-year terms thereafter, unless otherwise terminated.

We began operations on November 1, 2018 as a result of the acquisition of various partnerships and limited liability companies owned and operated by the VineBrook Contributors and other third parties, which owned the Initial Portfolio of approximately 4,129 SFR assets located in Ohio, Kentucky and Indiana for a total purchase price of approximately $330.2 million, including closing and financing costs of approximately $6.0 million. On November 1, 2018, the Company accepted subscriptions for 1,097,367 Shares for gross proceeds of approximately $27.4 million in connection with the Formation Transaction. The proceeds from the issuance of such Shares were used to acquire OP Units. The OP used the capital contribution from the Company to fund a portion of the purchase price for the Initial Portfolio. The remaining purchase price and closing costs were funded by a capital contribution totaling $70.7 million from NREO, $8.6 million of equity rolled over from VineBrook Contributors, and $241.4 million from the Initial Mortgage.

On August 28, 2018, the Company commenced the offering of 40,000,000 Shares through the Private Offering under Regulation D of the Securities Act (and various state securities law provisions) for a maximum of $1.0 billion of its Shares. The Private Offering closed on September 14, 2022. The initial offering price for Shares sold through the Private Offering was $25.00 per share. The Company sold Shares in periodic closings at a purchase price generally equal to the NAV per share as determined using the Valuation Methodology and as recommended by the Adviser and approved by the Pricing Committee, plus applicable fees and commissions. The NAV per share is calculated on a fully diluted basis. For sales through Raymond James, the purchaser subscribed for a gross amount based on NAV per share and separately paid the applicable fees upfront from the purchaser's account with Raymond James. For sales through a broker-dealer other than Raymond James, the purchaser subscribed for a gross amount based on a public offering price ("POP"), which includes the applicable upfront fees and commissions. NAV may differ from the values of our real estate assets as calculated in accordance with GAAP.

On October 15, 2021, a lawsuit (the "Bankruptcy Trust Lawsuit") was filed by a litigation subtrust formed in connection with the Highland bankruptcy in the United States Bankruptcy Court for the Northern District of Texas against various persons and entities, including NexPoint Advisors, L.P., the parent of our Adviser, and James Dondero. In addition, on February 8, 2023, UBS Securities LLC and its affiliate (collectively, "UBS") filed a lawsuit in the Supreme Court of the State of New York, County of New York against Mr. Dondero and a number of other persons and entities, seeking to collect on $1.3 billion in judgments UBS obtained against entities that were managed indirectly by Highland (the "UBS Lawsuit"). Neither the Bankruptcy Trust Lawsuit nor the UBS Lawsuit include claims related to our business or our assets. Our Adviser and Mr. Dondero have informed us they believe the Bankruptcy Trust Lawsuit has no merit, and Mr. Dondero has informed us he believes the UBS Lawsuit has no merit; we have been advised that the defendants named in each of the lawsuits intend to vigorously defend against the claims. We do not expect the Bankruptcy Trust Lawsuit or the UBS Lawsuit will have a material effect on our business, results of operations or financial condition.

In December 2022, we received a letter from the US Senate Committee on Banking, Housing and Urban Affairs with questions about our operations and business practices. We cannot currently predict the timing, outcome or scope of this inquiry.

The Internalization

Most of the VineBrook Portfolio is managed by the Manager pursuant to the terms of the Management Agreements, the Manager and various wholly owned subsidiaries of the OP that own the SPEs. The Manager, although an affiliate because the owners of the Manager are significant holders of OP Units, is independent from the Company and NexPoint. The Manager is responsible for the day-to-day management of the properties, leasing the properties, managing resident situations, collecting rents, paying operating expenses, managing maintenance issues, accounting for each property using GAAP and other responsibilities customary for the management of SFR properties. In addition, the Manager is generally responsible for the identification of potential SFR properties and the acquisition and disposition of SFR properties approved by the Investment Committee or pursuant to authority delegated to the Manager by the Investment Committee.

The Management Agreements are supplemented by the Side Letter, under the terms of which the Company and the OP have the right and option (but not the obligation) to purchase all of the equity interests of the Manager (the "Internalization") at a price calculated by a formula specified in the Side Letter (the "Call Right"). The purpose of the Call Right is to provide the Company and the OP with the ability to internally perform the responsibilities and obligations of the Manager under the Management Agreements. On June 28, 2022, the Company sent a notice (the "Call Right Notice") to the Manager notifying the Manager of its intention to exercise its Call Right and internalize the Manager. As a result of sending the Call Right Notice, the Internalization Fee the Company will pay to acquire the Manager is $20.3 million, which was fixed based on May 31, 2022 data. The Internalization Fee will be paid in a combination of common stock, OP Units and/or cash.

On March 9, 2023, the OP entered into the Letter Agreement with the Contributors and Dana Sprong pursuant to which the OP and the Contributors agreed to a form of Contribution Agreement to effectuate the acquisition of the Manager pursuant to the Call Right Notice to be entered into as promptly as practicable following the effectiveness of the Consent.

Pursuant to the Letter Agreement, the OP agreed to use reasonable best efforts to obtain the Consent as soon as possible, and the OP and the Contributors agreed to enter into the Contribution Agreement and effectuate the Closing, as promptly as practicable following the effectiveness of the Consent and in any event, no later than one business day thereafter. Following the Closing, the Manager will become a wholly owned subsidiary of the OP and the Portfolio will be internally managed.

Pursuant to the Letter Agreement, the OP and the Contributors also agreed that March 9, 2023 would be used for purposes of calculating the closing consideration after estimated net working capital adjustments payable to the Contributors.

The Internalization process is being overseen by an independent special committee of the Board, comprised of all the members of the Board except Dana Sprong. The Company expects to close the Internalization as promptly as possible following effectiveness of the Consent, following which the services previously provided by the Manager will be internally managed, although there can be no assurance that the transaction will close on this timeline or at all. The Company also expects to make one-time equity grants under the LTIP to certain employees who the Company hires in connection with the Internalization.

Following the Internalization, the Manager's internalized employees will continue to be responsible for the day-to-day management of the properties, the identification of potential SFR properties and the acquisition and disposition of SFR properties. The Adviser's duties will not change as a result of the Internalization. Certain SPEs from time to time may have property management agreements with independent third parties that are not the Manager. These are typically the result of maintaining legacy property managers after an acquisition to help transition the properties to the Manager or, in the case of a future sale, to manage the properties until they are sold. This may continue to be the case even after the Internalization is complete.

Tusk and Siete Portfolio Acquisitions

On August 3, 2022, VB Five, LLC ("Buyer"), an indirect subsidiary of the Company, entered into a purchase agreement under which the Buyer agreed to acquire a portfolio of approximately 1,610 SFR homes located in Arizona, Florida, Georgia, Ohio and Texas (the "Tusk Portfolio"). Also on August 3, 2022, the Buyer entered into a purchase agreement under which the Buyer agreed to acquire a portfolio of approximately 1,289 SFR homes located in Arizona, Florida, Georgia, North Carolina, Ohio and Texas (the "Siete Portfolio"). On January 17, 2023, the Company, through its indirect subsidiary, VB Seven, LLC, entered into an agreement under which the acquisition of the Tusk Portfolio was terminated by the seller and the Buyer forfeited its initial deposit of approximately $23.3 million. Additionally, on January 17, 2023, the Company, through its indirect subsidiary, VB Seven, LLC, entered into an agreement under which the acquisition of the Siete Portfolio was terminated by the seller and the Buyer forfeited its initial deposit of approximately $17.7 million. The initial deposit forfeitures of the Tusk Portfolio and the Siete Portfolio are included in loss on forfeited deposits on the consolidated statement of operations and comprehensive income (loss) for the three months ended March 31, 2023.

Our VineBrook Portfolio

Since our formation, we have significantly grown our VineBrook Portfolio, which only includes homes in the VineBrook reportable segment. When the Company began operations on November 1, 2018, the Initial Portfolio consisted of 4,129 homes located in Ohio, Kentucky and Indiana. As of March 31, 2023 and 2022, the VineBrook Portfolio consisted of 24,527 and 21,144 homes, respectively, in 18 states. As of March 31, 2023 and 2022, the VineBrook Portfolio had an occupancy of 87.8% and 82.3%, respectively, and a weighted average monthly effective rent of $1,178 and $1,086, respectively, per occupied home. As of March 31, 2023 and 2022, the occupancy of stabilized homes in our VineBrook Portfolio was 95.8% and 95.1%, respectively, and the weighted average monthly effective rent of occupied stabilized homes was $1,199 and $1,104, respectively. As of March 31, 2023 and 2022, 43.2% and 55.5%, respectively, of homes in our VineBrook Portfolio were excluded from being stabilized because the homes were in rehabilitation, were purchased with residents in place or were classified as held for sale. The table below provides summary information regarding our VineBrook Portfolio as of March 31, 2023.

Market	State	# of Homes	Portfolio Occupancy	Average Effective Rent	# of Stabilized Homes	Stabilized Occupancy	Stabilized Average Monthly Rent
Cincinnati	OH, KY	3,280	93.2 %	$ 1,227	2,489	95.5 %	$ 1,246
Dayton	OH	2,895	90.9 %	1,146	2,488	96.3 %	1,140
Columbus	OH	1,698	96.8 %	1,203	1,465	97.7 %	1,206
St. Louis	MO	2,405	74.5 %	1,093	959	91.7 %	1,112
Indianapolis	IN	1,486	94.1 %	1,179	960	95.3 %	1,210
Birmingham	AL	1,105	95.1 %	1,197	458	96.7 %	1,203
Columbia	SC	1,074	92.3 %	1,281	410	99.0 %	1,343
Kansas City	MO, KS	1,204	94.4 %	1,219	721	96.8 %	1,206
Jackson	MS	1,196	71.5 %	1,160	594	93.8 %	1,174
Memphis	TN, MS	1,717	73.3 %	983	717	91.9 %	1,023
Augusta	GA, SC	751	87.2 %	1,115	334	95.8 %	1,245
Milwaukee	WI	1,008	77.8 %	1,181	457	96.1 %	1,269
Atlanta	GA	795	90.6 %	1,396	110	99.1 %	1,785
Pittsburgh	PA	464	79.7 %	1,053	249	96.0 %	1,112
Pensacola	FL	300	98.3 %	1,376	108	98.1 %	1,456
Greenville	SC	399	94.7 %	1,268	222	95.0 %	1,376
Little Rock	AR	333	79.3 %	1,003	232	97.4 %	1,017
Huntsville	AL	305	93.4 %	1,268	167	98.8 %	1,304
Raeford	NC	250	98.0 %	1,078	67	100.0 %	1,203
Portales	NM	350	97.7 %	1,091	97	100.0 %	1,190
Omaha	NE, IA	322	97.5 %	1,213	252	98.4 %	1,224
Triad	NC	253	88.1 %	1,287	142	97.9 %	1,335
Montgomery	AL	346	92.2 %	1,173	239	93.7 %	1,195
Charleston	SC	15	100.0 %	1,595	—	n/a	n/a
Sub-Total/Average		**23,951**	**87.8 %**	**$ 1,178**	**13,937**	**95.8 %**	**$ 1,199**
Held for Sale		576	n/a	n/a	n/a	n/a	n/a
Total/Average		**24,527**	**87.8 %**	**$ 1,178**	**13,937**	**95.8 %**	**$ 1,199**

As of December 31, 2022, the VineBrook Portfolio consisted of 24,657 homes in 18 states. As of December 31, 2022, the VineBrook Portfolio had an occupancy of 83.4% and a weighted average monthly effective rent of $1,155 per occupied home. As of December 31, 2022, the occupancy of stabilized homes in our VineBrook Portfolio was 95.3% and the weighted average monthly effective rent of occupied stabilized homes was $1,176. As of December 31, 2022, 47.9% of homes in our VineBrook Portfolio were excluded from being stabilized either because the homes were in rehabilitation or were purchased with residents in place. The table below provides summary information regarding our VineBrook Portfolio as of December 31, 2022.

Market	State	# of Homes	Portfolio Occupancy	Average Effective Rent	# of Stabilized Homes	Stabilized Occupancy	Stabilized Average Monthly Rent
Cincinnati	OH, KY	3,357	90.8 %	$ 1,216	2,443	95.0 %	$ 1,233
Dayton	OH	2,922	89.0 %	1,113	2,429	96.9 %	1,107
Columbus	OH	1,703	94.7 %	1,175	1,418	97.7 %	1,179
St. Louis	MO	2,452	72.1 %	1,075	876	89.2 %	1,091
Indianapolis	IN	1,488	93.5 %	1,162	894	96.5 %	1,193
Birmingham	AL	1,118	93.6 %	1,187	412	95.6 %	1,197
Columbia	SC	1,097	85.9 %	1,245	337	96.4 %	1,309
Kansas City	MO, KS	1,209	90.7 %	1,200	655	95.3 %	1,178
Jackson	MS	1,307	64.2 %	1,149	512	96.7 %	1,168
Memphis	TN, MS	1,818	69.9 %	972	656	92.1 %	1,015
Augusta	GA, SC	846	73.3 %	1,072	269	92.9 %	1,225
Milwaukee	WI	1,032	70.2 %	1,159	385	93.5 %	1,254
Atlanta	GA	805	87.6 %	1,334	61	96.7 %	1,760
Pittsburgh	PA	522	61.5 %	1,044	196	94.9 %	1,121
Pensacola	FL	300	96.0 %	1,352	86	90.7 %	1,462
Greenville	SC	400	88.8 %	1,243	191	92.1 %	1,366
Little Rock	AR	392	57.9 %	988	195	95.9 %	1,007
Huntsville	AL	307	86.3 %	1,252	141	93.6 %	1,296
Raeford	NC	250	97.6 %	1,041	59	100.0 %	1,184
Portales	NM	350	96.0 %	1,073	69	97.1 %	1,159
Omaha	NE, IA	322	88.5 %	1,194	225	96.9 %	1,205
Triad	NC	263	83.3 %	1,249	130	98.5 %	1,290
Montgomery	AL	349	90.3 %	1,161	210	97.1 %	1,186
Charleston	SC	23	100.0 %	1,386	—	n/a	n/a
Sub-Total/Average		**24,632**	**83.4 %**	**$ 1,155**	**12,849**	**95.3 %**	**$ 1,176**
Held for Sale		25	n/a	n/a	n/a	n/a	n/a
Total/Average		**24,657**	**83.4 %**	**$ 1,155**	**12,849**	**95.3 %**	**$ 1,176**

NexPoint Homes Portfolio

NexPoint Homes is an owner and operator of SFR homes for lease. As of March 31, 2023, the NexPoint Homes portfolio consisted of 2,568 SFR homes primarily located in the midwestern and southeastern United States. As of March 31, 2023, NexPoint Homes had occupancy of approximately 93.6% with a weighted average monthly effective rent of $1,656 per occupied home. NexPoint Homes' activities include acquiring, renovating, developing, leasing and operating SFR homes as rental properties. For the NexPoint Homes reportable segment, a home is classified as stabilized once it has been rented or has been rehabilitated by the Company and available for rent for a period greater than 30 days. As of March 31, 2023, the number of stabilized homes in the NexPoint Homes portfolio was 2,417, the occupancy of stabilized homes was 99.4%, and the weighted average monthly effective rent of stabilized occupied homes was $1,666. See Note 5 to our consolidated financial statements, NexPoint Homes Investment, for additional details on the formation of NexPoint Homes.

The table below provides summary information regarding the NexPoint Homes portfolio as of March 31, 2023.

Market	State	# of Homes	Portfolio Occupancy	Average Effective Rent	# of Stabilized Homes	Stabilized Occupancy	Stabilized Average Monthly Rent
Atlanta	GA	210	96.7 %	$ 1,955	204	100.0 %	$ 1,955
Birmingham	AL	133	94.0 %	1,522	125	100.0 %	1,522
Charlotte	NC	67	97.1 %	1,882	66	100.0 %	1,882
Dallas/Ft Worth	TX	49	92.2 %	2,244	48	97.9 %	2,290
Fayetteville	AR	440	97.3 %	1,566	429	99.8 %	1,571
Huntsville	AL	71	90.1 %	1,858	64	100.0 %	1,858
Kansas City	MO, KS	146	91.8 %	1,824	134	100.0 %	1,824
Little Rock	AR	211	90.0 %	1,369	190	100.0 %	1,369
Memphis	TN, MS	158	91.8 %	1,461	146	99.3 %	1,471
Oklahoma City	OK	514	96.5 %	1,612	500	99.2 %	1,626
San Antonio	TX	199	92.5 %	1,707	185	99.5 %	1,717
Triad	NC	50	100.0 %	1,676	50	100.0 %	1,676
Tulsa	OK	176	92.0 %	1,600	164	98.8 %	1,624
Other (1)	AL,FL,KS,TX	138	77.1 %	1,839	112	96.4 %	1,895
Sub-Total/Average		**2,562**	**93.6 %**	**$ 1,656**	**2,417**	**99.4 %**	**$ 1,666**
Held for Sale		6	n/a	n/a	n/a	n/a	n/a
Total/Average		**2,568**	**93.6 %**	**$ 1,656**	**2,417**	**99.4 %**	**$ 1,666**

(1) Contains markets that have less than 50 homes which include Mobile, Jacksonville, Orlando, Tampa, Wichita, Austin and Houston.

The following table sets forth a summary of operating results for the NexPoint Homes reportable segment for the three months ended March 31, 2023 (in thousands):

	For the Three Months Ended March 31, 2023
Total revenues	$ 12,123
Total expenses	19,264
Net loss	$ (7,066)

The NexPoint Homes reportable segment began operations on June 8, 2022 and currently does not contribute significantly to the Company's consolidated operations. The Company anticipates revenues from the NexPoint Homes reportable segment to increase as the reportable segment's operations begin to scale. As NexPoint Homes continues to raise additional capital, the Company's direct ownership interest in NexPoint Homes will decrease which may eventually result in deconsolidation of NexPoint Homes. The Company will continue to evaluate whether the entity is a VIE and if the Company is the primary beneficiary of the VIE and should consolidate the entity.

Components of Revenues and Expenses

The following is a description of the components of our revenues and expenses.

Revenues

Rental Income. Our revenues are derived primarily from rental revenue, net of any concessions and uncollectible amounts, collected from residents of our SFR homes under lease agreements which typically have a term of one year. Also included are utility reimbursements, late fees, pet fees, and other rental fees charged to residents.

Other income. Other income includes ancillary income earned from residents such as non-refundable fees, application fees, move-out fees, and other miscellaneous fees charged to residents.

Expenses

Property operating expenses. Property operating expenses include property maintenance costs, turn costs (costs incurred in making a home ready for the next resident after the prior resident vacates the home), leasing costs and the associated salary and employee benefit costs, utilities, vehicle leases and HOA fees. Certain property operating costs are capitalized in accordance with our capitalization policy. Certain turn costs are capitalized to buildings and improvements if they improve the condition of the home or return it to its original condition and exceed $1,500 in cost. Upon being occupied, expenditures up to $1,500 for ordinary repairs and maintenance thereafter are expensed as incurred, and we capitalize expenditures that improve the condition of the home in excess of $1,500.

Real estate taxes and insurance. Real estate taxes include the property taxes assessed by local and state authorities depending on the location of each home. Insurance includes the cost of property, general liability, and other needed insurance for each property. Certain real estate taxes and insurance costs are capitalized in accordance with our capitalization policy.

Property management fees. Property management fees include fees paid to the Manager for managing each property, presented net of fee rebates related to the Manager Cap (see Note 13 to our consolidated financial statements).

Advisory fees. Advisory fees include the fees paid to our Adviser pursuant to the Advisory Agreement (see Note 13 to our consolidated financial statements).

Corporate general and administrative expenses. Corporate general and administrative expenses include, but are not limited to, audit fees, legal fees, tax preparation fees, Board fees, equity-based compensation expense and corporate payroll.

Property general and administrative expenses. Property general and administrative expenses include the costs of marketing, professional fees, legal fees, general office supplies, and other administrative related costs incurred in operating the properties.

Depreciation and amortization. Depreciation and amortization costs primarily include depreciation of our homes and amortization of acquired in-place leases, recognized over their respective useful lives.

Interest expense. Interest expense primarily includes the cost of interest expense on debt, payments and receipts related to our interest rate derivatives, the change in fair value of interest rate derivatives not designated as hedges and the amortization of deferred financing costs. Certain interest costs are capitalized in accordance with our capitalization policy.

Loss on extinguishment of debt. Loss on extinguishment of debt includes prepayment penalties and defeasance costs, the write-off of unamortized deferred financing costs and fair market value adjustments of assumed debt related to the early repayment of debt and other costs incurred in a debt extinguishment.

Gain/(loss) on sales and impairment of real estate, net. Gain/(loss) on sales and impairment of real estate, net, includes the gain or loss recognized upon sales of homes and impairment charges recorded on real estate assets, including casualty gains or losses incurred on homes. Gain/(loss) on sales of real estate is calculated by deducting the carrying value of the real estate and costs incurred to sell the properties from the sales prices of the homes. Impairment of real estate assets is calculated by calculating the lower of the carrying amount or estimated fair value less estimated costs to sell for held for sale properties. Casualty gains and losses include gains or losses incurred on homes, net of insurance proceeds received, that experience an infrequent and unusual event such as a natural disaster or fire.

Investment income. Investment income includes income from the loan from the SFR OP to HomeSource Operations, LLC (the "HomeSource Note"). See Note 13 to our consolidated financial statements.

Loss on forfeited deposits. Loss on forfeited deposits includes forfeitures of deposits related to the termination of acquisition agreements, which primarily includes forfeitures of deposits related to the termination of the Tusk Portfolio and Siete Portfolio acquisition agreements.

Consolidated Results of Operations for the Three Months Ended March 31, 2023 and 2022

The three months ended March 31, 2023 compared to the three months ended March 31, 2022

The following table sets forth a summary of our consolidated operating results for the three months ended March 31, 2023 and 2022 (in thousands):

	For the Three Months Ended March 31,		
	2023	2022	$ Change
Total revenues	$ 86,105	$ 52,317	$ 33,788
Total expenses	(120,987)	(55,037)	(65,950)
Loss on extinguishment of debt	(23)	—	(23)
(Loss)/gain on sales and impairment of real estate, net	(15,853)	7	(15,860)
Investment income	75	—	75
Loss on forfeited deposits	(41,714)	—	(41,714)
Net loss	(92,397)	(2,713)	(89,684)
Dividends on and accretion to redemption value of Redeemable Series A preferred stock	2,207	2,209	(2)
Net loss attributable to redeemable noncontrolling interests in the OP	(13,860)	(423)	(13,437)
Net loss attributable to redeemable noncontrolling interests in consolidated VIEs	(3,213)	—	(3,213)
Net loss attributable to noncontrolling interests in consolidated VIEs	(312)	—	(312)
Net loss attributable to common stockholders	$ (77,219)	$ (4,499)	$ (72,720)

The change in our net loss between the periods primarily relates to increases in property operating expenses, real estate taxes and insurance costs, property management fees, advisory fees, property general and administrative expenses, depreciation and amortization, interest expense, loss on sales and impairment of real estate, net and loss on forfeited deposits, partially offset by an increase in rental income.

Revenues

Rental income. Rental income was $84.5 million for the three months ended March 31, 2023 compared to $51.0 million for the three months ended March 31, 2022, which was an increase of $33.5 million. The increase between the periods was primarily due to growth in our portfolio and increases in rental rates over the past year.

Other income. Other income was $1.6 million for the three months ended March 31, 2023 compared to $1.3 million for the three months ended March 31, 2022, which was an increase of $0.3 million. The increase between the periods was primarily due to our acquisition activity over the past year.

Expenses

Property operating expenses. Property operating expenses were $18.0 million for the three months ended March 31, 2023 compared to $8.7 million for the three months ended March 31, 2022, which was an increase of $9.3 million. The increase between the periods was primarily due to our acquisition activity over the past year. For the three months ended March 31, 2023 and 2022, turn costs represented approximately 14%, respectively, of our property operating expenses.

Real estate taxes and insurance. Real estate taxes and insurance were $15.2 million for the three months ended March 31, 2023 compared to $9.5 million for the three months ended March 31, 2022, which was an increase of $5.7 million. The increase between the periods was primarily due to our acquisition activity over the past year as well as increases in our real estate taxes as a result of increases in property valuations.

Property management fees. Property management fees were $6.3 million for the three months ended March 31, 2023 compared to $3.1 million for the three months ended March 31, 2022, which was an increase of $3.2 million. The increase between the periods was primarily due to our acquisition activity and increases in rental rates over the past year.

Advisory fees. Advisory fees were $4.8 million for the three months ended March 31, 2023 compared to $3.1 million for the three months ended March 31, 2022, which was an increase of $1.7 million. The increase between the periods was primarily due to increases in real estate assets under management and total debt principal outstanding.

Corporate general and administrative expenses. Corporate general and administrative expenses were $2.9 million for the three months ended March 31, 2023 compared to $2.2 million for the three months ended March 31, 2022, which was an increase of $0.7 million. The increase between the periods was primarily due to increases in equity-based compensation expense and other corporate expenses as our operations continued to gain scale.

Property general and administrative expenses. Property general and administrative expenses were $5.6 million for the three months ended March 31, 2023 compared to $2.9 million for the three months ended March 31, 2022, which was an increase of $2.7 million. The increase between the periods was primarily due to our acquisition activity over the past year.

Depreciation and amortization. Depreciation and amortization costs were $32.8 million for the three months ended March 31, 2023 compared to $16.0 million for the three months ended March 31, 2022, which was an increase of $16.8 million. The increase between the periods was primarily due to our acquisition activity over the past year.

Interest expense. Interest expense was $35.3 million for the three months ended March 31, 2023 compared to $9.6 million for the three months ended March 31, 2022, which was an increase of $25.7 million. The increase between the periods was primarily due to an increase in interest on debt and amortization of deferred financing costs, as we increased our total debt principal outstanding and witnessed an increase in our weighted average interest rate during the past year, in addition to the change in fair value of interest rate derivatives included in interest expense of approximately $3.8 million. The following table details the various costs included in interest expense for the three months ended March 31, 2023 and 2022 (in thousands):

	For the Three Months Ended March 31,		
	2023	2022	$ Change
Gross interest cost	$ 39,145	$ 11,627	$ 27,518
Capitalized interest	(3,822)	(2,007)	(1,815)
Total	$ 35,323	$ 9,620	$ 25,703

Loss on extinguishment of debt. Loss on extinguishment of debt was less than $0.1 million for the three months ended March 31, 2023 compared to no loss on extinguishment of debt for the three months ended March 31, 2022.

(Loss)/gain on sales and impairment of real estate, net. Loss on sales and impairment of real estate, net was $15.9 million for the three months ended March 31, 2023 compared to a gain of less than $0.1 million for the three months ended March 31, 2022, which was an increase of $15.9 million. The increase between the periods was primarily due to an increase in impairment charges on held for sale assets and disposition activity in the current year. The Company strategically identifies homes for disposal and expects the disposal of these properties to be accretive to the Portfolio's results of operation and overall performance.

Investment income. Investment income was $0.1 million for the three months ended March 31, 2023 compared to $0.0 million for the three months ended March 31, 2022, which was an increase of $0.1 million. The increase between the periods was primarily due to interest income from the HomeSource Note.

Loss on forfeited deposits. Loss on forfeited deposits was $41.7 million for the three months ended March 31, 2023 compared $0.0 million for the three months ended March 31, 2022, which was an increase of $41.7 million. The increase between the periods was primarily due to forfeitures of deposits related to the termination of the Tusk Portfolio and Siete Portfolio acquisition agreements.

Non-GAAP Measurements

Net Operating Income

NOI is a non-GAAP financial measure of performance. NOI is used by our management to evaluate and compare the performance of our properties to other comparable properties, to determine trends in earnings and to compute the fair value of our properties as NOI is not affected by (1) interest expense, (2) advisory fees, (3) the impact of depreciation and amortization expenses, (4) gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP or impairment charges, including casualty gains or losses (5) corporate general and administrative expenses, (6) property general and administrative expenses, (7) investment income, (8) loss on forfeited deposits and (9) other gains and losses that are specific to us, including loss on extinguishment of debt. The cost of funds is eliminated from net income (loss) because it is specific to our particular financing capabilities and constraints. The cost of funds is also eliminated because it is dependent on historical interest rates and other costs of capital as well as past decisions made by us regarding the appropriate mix of capital, or in the case of assumed debt, decisions made by others, which may have changed or may change in the future. Advisory fees are eliminated because they do not reflect continuing operating costs of the property owner. Depreciation and amortization expenses, gains or losses from the sale of operating real estate assets and impairment charges are eliminated because they may not accurately represent the actual change in value in our homes that result from use of the properties or changes in market conditions. While certain aspects of real property do decline in value over time in a manner that is reasonably captured by depreciation and amortization, the value of the properties as a whole have historically increased or decreased as a result of changes in overall economic conditions instead of from actual use of the property or the passage of time. Gains and losses from the sale of real property vary from property to property and are affected by market conditions at the time of sale, which will usually change from period to period. Casualty gains or losses, included within impairment charges, do not reflect continuing operating costs of the property owner and typically the economic impact, aside from deductible or risk retention, is covered by insurance. Corporate general and administrative expenses are eliminated because they do not reflect the ongoing operating activity performed at the properties. Property general and administrative expenses are eliminated because they represent expenses such as legal, professional, centralized leasing, technology support, and accounting functions. Investment income is eliminated because it does not reflect the ongoing operating activity performed at the properties. Loss on forfeited deposits are excluded because of the infrequent and unusual nature of this activity. Losses on extinguished debt are excluded because they do not reflect continuing operating costs of the property owner. These gains and losses can create distortions when comparing one period to another or when comparing our operating results to the operating results of other real estate companies that have not made similarly timed purchases or sales or sustained damage at similar times. We believe that eliminating these items from net income is useful because the resulting measure captures the actual ongoing revenue generated and actual expenses incurred in operating our properties as well as trends in occupancy rates, rental rates and operating costs.

However, the usefulness of NOI is limited because it excludes corporate general and administrative expenses, property general and administrative expense, interest expense, gain (loss) on sales and impairment of real estate, which includes impairment charges and casualty gains or losses, advisory fees, depreciation and amortization expense, investment income, losses on forfeited deposits and other gains and losses, including loss on extinguishment of debt as determined under GAAP, and the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, all of which are significant economic costs. NOI may fail to capture significant trends in these components of net income, which further limits its usefulness.

NOI is a measure of the operating performance of our properties but does not measure our performance as a whole. NOI is therefore not a substitute for net income (loss) as computed in accordance with GAAP. This measure should be analyzed in conjunction with net income (loss) computed in accordance with GAAP and discussions elsewhere regarding the components of net income (loss) that are eliminated in the calculation of NOI. Other companies may use different methods for calculating NOI or similarly entitled measures and, accordingly, our NOI may not be comparable to similarly entitled measures reported by other companies that do not define the measure exactly as we do.

The following table, which has not been adjusted for the effects of noncontrolling interests ("NCI"), reconciles our NOI for the three months ended March 31, 2023 and 2022 to net loss, the most directly comparable GAAP financial measure on a consolidated basis (in thousands):

	For the Three Months Ended March 31,	
	2023	2022
Net loss	$ (92,397)	$ (2,713)
Adjustments to reconcile net loss to NOI:		
Advisory fees	4,846	3,086
Corporate general and administrative expenses	2,896	2,162
Property general and administrative expenses	5,630	2,873
Depreciation and amortization	32,840	15,956
Interest expense	35,323	9,620
Loss on extinguishment of debt	23	—
Loss/(gain) on sales and impairment of real estate, net	15,853	(7)
Investment income	(75)	—
Loss on forfeited deposits	41,714	—
NOI	$ 46,653	$ 30,977

The following table, which has not been adjusted for the effects of NCI, reconciles our NOI for the three months ended March 31, 2023 to net loss, the most directly comparable GAAP financial measure by reportable segment (in thousands):

	For the Three Months Ended March 31, 2023		
	VineBrook	NexPoint Homes	Total
Net loss	$ (85,331)	$ (7,066)	$ (92,397)
Adjustments to reconcile net loss to NOI:			
Advisory fees	4,846	—	4,846
Corporate general and administrative expenses	2,375	521	2,896
Property general and administrative expenses	5,565	65	5,630
Depreciation and amortization	25,300	7,540	32,840
Interest expense	27,563	7,760	35,323
Loss on extinguishment of debt	23	—	23
Loss on sales and impairment of real estate, net	15,853	—	15,853
Investment income	—	(75)	(75)
Loss on forfeited deposits	41,714	—	41,714
NOI	$ 37,908	$ 8,745	$ 46,653

Net Operating Income for Our Same Home and Non-Same Home Properties for the Three Months Ended March 31, 2023 and 2022

There are 7,611 homes in our 2023 same home pool (our "Same Home" properties). To be included as a "Same Home," homes must be in the VineBrook reportable segment and must have been stabilized for at least 90 days in advance of the first day of the previous fiscal year and be held through the current reporting period-end. Same Home properties for the period ended March 31, 2023 and March 31, 2022 were stabilized by October 1, 2021 and held through March 31, 2023. Same Home properties do not include homes held for sale. Homes that are stabilized are included as Same Home properties, whether occupied or vacant. See Item 1. "Business—Our VineBrook Portfolio" in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 30, 2023 for a discussion of the definition of stabilized. We view Same Home NOI as an important measure of the operating performance of our homes because it allows us to compare operating results of homes owned for the entirety of the current and comparable periods and therefore eliminate variations caused by acquisitions or dispositions during the periods.

The following table reflects the revenues, property operating expenses and NOI for the three months ended March 31, 2023 and 2022 for our Same Home and Non-Same Home properties (dollars in thousands):

	For the Three Months Ended March 31,			
	2023	2022	$ Change	% Change
Revenues				
Same Home				
Rental income (1)	$ 24,690	$ 23,421	$ 1,269	5.4 %
Other income (1)	250	344	(94)	-27.3 %
Same Home revenues	24,940	23,765	1,175	4.9 %
Non-Same Home				
Rental income (1)	58,079	27,132	30,947	114.1 %
Other income (1)	1,022	443	579	130.7 %
Non-Same Home revenues	59,101	27,575	31,526	114.3 %
Total revenues	84,041	51,340	32,701	63.7 %
Operating expenses				
Same Home				
Property operating expenses (1)	4,954	3,341	1,613	48.3 %
Real estate taxes and insurance	4,846	3,998	848	21.2 %
Property management fees (2)	1,886	1,415	471	33.3 %
Same Home operating expenses	11,686	8,754	2,932	33.5 %
Non-Same Home				
Property operating expenses (1)	10,964	4,369	6,595	150.9 %
Real estate taxes and insurance	10,329	5,544	4,785	86.3 %
Property management fees (2)	4,409	1,696	2,713	160.0 %
Non-Same Home operating expenses	25,702	11,609	14,093	121.4 %
Total operating expenses	37,388	20,363	17,025	83.6 %
NOI				
Same Home	13,254	15,011	(1,757)	-11.7 %
Non-Same Home	33,399	15,966	17,433	109.2 %
Total NOI	$ 46,653	$ 30,977	$ 15,676	50.6 %

(1) Presented net of resident chargebacks.
(2) Fees incurred to the Manager.

See reconciliation of net income (loss) to NOI above under "—Net Operating Income."

Same Home Results of Operations for the Three Months Ended March 31, 2023 and 2022

As of March 31, 2023, our Same Home properties were approximately 95.6% occupied with a weighted average monthly effective rent per occupied home of $1,155. As of March 31, 2022, our Same Home properties were approximately 95.1% occupied with a weighted average monthly effective rent per occupied home of $1,083. For our Same Home properties, we recorded the following operating results for the three months ended March 31, 2023 as compared to the three months ended March 31, 2022:

Revenues

Rental income. Rental income was $24.7 million for the three months ended March 31, 2023 compared to $23.4 million for the three months ended March 31, 2022, which was an increase of approximately $1.3 million, or 5.4%. The increase is related to an 6.6% increase in the weighted average monthly effective rent per occupied home and by a 0.5% increase in occupancy.

Other income. Other income remained flat at approximately $0.3 million for the three months ended March 31, 2023 and 2022.

Expenses

Property operating expenses. Property operating expenses were $5.0 million for the three months ended March 31, 2023 compared to $3.3 million for the three months ended March 31, 2022, which was an increase of approximately $1.7 million, or 48.3%. The increase is primarily related to an increase in turn costs of approximately $0.8 million, an increase in repair and maintenance expenses of approximately $0.5 million and an increase in water and sewer costs of approximately $0.3 million.

Real estate taxes and insurance. Real estate taxes and insurance costs were $4.8 million for the three months ended March 31, 2023 compared to $4.0 million for the three months ended March 31, 2022, which was an increase of approximately $0.8 million, or 21.2%. The majority of the increase is related to an increase in real estate taxes of approximately $0.9 million, partially offset by a decrease in property insurance costs of approximately $0.2 million.

Property management fees. Property management fees were $1.9 million for the three months ended March 31, 2023 compared to $1.4 million for the three months ended March 31, 2022, which was an increase of approximately $0.5 million or 33.3%. The increase is related to an increase in rental income resulting in a higher property management fee.

The following table reflects a reconciliation of Same Home and Non-Same Home revenues and operating expenses to total revenues and operating expenses, including resident chargebacks, for the three months ended March 31, 2023 and 2022 (dollars in thousands):

	For the Three Months Ended March 31,	
	2023	**2022**
Same Home revenues	$ 24,940	$ 23,765
Non-Same Home revenues	59,101	27,575
Chargebacks	2,064	977
Total revenues	86,105	52,317
Same Home operating expenses	11,686	8,754
Non-Same Home operating expenses	25,702	11,609
Chargebacks	2,064	977
Total operating expenses	$ 39,452	$ 21,340

FFO, Core FFO and AFFO

We believe that net income (loss), as defined by GAAP, is the most appropriate earnings measure. We also believe that funds from operations attributable to common stockholders and NCI of the OP ("FFO") as defined by the National Association of Real Estate Investments Trusts ("NAREIT"), core funds from operations attributable to common stockholders and NCI of the OP ("Core FFO") and adjusted funds from operations attributable to common stockholders and NCI of the OP ("AFFO") are important non-GAAP supplemental measures of operating performance for a REIT. We present FFO, Core FFO and AFFO for the VineBrook reportable segment ("VineBrook FFO," "VineBrook Core FFO" and "VineBrook AFFO," respectively).

Since the historical cost accounting convention used for real estate assets requires depreciation except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that use historical cost accounting for depreciation could be less informative. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income (loss), as defined by GAAP. FFO is defined by NAREIT as net income (loss) computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization. We compute VineBrook FFO in accordance with NAREIT's definition. Our presentation differs slightly from NAREIT's in that we begin with VineBrook net income (loss) attributable to common stockholders and add VineBrook net income (loss) attributable to NCI in the OP and then make the adjustments to arrive at VineBrook FFO.

VineBrook Core FFO makes certain adjustments to VineBrook FFO, which relate to items that are either not likely to occur on a regular basis or are otherwise not representative of the ongoing operating performance of our Portfolio. VineBrook Core FFO adjusts VineBrook FFO to remove items such as the amortization of deferred financing costs, gains or losses on extinguishment of debt, losses on forfeited deposits, changes in fair value of interest rate derivatives included in interest expense, equity-based compensation expense and reportable segment-specific investment income. We believe VineBrook Core FFO is useful as a supplemental gauge of our operating performance and is useful in comparing our operating performance with other REITs.

VineBrook AFFO makes certain adjustments to VineBrook Core FFO in order to arrive at a more refined measure of the operating performance of our VineBrook Portfolio. There is no industry standard definition of AFFO and the method of calculating AFFO is divergent across the industry. VineBrook AFFO adjusts VineBrook Core FFO to remove recurring capital expenditures, which are costs necessary to help preserve the value and maintain functionality of our homes. We believe VineBrook AFFO is useful as a supplemental gauge of the operating performance of our VineBrook reportable segment and is useful in comparing our operating performance with other REITs.

Basic and diluted weighted average shares in our VineBrook FFO/Core FFO/AFFO table includes both our Shares and OP Units. NexPoint Homes Shares and SFR OP Units (defined below) are not part of this count as the metrics in the VineBrook FFO/Core FFO/AFFO table only pertain to the VineBrook reportable segment.

We believe that the use of FFO, Core FFO and AFFO, combined with the required GAAP presentations, improves the understanding of operating results of REITs and makes comparisons of operating results among such companies more meaningful. While FFO, Core FFO and AFFO are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income (loss) as defined by GAAP and should not be considered as an alternative or substitute to those measures in evaluating our liquidity or operating performance. FFO, Core FFO and AFFO do not purport to be indicative of cash available to fund our future cash requirements. Further, our computation of VineBrook FFO, VineBrook Core FFO and VineBrook AFFO may not be comparable to FFO, Core FFO and AFFO reported by other REITs.

The FFO, Core FFO and AFFO results discussed further below are for the VineBrook reportable segment, and reconcile to net loss for the VineBrook reportable segment for the three months ended March 31, 2023 and to consolidated net loss for the three months ended March 31, 2022 as the NexPoint Homes reportable segment did not exist until June 8, 2022. See below for a reconciliation of VineBrook net loss to consolidated net loss for the three months ended March 31, 2023:

	For the Three Months Ended March 31, 2023		
	VineBrook	NexPoint Homes	Total
Net loss attributable to common stockholders	$ (73,954)	$ (3,265)	$ (77,219)
Net loss attributable to redeemable NCI in the OP	(13,584)	(276)	(13,860)
Net loss attributable to redeemable NCI in consolidated VIEs	—	(3,213)	(3,213)
Net loss attributable to NCI in consolidated VIEs	—	(312)	(312)

The following table reconciles our calculations of FFO, Core FFO and AFFO to the VineBrook reportable segment's net loss for the three months ended March 31, 2023, which is reconciled to consolidated net loss above, the most directly comparable GAAP financial measure, and to consolidated net loss for the three months ended March 31, 2022 as the NexPoint Homes reportable segment did not exist until June 8, 2022 (in thousands, except per share amounts):

	For the Three Months Ended March 31,			
	2023	2022	$ Change	% Change
Net loss attributable to common stockholders	$ (73,954)	$ (4,499)	$ (69,455)	1543.8 %
Net loss attributable to NCI in the OP	(13,584)	(423)	(13,161)	3111.3 %
Depreciation and amortization	25,300	15,956	9,344	58.6 %
Loss/(gain) on sales and impairment of real estate, net	15,853	(7)	15,860	N/M
FFO attributable to common stockholders and NCI in the OP	(46,385)	11,027	(57,412)	-520.6 %
FFO per share - basic	$ (1.62)	$ 0.41	$ (2.03)	-495.1 %
FFO per share - diluted	$ (1.62)	$ 0.40	$ (2.02)	-505.0 %
Investment income (1)	1,291	—	1,291	100.0 %
Loss on forfeited deposits	41,714	—	41,714	N/M
Amortization of deferred financing costs	2,327	1,526	801	52.5 %
Loss on extinguishment of debt	23	—	23	100.0 %
Change in fair value of interest rate derivatives included in interest expense	3,845	—	3,845	100.0 %
Equity-based compensation expense	1,768	1,455	313	21.5 %
Core FFO attributable to common stockholders and NCI in the OP	4,583	14,008	(9,425)	-67.3 %
Core FFO per share - basic	$ 0.16	$ 0.52	$ (0.36)	-69.2 %
Core FFO per share - diluted	$ 0.16	$ 0.51	$ (0.35)	-68.6 %
Recurring capital expenditures	(4,033)	(2,406)	(1,627)	67.6 %
AFFO attributable to common stockholders and NCI in the OP	550	11,602	(11,052)	-95.3 %
AFFO per share - basic	$ 0.02	$ 0.43	$ (0.41)	-95.3 %
AFFO per share - diluted	$ 0.02	$ 0.42	$ (0.40)	-95.2 %
Weighted average shares outstanding - basic	28,645	26,965		
Weighted average shares outstanding - diluted (2)	29,079	27,492		
Dividends declared per share	$ 0.5301	$ 0.5301		
Net loss attributable to common stockholders per share/unit - diluted (3)	$ (3.14)	$ (0.19)		
Net loss attributable to common stockholders Coverage - diluted (4)	-5.92x	-0.37x		
FFO Coverage - diluted (5)	-3.06x	0.75x		
Core FFO Coverage - diluted (5)	0.30x	0.96x		
AFFO Coverage - diluted (5)	0.04x	0.80x		

(1) Investment income in the table above includes approximately $0.5 million of interest income from the NexPoint Homes Convertible Notes and approximately $0.8 million of dividend income from the investment in NexPoint Homes. The VineBrook reportable segment interest and dividend income related to NexPoint Homes are eliminated on the consolidated statements of operations and comprehensive income (loss) but are added back to Core FFO since these funds are attributable to the standalone VineBrook reportable segment.

(2) For the three months ended March 31, 2023 and 2022, includes approximately 915,000 shares and 1,029,000 shares, respectively, related to the assumed vesting of restricted stock units of the Company ("RSUs") and profits interest units in the OP ("PI Units") not contingent upon an IPO.

(3) For the three months ended March 31, 2023, the net loss attributable to common stockholders per share/unit (diluted) includes $(0.13) per common share related to the allocated loss per common share attributable to the NexPoint Homes reportable segment.

(4) Indicates coverage ratio of net loss attributable to common stockholders per share (diluted) over dividends declared per common share during the period.
(5) Indicates coverage ratio of net income/FFO/Core FFO/AFFO per common share (diluted) over dividends declared per common share during the period.

The three months ended March 31, 2023 as compared to the three months ended March 31, 2022

VineBrook FFO was $(46.4 million) for the three months ended March 31, 2023 compared to $11.0 million for the three months ended March 31, 2022, which was a decrease of approximately $57.4 million. The change in VineBrook FFO between the periods primarily relates to increases in the VineBrook reportable segment's total property operating expenses of $14.7 million, the VineBrook reportable segment's advisory fees of $1.8 million, the VineBrook reportable segment's property general and administrative expenses of $2.7 million, the VineBrook reportable segment's interest expense of $17.9 million and the VineBrook reportable segment's loss on forfeited deposits of $41.7 million partially offset by an increase in the VineBrook reportable segment's rental income of $21.9 million.

VineBrook Core FFO was $4.6 million for the three months ended March 31, 2023 compared to $14.0 million for the three months ended March 31, 2022, which was a decrease of approximately $9.4 million. The change in VineBrook Core FFO between the periods primarily relates to a decrease in VineBrook FFO, partially offset by increases in the VineBrook reportable segment's investment income from the investment in NexPoint Homes of $1.3 million, the VineBrook reportable segment's loss on forfeited deposits of $41.7 million, the VineBrook reportable segment's amortization of deferred financing costs of $0.8 million and the change in fair value of interest rate derivatives included in interest expense of $3.8 million, which are each added back to arrive at VineBrook Core FFO.

VineBrook AFFO was $0.6 million for the three months ended March 31, 2023 compared to $11.6 million for the three months ended March 31, 2022, which was a decrease of approximately $11.0 million. The change in VineBrook AFFO between the periods primarily relates to a decrease in VineBrook Core FFO and an increase in the VineBrook reportable segment's recurring capital expenditures of $1.6 million.

The changes in diluted VineBrook FFO per share, VineBrook Core FFO per share and VineBrook AFFO per share were primarily related to an 186.5% change in VineBrook interest expense (or 170.9% on a per share basis). The weighted average interest rate of debt increased from 2.6881% as of March 31, 2022 to 6.7456% as of March 31, 2023 for the VineBrook reportable segment, which has contributed to the decline in our VineBrook FFO, VineBrook Core FFO and VineBrook AFFO per share results. The Company entered into five additional interest rate derivative agreements in the past 12 months with a combined notional amount of $700.0 million in order to partially offset the impact of increasing interest rates. Additionally, the change in diluted VineBrook FFO per share includes the impact of initial deposit forfeitures of $41.0 million related to the termination of the Tusk Portfolio and Siete Portfolio acquisition agreements, which is an infrequent and unusual item.

Net Asset Value

The purchase price at which Shares may be repurchased in accordance with the terms of the Share Repurchase Plan is generally based on the most recent NAV per share in effect at the time of repurchase, and Shares or OP Units issued under the applicable DRIP generally reflect a 3% discount to the then-current NAV per share. The sale price of the Shares sold in the Private Offering as well as the sale price of OP Units was equal to the most recent NAV per share in effect at the time a subscription agreement or funds were received, plus applicable fees and commissions.

Effective for valuations beginning on July 31, 2021, the Company implemented an amended and restated Valuation Methodology as approved by our Board. Under the Valuation Methodology, Green Street calculates a preliminary NAV by valuing the portfolio in accordance with the Valuation Methodology. Green Street then recommends the preliminary NAV to the Adviser. Based on this recommendation, the Adviser then calculates transaction costs and makes any other adjustments, including costs of internalization, determined necessary to finalize NAV. The finalized NAV is then approved by the Pricing Committee.

On and before March 31, 2020, NAV was determined as of the end of each quarter. Beginning April 30, 2020, NAV was determined as of the end of each month. Effective for NAV determined on and after December 31, 2021, NAV has been determined as of the end of each quarter. NAV per share is calculated on a fully diluted basis. The table below illustrates the changes in NAV since inception:

Date	NAV per share
November 1, 2018	$ 25.00
December 31, 2018	28.27
March 31, 2019	28.75
June 30, 2019	28.88
September 30, 2019	29.85
December 31, 2019	30.58
March 31, 2020	30.59
April 30, 2020	30.82
May 31, 2020	31.08
June 30, 2020	31.24
July 31, 2020	31.47
August 31, 2020	32.91
September 30, 2020	34.00
October 31, 2020	34.18
November 30, 2020	34.38
December 31, 2020	36.56
January 31, 2021	36.56
February 28, 2021	36.68
March 31, 2021	36.82
April 30, 2021	37.85
May 31, 2021	38.68
June 30, 2021	40.82
July 31, 2021	43.76
August 31, 2021	46.19
September 30, 2021	47.90
October 31, 2021	49.09
November 30, 2021	51.38
December 31, 2021	54.14
March 31, 2022	59.85
June 30, 2022	62.75
September 30, 2022	62.97
December 31, 2022	63.04
March 31, 2023	61.32

Fees and Commissions paid to Placement Agents and Dealer Manager

Subject to certain exceptions, investors that purchased Shares through the Private Offering generally paid the Placement Agents in the Private Offering placement fees or commissions, in addition to the NAV sales price. For sales through Placement Agents other than Raymond James, the placement fees or commissions were generally between 1% to 5.5% of gross investor equity, subject to certain breakpoints and various terms of each specific Selling Agreement. A placement fee equal to 3% and an advisory fee equal to 2% of gross proceeds invested, which is also in addition to the NAV sales price, was paid to Raymond James for all Shares sold by Raymond James on behalf of the Company in the Private Offering. With the consent of the applicable Placement Agent, some or all of the applicable fees and commissions may have been waived. Other Selling Agreements may have had specific fees that differ from the Raymond James fees related to selling Shares to their clients. In addition, the Dealer Manager generally received a fee of 0.5% on sales in the Private Offering through Raymond James and 3% on sales through other Placement Agents, a portion of which may be reallowed to those Placement Agents. Placement Agent compensation was subject to a reasonable carve-out for sales of Shares directly by the Company or for sales to employees of our Adviser, Manager and affiliates thereof. For sales through registered investment advisors ("RIAs"), the Dealer Manager received a fee of up to 2% of gross investor equity. With respect to sales through RIAs or Placement Agents other than Raymond James who in each case were first introduced to the Company by Raymond James, Raymond James could receive a participating placement fee equal to 1% of gross investor equity. The Private Offering closed on September 14, 2022.

Liquidity and Capital Resources

Our short-term liquidity requirements consist primarily of funds necessary to pay for debt maturities, operating expenses and other expenditures directly associated with our homes, including:

- recurring maintenance necessary to maintain our homes;
- interest expense and scheduled principal payments on outstanding indebtedness;
- distributions necessary to qualify for taxation as a REIT;
- advisory fees payable to our Adviser;
- general and administrative expenses;
- capital expenditures related to upcoming acquisitions and rehabilitation of owned homes;
- offering expenses related to raising equity; and
- property management fees payable to the Manager.

We expect to meet our short-term liquidity requirements generally through net cash provided by operations, existing cash balances and debt financing. Our JPM Facility has an additional $19.5 million of capacity as of March 31, 2023.

Our long-term liquidity requirements consist primarily of funds necessary to pay for the costs of acquiring additional homes, renovations and other capital expenditures to improve our homes and scheduled debt payments and distributions. We expect to meet our long-term liquidity requirements through various sources of capital, which may include public or private issuances of common equity, preferred equity or debt, draws on our revolving credit facilities, existing working capital, net cash provided by operations, long-term mortgage indebtedness and may include other secured and unsecured borrowings. However, there are a number of factors that may have a material adverse effect on our ability to access these capital sources, including the state of overall equity and credit markets, our degree of leverage, our unencumbered asset base and borrowing restrictions imposed by lenders (including as a result of any failure to comply with financial covenants in our existing and future indebtedness), general market conditions for REITs, our operating performance and liquidity, market perceptions about us and restrictions on sales of properties under the Code. The success of our business strategy will depend, in part, on our ability to access these various capital sources.

We expect to complete the Internalization of the Manager as promptly as possible following effectiveness of the Consent, which we expect will be paid in a mix of cash and equity.

Our homes will require periodic capital expenditures and renovation to remain competitive. Also, acquisitions of new homes will require significant capital outlays. Long-term, we may not be able to fund such capital improvements solely from net cash provided by operations because we must distribute annually at least 90% of our REIT taxable income, determined without regard to the deductions for dividends paid and excluding net capital gains, to qualify and maintain our qualification as a REIT, and we are subject to tax on any retained income and gains. As a result, our ability to fund capital expenditures and acquisitions through retained earnings long-term is limited. Consequently, we expect to rely heavily upon the availability of debt or equity capital for these purposes. If we are unable to obtain the necessary capital on favorable terms, or at all, our financial condition, liquidity, results of operations, and prospects could be materially and adversely affected.

We believe that our available cash, expected operating cash flows, net proceeds from the sale of homes and potential debt or equity financings will provide sufficient funds for our operations, acquisitions, anticipated scheduled debt service payments and dividend requirements for the twelve-month period following March 31, 2023, except as would not be expected to have a material adverse effect. We believe that the various sources of long-term capital, which may include public or private issuances of common equity, preferred equity or debt, draws on our revolving credit facilities, existing working capital, net cash provided by operations, long-term mortgage indebtedness and other secured and unsecured borrowings will provide sufficient funds for our operations, acquisitions, anticipated scheduled debt service payments and dividend requirements in the long-term, except as would not be expected to have a material adverse effect.

Cash Flows

The three months ended March 31, 2023 as compared to the three months ended March 31, 2022

The following table presents selected data from our consolidated statements of cash flows for the three months ended March 31, 2023 and 2022 (in thousands):

	For the Three Months Ended March 31,		
	2023	**2022**	**$ Change**
Net cash provided by operating activities	$ 19,142	$ 22,924	$ (3,782)
Net cash used in investing activities	(44,238)	(646,663)	602,425
Net cash (used in)/provided by financing activities	(7,525)	603,561	(611,086)
Change in cash and restricted cash	(32,621)	(20,178)	(12,443)
Cash and restricted cash, beginning of period	114,749	74,997	39,752
Cash and restricted cash, end of period	$ 82,128	$ 54,819	$ 27,309

Cash flows from operating activities. During the three months ended March 31, 2023, net cash provided by operating activities was $19.1 million compared to net cash provided by operating activities of $22.9 million for the three months ended March 31, 2022. The change in cash flows from operating activities was due to an increase in interest expense partially offset by an increase in net operating income.

Cash flows from investing activities. During the three months ended March 31, 2023, net cash used in investing activities was $44.2 million compared to net cash used in investing activities of $646.7 million for the three months ended March 31, 2022. The change in cash flows from investing activities was mainly due a decrease in acquisitions of real estate investments and a decrease in investment in unconsolidated entity.

Cash flows from financing activities. During the three months ended March 31, 2023, net cash used in financing activities was $7.5 million compared to net cash provided by financing activities of $603.6 million for the three months ended March 31, 2022. The change in cash flows from financing activities was mainly due to a decrease in credit facilities proceeds received, bridge facilities proceeds received and proceeds from the issuance of Class A common stock.

Debt, Derivatives and Hedging Activity

Debt

As of March 31, 2023, the VineBrook reportable segment had aggregate debt outstanding to third parties of approximately $2.1 billion at a weighted average interest rate of 6.7456% and an adjusted weighted average interest rate of 4.9555%. For purposes of calculating the adjusted weighted average interest rate of our debt outstanding, we have included the weighted average fixed rate of 1.9508%, representing a weighted average fixed rate for one-month London Interbank Offered Rate ("LIBOR"), Secured Overnight Financing Rate ("SOFR") for the applicable interest period ("one-month term SOFR") and daily SOFR, on our combined $1.3 billion notional amount of interest rate swap agreements and interest rate cap agreement, which effectively fixes the interest rate on $1.3 billion of our floating rate debt. See Notes 7 and 8 to our consolidated financial statements for additional information.

The following table sets forth a summary of our mortgage loan indebtedness for the VineBrook reportable segment as of March 31, 2023:

	Type	Outstanding Principal as of March 31, 2023	Interest Rate (1)	Maturity	
Initial Mortgage	Floating	$ 239,164	6.41%	12/1/2025	
Warehouse Facility	Floating	1,270,000	6.86%	11/3/2024	(2)
JPM Facility	Floating	330,500	7.72%	1/31/2025	(3)
Bridge Facility III	Floating	75,000	7.80%	9/30/2023	
MetLife Note	Fixed	124,046	3.25%	1/31/2026	
TrueLane Mortgage	Fixed	10,095	5.35%	2/1/2028	
Crestcore II Note	Fixed	4,630	5.12%	7/9/2029	
Crestcore IV Note	Fixed	4,116	5.12%	7/9/2029	
Total Outstanding Principal		$ 2,057,551			

(1) Represents the interest rate as of March 31, 2023. Except for fixed rate debt, the interest rate is one-month LIBOR, daily SOFR or one-month term SOFR, plus an applicable margin. One-month LIBOR as of March 31, 2023 was 4.8577%, daily SOFR as of March 31, 2023 was 4.8700% and one-month term SOFR as of March 31, 2023 was 4.8025%.

(2) This is the stated maturity for the Warehouse Facility, but it is subject to a 12-month extension option.

(3) This is the stated maturity for the JPM Facility, but it is subject to a 12-month extension option.

In addition to the mortgage loan indebtedness for the VineBrook reportable segment presented above, the NexPoint Homes reportable segment had $576.2 million of debt outstanding at March 31, 2023 (excluding amounts owed to the OP by NexPoint Homes, as these are eliminated in consolidation). See Notes 5, 7 and 13 to the consolidated financial statements.

We have included a summary of any significant changes in debt agreements for the VineBrook reportable segment below.

On March 1, 2021, the Company entered into a non-recourse carveout guaranty and certain wholly owned subsidiaries of VB Three, LLC (as borrowers) entered into a $500.0 million credit agreement with JP Morgan (the "JPM Facility"). The JPM Facility is secured by equity pledges in VB Three, LLC and its wholly owned subsidiaries and bears interest at a variable rate equal to one-month LIBOR plus 2.75%. The JPM Facility is interest-only and originally matured and was due in full on March 1, 2023. On March 10, 2022, the Company entered into Amendment No. 1 to the JPM Facility, wherein each advance under the JPM Facility will bear interest at daily SOFR plus 2.85%. The balance of the JPM Facility, net of unamortized deferred financing costs, is included in credit facilities on the consolidated balance sheets. On January 31, 2023, the Company entered into Amendment No. 2 to the JPM Facility, wherein the total facility amount was updated to $350.0 million, and the maturity date was extended to January 31, 2025, which may be extended for 12 months upon submission of an extension request, subject to approval. As of March 31, 2023, the JPM Facility had $19.5 million in available capacity.

As of March 31, 2023, the Company was in compliance with all debt covenants in all of its debt agreements related to the VineBrook reportable segment.

We intend to invest in additional homes as suitable opportunities arise and adequate sources of equity and debt financing are available. We expect that future investments in properties, including any improvements or renovations of current or newly acquired properties, will depend on and will be financed by, in whole or in part, our existing cash, future borrowings and the proceeds from additional issuances of Shares, Preferred Shares or other securities or property dispositions.

Although we expect to be subject to restrictions on our ability to incur indebtedness, we expect that we will be able to refinance existing indebtedness or incur additional indebtedness for acquisitions or other purposes, if needed. However, there can be no assurance that we will be able to refinance our indebtedness, incur additional indebtedness or access additional sources of capital, such as by issuing Shares, Preferred Shares or other debt or equity securities, on terms that are acceptable to us or at all.

Furthermore, following the completion of our renovations and depending on the interest rate environment at the applicable time, we may seek to refinance our floating rate debt into longer-term fixed rate debt at lower leverage levels.

For further descriptions of the debt arrangements not included in this Form 10-Q, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Debt, Derivatives and Hedging Activity" in our Annual Report.

Interest Rate Derivative Agreements

We have entered into and expect to continue to enter into interest rate swap and cap agreements with various third parties to fix or cap the floating interest rates on a majority of our floating rate mortgage debt outstanding. The interest rate swap agreements generally have a term of approximately three to six years and effectively establish a fixed interest rate on debt on the underlying notional amounts. In order to fix a portion of, and mitigate the risk associated with, our floating rate indebtedness (without incurring substantial prepayment penalties or defeasance costs typically associated with fixed rate indebtedness when repaid early or refinanced), we, through the OP, have entered into 12 interest rate swap transactions with KeyBank and Mizuho Capital Markets LLC ("Mizuho") with a combined notional amount of $970.0 million. As of March 31, 2023, the interest rate swaps we have entered into effectively replace the floating interest rate (one-month LIBOR or daily SOFR) with respect to $970.0 million of our floating rate mortgage debt outstanding with a weighted average fixed rate of 2.0902%. As of March 31, 2023, interest rate swap agreements effectively covered $970.0 million, or 50.7%, of our $1.9 billion of floating rate debt outstanding for the VineBrook reportable segment. During the term of these interest rate swap agreements, we are required to make monthly fixed rate payments of 2.0902%, on a weighted average basis, on the notional amounts, while KeyBank and Mizuho are obligated to make monthly floating rate payments based on one-month LIBOR or daily SOFR to us referencing the same notional amounts. For purposes of hedge accounting under ASC 815, Derivatives and Hedging, we have designated these interest rate swaps as cash flow hedges of interest rate risk. See Notes 7 and 8 to our consolidated financial statements for additional information.

On April 13, 2022, we paid a premium of approximately $12.7 million and entered into an interest rate cap transaction with Goldman Sachs Bank USA ("Goldman") with a notional amount of $300.0 million. The interest rate cap effectively caps one-month term SOFR on $300.0 million of our floating rate debt at 1.50%. The interest rate cap expires on November 1, 2025.

Reference Rate Reform

On March 5, 2021, the Financial Conduct Authority of the U.K. (the "FCA") announced that one-month LIBOR will either cease to be provided by any administrator or no longer be representative immediately after June 30, 2023. This announcement has several implications, including setting the spread that may be used to convert the index rates in our debt and hedging contracts from LIBOR to an alternative rate, such as the SOFR.

The Company anticipates that one-month LIBOR will continue to be available at least until June 30, 2023. Any changes adopted by the FCA or other governing bodies in the method used for determining one-month LIBOR may result in a sudden or prolonged increase or decrease in reported one-month LIBOR. If that were to occur, our interest payments could change. In addition, uncertainty about the extent and manner of future changes may result in interest rates and/or payments that are higher or lower than if one-month LIBOR were to remain available in its current form.

The Company has contracts that are indexed to one-month LIBOR and it is monitoring and evaluating the related risks, which include interest on loans and amounts received/paid on derivative instruments. These risks arise in connection with transitioning contracts to an alternative rate, including any resulting value transfer that may occur. Transitions and alternative rates are likely to vary by contract. The value of loans, securities, or derivative instruments tied to one-month LIBOR, as well as interest rates on our current or future indebtedness, may also be impacted if one-month LIBOR is unrepresentative or discontinued. For some instruments the method of transitioning to an alternative reference rate may be challenging, especially if we cannot agree with the respective counterparty about how to make the transition or upon which alternative rate is appropriate.

While we expect one-month LIBOR to be available in substantially its current form until at least June 30, 2023, it is possible that one-month LIBOR will become unavailable prior to that point. This could result, for example, if a sufficient number of banks decline to make submissions to the LIBOR administrator. In that case, the risks associated with the transition to an alternative reference rate will be accelerated and magnified.

Alternative rates and other market changes related to the replacement of one-month LIBOR, including the introduction of financial products and changes in market practices, may lead to risk modeling and valuation challenges, such as adjusting interest rate accrual calculations and building a term structure for an alternative rate.

The introduction of an alternative rate also may create additional basis risk and increased volatility as alternative rates are phased in and utilized in parallel with one-month LIBOR.

Adjustments to systems and mathematical models to properly process and account for alternative rates will be required, which may strain the model risk management and information technology functions and result in substantial incremental costs for the Company.

REIT Tax Election and Income Taxes

We have elected to be taxed as a REIT under Sections 856 through 860 of the Code and expect to continue to qualify as a REIT. To qualify as a REIT, we must meet a number of organizational and operational requirements, including a requirement that we distribute at least 90% of our "REIT taxable income," as defined by the Code, to our stockholders. Taxable income from certain non-REIT activities is managed through a TRS and is subject to applicable U.S. federal, state, and local income and margin taxes. We had no significant taxes associated with our TRS for the three months ended March 31, 2023 and 2022. We believe we qualify for taxation as a REIT under the Code, and we intend to continue to operate in such a manner, but no assurance can be given that we will operate in a manner so as to qualify as a REIT. NexPoint Homes intends to be taxed as a REIT under Sections 856 through 860 of the Code, which will occur upon filing the NexPoint Homes tax return for the year ended December 31, 2022.

We anticipate that we will continue to qualify to be taxed as a REIT for U.S. federal income tax purposes, and we intend to continue to be organized and to operate in a manner that will permit us to qualify as a REIT. To qualify as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of our annual REIT taxable income to stockholders. As a REIT, we will be subject to U.S. federal income tax on our undistributed REIT taxable income and net capital gain and to a 4% nondeductible excise tax on any amount by which distributions we pay with respect to any calendar year are less than the sum of (1) 85% of our ordinary income, (2) 95% of our capital gain net income and (3) 100% of our undistributed income from prior years.

If we fail to qualify as a REIT in any taxable year, we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates, and dividends paid to our stockholders would not be deductible by us in computing taxable income. Any resulting corporate liability could be substantial and could materially and adversely affect our net income and net cash available for distribution to stockholders. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify to be taxed as a REIT.

We evaluate the accounting and disclosure of tax positions taken or expected to be taken in the course of preparing our tax returns to determine whether the tax positions are "more-likely-than-not" (greater than 50 percent probability) of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Our management is required to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, which include federal and certain states. We have no examinations in progress and none are expected at this time.

We recognize our tax positions and evaluate them using a two-step process. First, we determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Second, we will determine the amount of benefit to recognize and record the amount that is more likely than not to be realized upon ultimate settlement.

We had no material unrecognized tax benefit or expense, accrued interest or penalties as of March 31, 2023. We and our subsidiaries are subject to U.S. federal income tax as well as income tax of various state and local jurisdictions. The 2021, 2020 and 2019 tax years remain open to examination by tax jurisdictions to which our subsidiaries and we are subject. When applicable, we recognize interest and/or penalties related to uncertain tax positions in corporate general and administrative expense on our consolidated statements of operations and comprehensive income (loss).

Dividends

We intend to make regular quarterly dividend payments to holders of our Shares. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains. As a REIT, we will be subject to U.S. federal income tax on our undistributed REIT taxable income and net capital gain and to a 4% nondeductible excise tax on any amount by which distributions we pay with respect to any calendar year are less than the sum of (1) 85% of our ordinary income, (2) 95% of our capital gain net income and (3) 100% of our undistributed income from prior years. We intend to make regular quarterly dividend payments of all or substantially all of our taxable income to holders of our Shares out of assets legally available for this purpose, if and to the extent authorized by our Board. Before we make any dividend payments, whether for U.S. federal income tax purposes or otherwise, we must first meet both our operating requirements and debt service on our debt payable. If our cash available for distribution is less than our taxable income, we could be required to sell assets, borrow funds or raise additional capital to make cash dividends or we may make a portion of the required dividend in the form of a taxable distribution of stock or debt securities.

We will make dividend payments based on our estimate of taxable earnings per share of common stock, but not earnings calculated pursuant to GAAP. Our dividends and taxable income and GAAP earnings will typically differ due to items such as depreciation and amortization, fair value adjustments, differences in premium amortization and discount accretion, and non-deductible general and administrative expenses. Our dividends per share may be substantially different than our taxable earnings and GAAP earnings per share.

Inflation

The real estate market has not been affected significantly by inflation in the past several years due to increases in rents nationwide. The majority of our lease terms are for a period of one year or less and reset to market if renewed. The majority of our leases also contain protection provisions applicable to reimbursement billings for utilities. Due to the short-term nature of our leases, we do not believe our results will be materially affected.

Inflation may also affect the overall cost of debt, as the implied cost of capital increases. The Federal Reserve, in response to or in anticipation of continued inflation concerns, could continue to raise interest rates. We intend to mitigate these risks through long-term fixed interest rate loans and interest rate derivatives, which to date have included interest rate cap and interest rate swap agreements.

Seasonality

We believe that our business and related operating results will be impacted by seasonal factors throughout the year. We experience higher levels of resident move-outs and move-ins during the late spring and summer months, which impacts both our rental revenues and related turnover costs. Furthermore, our property operating costs are seasonally impacted in certain markets for expenses such as repairs to heating, ventilation and air conditioning systems, turn costs and landscaping expenses during the summer season. Additionally, our SFR properties are at greater risk in certain markets for adverse weather conditions such as extreme cold weather in winter months and hurricanes in late summer months.

Off-Balance Sheet Arrangements

As of March 31, 2023 and December 31, 2022, we had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires our management to make judgments, assumptions and estimates that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We evaluate these judgments, assumptions and estimates for changes that would affect the reported amounts. These estimates are based on management's historical industry experience and on various other judgments and assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these judgments, assumptions and estimates. Below is a discussion of the accounting policies that we consider critical to understanding our financial condition or results of operations where there is uncertainty or where significant judgment is required. A discussion of recently issued accounting pronouncements and our significant accounting policies, including further discussion of the accounting policies described below, can be found in Note 2 "Summary of Significant Accounting Policies" to our consolidated financial statements included in this report.

Real Estate Investments

Upon acquisition, we evaluate our acquired SFR properties for purposes of determining whether a transaction should be accounted for as an asset acquisition or business combination. Since substantially all of the fair value of our acquired properties is concentrated in a single identifiable asset or group of similar identifiable assets and the acquisitions do not include a substantive process, our purchases of homes or portfolios of homes qualify as asset acquisitions. Accordingly, upon acquisition of a property, the purchase price and related acquisition costs (the "Total Consideration") are allocated to land, buildings, improvements, fixtures, and intangible lease assets based upon their relative fair values.

The allocation of Total Consideration, which is determined using inputs that are classified within Level 3 of the fair value hierarchy established by FASB ASC 820, *Fair Value Measurement ("ASC 820")* (see Note 8 to our consolidated financial statements), is based on an independent third-party valuation firm's estimate of the fair value of the tangible and intangible assets and liabilities acquired, or management's internal analysis based on market knowledge obtained from historical transactions. The valuation methodology utilizes market comparable information, depreciated replacement cost and other estimates in allocating value to the tangible assets. The allocation of the Total Consideration to intangible lease assets represents the value associated with the in-place leases, as one month's worth of effective gross income (rental revenue, less credit loss allowance, plus other income) as the average downtime of the assets in the portfolio is approximately one month and the assets in the portfolio are leased on a gross rental structure. If any debt is assumed in an acquisition, the difference between the fair value, which is estimated using inputs that are classified within Level 2 of the fair value hierarchy, and the face value of debt is recorded as a premium or discount and amortized or accreted as interest expense over the life of the debt assumed.

The allocation of Total Consideration to the various components of properties acquired during the year can have an effect on our net income/(loss) due to the useful depreciable and amortizable lives applicable to each component and the recognition of the related depreciation and amortization expense. For example, if a greater portion of the Total Consideration is allocated to land, which does not depreciate, our net income would be higher. Typically, we allocate between 10% to 30% of the Total Consideration to land.

Real estate assets, including land, buildings, improvements, fixtures, and intangible lease assets are stated at historical cost less accumulated depreciation and amortization. Costs incurred in making repairs and maintaining real estate assets are expensed as incurred. Expenditures for improvements, renovations, and replacements are capitalized at cost. The Company also incurs costs to prepare acquired properties for rental. These costs are capitalized to the cost of the property during the period the property is undergoing activities to prepare it for its intended use. We capitalize interest costs as a cost of the property only during the period for which activities necessary to prepare an asset for its intended use are ongoing, provided that expenditures for the asset have been made and interest costs have been incurred. Upon completion of the renovation of our properties, all costs of operations, including repairs and maintenance, are expensed as incurred, unless the renovation meets the Company's capitalization criteria.

Impairment

Real estate assets are reviewed for impairment quarterly or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Significant indicators of impairment may include, but are not limited to, declines in home values, rental rates or occupancy percentages, as well as significant changes in the economy. In such cases, the Company will evaluate the recoverability of the assets by comparing the estimated future cash flows expected to result from the use and eventual disposition of each asset to its carrying amount and provide for impairment if such undiscounted cash flows are insufficient to recover the carrying amount. If impaired, the real estate asset will be written down to its estimated fair value. The process whereby we assess our SFR homes for impairment requires significant judgment and assessment of factors that are, at times, subject to significant uncertainty. For the three months ended March 31, 2023, the Company recorded approximately $13.1 million of impairment charges on real estate assets, which are included in (loss)/gain on sales and impairment of real estate, net on the consolidated statement of operations and comprehensive income (loss). No significant impairments on real estate assets were recorded during the years ended December 31, 2022 and 2021 or the three months ended March 31, 2022.

Implications of being an Emerging Growth Company

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act (the " JOBS Act") and we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

The JOBS Act permits an emerging growth company such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to take advantage of this extended transition period. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates for such new or revised standards. We may elect to comply with public company effective dates at any time, and such election would be irrevocable pursuant to Section 107(b) of the JOBS Act.

We could remain an "emerging growth company" until the earliest of (1) the end of the fiscal year following the fifth anniversary of the date of the first sale of shares of our common stock pursuant to an effective registration statement, (2) the last day of the fiscal year in which our annual gross revenues exceed $1.07 billion, (3) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, or (4) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three year period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Pursuant to the Instructions to paragraph (c) of Item 305 of Regulation S-K, information is not required to be disclosed under Item 305(c) of Regulation S-K for interim periods until after the first fiscal year end in which Item 305 is applicable, which for us will be interim periods after December 31, 2023.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) and Rule 15d-15(b) under the Exchange Act, our management, including our President and Chief Financial Officer, evaluated, as of March 31, 2023, the effectiveness of our disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e) and Rule 15d-15(e). Based on that evaluation, our President and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2023, to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Exchange Act and is accumulated and communicated to management, including the President and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

We believe, however, that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls systems are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud or error, if any, within a company have been detected.

Changes in Internal Control over Financial Reporting

There has been no change in internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15-d-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2023 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are party to legal proceedings that arise in the ordinary course of our business. Management is not aware of any legal proceedings of which the outcome is reasonably likely to have a material adverse effect on our results of operations or financial condition, nor are we aware of any such legal proceedings contemplated by government agencies.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed under Item 1A, "Risk Factors," of our Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Sales of Shares

The following table presents information regarding the DRIP that have not been previously disclosed in Current Reports on Form 8-K.

	Common Stock DRIP		
Date	**Shares Reinvested**	**Sale Price (1)**	**Gross Contribution (2)**
March 31, 2023	110,033	$ 61.15	$ 6,729
	110,033		**$ 6,729**

(1) Shares issued under DRIP are generally issued at a 3% discount to the Company's then-current NAV.

(2) For Shares issued under the DRIP, we do not receive any cash proceeds from the transaction as the shareholder receives shares in lieu of the cash dividend. Refer to Note 9 for further discussion.

No underwriting discount or commission is applicable to sales pursuant to the DRIP.

The Company issued the Shares noted above to accredited investors in reliance upon the exemptions from registration under the Securities Act Securities Act provided by Rule 506(b) under Regulation D promulgated under the Securities Act and Section 4(a)(2) of the Securities Act.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description
2.1	Termination Agreement and Release dated January 17, 2023 by and among VB Five, LLC, SOF-XI Term Holdings, L.P. and SOF-XI Term Parent Holdings, L.P. (incorporated by reference to Exhibit 2.16 to the Annual Report on Form 10-K filed by the Company on March 30, 2023).
2.2	Termination Agreement and Release dated January 17, 2023 by and among VB Five, LLC, SOF-XI Term Holdings, L.P.O. F-XI RS Holdings, L.P. and SFR Master Holdings, L.P. (incorporated by reference to Exhibit 2.17 to the Annual Report on Form 10-K filed by the Company on March 30, 2023).
3.1	Amended and Restated Bylaws of VineBrook Homes Trust, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K, filed by the Company on February 27, 2023).
10.1*	Amendment No. 2, dated January 31, 2023 to the Revolving Credit Agreement, dated as of March 1, 2021, by and among each person listed on Schedule I thereto, VineBrook Homes Trust, Inc., VB Three Equity, LLC, VB Three, LLC, JPMorgan Chase Bank, National Association and the other lenders party thereto.
10.2*	Amendment No. 3, dated March 15, 2023 to the Revolving Credit Agreement, dated as of March 1, 2021, by and among each person listed on Schedule I thereto, VineBrook Homes Trust, Inc., VB Three Equity, LLC, VB Three, LLC, JPMorgan Chase Bank, National Association and the other lenders party thereto.
10.3*	Letter Agreement, dated March 9, 2023 between VineBrook Homes Operating Partnership, L.P., VineBrook Management, LLC, VineBrook Development Corporation, VineBrook Homes Property Management Company, Inc., VineBrook Homes Realty Company, Inc., VineBrook Homes Services Company, Inc., certain individuals set forth therein and Dana Sprong, solely in his capacity as the representative of the contributors.
31.1*	Certification of President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1+	Certification of President and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
\+ Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VINEBROOK HOMES TRUST, INC.

Signature	Title	Date
/s/ Brian Mitts Brian Mitts	President, Chief Financial Officer, Treasurer and Assistant Secretary (Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)	May 12, 2023

AMENDMENT NO. 2
TO REVOLVING CREDIT AGREEMENT

Amendment No. 2 to Revolving Credit Agreement, dated as of January 31, 2023 (this "Amendment"), among VINEBROOK HOMES TRUST, INC., a Maryland corporation, as sponsor (in such capacity, the "Sponsor"), VB THREE EQUITY, LLC, a Delaware limited liability company, as equity owner (in such capacity, the "Equity Owner"), VB THREE, LLC, a Delaware limited liability company, as parent holdco (in such capacity, the "Parent Holdco") and as borrower representative (in such capacity, the "Borrower Representative"), the borrowers identified on the signature pages hereto (the "Borrowers"), the guarantors identified on the signature pages hereto (the "Guarantors"), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national banking association, as Lender (in such capacity, the "Lender"), agent for each Lender (in such capacity, the "Agent"), calculation agent (in such capacity, the "Calculation Agent"), as paying agent (in such capacity, the "Paying Agent") and securities intermediary (in such capacity, the "Securities Intermediary").

RECITALS

Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary are parties to that certain Revolving Agreement, dated as of March 1, 2021 (the "Existing Credit Agreement", as further amended by this Amendment, the "Credit Agreement"). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Existing Credit Agreement.

Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary have agreed, subject to the terms and conditions of this Amendment, that the Existing Credit Agreement be amended to reflect certain agreed upon revisions to the terms of the Existing Credit Agreement.

Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary have also agreed, subject to the terms and conditions of this Amendment, to remove the Calculation Agent as calculation agent under Credit Agreement (the "Existing Calculation Agent") and to appoint Computershare Trust Company, N.A., as calculation agent under the Credit Agreement (the "New Calculation Agent"). The New Calculation Agent hereby accepts such appointment under the Credit Agreement and acknowledges that it shall become fully vested with all the rights, powers, protections, duties, immunities, indemnities and obligations of the Existing Calculation Agent under the Credit Agreement, with like effect as if originally named as calculation agent thereunder, upon the execution and delivery of this Amendment.

Accordingly, Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, the Existing Calculation Agent, the New Calculation Agent and Securities Intermediary hereby agree, in consideration of the mutual promises and mutual obligations set forth herein, that the Existing Credit Agreement is hereby amended as follows:

SECTION 1. Amendments to Existing Credit Agreement. Effective as of the date hereof, the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages attached as Exhibit I-A hereto. A conformed copy of the Credit Agreement marked to show such changes is attached as Exhibit I-B hereto.

Effective as of the date hereof, the Existing Credit Agreement is hereby further amended to delete Exhibit A-2A in its entirety and replace it with Exhibit II hereto.

SECTION 2. Conditions Precedent. This Amendment shall become effective as of the date hereof, upon:

(a) the execution and delivery by the Borrowers, Guarantors, the Existing Calculation Agent, and the New Calculation Agent, as applicable, to Administrative Agent and Lender of this Amendment; and

(b) the payment of the Extension Fee and/or Renewal Fee, as applicable.

SECTION 3. Affirmative Covenants of the Borrowers.

The Borrower Representative on behalf of each of the Borrowers covenants with each Lender, the Paying Agent, the New Calculation Agent and the Agent that, within fifteen (15) days of the date hereof, the Borrower Representative shall deliver or cause to be delivered to the Agent or New Calculation Agent, as applicable, each of the following documents:

(a) the Collateral Assignment of the Interest Rate Cap Agreement;

(b) a memorandum setting forth Vinebrook Homes Operating Partnership L.P.'s tenant underwriting criteria;

(c) a memorandum setting forth Vinebrook Homes Operating Partnership L.P.'s portfolio tenant credit metrics, average annual income, and average payment-to-income ratio;

(d) a proposed data tape reflecting the information necessary for the New Calculation Agent to verify the information reflected on the Payment Date Report; and

(e) an accounts receivable aging report for the December Interest Accrual Period.

If the Borrower Representative fails to comply with any term or condition contained in this Section 3 within fifteen (15) days of the date hereof, such failure shall constitute an Event of Default without ability to cure under the Credit Agreement.

SECTION 4. Limited Effect. Except as expressly amended and modified by this Amendment, the Existing Credit Agreement shall continue to be, and shall remain, in full force and effect in accordance with its terms. The parties hereto have entered into this Amendment solely to amend the terms of the Existing Credit Agreement and do not intend this Amendment or the transactions contemplated hereby to be, and this Amendment and the transactions contemplated hereby shall not be construed to be, a novation of any of the obligations owing by Borrower or any other party under or in connection with the Existing Credit Agreement or any of the other Loan Documents. It is the intention and agreement of each of the parties hereto that (i) the perfection and priority of all security interests securing the payment of the obligations of the parties under the Existing Credit Agreement are preserved, (ii) the liens and security interests granted under the Existing Credit Agreement continue in full force and effect, and (iii) any reference to the Existing Credit Agreement in any Loan Document shall be deemed to reference the Existing Credit Agreement as amended by this Amendment. The parties further agree that Computershare Trust Company, N.A., in its capacity as the New Calculation Agent, shall not be

responsible or liable in any way relating to the performance of the Existing Calculation Agent under the Existing Credit Agreement or any other Loan Document.

SECTION 5. Ratification and Reaffirmation of Guarantees. Each Guarantor hereby ratifies and reaffirms the terms and conditions of the Guaranty Agreement and the Limited Guaranty, as applicable. Each Guarantor's obligations, liabilities, covenants, and guaranties pursuant to the Guaranty Agreement and the Limited Guaranty, whether for payment, performance, or otherwise, are now and shall remain valid and binding obligations of such Guarantor, as applicable, and both before and after giving effect to the Amendment, will remain, now and hereafter, in full force and effect, unmodified and enforceable against each Guarantor in accordance with their terms. Each Guarantor acknowledges and agrees that this ratification and reaffirmation is given to induce Administrative Agent and Lenders to provide their consent to this Amendment. Absent execution and delivery of this Amendment by each Guarantors, Administrative Agent would not have provided such consent to this Amendment.

SECTION 6. Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

SECTION 7. Counterparts. This Amendment may be executed by each of the parties hereto by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including any relevant provisions of the Uniform Commercial Code (collectively, "Signature Law"), in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm of otherwise verify the validity or authenticity thereof. This Amendment may be executed in one or more counterparts and by the different parties hereto on separate counterparts, including without limitation counterparts transmitted by facsimile or other electronic transmission, each of which, when so executed, shall be deemed to be an original and such counterparts, together, shall constitute one and the same agreement. The parties agree that this Amendment, any documents to be delivered pursuant to this Amendment and any notices hereunder may be transmitted between them by email and/or by facsimile.

SECTION 8. **GOVERNING LAW AND JURISDICTION. THIS AMENDMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH SHALL GOVERN. EACH OF THE PARTIES HERETO HEREBY AGREES TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK, LOCATED IN THE BOROUGH OF MANHATTAN AND THE FEDERAL COURTS LOCATED WITHIN THE STATE OF NEW YORK IN THE BOROUGH OF MANHATTAN. EACH OF THE PARTIES HERETO HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.**

SECTION 9. Waiver of Jury Trial. Each party hereto hereby expressly waives, to the fullest extent it may effectively do so under Applicable Law, any right to a trial by jury in any action or proceeding to enforce or defend any rights or remedies under or pursuant to this Agreement or under any other Loan Document, and agrees, to the fullest extent it may effectively do so under Applicable Law, that any such action or proceeding shall be tried before a court and not before a jury.

SECTION 10. Headings. The headings of this Amendment are provided solely for convenience of reference and shall not modify, define, expand or limit any of the terms or provisions of this Amendment.

SECTION 11. Merger or Sale. Any entity into which all or substantially all of the corporate trust business or assets of the New Calculation Agent may be merged or converted or with which it may be consolidated, sold, or any entity resulting from any merger, conversion, sale, or consolidation to which New Calculation Agent shall be a party or any entity succeeding to all or substantially all of the corporate trust business or assets of the New Calculation Agent shall be the successor of the New Calculation Agent under the Credit Agreement and other Loan Documents, as applicable, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be duly executed as of the date first above written.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as Agent, Lender, Existing Calculation
Agent, Paying Agent and Securities Intermediary

By: /s/ Mackenzie Smith
Name: Mackenzie Smith
Title: Vice President

[Signatures continue]

VB THREE, LLC,
as Parent Holdco, Borrower Representative and a Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 OPERATING COMPANY, LLC
REX RESIDENTIAL PROPERTY OWNER, LLC
REX RESIDENTIAL PROPERTY OWNER A, LLC
REX RESIDENTIAL PROPERTY OWNER II, LLC
REX RESIDENTIAL PROPERTY OWNER III, LLC

REX RESIDENTIAL PROPERTY OWNER IV, LLC
REX RESIDENTIAL PROPERTY OWNER V, LLC
REX RESIDENTIAL PROPERTY OWNER VI, LLC
each as a Borrower

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 HOLDING COMPANY, LLC,
VB HOLDING COMPANY I, LLC,
VB HOLDING COMPANY II, LLC,
VB HOLDING COMPANY III, LLC,
VB HOLDING COMPANY IV, LLC,
VB HOLDING COMPANY V, LLC,
VB HOLDING COMPANY VI, LLC,
VB HOLDING COMPANY VII, LLC
each as a Holdco Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

VB THREE EQUITY, LLC,
as Equity Owner and a Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

VINEBROOK HOMES TRUST, INC.,
as Sponsor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

COMPUTERSHARE TRUST COMPANY, N.A.,
as New Calculation Agent

By: /s/ Graham M. Oglesby
Name: Graham M. Oglesby
Title: Vice President

[End of signatures.]

Exhibit I-A

Revolving Credit Agreement
(Changed Pages Reflecting Amendment No. 2)

(Attached)

Exhibit I-B

Revolving Credit Agreement
(Conformed Through Amendment No. 2)

(Attached)

CONFORMED COPY THROUGH AMENDMENT NO. 1
CONFORMED COPY THROUGH AMENDMENT NO. 2
EXECUTION VERSION

REVOLVING CREDIT AGREEMENT

AMONG

THE PROPERTY OWNERS PARTY HERETO FROM TIME TO TIME,
each as a Borrower,

THE GUARANTORS PARTY HERETO FROM TIME TO TIME,

each as a Guarantor,

VB THREE, LLC,
as Parent Holdco and the Borrower Representative,

VB THREE EQUITY, LLC,
as Equity Owner,

VINEBROOK HOMES TRUST, INC.,
as Sponsor,

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as Agent, Lender, ~~Calculation Agent,~~ Paying Agent and Securities Intermediary

COMPUTERSHARE TRUST COMPANY, N.A.,

as Calculation Agent

and

THE OTHER LENDERS FROM TIME TO TIME PARTY HERETO

Dated as of March 1, 2021

TABLE OF CONTENTS

EXHIBITS, SCHEDULES AND ANNEXES

REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT (this "Agreement") is made and entered into as of March 1, 2021, by and among each person listed on Schedule 1 hereto and each person that becomes a party hereto pursuant to a Joinder, VINEBROOK HOMES TRUST, INC., a Maryland corporation, as sponsor (in such capacity, the "Sponsor"), VB THREE EQUITY, LLC, a Delaware limited liability company, as equity owner (in such capacity, the "Equity Owner"), VB THREE, LLC, a Delaware limited liability company, as parent holdco (in such capacity, the "Parent Holdco") and as borrower representative (in such capacity, the "Borrower Representative"), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national banking association, as Lender (in such capacity, the "Lender"), agent for each Lender (in such capacity, the "Agent"), ~~calculation agent (in such capacity, the "Calculation Agent"),~~ as paying agent (in such capacity, the "Paying Agent") and securities intermediary (in such capacity, the "Securities Intermediary"), COMPUTERSHARE TRUST COMPANY, N.A., as calculation agent (in such capacity, the "Calculation Agent") and THE OTHER LENDERS PARTY HERETO FROM TIME TO TIME.

RECITALS

WHEREAS, the Borrowers (as defined below) are in the business of acquiring and owning Properties (as defined below) and leasing such Properties to Tenants (as defined below);

WHEREAS, the Borrowers have requested that each Lender make available to the Borrowers a revolving credit facility in a maximum principal amount at any time outstanding of up to the Facility Amount (as defined below) to be used by the Borrowers in connection with the acquisition, maintenance, renovation and leasing of the Properties as set forth in Section 2.3; and

WHEREAS, each Lender is willing to extend such credit facility on the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions

. For purposes hereof, the following terms, when used herein with initial capital letters, shall have the respective meanings set forth herein:

"Accepted Management Practices": With respect to any Property, those management, rental, sales and collection practices (a) of prudent companies that manage single family and 2-4 family residential homes for rent and sale of a type similar to the Properties in the jurisdiction where the related Property is located, (b) that are in accordance with commercially reasonable professional standards, (c) that are in compliance with all Applicable Laws and (d) using good faith and commercially reasonable efforts.

"Account Control Agreement": With respect to the Insurance Reserve Account, the Tax Reserve Account, the Interest Reserve Account, the Renovation Cost Reserve Account, the Insurance Proceeds Account, Ratio Trigger Reserve Account and the Collection Account, a Securities Account Control Agreement among the Borrower Representative, the Agent and the Paying Agent, in form and substance satisfactory to the Agent.

"Acquisition Date": With respect to any Property, the date on which the related Borrower or an Affiliate acquired title to such Property.

"Actual Renovation Costs": With respect to any Property, the actual out-of-pocket Renovation Costs paid by the applicable Borrower with respect to the renovation of such Property in accordance with the Renovation Standards, as demonstrated in a certificate certified by a Responsible Officer of the Borrower Representative delivered to the Diligence Agent and the Agent; provided that reasonably satisfactory written evidence supporting the Renovation Costs set forth in such a certificate shall be delivered to the Diligence Agent and the Agent; provided further that with respect to any Property for which such costs exceed 15% of the Asset Purchase Price, the Agent shall have a right to recalculate the Actual Renovation Costs in any case where it considers the evidence supporting the Renovation Costs not reasonably satisfactory.

"Adjusted Daily Simple SOFR": An interest rate per annum equal to (a) the Daily Simple SOFR, plus (b) 0.10%; provided that if Adjusted Daily Simple SOFR as so determined would be less than 0%, such rate shall be deemed to be 0% for the purposes of this Agreement.

"Advance": Each advance of funds by each Lender to the Borrowers under Section 2.2.

"Advance Rate": With respect to any Financed Property, a percentage no greater than (a) 70% of the Property Value for Leased Properties that are not Carry-Over Properties, (b) 65% of the Property Value for Leased Properties that are Carry-Over Properties, (c) 55% of the Property Value for Non-Leased Properties and (d) 0% for raw land; provided, however, if on any Borrowing Date, Payment Date or Reporting Date an Advance Rate Reduction Event shall have occurred, the Advance Rate with respect to any Financed Property shall be reduced by the amount set forth in the definition of Advance Rate Reduction Event.

"Advance Rate Reduction Event": With respect to any Financed Property, the Advance Rate shall be reduced by subtracting the percentages set forth below from the Advance Rate relating to such Property on such date, on a cumulative basis and without ability to cure unless specifically described, for each of the following events:

(a) with respect to any Financed Property that is in a Stabilization Period, it shall be a Non-Eligible Property with an Advance Rate of 0%;

(b) with respect to any Financed Property that has been vacant for at least ninety (90) days, it shall be a Non-Eligible Property with an Advance Rate of 0%; provided, however, that any ~~Salesforce~~ Financed Property ~~(or any other Financed Property with the prior written consent of the Agent) that~~ is a Non-Eligible Property with an Advance Rate of 0% based solely on being vacant for at least ninety (90) days shall become an Eligible Property with an Advance Rate as otherwise set forth in this Agreement upon being leased to an Eligible Tenant; ~~provided that if any such Financed Property subsequently becomes vacant for at least 90 days, it shall be a Non-Eligible Property with an Advance Rate of 0% without further ability to cure;~~

(c) with respect to any Financed Property that is in a Delinquency Period, it shall be a Non-Eligible Property with an Advance Rate of 0%; provided, however, that any Financed Property that is a Non-Eligible Property with an Advance Rate of 0% based solely on being in a Delinquency Period shall become an Eligible Property with an Advance Rate as otherwise set forth in this Agreement upon being leased to a new Eligible Tenant; and

(d) with respect to all Financed Properties, in the event that Portfolio Delinquency Amount is greater than 5%, the Advance Rate shall be decreased by 10% until the Portfolio Delinquency Amount is 5% or less for a period of ninety (90) days.

"Advances Outstanding": As of any date of determination, the aggregate outstanding principal balance of all outstanding Advances as of such date.

"Affiliate": As applied to any Person, (a) each Person that, (x) directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary such Person, or (y) otherwise has the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise (notwithstanding the foregoing, the Property Manager shall not be an Affiliate of any Borrower-Related Party solely due to such Property Manager being a party to the Property Management Agreement), (b) each Person that controls, is controlled by or is under common control with such Person and (c) each of such Person's officers, directors, joint ventures, managers and partners. For the purposes of this definition, "control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

"Agent": As defined in the introductory paragraph.

"Agent Fee": As defined in the Fee Letter.

"Aggregate Asset Purchase Price": On any date of determination, the sum of the Asset Purchase Prices for all Financed Properties included in the Facility.

"Aggregate Market Value": On any date of determination, the sum of the Market Values for all Financed Properties included in the Facility.

"Agreement": As defined in the introductory paragraph.

"Allocated Loan Amount": On any day for any Financed Property, the Advances Outstanding multiplied by a fraction, the numerator of which is the Property Borrowing Base (adjusted, in the case of Non-Eligible Properties, as required by Section 2.13) of such Financed Property and the denominator of which is the aggregate Property Borrowing Base of all Financed Properties.

"Alternate Base Rate": For any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) Adjusted Daily Simple SOFR plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or Adjusted Daily Simple SOFR shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or Adjusted Daily Simple SOFR, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.9 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.9(b)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 0%, such rate shall be deemed to be 0% for purposes of this Agreement.

"Amendment No. 2 Effective Date": January 31, 2023

"Annualized Interest Expense": means:

For Advances Outstanding up to the Notional Amount, an amount equal to the product of (i) the Advances Outstanding as of such last day of such Measurement Quarter and (ii) the lesser of (a) the Cap Rate plus the Applicable Margin and (b) the greater of (A) the Interest Rate as of the last day of such Measurement Quarter and (B) the sum of (I) the lesser of (x) the Two-Year Swap Rate as of such last day of such Measurement Quarter and (y) 2.00% and (II) the Applicable Margin, in each case calculated on an interest only basis (excluding the Allocated Loan Amounts for Non-Leased Properties during the Exclusion Period).

For Advances Outstanding in excess of the Notional Amount, an amount equal to the product of (i) the Advances Outstanding as of such last day of such Measurement Quarter and (ii) the greater of (A) the Interest Rate as of the last day of such Measurement Quarter and (B) the sum of (I) the lesser of (x) the Two-Year Swap Rate as of such last day of such Measurement Quarter and (y) 2.00% and (II) the Applicable Margin, in each case calculated on an interest only basis (excluding the Allocated Loan Amounts for Non-Leased Properties during the Exclusion Period).

"Ancillary Document": As defined in Section 13.9.

"Annualized Net Cash Flow": For any Measurement Quarter, the excess, if any of (a) the aggregate annualized Collections received during such Measurement Quarter in respect of all of the Financed Properties owned by the Borrowers during such Measurement Quarter over (b) the sum of (i) an amount equal to the annualized Operating Expenses in respect of such Financed Properties for such Measurement Quarter, (ii) the aggregate real estate taxes or other governmental assessments related to such Financed Properties payable during the related calendar year; (iii) the aggregate insurance premiums payable during the related calendar year necessary in order to maintain compliance with the Insurance Requirements (excluding premiums related to Non-Financed Properties if such premiums (12 months) are on deposit in the Insurance Reserve Account), in each case for the calendar year in which such Measurement Quarter occurs; provided that, (i) leasing commissions shall be amortized over the term of the applicable Lease for purposes of calculating Annualized Net Cash Flow and (ii) with respect to any Financed Property acquired by the Borrower or an Affiliate during the Measurement Quarter or which became a Leased Property, after the first day of the relevant Measurement Quarter, Annualized Net Cash Flow shall be calculated based on Estimated Net Cash Flow. Annualized Net Cash Flow shall be calculated pro forma for the addition or release of Financed Properties as if such addition or release had occurred on the first day of the applicable Measurement Quarter.

"Anti-Money Laundering Laws": As defined in Section 5.1(n).

"Applicable Laws": All laws of any Governmental Authority applicable to the matters contemplated by this Agreement, including any ordinances, judgments, decrees, injunctions, writs, orders and other legally binding actions of any Governmental Authority, common law and rules and regulations of any federal, regional, state, county, municipal or other Governmental Authority.

"Applicable Margin": As defined in the Fee Letter; provided, however, the Applicable Margin may not be amended or modified in the Fee Letter without the consent of each Lender and written notice to the Calculation Agent.

"Applicable Taxes": All present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Appraisal": An appraisal conducted by a licensed appraiser in accordance with the requirements of FIRREA.

"Approved Monthly Expense Amount": With respect to any Payment Date after the occurrence and during the continuation of an Early Amortization Event or Event of Default, the monthly amount set forth in the Approved Quarterly Operating Expense Budget for Operating Expenses for the calendar month in which such monthly Payment Date occurs.

"Approved Quarterly Operating Expense Budget": The quarterly budget of Operating Expenses approved by the Agent pursuant to Section 4.1(e).

"Asset Purchase Price": With respect to any Property, the price paid to purchase such Property from the applicable third-party on the related Acquisition Date by the related Borrower or an Affiliate thereof, plus (a) actual out-of-pocket costs and expenses incurred by the related Borrower or Affiliate that originally acquired such Property in connection with the acquisition of such Property, payment of Liens and clearance of other title defects, gaining possession and settlement of disputes relating to title and possession thereof (subject to the reasonable satisfaction of Agent as to appropriateness and amount, prior to the initial Advance made with respect to such Property) and to the extent permitted by GAAP to increase the Borrower's basis in such Property and (b) the Actual Renovation Costs paid with respect to such Property; provided, however, if such Property is not an Eligible Property on any date of determination and the applicable Cure Period has expired, then the Asset Purchase Price for such Property shall be deemed to be zero and; provided, further, that any Borrower may elect, in a Property Addition Notice or subsequent written notice to the Diligence Agent and the Agent, to reduce the Asset Purchase Price for any Financed Property in order to meet the Eligibility Requirements relating to Asset Purchase Price, so long as any such subsequent election does not cause the Advances Outstanding to exceed the resulting Borrowing Base. Any such election shall permanently reduce the Asset Purchase Price of such Financed Property for all purposes hereunder.

"Assigning Lender": As defined in Section 10.1(a).

"Assignment and Assumption": As defined in Section 10.1(a).

"Assignment of Management Agreement": The Assignment of Property Management Agreement and Acknowledgement and Agreement, dated as of March 1, 2021 by and among the Property Manager, each Borrower and the Agent.

"Available Funds": For any Payment Date, the sum of (a) all Collections for the related Collection Period, (b) all Property Release Amounts received during the related Collection Period (less any amounts paid to the Lenders during such Collection Period in respect of any Property Release Amount in accordance with the provisions of Section 2.7(a)), (c) all Condemnation Proceeds deposited into the Collection Account pursuant to Sections 4.8 or 6.3 during the related Collection Period, (d) all Insurance Proceeds deposited into the Collection Account pursuant to Sections 4.8 or 6.2(g) during the related Collection Period, (e) all amounts on deposit in the Ratio Trigger Reserve Account on a Ratio Trigger Delay Termination Date and (f) any amounts deposited by or on behalf of the Borrowers in the Collection Account pursuant to Sections 2.7(d), (e) or (g) (less any amounts paid to the Lenders during such Collection Period in accordance with the provisions of Sections 2.7(d), (e) or (g), as applicable) and any other amounts deposited into the Collection Account during such Collection Period (less any amounts paid to the Lenders or any other Person from such amounts during such Collection Period in accordance with this Agreement).

"Available Tenor": As of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Accrual Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Accrual Period" pursuant to clause (f) of Section 2.9.

"Approved AVM Supplier": House Canary and CoreLogic.

"Approved Counterparty" means any of (i) JPMorgan Chase Bank, National Association or an Affiliate thereof, (ii) Counterparty, and (iii) a bank or other financial institution which has (a) a long term unsecured debt rating of "A-" or higher by S&P and (b) a long-term unsecured debt rating of not less than "A3" by Moody's.

"AVM": Automated valuation model which is a statistically based computer program that uses real estate information such as comparable sales, property characteristics, and price trends to provide a current estimate of market value for a specific property.

"AVM Value": The stated U.S. dollar value contained in an AVM as the fair market value of a Property.

"Back-Up Manager": Radian Real Estate Management, LLC, together with its successors in such capacity.

"Back-Up Manager Fee": As defined in the Property Management Agreement.

"Bankruptcy Code": Title 11 of the United States Code, as amended.

"Benchmark": Daily Simple SOFR; provided that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to Daily Simple SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.9.

"Benchmark Replacement": For any Available Tenor:

the sum of: (a) the alternate benchmark rate that has been selected by the Agent and the Borrower as the replacement for the then-current Benchmark giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to the above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment": With respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes": With respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Accrual Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date": With respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event": With respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period": The period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.9 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.9.

"Bid Receipt": A trustee receipt in customary form reasonably acceptable to the Diligence Agent, evidencing the purchase of such Property at auction by the applicable Borrower.

"Bid Receipt Property": A Property with respect to which the applicable Borrower has not yet received and delivered to the Diligence Agent a recorded deed, but the Diligence Agent has received a Bid Receipt.

"Borrower" and "Borrowers": At any time, any Eligible Property Owner that is, at such time, a party to this Agreement, whether by executing this Agreement on the Effective Date or, after the Effective Date, subject to the reasonable approval of the Required Lenders, by executing a Joinder, including the Persons who are listed as Borrowers on Schedule 1 attached hereto, unless and until any such Person is removed as a Borrower in accordance with Section 2.7(f).

"Borrower Deposit Accounts": As defined in Section 4.1(d)(i).

"Borrower Expense Account": The Deposit Account maintained by each Borrower from which Operating Expenses for the Properties of such Borrower are paid.

"Borrower Funding Account": The Deposit Account maintained by each Borrower for the purposes of funding certain acquisition related expenses.

"Borrower Property Release": The release of a Financed Property to the related Borrower as a Non-Financed Property.

"Borrower-Related Party": Each of the Borrowers, Guarantors, Sponsor, the initial Property Manager and their respective Affiliates.

"Borrower Rent Account": The Deposit Account maintained by each Borrower into which all rent checks, electronic and online rent payments are deposited.

"Borrower Representative": As defined in the introductory paragraph.

"Borrowing Base": On any date of determination, an amount equal to the sum of the Property Borrowing Bases for all Financed Properties.

"Borrowing Base Shortfall": On any date of determination, the amount, if any, by which the Advances Outstanding exceeds the Borrowing Base.

"Borrowing Date": The date (which shall be a Business Day) on which any Advance is made pursuant to Section 2.2.

"Borrowing Notice": A written request by the Borrowers for an Advance, in the form of Exhibit A hereto (including the Supplemental Schedule of Properties to be attached as Schedule 1 thereto).

"Borrowing Notice Confirmation": With respect to each Borrowing Notice, a confirmation, in the form of Exhibit A-1 attached hereto, by the Calculation Agent that it has reviewed and confirmed the results of each of the calculations set forth in the reports annexed to Exhibit A-1 hereto and has found no deficiency therein.

"BPO": A written broker's price opinion from the Diligence Agent as to the fair market value of a Property, or other similar customary evidence of the fair market value of a Property from the Diligence Agent, in each case in form and substance acceptable to the Agent, which opinion shall include an opinion as to the market rent for such Property and, if such BPO is an (a) exterior BPO, the "as-is" value of any such Property that is a Leased Property and the "quick sale" value of any such Property that is a Non-Leased Property or (b) interior BPO, the "as is" value of such Property, each stated in U.S. dollar value. BPOs shall include such information as shall be reasonably acceptable to the Agent, including, but not limited to, opinion of value.

"BPO Value": The stated U.S. dollar value contained in a BPO as the fair market value of a Property, which value shall be, if such BPO is an (a) exterior BPO, the "as-is" value of any such Property that is a Leased Property and the "quick sale" value of any such Property that is a Non-Leased Property or (b) interior BPO, the "as is" value of such Property, each stated in U.S. dollar value.

"BPO and AVM Report": With respect to any Quarterly Sample or Additional Sample required to be delivered pursuant to Section 4.2(a) hereof, a cumulative report showing the calculation of the Loan to Value Ratio taking into account such updated BPOs and AVMs, which report shall specify the property ID, the date of such Quarterly Sample or Additional Sample, the related BPO Value, AVM Value and Allocated Loan Amount used for Loan to Value Ratio computation, the Market Value used for Loan to Value Ratio computation and the Asset Purchase Price used to calculate the Loan to Value Ratio computation.

"Business Day": Any day (other than a Saturday or a Sunday) on which banks and banking institutions are open for business in the State of Maryland, New York City or Chicago; provided that, in relation to any Loan bearing interest by reference to Daily Simple SOFR (a "SOFR Loan"), and any interest rate settings for any such SOFR Loan, any such day that is only an U.S. Government Securities Business Day.

~~"CA/PA Responsible Officer": With respect to the Calculation Agent or Paying Agent, any vice president, assistant vice president, any assistant secretary, any assistant treasurer, any associate or any other officer in the corporate trust group of the Calculation Agent or Paying Agent, as applicable, having direct responsibility for the administration of this Agreement, and any other officer of the Calculation Agent or Paying Agent, as applicable, to whom, with respect to a particular matter, such matter is referred because of such officer's knowledge of and familiarity with the particular subject.~~

"Calculation Agent": ~~JPMorgan Chase Bank, National Association~~Computershare Trust Company, N.A., acting by or through its Corporate Trust division or department (including, as applicable, any agents or affiliates utilized thereby), or any successor or replacement designated pursuant to Section 2.15.

"Calculation Agent Deficiency Report": With respect to any Borrowing Notice, Property Addition Notice or a certificate of a Responsible Officer of the Borrower Representative included in the Payment Date Report in the form of Exhibit A-~~3~~2A attached hereto delivered in connection with the Document Package, a report setting forth any Calculation Deficiency identified therein by the Calculation Agent.

"Calculation Agent Fee": As ~~defined in the Fee Letter, provided, however, the Calculation Agent Fee may not be amended or modified in the Fee Letter without the consent of each Lender~~of the Amendment No. 2 Effective Date, an amount equal to $5,000 per month. In addition, the Borrowers shall pay to the Calculation Agent hereunder (i) a one-time upfront acceptance fee of $7,500 and (ii) an additional funding fee of $1,250 per additional funding in excess of one funding per month.

"Calculation Deficiency": With respect to any Borrowing Notice, Property Addition Notice or a certificate of a Responsible Officer of the Borrower Representative in the form of Exhibit A-3 attached hereto delivered in connection with the Document Package, (i) any calculation deficiency, error or non-compliance in any applicable calculation included on the calculation schedule attached hereto as Exhibit F or (ii) any other material deficiency exists with respect to the applicable Property, Borrowing Notice, Property Addition Notice or the certificate of a Responsible Officer of the Borrower Representative in the form of Exhibit A-3 attached hereto delivered in connection with the Document Package.

"Cap Rate": As defined in the Interest Rate Cap Agreement.

"Capital Lease Obligation": As applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person.

"Carry-Over Lease": A Lease that complies with all Applicable Laws in effect at the time of acquisition of such Property by a Borrower or its Affiliate, for so long as such Lease has not been renewed (other than pursuant to any automatic renewal provision thereof).

"Carry-Over Property": An Eligible Property that is occupied by a carry-over tenant pursuant to a Carry-Over Lease and is occupied by the same carry-over tenant as of the date of the related Property Addition Notice.

"Cash Management Requirements": The requirements set forth in Section 4.1(d).

"Casualty": As defined in Section 6.2(a)(ii).

"Casualty Threshold Amount": With respect to all Casualties arising from any single Casualty event, an amount equal to the greater of $5,000,000 or two percent (2%) of the Advances Outstanding as of the date of such Casualty event.

"Certificate of Completion": With respect to any construction, repair or renovation made to any Property (or multiple Properties specified in such certificate), a certificate of Responsible Officer of the Borrower Representative on behalf of the related Borrower, in form and substance substantially the same as set forth in Exhibit G attached hereto.

"Certification Regarding Recycled SPEs": The Sponsor's Certification Regarding Recycled SPE Loan Parties, dated as of March 1, 2021, made by the Sponsor in favor of the Agent for the benefit of the Secured Parties.

"Change of Control": With respect to (a) any Borrower, except as permitted by the Loan Documents, any event, transaction or occurrence as a result of which the Holdco Guarantors shall cease to (i) Control and (ii) own and control all of the economic and voting rights associated with ownership of 100% of the Equity Interests of, any of the Borrowers, (b) the Holdco Guarantors, any event, transaction or occurrence as a result of which Parent Holdco shall cease to (i) Control and (ii) own and control all of the economic and voting rights associated with ownership of 100% of the Equity Interests of, the Holdco Guarantors, (c) Parent Holdco, any event, transaction or occurrence as a result of which the Equity Owner shall cease to (i) Control and (ii) directly or indirectly own and control all of the economic and voting rights associated with ownership of 100% of the Equity Interests of, the Parent Holdco, (d) Equity Owner, any event, transaction or occurrence as a result of which the Sponsor and/or other Vinebrook Controlled Investment Affiliates shall cease to (i) ~~Control~~control the major decisions of Vinebrook Homes Operating Partnership, L.P., a Delaware limited partnership (the "OP"), which is the 100% owner of the Equity Owner, pursuant to Section 7.1 of the Second Amended and Restated Limited Partnership Agreement of the OP dated September 7, 2021, and (ii) directly or indirectly own ~~and control all of the economic and voting rights associated with ownership of 100~~approximately 84.25% of the Equity Interests of~~,~~ the Equity Owner, or (e) Sponsor, (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause such person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of Equity Interests of the Sponsor representing more than 50% of the total outstanding Equity Interests of the Sponsor, (ii) occupation of a majority of the seats on the board of directors (or similar governing body) of Sponsor by persons who were not (A) the incumbent board of directors, (B) nominated or approved by the board of directors of Sponsor or (C) appointed by directors so nominated or approved or (iii) any transfer of all or substantially all of Sponsor's assets (determined on a consolidated basis and excluding internal reorganizations).

"Code": The Internal Revenue Code of 1986 and the rules and regulations thereunder.

"Collateral": As defined in the Security Agreement.

"Collateral Assignment" means a Collateral Assignment of Interest Rate Cap Agreement, made by a Vinebrook Homes Operating Partnership, L.P. in favor of the Administrative Agent and acknowledged by Counterparty, or as applicable, Approved Counterparty, substantially in the form delivered on the Closing Date.

"Collection Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Collection Account # 689690946" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Collection Period": Each calendar month.

"Collections": With respect to any Property, all of the following: all amounts actually collected in respect of the Property, including, rents, proceeds of rent loss insurance, utility payments and deposit forfeitures, interest received (and permitted by Applicable Law to be retained) by any Loan Party and other collected revenues (including any awards from suits not representing rent in respect of such Property, and related charges, security deposits and other deposits received by a Loan Party and not (or no longer) refundable to the applicable Tenant and not applied directly to the cost of repairs by the applicable Borrower or Property Manager, and all late charges and insufficient fund charges collected with respect to such Property). Collections shall not include any (i) Conveyance Proceeds, (ii) Insurance Proceeds (other than insurance covering rent loss), (iii) Condemnation Proceeds, or (iv) except as expressly provided above, security deposit or any other refundable deposits received.

"Commitment": With respect to each Lender, the amount set forth below such Lender's signature hereto, as such amount may be modified in accordance with the terms hereof or in the applicable Assignment and Assumption.

"Commitment Termination Date": The earlier of ~~(a) March 1, 2023~~the Stated Maturity Date and (b) the date on which the Commitments are terminated pursuant to Section 8.2(a).

"Completion Requirements": In respect of any Non-Leased Property, that all Scheduled Renovation Work for such Property has been completed in a good and workmanlike manner and in accordance with the Renovation Standards and all costs and expenses in respect thereof, including labor and materials, have been paid in full.

"Condemnation": A temporary or permanent taking by any Governmental Authority as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, of all or any part of any Property, or any interest therein or right accruing thereto, including any right of access thereto or any change of grade affecting any Property or any part thereof.

"Condemnation Proceeds": All proceeds of any Condemnation, net of costs incurred in the contest of such Condemnation, and the pursuit and collection of such proceeds.

"Confidential Information": As defined in Section 13.14(a).

"Connection Income Taxes": Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Applicable Taxes or branch profits Applicable Taxes.

"Conrex Holdco": Collectively, each of Conrex Residential Property Group 2013-1 Holding Company, LLC, Conrex Residential Property Group 2013-2 Holding Company, LLC, Conrex Residential Property Group 2013-3 Holding Company, LLC, Conrex Residential Property Group 2013-4 Holding Company, LLC, Conrex Residential Property Group 2013-5 Holding Company, LLC, Conrex Residential Property Group 2013-6 Holding Company, LLC, Conrex Residential Property Group 2013-7 Holding Company, LLC, Conrex Residential Property Group 2013-8 Holding Company, LLC, Conrex Residential Property Group 2013-9 Holding Company, LLC, Conrex Residential Property Group 2013-10 Holding Company, LLC, Conrex Residential Property Group 2013-11 Holding Company, LLC, Conrex Residential Property Group 2013-12 Holding Company, LLC, Conrex Residential Property Group 2013-13 Holding Company, LLC, each a Delaware limited liability company.

"Contractual Obligation": As applied to any Person, any provision of any Security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"Control": The possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and the terms "Controls," "Controlling" and "Controlled" shall have meanings correlative thereto.

"Conveyance": With respect to any Property, any sale, conveyance, assignment, transfer, grant of option to purchase or other transfer or disposal of a legal or beneficial interest, whether direct or indirect, by operation of law or otherwise, to a Person that is not a Borrower.

"Conveyance Expenses": With respect to any Property, the reasonable expenses of the applicable Borrower incurred in connection with the Conveyance of such Property for any of the following: (i) third party real estate commissions, (ii) the closing costs of the purchaser of such Property actually paid by the applicable Borrower and (iii) the applicable Borrower's miscellaneous closings costs, including, but not limited to legal fees and expenses, title, escrow and appraisal costs and expenses, in each case to the extent paid to a third party in an arm's-length transaction.

"Conveyance Proceeds": With respect to any Conveyance of a Property, all gross amounts realized with respect to such Property, net of the related Conveyance Expenses.

"Corresponding Tenor": With respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Counterparty": With respect to any Interest Rate Cap Agreement, Goldman Sachs Bank USA or any Approved Counterparty.

"Cure Period": With respect to the failure of any Financed Property to qualify as an Eligible Property, if such failure is reasonably susceptible of cure, a period of thirty (30) days after the earlier of actual knowledge of such condition by a Responsible Officer of any Borrower-Related Party or notice thereof by the Agent, the Diligence Agent or any Lender to the Borrower Representative; provided that the Cure Period shall not be available for any failure of any Financed Property to constitute an Eligible Property if (i) any Borrower-Related Party had actual knowledge of such failure at the time such Property initially became a Financed Property or (ii) the reason for such failure is due to a consensual Lien (other than a Permitted Lien) on such Property. If any failure of any Financed Property to qualify as an Eligible Property is not reasonably susceptible of cure, then no cure period shall be available. For the avoidance of doubt, the Calculation Agent shall not have any obligation to track or determine the existence of a Cure Period.

"Daily Simple SOFR": For any day (a "SOFR Rate Day"), a rate per annum equal to SOFR for the day (such day "SOFR Determination Date") that is five (5) U.S. Government Securities Business Day prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

"Data Site": As defined in Section 13.6(a).

"Data Tape Fields": As set forth on Schedule 7 hereto.

"Debt": With respect to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments representing extensions of credit whether or not representing obligations for borrowed money, (c) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business not overdue for more than sixty (60) days), (d) all Capital Lease Obligations of such Person, (e) all obligations of such Person to reimburse any Person with respect to amounts paid under a letter of credit or similar instrument, (f) all obligations of such Person under hedge agreements, (g) all indebtedness of other Persons secured by a Lien on any property of such Person, whether or not such indebtedness is assumed by such Person (other than Permitted Liens) and (h) all indebtedness of other Persons guaranteed by such Person. For purposes of this definition, the amount of the obligations of such Person with respect to any hedge agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Person would be required to pay if such hedge agreement were terminated at such time.

"Debt Service Coverage Ratio": At any time, the ratio, determined as of the last day of the most recently ended Measurement Quarter, of (a) the Annualized Net Cash Flow for the Financed Properties (excluding income and expense attributable to Non-Leased Properties during the Exclusion Period) for such Measurement Quarter to (b) the ~~annualized interest expense due with respect to the Advances Outstanding during such Measurement Quarter, where such annualized interest expense shall be equal to the product of (i) the Advances Outstanding as of such last day of such Measurement Quarter and (ii) the greater of (A) the Interest Rate as of the last day of such Measurement Quarter and (B) the sum of (I) the lesser of (x) the Two-Year Swap Rate as of such last day of such Measurement Quarter and (y) 2.00% and (II) the Applicable Margin, in each case calculated on an interest only basis (excluding the Allocated Loan Amounts for Non-Leased Properties during the Exclusion Period)~~Annualized Interest Expense.

"Debt Yield Ratio": At any time, the percentage equivalent of a fraction, determined as of the last day of the most recently ended Measurement Quarter, the numerator of which is equal to the Annualized Net Cash Flow (excluding income and expense attributable to Non-Leased Properties during the Exclusion Period) for such Measurement Quarter and the denominator of which is equal to the Advances Outstanding as of such last day of such Measurement Quarter (excluding the Allocated Loan Amounts for Non-Leased Properties during the Exclusion Period).

"Default": Any condition, occurrence or event which, after notice or lapse of time or both, would constitute an Event of Default.

"Delinquency Period": With respect to any Financed Property, the time period during which the Tenant of such Financed Property is a Delinquent Tenant.

"Delinquent Tenant": A Tenant whose rent payment under the related Lease remains unpaid for more than 60 days (in an amount exceeding $200.00) after the original due date for such rent payment.

"Deposit Account": As defined in the UCC.

"Deposit Account Control Agreement": With respect to any Deposit Account, any control agreement or other similar agreement between each institution maintaining such Deposit Account, the owner of such Deposit Account and the Agent pursuant to which the Agent obtains "control" of such Deposit Account within the meaning of the UCC, in form and substance reasonably acceptable to the Agent.

"Diligence Agent": Radian Real Estate Management, LLC, together with its successors in such capacity.

"Diligence Agent Agreement": The Evaluation Services Agreement and Work Order, dated as of March 1, 2021, by and between the Diligence Agent and the Agent.

"Diligence Agent Deficiency Notice": With respect to any Borrowing Notice, Property Addition Notice or Document Package, a report setting forth any Diligence Deficiency identified therein by the Diligence Agent.

"Diligence Agent Fees": All fees at any time due and payable to the Diligence Agent under the Diligence Agent Agreement as reported to the Calculation Agent and Paying Agent.

"Diligence Deficiency": With respect to any Borrowing Notice, Property Addition Notice or Document Package, (i) the failure of one or more documents required to be contained therein to be fully executed or to match in all material respects the information on the related Schedule of Properties or Supplemental Schedule of Properties, as applicable, (ii) one or more documents contained therein are mutilated, damaged, torn or otherwise physically altered or unreadable, (iii) the absence from a Document Package of any document required to be contained therein, (iv) the applicable Property is not an Eligible Property, (v) the requirements for the related BPO have not been satisfied, or (vi) any other material deficiency exists with respect to the applicable Property, Borrowing Notice, Property Addition Notice or Document Package.

"Document Package": With respect to any Property, the following documents:

(a) A copy of the Purchase Agreement related to such Property;

(b) A Supplemental Schedule of Properties with respect to such Property;

(c) A copy of the recorded deed conveying the Property to the applicable Borrower with recording information on it; or, if unavailable, either, (x) in the case of a Bid Receipt Property, a Bid Receipt, or (y) otherwise, evidence reasonably satisfactory to the Diligence Agent that the deed has been submitted for recording provided, in each case, that a copy of the recorded deed shall be added to the Document Package as promptly as practicable and in no event more than ninety (90) days after the Property first becomes a Financed Property;

(d) (x) A copy of an Eligible Title Insurance Policy in respect of such Property, together with a list of all claims made under such Eligible Title Insurance Policy by or on behalf of the Borrower or (y) at any time prior to the date that is ninety (90) days after the acquisition by such Property by such Borrower, a binding title commitment.

(e) Evidence of the Required Insurance Policies with respect to such Property reasonably satisfactory to the Diligence Agent;

(f) A certificate of a Responsible Officer of the Borrower Representative in the form of Exhibit A-3 attached hereto and setting forth all of the information described in such Exhibit;

(g) If such Property is a Leased Property:

(i) a certificate of a Responsible Officer of the Borrower Representative in the form of Exhibit A-3 attached hereto certifying that the related Tenant is an Eligible Tenant (or a carry-over tenant) and the original executed Lease related to such Property is an Eligible Lease (or a Carry-Over Lease), and is on file with the Property Manager;

(ii) a copy of the Eligible Lease (or Carry-Over Lease) in respect of such Property; and

(iii) a calculation showing pro forma compliance with the Debt Service Coverage Ratio, the Debt Yield Ratio and the Portfolio Delinquency Amount giving effect to

such Property becoming a Financed Property, and based on Estimated Net Cash Flow for such Property, if applicable.

(h) If such Property is a Non-Leased Property, a certificate of a Responsible Officer of the Borrower Representative:

(i) summarizing the estimated capital expenditures and costs of repairs projected to be incurred in connection with converting such Property to a Leased Property, including the Renovations Costs;

(ii) a calculation showing pro forma compliance with the Debt Service Coverage Ratio, the Debt Yield Ratio and the Portfolio Delinquency Amount, calculated solely with respect to the pool of Non-Leased Properties and based on Estimated Net Cash Flow (assuming solely for this purpose no Exclusion Period and Pro Forma Collections equal to a reasonable estimate of annual rent collections); and

(iii) attaching, and certifying the accuracy of the amounts set forth therein, a spread sheet containing the initial capital expenditures and costs of repairs actually incurred and planned in connection with converting such Property to a Leased Property, as reflected in its general ledger.

(i) In the case of any increase in the Asset Purchase Price of a Property due to the completion of the renovation work with respect to such Property:

(i) a Certificate of Completion; and

(ii) a certificate of the Borrower Representative:

1. certifying that such renovations meet the Renovation Standards;

2. certifying the amount of the actual costs of completing the renovation work; and

3. certifying that the Tenant thereof is not a Delinquent Tenant and that all other requirements of a Leased Property have been satisfied with respect to such Property.

"Early Amortization Event": The occurrence of any Early Amortization Trigger.

"Early Amortization Event Repayment Period": The period commencing on the date on which any Early Amortization Event occurs and ending on the date such Early Amortization Trigger described in (i) clause (i) of the definition of Early Amortization Trigger no longer exists and (ii) clause (ii) of the definition of Early Amortization no longer exists for ninety (90) consecutive days, as applicable.

"Early Amortization Trigger": As of any date of determination, (i) if at any time prior to such date of determination, the Advances Outstanding are equal to or greater than twenty-five percent (25%) of the Facility Amount and the Advances Outstanding on such date of determination are less than twenty-five percent (25%) of the Facility Amount or (ii) the Portfolio Delinquency Amount is greater than fifteen percent (15%).

"Effective Date": March 1, 2021.

"Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Eligibility Requirements": Each of the eligibility requirements set forth in Schedule 2 hereto.

"Eligible Lease": With respect to any Eligible Property (a) which, as of the date such Property first becomes subject to this Facility, was leased to a Tenant, such existing Lease and (b) any Lease (i) with an Eligible Tenant, (ii) with an initial term of at least six (6) months, (iii) that was entered into in compliance with the Leasing Standards, (iv) that complies with all Applicable Laws and (v) is in a form either (1) customary for the market in which the Property is located or (2) approved by the Agent (such approval not to be unreasonably withheld or delayed). Subject to changes which may be required due to changes in law or other applicable standards, as of the Effective Date, the Agent has approved the form attached hereto as Exhibit C.

"Eligible Property": Any Property owned by a Borrower that satisfies each of the Eligibility Requirements.

"Eligible Property Owner": Each Person (i) that is a limited liability company, (ii) that is 100% legally and beneficially owned by a Guarantor, (iii) with respect to which such Guarantor has pledged its membership interest to the Agent pursuant to the Security Agreement, (iv) whose Governing Documents are substantially in the form of the Governing Documents of the Borrowers, except as has been approved by the Agent, (v) whose Governing Documents include, and require compliance with, the SPE Requirements and (vi) that has satisfied the "know your customer" requirements of the Agent and each Lender.

"Eligible Tenant": A Tenant as to whom all of the Leasing Standards were met at the time of lease signing. With respect to a carry-over Tenant, a Tenant who undergoes a background check and is not on the OFAC List at the time either (a) the applicable Borrower acquires the subject Property, or (b) the related Carry-Over Lease is renewed.

"Eligible Title Insurance Policy": A Title Insurance Policy that satisfies each of the requirements described in clause (q) of Schedule 2 hereto.

"Environmental Indemnity": That certain Environmental Indemnity, dated as of March 1, 2021, by the Borrowers, the Guarantors and Sponsor in favor of Agent on behalf of the Secured Parties.

"Environmental Law": Any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law, relating to protection of human health or the environment, relating to Hazardous Materials and/or relating to liability for or costs of other danger to human health or the environment. The term "Environmental Laws" includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including, but not

limited to, Subtitle I relating to underground storage tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; the Safe Drinking Water Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Endangered Species Act; the National Environmental Policy Act; the River and Harbors Appropriation Act; and those relating to lead based paint. The term "Environmental Laws" also includes, but is not limited to, any present and future federal, state and local laws, statutes, ordinances, rules or regulations, as well as common law, (i) conditioning transfer of property upon a negative declaration or other approval of a Governmental Authority of the environmental condition of any Property, (ii) requiring notification or disclosure of the presence of or Releases of Hazardous Materials or other environmental condition of any Property to any Governmental Authority or other Person, whether or not in connection with any transfer of title to or interest in such Property and (iii) imposing conditions or requirements with respect to Hazardous Materials in connection with permits or other authorization for lawful activity.

"Equity Interests": Shares of capital stock (whether denominated as common stock or preferred stock), beneficial, partnership, membership or limited liability company interests, participations or other equivalents (regardless of how designated, including, without limitation, any subordinated debt, zero coupon debt or payment-in-kind or similar debt instrument) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or non-voting, and any warrant or other option to purchase any of the above.

"Equity Owner": As defined in the introductory paragraph.

"ERISA": The Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

"ERISA Affiliate": With respect to any person, any trade or business (whether or not incorporated) under common control with Sponsor within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event": (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by a Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by a Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon a Borrower or any ERISA Affiliate.

"Estimated Net Cash Flow": For purposes of calculating the Annualized Net Cash Flow for a Property, if a Property was acquired by the Borrower or an Affiliate or became a Leased Property after the first day of the relevant Measurement Quarter, the Estimated Net Cash Flow will be based on the excess of (a) Pro Forma Collections, over (b) the sum of (i) an estimate of annual Operating Expenses, (ii) the aggregate real estate taxes or other governmental assessments related to such Property payable during the related calendar year and (iii) the aggregate insurance premiums related to such Property payable during the related calendar year necessary in order to maintain compliance with the Insurance Requirements, in each case anticipated for such Property by the Borrower Representative and approved by the Agent.

"Evaluation": An "evaluation" meeting the requirements of FIRREA and otherwise acceptable to the Agent.

"Event of Default": As defined in Section 8.1.

"Excluded Taxes": Any of the following Applicable Taxes imposed on or with respect to a Lender or required to be withheld or deducted from a payment to a Lender, (a) Applicable Taxes imposed on or measured by net income (however denominated), franchise taxes, and branch profits taxes, in each case, (i) imposed as a result of such Lender being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Applicable Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Applicable Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in an Advance or a Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Advance or Commitment or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.12, amounts with respect to such Applicable Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Applicable Taxes attributable to such Lender's failure to comply with Section 2.12(f) and (d) any U.S. federal withholding Applicable Taxes imposed under FATCA.

"Exclusion Period": With respect to a Non-Leased Property, the period commencing on the date on which such Property initially becomes a Financed Property and ending on the earliest of (i) three (3) months from the date on which such Property initially became a Financed Property and (ii) the date on which such Property initially becomes a Leased Property.

"Exit Fee": As defined in the Fee Letter.

"Extension Date": The date on which the Agent agrees in writing to accept an Extension Request pursuant to Section 2.16.

"Extension Election Date": Sixty (60) days before the Stated Maturity Date.

"Extension Request": A written request from the Borrower Representative to the Agent that requests the extension of the then-effective Stated Maturity Date.

"Facility": As defined in Section 2.1(a).

"Facility Amount": $~~500,000,000.~~

~~"Facility Fee": As defined in the Fee Letter~~350,000,000.

"FATCA": Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b) of the Code or any intergovernmental agreements entered into in connection with the implementation of such Sections of the Code.

"Federal Funds Effective Rate": For any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if none of such rates are published for any day that is a Business Day, the term "Federal Funds Effective Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Agent from a federal funds broker of recognized standing selected by it; provided further that if the Federal Funds Effective Rate as so determined would be less than 0%, such rate shall be deemed to be 0% for the purposes of this Agreement.

"Fee Letter": That certain amended and restated fee letter dated as of ~~March 1~~January 31, ~~2021~~2023, by and between the Agent and the Borrower Representative.

"Filing Collateral": All Collateral with respect to which a security interest may be perfected by the filing of financing statements under the UCC.

"Filing Offices": The filing offices listed on Schedule 3 hereto, as the same may be updated from time to time as required by Applicable Law.

"Financed Property": Each Eligible Property owned by a Borrower and which has (i) satisfied the requirements for inclusion in the Facility as a Financed Property pursuant to Sections 2.2(a) and (b) and (ii) not been released as a Financed Property pursuant to Section 2.7(a) or (d).

"Financing Statement": The UCC financing statements naming each Borrower and each Guarantor, as debtor, and the Agent, for the benefit of the Secured Parties, as secured party, and describing the Collateral as the collateral.

"FIRREA": The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"Fiscal Quarter": As defined in Section 5.1(w).

"Flood Laws": The National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, the National Flood Insurance Reform Act of 1994, the Biggert-Waters Flood Insurance Act of 2012, as such statutes may be amended or re-codified from time to time, any substitutions, any regulations published under such flood laws, and all other legal requirements relating to flood insurance.

"Floor": The benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Daily Simple SOFR, as applicable. For the avoidance of doubt the initial Floor for the Adjusted Daily Simple SOFR shall be 0%.

"Foreign Lender": A Lender that is not a U.S. Person.

"Freddie Mac" shall mean the Federal Home Loan Mortgage Corporation, or any successor thereto.

"Freddie Mac House Price Index" shall mean, with respect to any geographic area, on any date of determination, the non-seasonally adjusted median home value reported for such geographic area (or its closest equivalent) by the "Freddie Mac House Price Index", available at https://www.freddiemac.com/research/indices/house-price-index, published by Freddie Mac or any Affiliate thereof, or any successor or replacement index as is mutually agreed in writing by Borrower Representative and Agent.

"GAAP": Generally accepted accounting principles in the United States of America, consistently applied and maintained on a consistent basis.

"Governing Documents": With respect to any specified Person, the limited liability company agreement, trust agreement, certificate of incorporation, limited partnership agreement, certificate of formation, certificate of limited partnership, or any other organization or formation document or documents related to such Person.

"Governmental Authority": Any national, federal, provincial, state, county, municipal, regional or other governmental, quasi-governmental, regulatory or administrative authority, agency, board, court, arbitrator, body, instrumentality, commission, or other judicial body (including their respective successors) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any governmental or quasi- governmental authority having legal power to administer any Applicable Laws.

"Grant," "Grants" or "Granting": Shall include to grant, assign, pledge, encumber, transfer, convey, set over and dispose.

"Guarantor": Individually or collectively, as the context may require, Equity Owner, Holdco Guarantors or Parent Holdco.

"Guarantor Default": The occurrence of any default by any Guarantor or Sponsor, as the case may be, under the Limited Guaranty, the Guaranty Agreement or the Security Agreement, including, without limitation, any breach of any Sponsor Financial Covenant.

"Guaranty Agreement": The Guaranty Agreement, dated as of March 1, 2021, made by the Guarantors in favor of Agent for the benefit of the Secured Parties.

"Hazardous Materials": Includes, but is not limited to, any and all substances (whether solid, liquid or gas) defined, listed or otherwise classified as pollutants, contaminants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes or words of similar meaning or regulatory effect under any present or future Environmental Laws, including, but not limited to, petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, lead based paint and toxic mold. Notwithstanding anything to the contrary contained herein, the term "Hazardous Materials" will not include: (i) substances which otherwise would be included in such definition but which are of kinds and in amounts ordinarily and customarily used or stored in similar properties, including, without limitation substances used for the purposes of cleaning, maintenance, or operations, substances typically used in construction, and typical products used in residential properties like each Property, and which are otherwise stored and used in compliance with all Environmental Laws and any required permits issued pursuant thereto; or (ii) substances which otherwise would be included in such definition but which are of kinds and amounts ordinarily and customarily utilized in residential properties and which are otherwise in compliance with all Environmental Laws and any required permits issued pursuant thereto.

"Highest Lawful Rate": The maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such Applicable Laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than Applicable Laws now allow.

"Holdco Guarantors": At any time, any Holdco Guarantor that is, at such time, a party to this Agreement, whether by executing this Agreement on the Effective Date or, after the Effective Date, subject to the reasonable approval of the Required Lenders, by executing a Joinder, including, the Persons who are listed as Holdco Guarantors on Schedule 1 attached hereto, unless and until any such Person is removed as a Holdco Guarantor in accordance with this Agreement.

"Indemnified Taxes": (a) Applicable Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnified Party": As defined in Section 13.11.

"Independent Director or Independent Manager": An individual who is provided by CT Corporation, Corporation Service Company, National Registered Agents, Inc., Wilmington Trust National Association, Wilmington Trust SP Services, Inc., Lord Securities Corporation or, if none of those companies is then providing professional Independent Directors or Independent Managers, another nationally recognized company reasonably acceptable to the Agent, in each case that is not an Affiliate of any of the Borrowers and that provides professional Independent Directors and Independent Managers and other corporate services in the ordinary course of its business, and which individual is duly appointed as a member of the board of directors or board of managers of such corporation or limited liability company and is not, has never been, and will not while serving as Independent Director or Independent Manager be, any of the following:

(a) a member (other than as a special member), partner, equityholder, manager, director, officer or employee of any Borrower-Related Party (other than (i) as an Independent Manager or Independent Director of a Loan Party and (ii) as an Independent Director or Independent Manager of a Borrower-Related Party that is required by the terms of a financing (or anticipated financing) to be a special purpose bankruptcy remote entity, provided that such Independent Director or Independent Manager is employed by a company that routinely provides professional Independent Directors or Independent Managers);

(b) a creditor, supplier or service provider (including provider of professional services) to any Borrower-Related Party, any special purpose entity equityholder, or any of their respective equityholders or Affiliates (other than a nationally recognized company that routinely provides professional Independent Directors or Independent Managers and other corporate services to any Borrower-Related Party, any special purpose entity equityholder, or any of their respective equityholders or Affiliates in the ordinary course of business);

(c) a family member of any such member, partner, equityholder, manager, director, officer, employee, creditor, supplier or service provider; or

(d) a Person that controls (whether directly, indirectly or otherwise) any of the individuals described in the preceding clauses (a), (b) or (c).

An individual who otherwise satisfies the preceding definition by reason of being the Independent Director or Independent Manager of a "special purpose entity" affiliated with any Borrower-Related Party shall not be disqualified from serving as an Independent Manager of a Borrower-Related Party if the fees that such individual earns from serving as Independent Directors or Independent Managers of Affiliates of the Borrower-Related Parties in any given year constitute in the aggregate less than 1% of such individual's annual income for that year.

"Insolvency Action": With respect to any Person, the taking by such Person of any action resulting in an Insolvency Event, other than solely under clause (g) of the definition thereof.

"Insolvency Event": With respect to any Person, (a) a case or other proceeding shall be commenced, without the application or consent of such Person in any court seeking the liquidation, reorganization, debt arrangement, dissolution, winding up, or composition or readjustment of debts of such Person, the appointment of a trustee, receiver, custodian, liquidator, assignee, sequestrator or the like for such Person or all or substantially all of its assets, or any similar action with respect to such Person under any Insolvency Law and (i) such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of forty-five (45) consecutive days or (ii) an order for relief in respect of such Person shall be entered in such case or proceeding or a decree or order granting such other requested relief shall be entered, (b) the commencement by such Person of a voluntary case under any Insolvency Law now or hereafter in effect, (c) the consent by such Person to the entry of an order for relief in an involuntary case under any Insolvency Law, (d) the consent by such Person to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its assets or property, (e) the making by such Person of any general assignment for the benefit of creditors, (f) the admission in a legal proceeding of the inability of such Person to pay its debts generally as they become due, (g) the failure by such Person generally to pay its debts as they become due, or (h) the taking of action by such Person in furtherance of any of the foregoing.

"Insolvency Laws": The Bankruptcy Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, arrangement, rearrangement, receivership, insolvency, reorganization, suspension of payments, marshaling of assets and liabilities or similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

"Insurance Reserve Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Insurance Reserve Account # 689690953" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Insurance Reserve Account Deposit Amount": For any Payment Date, an amount equal to, for any Property, the product of (a) the aggregate insurance premiums payable during each calendar year necessary in order to maintain compliance with the Insurance Requirements, (b) $1/12^{th}$ and (c) three (3).

"Insurance Reserve Account Shortfall Amount": As of any date of determination, the positive excess, if any, of (a) the Insurance Reserve Account Deposit Amount determined as of such date over (b) the amount on deposit in the Insurance Reserve Account as of such date of determination.

"Insurance Proceeds": All proceeds of any insurance policy, including property insurance policies, casualty insurance policies and title insurance policies, "partnership liability" insurance policy, employee fidelity insurance policy required to be maintained by or on behalf of any Borrower.

"Insurance Proceeds Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Insurance Proceeds Account # 690882128" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Insurance Requirements": With respect to any Borrower and each Property, the insurance policies and requirements described, or referred to, in Section 6.2. For the avoidance of doubt, premiums necessary in order to maintain compliance with the Insurance Requirements for each Property shall include, without duplication: (i) premiums related to or payable by reference to such Property and (ii) such Property's *pro rata* portion of any aggregate insurance premiums payable in order to maintain compliance with the Insurance Requirements, which insurance premiums are not determined solely by reference to any particular Property.

"Interest Accrual Period": For any Payment Date, other than the first Payment Date following the Effective Date, the period beginning on the previous Payment Date and ending on the day before such Payment Date, and for the first Payment Date following the Effective Date, the period beginning on the Effective Date and ending on the day before such Payment Date.

"Interest Payment Amount": For any Payment Date, the aggregate amount obtained by the daily application of (a) the Interest Rate for each day of the Interest Accrual Period ended immediately before such Payment Date and (b) Advances Outstanding on each such day, such amount to be calculated as set forth in Section 2.4(b); provided, however, that for purposes of computing the Interest Payment Amount for any Payment Date, the Adjusted Daily Simple SOFR and Advances Outstanding for each day following the Reporting Date in the related Interest Accrual Period (each such period, a "Stub Period") shall be the Adjusted Daily Simple SOFR and Advances Outstanding as determined on such Reporting Date; provided further, that (x) if the Interest Payment Amount calculated based on the actual Adjusted Daily Simple SOFR or Advances Outstanding for each day in the Stub Period exceeds the Interest Payment Amount calculated based on the foregoing proviso, the Interest Payment Amount for the immediately following Payment Date will be increased by the amount of such excess and (y) if the Interest Payment Amount calculated based on the actual Adjusted Daily Simple SOFR or Advances Outstanding for each day in the Stub Period is less than the Interest Payment Amount calculated based on the foregoing proviso, the Interest Payment Amount for the immediately following Payment Date will be decreased by the amount of such difference.

"Interest Rate": On any day, (a) the sum of (i) the Adjusted Daily Simple SOFR for such day and (ii) the Applicable Margin or (b) to the extent required by Section 2.9, the Alternate Base Rate for such day, as applicable.

"Interest Rate Cap Agreement" means that certain ISDA Master Agreement (Multicurrency – Cross Border) (together with the confirmation (including any revised, amended or otherwise modified confirmations) and schedules relating thereto), entered into as of April 13, 2022, between Goldman Sachs Bank USA and Vinebrook Homes Operating Partnership, L.P., obtained by Vinebrook Homes Operating Partnership, L.P., and collaterally assigned to the Administrative Agent pursuant to a Collateral Assignment and in accordance with this Agreement.

"Interest Reserve Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Interest Reserve Account # 689690979" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Interest Reserve Account Deposit Amount": On any date of determination, for any Eligible Property and the initial Advance requested related thereto, the product of (a) the Interest Rate for the related Interest Accrual Period (for such purpose, the Adjusted Daily Simple SOFR shall be the rate in effect on such date of determination), (b) the Allocated Loan Amount for such Property, (c) 1/12 and (d) three (3).

"Interest Reserve Account Required Amount": As of any date of determination, an amount equal to the product of (a) the Interest Rate for the related Interest Accrual Period (for such purpose, the Adjusted Daily Simple SOFR shall be the rate in effect on such date of determination), (b) the aggregate Allocated Loan Amounts of all Properties then funded by the Facility, (c) 1/12 and (d) three (3).

"Interest Reserve Account Excess Amount": As of any date of determination, the positive excess, if any, of (a) the amount on deposit in the Interest Reserve Account as of such date of determination over (b) the Interest Reserve Account Required Amount determined as of such date.

"Interest Reserve Account Shortfall Amount": As of any date of determination, the positive excess, if any, of (a) the Interest Reserve Account Required Amount determined as of such date over (b) the amount on deposit in the Interest Reserve Account as of such date of determination.

"Investment Company Act": The Investment Company Act of 1940.

"IRS": The United States Internal Revenue Service.

"ISDA Definitions": The 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"Joinder": A Joinder Agreement in substantially the form of Exhibit E attached hereto, delivered by a Person who is an Eligible Property Owner pursuant to Section 3.2(b) and acknowledged by the Agent.

"Lease": Any residential lease agreement providing for the lease of a Property.

"Lease In Place": A Property shall have a "Lease In Place" if a Lease has been duly executed by the property owner and an Eligible Tenant and has not been terminated, regardless of whether the lease term has already started or if the lease term begins at a date after the Lease has been executed.

"Leased Property": As of any date of determination, either (a) an Eligible Property that is a Carry-Over Property, or (b) an Eligible Property that satisfies the following: (i) the applicable Borrower has satisfied the Completion Requirements, (ii) the Property is leased to an Eligible Tenant pursuant to an Eligible Lease; provided that an Eligible Property that has been leased to an Eligible Tenant pursuant to an Eligible Lease shall continue to be a Leased Property notwithstanding that the Tenant ceases to be an Eligible Tenant or its tenancy is terminated as a result of the expiration or termination of such Eligible Lease and (iii) the applicable Borrower or Property Manager has received the first monthly rent payment under an Eligible Lease for such Property.

"Leasing Standards": Those standards described in Schedule 5 hereto.

"Lender": JPMorgan Chase Bank, National Association and each Person that may from time to time become party hereto or to any Assignment and Assumption in the capacity of a Lender.

"Lien": Any lien, mortgage, pledge, assignment, security interest, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing.

"Limited Guaranty": The Limited Guaranty, dated as of March 1, 2021, made by the Sponsor in favor of the Agent for the benefit of the Secured Parties.

"Liquidity": As defined in Schedule 6 hereto.

"Loan Account": The non-interest bearing trust account established and maintained by the Paying Agent in the name of the Agent and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Lenders — Loan Account" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent.

"Loan Documents": This Agreement, the Note, the Security Agreement, the Environmental Indemnity, the Limited Guaranty, the Guaranty Agreement, the Property Management Agreement, the Diligence Agent Agreement, each Account Control Agreement, each Deposit Account Control Agreement relating to each Deposit Account of any Borrower or the Borrower Representative, each Securities Account Control Agreement relating to each Securities Account of any Borrower or the Borrower Representative, each Joinder, each Borrowing Notice, each Assignment of Management Agreement, each Power of Attorney and any other document or agreement that evidences, secures or governs any of the Obligations or the Collateral.

"Loan Parties": Collectively, each Guarantor and each Borrower.

"Loan to Aggregate Market Value Ratio": As of any date of determination, the percentage equivalent of a fraction, the numerator of which is equal to the Advances Outstanding and the denominator of which is the Aggregate Market Value of all Financed Properties (adjusted for Non-Eligible Properties, as required by Section 2.13).

"Loan To Value Ratio" or "LTV Ratio": As of any date of determination, the percentage equivalent of a fraction, the numerator of which is equal to the Advances Outstanding and the denominator of which is equal to the lesser of (i) the Aggregate Market Value of all Financed Properties and (ii) the Aggregate Asset Purchase Price of all Financed Properties (in each case, adjusted for Non-Eligible Properties, as required by Section 2.13).

"Market Value": With respect to any Property and any date of determination, the fair market value of such Property, which shall be the most recent related BPO Value or AVM Value, as applicable; provided, however, if such Property is not an Eligible Property on such date of determination and the applicable Cure Period has expired, the Market Value for such Property shall be deemed to be zero. With respect to any Financed Property that the related Borrower has elected to reduce the Asset Purchase Price (pursuant to the definition of "Asset Purchase Price"), the Market Value of such Financed Property may not exceed the Asset Purchase Price as so reduced.

"Material Adverse Effect": A material adverse effect on (a) the business operations, properties, assets or condition (financial or otherwise) of the Loan Parties, taken as a whole, or the Sponsor, (b) the ability of any Loan Party to perform its respective obligations under any of the Loan Documents to which it is a party, (c) the rights and remedies of any Secured Party under any of the Loan Documents or (d) the perfection or priority of any Secured Party's interest in any Equity Interests in any Borrower or in any other portion of the Collateral.

"Measurement Quarter": On any date of determination, (a) if no Trigger Event exists, a Fiscal Quarter, or (b) if a Trigger Event exists, the three (3) immediately preceding calendar months.

"Monthly Report": For each Collection Period, a report prepared by the Borrower Representative setting forth the information identified on Exhibit D attached hereto, and with respect to each Financed Property, the information set forth on Schedule 7 hereto.

"Monthly Report Confirmation": For each Monthly Report, the confirmation by the Calculation Agent in the form of Exhibit H attached hereto, together with the annexes thereto.

"Moody's": Moody's Investor's Service, Inc. or any successors thereto.

"Mortgage Recording Expenses": As defined in Section 4.11(b).

"Mortgages": As defined in Section 4.11(a).

"MSA": "Metropolitan statistical area" as such term is defined by the United States Office of Management and Budget from time to time.

"MSA Percentage": A quotient expressed as a percentage where (i) the numerator is the Property Borrowing Base of the Properties in such MSA and (ii) the denominator is the Advances Outstanding.

"Multiemployer Plan": Any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Net Non-Financed Collections": With respect to any Collection Period the aggregate of all Collections received solely in connection with the Non-Financed Properties minus the sum of the aggregate Insurance Reserve Account Deposit Amount and the aggregate Tax Reserve Account Deposit Amount for all Non-Financed Properties.

"Net Worth": As defined in Schedule 6 hereto.

"Non-Cashflowing Property": Any Property that (i) has no Lease In Place, or (ii) has a Lease In Place (a) that is past the expiration date and the Tenant under such expired Lease is not paying month-to-month rent or (b) and the Tenant under such Lease is a Delinquent Tenant.

"Non-Eligible Property": As defined in Section 2.13.

"Non-Financed Property": Any Property owned by a Borrower that is not a Financed Property.

"Non-Leased Property": Any Financed Property that is not a Leased Property.

"Notional Amount": As defined in the Interest Rate Cap Agreement.

"Note": As defined in Section 3.1(a).

"NYFRB": The Federal Reserve Bank of New York.

"NYFRB's Website": The website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"NYFRB Rate": For any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined be less than 0%, such rate shall be deemed to be 0% for purposes of this Agreement.

"OFAC": The U.S. Department of the Treasury's Office of Foreign Assets Control.

"Obligations": All indebtedness, liabilities and obligations of every nature of any Borrower from time to time owed to the Agent (including former Agents), each Secured Party or any of them, under this Agreement or any Loan Document, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to any Borrower, would have accrued on any Obligation, whether or not a claim is allowed against such Borrower for such interest in the related bankruptcy proceeding), fees, expenses, indemnification or otherwise, whether now existing or arising in the future, direct or indirect, fixed or contingent, joint, several or joint and several, including any extensions, renewals, refinancing, or changes in form thereof.

"Operating Expenses": With respect to any Property, all costs, expenses relating to the ownership, management and maintenance of the Property, including property maintenance costs and expenses, home owners association dues, leasing costs and other expenses necessary to maintain the Property and title thereto (including, without limitation, Property Manager Fees, and amounts required to be paid to keep title of the related Borrower free and clear of liens), in each case in amounts and for purposes reasonable, customary and prudent, and consistent with prior practices of the Borrowers. Operating Expenses shall exclude (i) real estate taxes, other governmental assessments and insurance premiums to the extent reserved in, paid from or reimbursed by the Insurance Reserve Account or Tax Reserve Account, as applicable, (ii) capital expenditures and Renovation Costs and (iii) bad debt expense. Operating Expenses included in the calculation of Annualized Net Cash Flow will be calculated in accordance with GAAP, and may differ from the Operating Expenses reported in Monthly Reports for the same period.

"Other Charges": All ground rents, maintenance charges, impositions other than Taxes, and any other charges now or hereafter accessed or imposed against a Property or any part thereof.

"Other Connection Taxes": With respect to any Lender, Applicable Taxes imposed as a result of a present or former connection between such Lender and the jurisdiction imposing such Applicable Tax (other than connections arising from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Advance or Loan Document).

"Other Taxes": All present or future stamp, court or documentary, intangible, recording, filing, registration or similar Applicable Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or the Liens created or secured under, or otherwise with respect to, any Loan Document, except any such Applicable Taxes that are Other Connection Taxes imposed with respect to an assignment.

"Overnight Bank Funding Rate": For any day, the rate comprised of both overnight federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

"Parent Holdco": As defined in the introductory paragraph.

"Participant": As defined in Section 10.1(e).

"Participant Register": As defined in Section 10.1(f).

"Party": Each Person who from time to time is a party to this Agreement.

"Paying Agent": JPMorgan Chase Bank, National Association, or any replacement designated pursuant to Section 2.14.

"Paying Agent Fee": As defined in the Fee Letter, provided, however, the Paying Agent Fee may not be amended or modified in the Fee Letter without the consent of each Lender.

"Payment Date": The 20th calendar day of each month or the next succeeding Business Day if such calendar day is not a Business Day. The initial Payment Date shall be April 20, 2021.

"Payment Date Report": For any Payment Date, the report prepared by the Calculation Agent in the form of Exhibit A-2A reflecting the principal, Interest Payment Amount, fees, costs, expenses, indemnities and deposits into the Reserve Accounts payable hereunder on such Payment Date.

"PBGC": The Pension Benefit Guaranty Corporation.

"Pension Plan": Any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by any Borrower or any ERISA Affiliate or to which any Borrower or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five (5) plan years.

"Permitted Distributions": With respect to any Borrower, Restricted Payments made with proceeds of Advances or funds distributed to the Borrower Representative and expressly permitted to be applied to Restricted Payments in accordance with Section 2.8(b); provided, at the time such Permitted Distribution is made, no Early Amortization Event, Default, Event of Default or Trigger Event has occurred and is continuing or would be caused thereby.

"Permitted Investments": (a) Cash and Government securities within the meaning of Section 856(c)(4)(A) of the Code and (b) negotiable instruments or securities or other investments that (x) as of any date of determination, mature by their terms on or prior to the Business Day preceding the next succeeding Payment Date, (y) are denominated in U.S. dollars and (z) evidence:

(i) marketable obligations of the United States, the full and timely payment of which are backed by the full faith and credit of the United States;

(ii) certificates of deposit and other interest-bearing obligations and issued by any bank with capital, surplus and undivided profits aggregating at least $100,000,000 or the equivalent thereof in any other currency as determined by the Agent in accordance with its normal-course foreign currency exchange practices, the short term obligations of which meet or exceed the Short-Term Rating Requirement;

(iii) publicly traded money market funds subject to regulation under the Investment Company Act and in compliance with Rule 2a-7 of the Investment Company Act and the having a rating, at the time of such investment, of not less than "Aaa" by Moody's and "AAA" by S&P including any fund for which the Paying Agent or an Affiliate thereof serves as an investment advisor, administrator, shareholder servicing agent and/or custodian; and

(iv) demand deposits, time deposits or certificates of deposit of depository institutions or trust companies incorporated under the laws of the United States, any State thereof (or domestic branches of any foreign bank) and subject to supervision and examination by federal or State banking or depository institution authorities; provided, however, that at the time such investment, or the commitment to make such investment, is entered into, the short term debt rating of such depository institution or trust company shall meet or exceed the Short-Term Rating Requirement.

"Permitted Liens": Any (a) Liens granted pursuant to or by the Loan Documents, (b) statutory materialmen's Liens and mechanic's Liens, in each case arising in the ordinary course of business with respect to obligations which are not delinquent, (c) Leases, (d) deposits in the ordinary course of business to secure liabilities to insurance carriers, utilities and other service providers, (e) Liens for taxes not yet due and payable, (f) homeowners' association covenants, conditions and restrictions, (g) customary utility easements, (h) non-monetary liens constituting customarily acceptable title exceptions that are created or permitted by the related Borrower in the ordinary course of owning and operating a Property subsequent to the date of the related Title Insurance Policy, which liens do not have a material adverse effect on the related Property or the value thereof and (i) any other Lien agreed to by the Agent in connection with the title review for a Property in conformity with the provisions of Exhibit J attached hereto.

"Person": Any individual or any general partnership, limited partnership, cooperation, joint venture, trust, limited liability company, trust, cooperative, association, unincorporated government organization or entity or any department or agency thereof.

"Plan": Any "employee benefit plan" (as such term is defined in Section 3(3) of ERISA) established by any Borrower or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any ERISA Affiliate.

"Pledged Security": As defined in the Security Agreement.

"Portfolio Delinquency Amount": With respect to all Properties owned by the Sponsor or any of its Affiliates, the ratio of (a) the amount of Delinquent Tenants to (b) the total amount of Tenants.

"Power of Attorney": The Power of Attorney attached hereto as Exhibit I.

"Prime Rate": The rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Agent) or any similar release by the Federal Reserve Board (as determined by the Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Pro Forma Collections": For purposes of calculating Estimated Net Cash Flow (a) with respect to any Leased Property, the actual monthly rent received during the period such Property has been owned by the Borrower and has been a Leased Property, divided by the number of rental payment dates in such period and multiplied by twelve (12) and (b) with respect to any Non-Leased Property, the Borrower Representative's reasonable estimate of annual rent collections, as reasonably approved by the Agent.

"Pro Rata Share": For any Lender, on any date of determination, the percentage equivalent of a fraction (a) prior to the Revolving Period Termination Date, the numerator of which is equal to such Lender's Commitment on such date of determination and the denominator of which is equal to the Facility Amount and (b) on and after the Revolving Period Termination Date, the numerator of which is the portion of the Advances Outstanding on such date that have been funded by such Lender and the denominator of which is equal to the Advances Outstanding on such date.

"Proceeds": As defined in the UCC and shall include any and all Condemnation Proceeds, all gross proceeds related to any Conveyance, Insurance Proceeds and loss proceeds in respect of the Collateral.

"Property": Each real property owned or acquired by or transferred to a Borrower, the fee title to which is held by such Borrower, together with all buildings, fixtures and improvements thereon and all other rights, benefits and proceeds arising from and in connection with such property.

"Property Addition Notice": A written request by the Borrowers to add additional Eligible Properties as Financed Properties, in the form of Exhibit A-2 attached hereto.

"Property Addition Confirmations": With respect to each Property Addition Notice: (i) a confirmation, in the Payment Date Report in the form of Exhibit A-2A attached hereto, by the Calculation Agent that it has reviewed and confirmed the results of each of the calculations ~~set forth in the reports annexed to Exhibit A-2A hereto~~ and has found no Calculation Deficiency therein; and (ii) a certification, in the form of Exhibit A-2B attached hereto, by the Diligence Agent that it has reviewed the Document Package and confirmed that it has found no Diligence Deficiency therein.

"Property Borrowing Base": On any date of determination, for any Financed Property, an amount (not less than zero) equal to (a) the product of (i) the related Advance Rate with respect to such Financed Property and (ii) the Property Value of such Financed Property minus (b) the Release Premium Deduction for such Financed Property; provided, however, if such Property is not an Eligible Property on such date of determination and the applicable Cure Period has expired, the Property Borrowing Base for such Property shall be deemed to be zero.

"Property Expense Amount": With respect to any Collection Period, (a) absent the existence of a Trigger Event, the aggregate of all Operating Expenses for the Properties paid or due for such Collection Period and (b) during the existence of a Trigger Event, the aggregate of all Operating Expenses for the Financed Properties paid or due for such Collection Period.

"Property Management Agreement": The Management Agreement, dated as of January 22, 2021, as amended by that certain First Amendment to Management Agreement dated as of March 1, 2021, by and among the Property Manager and each Borrower.

"Property Manager": VineBrook Homes, LLC or any successor thereto.

"Property Manager Event of Default": The occurrence of any of the following: (a) fraud, gross negligence, willful misconduct, or misappropriation of funds by the Property Manager, (b) any Insolvency Event with respect to the Property Manager, or (c) the occurrence of a Property Manager Trigger Event (as defined in the Assignment of Management Agreement with respect to the Property Management Agreement).

"Property Manager Fee": With respect to each Property, the fees payable to the Property Manager with respect to such Property pursuant to the Property Management Agreement; which fees shall not exceed 8% of all rent payments and other non-deposit amounts actually collected with respect to the related Properties.

"Property Release": As defined in Section 2.7(a).

"Property Release Amount": In connection with any proposed Property Release, the sum of: (A) an amount sufficient to cure any Borrowing Base Shortfall, an LTV Ratio in excess of 70% or a Trigger Event, if any, immediately after giving effect to such release, (B) an amount equal to the applicable Release Premium (together with the amount described in Clause (A), the "Reduction Amount"), (C) the unpaid interest on the Reduction Amount through the related date of prepayment, calculated at the applicable Interest Rate and (D) all unpaid fees or unreimbursed costs with respect to the Facility, to the extent relating to the portion of the Advances Outstanding to be repaid. For the purpose of clause (A) above, the Debt Service Coverage Ratio, the Debt Yield Ratio and the Portfolio Delinquency Amount shall be as determined for the most recently ended Measurement Quarter, and recalculated to exclude items included in the Annualized Net Cash Flow attributable to the Property for which the Property Release Amount is calculated.

"Property Value": With respect to any Property, as of any date of determination, the lesser of (a) the related Asset Purchase Price and (b) the related Market Value as of the date of the most recent BPO, AVM or such other valuation methodology acceptable to the Agent in its sole discretion; provided, however, that such Market Value for a Leased Property shall be based on the "as-is" value (and not the "quick sale" value) of such Property at such time, notwithstanding that such Property may have been a Non-Leased Property as of the date such Property became a Financed Property; and, provided, further, that if such Property is not an Eligible Property on such date of determination and the applicable Cure Period has expired, then the Property Value for such Property shall be zero.

"Proposed Scheduled Renovation Work": As defined in Section 4.8(a).

"Purchase Agreement": Any purchase agreement or trustee's receipt related to, or any other document evidencing the acquisition of, a Property.

"Qualified Institution": Any depository institution or trust company organized under the laws of the United States or any State (or any domestic branch of a foreign bank), (i) (a) that has or the parent of which has, either (1) a long-term unsecured debt rating of "~~A-~~ BBB" or higher by S&P and "~~A-~~ Baa2" or higher by Moody's, or (2) a short-term unsecured debt rating of not less than "A-1" by S&P and not less than "P-1" by Moody's or (b) is otherwise acceptable to the Agent and (ii) whose deposits are insured by the Federal Deposit Insurance Corporation.

"Qualified Title Insurance Company": As defined in clause (q) of Schedule 2 hereto.

"Quarterly Sample": As defined in Section 4.2(a).

"Quarterly Valuation": Any quarterly valuation of Financed Properties made in accordance with the provisions of Section 4.2(a).

"Ratio Cure Amount": An amount sufficient to repay Advances Outstanding such that the financial covenants in Section 8.1(r) are met.

"Ratio Cure Procedures": With respect to a breach of Section 8.1(r):

1. Within five (5) Business Days after the relevant Monthly Report or BPO and AVM Report, as applicable, is delivered or is required to be delivered, the Borrowers shall notify the Agent and Lenders in writing of their intention to cure such condition by repayment of Ratio Cure Amount or delivery of additional Eligible Properties in each case to the extent necessary to cure such condition.

2. If the Borrowers elect to repay the Ratio Cure Amount in an amount sufficient to cure such condition, the Borrowers shall have five (5) Business Days from the date of such election to make such cure payment.

3. If the Borrowers elect to deliver additional Eligible Properties, the Borrowers shall have five (5) Business Days from the date of such election to deliver the applicable Document Packages to the Diligence Agent and the Agent, and five (5) Business Days after receipt of a Diligence Agent Deficiency Notice or the Calculation Agent Deficiency Report, as applicable, in which to correct any identified Diligence Deficiency or Calculation Deficiency, as applicable, therein, and such Eligible Properties will be added to the Facility as Financed Properties as soon as the Diligence Agent completes its review of the Document Packages but no later than 20 calendar days after delivery of such Document Packages.

For the purpose of determining whether a breach of Section 8.1(r) has been cured in accordance with the Ratio Cure Procedures, the Debt Service Coverage Ratio and the Debt Yield Ratio shall be as determined for the most recently ended Measurement Quarter and the Loan to Value Ratio shall be as determined in the most recent BPO and AVM Report, and in each case, recalculated to give pro forma effect to any addition of any Financed Properties and any reduction of Advances Outstanding, as if such addition or reduction had occurred on the first day of the applicable Measurement Quarter or the date of such BPO and AVM Report, as applicable.

The failure to make the cure election in 1, or to effectuate an elected cure pursuant to the requirements of 2 or 3, as applicable, shall trigger an immediate Event of Default under Section 8.1(r).

"Ratio Trigger Event": The existence, on a Reporting Date immediately following a Measurement Quarter, of either:

(a) a Debt Service Coverage Ratio of less than 1.50:1.00;

(b) a Debt Yield Ratio of less than 8.00%; or

(c) a Portfolio Delinquency Amount is greater than 5%.

provided, however, that for purposes of determining at any time whether a Ratio Trigger Event would exist or continues to exist, the Debt Service Coverage Ratio, Debt Yield Ratio and Portfolio Delinquency Amount shall be as determined for the most recently ended Measurement Quarter, and recalculated to give pro forma effect to any addition or release of any Financed Properties and any reduction of Advances Outstanding, as if such addition or reduction had occurred on the first day of the applicable Measurement Quarter.

"Ratio Trigger Delay Termination Date": After the occurrence of a Ratio Trigger Event, the earliest to occur of: (a) an Event of Default, (b) the Borrower Representative requests release of the Ratio Trigger Reserve Account or (c) a Ratio Trigger Event continues for three consecutive months.

"Ratio Trigger Reserve Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Ratio Trigger Reserve Account # 690882136" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Reduction Amount": As defined in the definition of Property Release Amount.

"Register": As defined in Section 10.1(d).

"Reference Time": With respect to any setting of the then-current Benchmark means (1) if the Benchmark is Daily Simple SOFR, then four Business Days prior to such setting and (2) if such Benchmark is not Daily Simple SOFR, the time determined by the Agent in its reasonable discretion.

"Related Party Property Release": Either a Borrower Property Release or the Conveyance of a Financed Property to a Borrower-Related Party other than a Loan Party.

"Release": Any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment, including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"Release Premium" shall mean, for any Property Release, the applicable Release Premium Percentage times the aggregate Property Borrowing Base of the Financed Properties released in connection with such Property Release.

"Release Premium Deduction" shall mean, for any Financed Property, an amount which shall equal zero prior to the first Property Release to occur after the Borrowing Date therefor, and which shall be increased with respect to each Property Release occurring after such Borrowing Date by an amount equal to the Release Premium for such Property Release multiplied by a fraction (expressed as a percentage), the numerator of which is the Property Borrowing Base of such Financed Property and the denominator of which is the remaining Borrowing Base after giving effect to the applicable Property Release.

"Release Premium Percentage" shall mean, for any Property Release as of such date of determination, (i) if the aggregate Property Borrowing Base of Financed Properties released in connection with Property Releases (including the applicable Property Release) is less than five percent (5%) of the Facility Amount, zero percent (0%) and (ii) if the aggregate Property Borrowing Base of Financed Properties released in connection with Property Releases (including the applicable Property Release) is equal to or greater than five percent (5%) of the Facility Amount, ten percent (10%).

"Release Premium Report": As defined in Section 6.1(i).

"Relevant Governmental Body": The Federal Reserve Board or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board or the NYFRB, or any successor thereto.

"Renovation Cost Reserve Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Renovation Cost Reserve Account # 689690987" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Renovation Cost Reserve Account Required Amount": As defined in Section 4.8(b).

"Renovation Cost Reserve Account Shortfall Amount": As of any date of determination, the positive excess, if any, of (a) the Renovation Cost Reserve Account Required Amount for such date of determination over (b) the amount on deposit in the Renovation Cost Reserve Account as of such date of determination.

"Renovation Costs": For any Property, the aggregate of the costs estimated to be incurred by the applicable Borrower with respect to the renovation of such Property, as demonstrated in a certificate certified by a Responsible Officer of the Borrower Representative delivered to and approved by the Diligence Agent and the Agent as provided in the Diligence Agent Agreement; provided that, with respect to any Property for which such costs exceed 15% of the Asset Purchase Price, the Agent and the Lenders shall have a right to request recalculation of the Renovation Costs in any case where any of them considers the assessment thereof not reasonably satisfactory. For the avoidance of doubt, Renovation Costs do not include any fees, costs or expenses associated with any ongoing recurring repairs or maintenance to any Property.

"Renovation Standards": Those maintenance, repairs, improvements and installations that are necessary (i) for a Property to conform to the requirements of Applicable Law and not deviate materially from local rental market standards for the area in which such Property is located and (ii) for a Property to conform to Requirements for Existing Housing One to Four Family Units (4905.1) or Minimum Property Standard for One and Two Family Dwellings (200.926) as applicable, as published by the U.S. Department of Housing and Urban Development.

"Repair Completion Certificate": The repair completion certificate of a Responsible Officer of the Borrower Representative certifying that all repairs to any Property in respect of which Insurance Proceeds are held in the Insurance Proceeds Account have been completed.

"Reportable Event": Any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Reporting Date": With respect to any Payment Date, the fifteenth (15^{th}) day of the related calendar month or, if such day is not a Business Day, the immediately succeeding Business Day.

"Required Insurance Policies": With respect to a Property, the insurance policies required by Section 6.2.

"Required Lenders": On any day, Lenders with Pro Rata Shares exceeding 50% in the aggregate; provided that if there are only two (2) Lenders, Required Lenders shall mean both Lenders.

"Required Principal Payment Amounts": Principal prepayments required pursuant to Sections 2.7 and 2.13.

"Reserve Account": Individually or collectively, as the context may require, the Insurance Reserve Account, the Tax Reserve Account, the Ratio Trigger Reserve Account, the Renovation Cost Reserve Account and the Interest Reserve Account.

"Reserve Account Deposit Amount": For any proposed Advance, (i) the related Interest Reserve Account Deposit Amount and the Interest Reserve Account Shortfall Amount, without double counting, (ii) the related Insurance Reserve Account Deposit Amount and the Insurance Reserve Account Shortfall Amount, without double counting, (iii) the related Tax Reserve Account Deposit Amount and the Tax Reserve Account Shortfall Amount, without double counting and (iv) the Renovation Cost Reserve Account Shortfall Amount.

"Reserve Requirement": With respect to any date of determination, the aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements (if any) arising from any Applicable Laws enacted or imposed after the date hereof and in effect on such date (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board of Governors of the Federal Reserve System or other governmental authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for Eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of such Board of Governors) maintained by each Lender.

"Responsible Officer": ~~With~~means (i) with respect to any specified Person and any circumstance, any member, manager, general partner or officer who has supervisory responsibilities relating to the specified circumstance; (ii) with respect to the Calculation Agent, any officer in the corporate trust division, business line, or department of the Calculation Agent, as applicable, with direct responsibility for the administration of this Agreement and, with respect to a particular matter, any other officer in the corporate trust division, business line, or department to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject; and (iii) with respect to the Paying Agent, any vice president, assistant vice president, any assistant secretary, any assistant treasurer, any associate or any other officer in the corporate trust group of the Paying Agent, as applicable, having direct responsibility for the administration of this Agreement, and any other officer of the Paying Agent, as applicable, to whom, with respect to a particular matter, such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Restricted Payment": With respect to any Person, (i) any dividend or other distribution (whether direct or indirect, and whether in cash, securities or other property) with respect to any class of Equity Interests of such Person now or hereafter outstanding, other than a dividend payable to the holders of any class of Equity Interests solely in shares of Equity Interests of such Person, (ii) any payment (whether direct or indirect, and whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, full or partial redemption, full or partial withdrawal, retirement, acquisition, cancellation or termination of any such Equity Interests or of any option, warrant or other right to acquire any such Equity Interests, (iii) any voluntary prepayment of principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance (including in-substance or legal defeasance), sinking fund or similar payment with respect to, any subordinated Debt of such Person and (iv) any management or similar payments to any Affiliate, excluding, for the avoidance of doubt, any payments made to the Property Manager pursuant to the terms of the Property Management Agreement, as applicable.

"Revolving Period Termination Date": The earlier of (a) Commitment Termination Date (as the same may be accelerated pursuant to Section 8.2(a)) and (b) the date on which any Early Amortization Event occurs.

"Salesforce Financed Property": The Properties listed on Schedule 8 hereto.

"S&P": Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. or any successor thereto.

"Schedule of Properties": The schedule listing each of the Properties of each of the Borrowers subject to this Facility as of the Effective Date in form and substance as set forth in Schedule 4 hereto.

"Scheduled Maturity Date": ~~March 1~~January 31, ~~2023~~2025.

"Scheduled Renovation Work": As defined in Section 4.8(a).

"Secured Parties": Collectively or individually, as the context may require, each of the Lenders, the Agent, the Calculation Agent, the Paying Agent, the Diligence Agent and each Indemnified Party.

"Securities": Any stock, shares, partnership interests, limited liability company interests, voting trust certificates, certificates of interest or participation in any profit sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing.

"Securities Account": As defined in the UCC.

"Securities Account Control Agreement": With respect to any Securities Account, any control agreement or other similar agreement among the Securities Intermediary, the owner of such Securities Account and the Agent as the Agent shall deem necessary in its reasonable discretion, in form and substance acceptable to the Agent, providing for such institution's agreement to comply with entitlement orders from the Agent with respect to security entitlements in financial assets credited to or held in the applicable Securities Account without the further consent of, or notice to, such owner, it being agreed that any Securities Account Control Agreement on any Securities Account holding tenant security deposits shall be subject to any limitations on disposition of such funds as may be required by Applicable Law.

"Securities Intermediary": As defined in the introductory paragraph.

"Security Agreement": That certain Security Agreement, dated as of the date hereof, by and among the Loan Parties and Agent.

"Security Agreement Supplement": As defined in the Security Agreement.

"Security Deposit Account": The Securities Account into which all Tenant security deposits are deposited, and established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Borrower Security Deposit Account # 690882151" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Senior Property Manager Fee": With respect to each Collection Period, an amount equal to the Senior Property Manager Fee Amount.

"Senior Property Manager Fee Amount": 5% of the rents collected with respect to the Properties in such Collection Period.

"Short-Term Rating Requirement": A short term unsecured debt rating of not less than "A-1" by S&P and not less than "P-1" by Moody's.

"SOFR": A rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator": The NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website": The NYFRB's website, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Date" has the meaning specified in the definition of "Daily Simple SOFR".

"SOFR Rate Day" has the meaning specified in the definition of "Daily Simple SOFR".

"Solvent": With respect to any Person as of the date of determination, both (i) (a) the sum of such Person's Debt (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets, (b) such Person's capital is not unreasonably small in relation to its business as then contemplated and (c) such Person has not incurred and does not intend or expect to incur, Debts beyond its ability to pay such Debts as they become due (whether at maturity or otherwise) and (ii) such Person is "solvent" within the meaning given that term and similar terms under Applicable Laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"SPE Requirements": The covenants set forth in Section 6.1(g).

"Sponsor": As defined in the introductory paragraph.

"Sponsor Financial Covenant": Any of the covenants relating to Sponsor set forth in Schedule 6 hereto.

"Stabilization Period": With respect to any Financed Property, the time period from the date one hundred-eighty (180) days following the date of the completion of all Scheduled Renovation Work in accordance with the Renovation Standards during which such Financed Property is a Non-Leased Property.

"Stated Maturity Date": The Scheduled Maturity Date, as extended on any Extension Election Date to the then-applicable to the Extended Maturity Date in accordance with Section 2.16.

"Statutory Reserve Rate": A fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Federal Reserve Board to which the Agent is subject with respect to the Adjusted Daily Simple SOFR, for eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D). Such reserve percentage shall include those imposed pursuant to Regulation D. Advances shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subordinate Property Manager Fee": With respect to each Collection Period, an amount equal to the Subordinate Property Manager Fee Amount.

"Subordinate Property Manager Fee Amount": 3% of the rents collected with respect to the Properties in such Collection Period.

"Supplemental Schedule of Properties": For any requested Advance following the Effective Date, the schedule attached to the related Borrowing Notice, as Schedule 1 thereto, and listing each of the Properties of each of the Borrowers to be funded by such requested Advance, in form and substance as set forth in Schedule 4 hereto, and which shall include the Data Tape Fields set forth on Schedule 7 hereto and such other information as Agent may reasonably request with respect to the related Advance.

"Tangible Net Worth": As defined in Schedule 6 hereto.

"Taxes": All real estate and personal property taxes, assessments, water rates or sewer rents, now or hereafter levied or assessed or imposed against any Property or part thereof.

"Tax Reserve Account": The Securities Account established and maintained by the Paying Agent in the name of the Borrower Representative and entitled "JPMorgan Chase Bank, National Association, as Paying Agent, in trust for the Borrowers — Tax Reserve Account # 689690961" or such other account established at the Paying Agent (or any successor) as may be designated in writing from time to time by the Agent, and at all times subject to an Account Control Agreement.

"Tax Reserve Account Deposit Amount": For any Payment Date, an amount equal to, for any Financed Property, the product of (a) the aggregate real estate taxes or other governmental assessments related to such Financed Property payable during each calendar year, (b) $1/12^{th}$ and (c) three (3).

"Tax Reserve Account Shortfall Amount": As of any date of determination, the positive excess, if any, of (a) the Tax Reserve Account Deposit Amount determined as of such date over (b) the amount on deposit in the Tax Reserve Account as of such date of determination.

"Tenant": An individual who has leased any Property pursuant to a Lease.

"Term SOFR": For the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Term SOFR Notice": A notification by the Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.

"Term SOFR Transition Event": The determination by the Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.9 that is not Term SOFR. For the avoidance of doubt, the Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Transition Event and may do so in its sole discretion.

"Termination Date": The earlier of (a) the ~~Scheduled~~Stated Maturity Date and (b) the date on which all Advances shall become due and payable pursuant to Section 8.2(a).

"Title Insurance Policy": As defined in clause (q) of Schedule 2 hereto.

"Top MSA": As of any date of determination, the MSA with the first largest MSA Percentage.

"Top Three MSA": As of any date of determination, each MSA with the first, second and third largest MSA Percentage.

"Trigger Event": The existence of any of the following:

(a) an Event of Default;

(b) a Ratio Trigger Event; or

(c) an Early Amortization Trigger.

"Two-Year Swap Rate": On any day, the rate, as determined by the Agent, equal to the mid market USD-ISDA-Swap Rate for U.S. Dollar swaps with a maturity of two (2) years, expressed as a percentage (rounded up to the nearest whole multiple of 1/100%), which appears on the Reuters Screen ISDAFIX1 Page (or any successor page) at 11:00 a.m. on such date of determination.

"Unadjusted Benchmark Replacement": The applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unfunded Pension Liability": The excess of a Pension Plan's benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan's assets, determined in accordance with the assumptions used for funding that Pension Plan pursuant to Section 412 of the Code for the applicable plan year.

"Uniform Commercial Code" or "UCC": The Uniform Commercial Code as in effect in the State of New York; provided, that, if, by reason of Applicable Laws, the perfection or priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority.

"Unused Fee": As defined in the Fee Letter; provided, however, the Unused Fee may not be amended or modified in the Fee Letter without the consent of each Lender.

"U.S. Government Securities Business Day": Any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person": Any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"Vinebrook Controlled Investment Affiliate": A Person that is directly or indirectly under the Control of the Sponsor and organized by the Sponsor, or common Control with, or its Affiliates for the purpose of making and holding investments.

"Vinebrook Physical Address": The physical address of the Loan Parties in Dayton, Ohio into which rent checks are sent prior to deposit into the applicable Borrower Rent Account.

"Withholding Agent": A Borrower, a Loan Party or the Paying Agent.

Section 1.2 Construction of Certain Terms and Phrases

. Unless the context of this Agreement otherwise requires: (a) words of either gender include the other gender; (b) words using the singular or plural also include the plural or singular, respectively; (c) the terms "hereof," "herein," "hereby," "hereto" and similar words refer to this entire Agreement and not any particular Article, Section, Clause, Exhibit, Appendix or Schedule or any other subdivision of this Agreement; (d) references to "Article," "Section," "Clause," "Exhibit," "Appendix" or "Schedule" are to the Articles, Sections, Clauses, Exhibits, Appendices and Schedules, respectively, of this Agreement; (e) the words "include" or "including" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import; and (f) references to "this Agreement" or any other agreement or document shall be construed as a reference to such agreement or document, including any Exhibits, Appendices, Attachments and Schedules thereto, as amended, restated, amended and restated, modified or supplemented and in effect from time to time and shall include a reference to any document that amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms. Whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified. A reference to legislation or to a provision of legislation includes a modification, codification, replacement, amendment or re-enactment of it, a legislative provision substituted for it and a rule, regulation or statutory instrument issued under it. A reference to writing includes a facsimile or electronic transmission and any means of reproducing words in a tangible and permanently visible form. A reference to conduct includes an omission, statement or undertaking, whether or not in writing. A Default or Event of Default exists until it has been waived in writing in accordance with the provisions of this Agreement. The words "hereof," "herein," "hereunder" and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement, unless the context clearly requires or the language provides otherwise. A reference to any time means New York time. This Agreement may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their respective terms. All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP as in effect on the date hereof. All terms used in Articles 8 and 9 of the UCC, and used but not specifically defined herein, are used herein as defined in such Articles 8 and 9. A reference to "fiscal year" and "fiscal quarter" means the fiscal periods of the applicable Person referenced therein. Unless

otherwise defined herein, terms used herein and in the other Loan Documents that are defined in the Uniform Commercial Code, from time to time in effect in the State of New York, shall have the meanings given to them therein. Except where otherwise expressly stated, each of the Agent, the Required Lenders and the Lenders may give or withhold, or give conditionally, approvals and consents, and may form opinions and make determinations, in its sole discretion subject in all cases to the implied covenant of good faith and fair dealing. Reference in any Loan Document to the Agent's or any Lender's discretion shall mean, unless otherwise expressly stated herein or therein, the Agent's or such Lender's sole discretion, respectively, and the exercise of such discretion shall be final and conclusive subject in all cases to the implied covenant of good faith and fair dealing. In addition, except where a different standard is specified, in any Loan Document whenever the Agent or any Lender has a decision or right of determination, opinion or request, exercises any right given to it to agree, disagree, accept, consent, grant waivers, take action or no action or to approve or disapprove, or any arrangement or term is to be satisfactory or acceptable to or approved by (or any similar language or terms) the Agent or such Lender, respectively, the decision of the Agent or each Lender, respectively, with respect thereto shall be in the sole discretion of the Agent or each Lender, respectively, and such decision shall be final and conclusive subject in all cases to the implied covenant of good faith and fair dealing. Any requirement of good faith, discretion or judgment by the Agent or any Lender shall not be construed to require the Agent or any Lender to request or await receipt of information or documentation not immediately available from or with respect to the Borrowers or the Eligible Properties. A reference to a document includes an agreement in writing or a certificate, notice, instrument, document and any information stored in electronic format. Whenever a Person is required to provide any document to a Lender under any Loan Document, the relevant document shall be provided in writing or printed form unless such Lender requests otherwise. At the request of any Lender, the document shall be provided in computer disk form or both printed and computer disk form. The Loan Documents are the result of negotiations between the applicable Parties to each Loan Document, have been reviewed by counsel to each applicable Party, and are the product of all of the applicable Parties to each respective Loan Document. No rule of construction shall apply to disadvantage one Party on the ground that such Party proposed or was involved in the preparation of any particular provision of the Loan Documents or the Loan Documents themselves.

Section 1.3 Interest.

(a) Each Advance shall bear interest at a rate per annum equal to the Adjusted Daily Simple SOFR.

(b) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan.

(c) Interest computed by reference to Daily Simple SOFR hereunder shall be computed on the basis of a year of 360 days.

(d) Interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year). In each case interest shall be payable for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. The applicable Alternate Base Rate, Adjusted Daily Simple SOFR or Daily Simple SOFR shall be determined by the Agent, and such determination shall be conclusive absent manifest error.

Section 1.4 Interest Rates; Benchmark Notification.

The interest rate on Advances may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.9(b) provides a mechanism for determining an alternative rate of interest. The Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

In no event shall the Calculation Agent have any obligation or liability with respect to (i) monitoring, determining or verifying the unavailability or cessation of any Benchmark or the occurrence of any Term SOFR Transition Event, Benchmark Transition Event or Benchmark Replacement Date, or giving notice to any party of the occurrence of any Term SOFR Transition Event, Benchmark Transition Event or Benchmark Replacement Date, (ii) selecting, determining or designating any Benchmark Replacement, or determining whether any conditions to the designation of such a Benchmark Replacement have been satisfied, (iii) selecting, determining or designating any Benchmark Replacement Adjustment with respect to any Benchmark Replacement, or (iv) determining whether or what Benchmark Replacement Conforming Changes are necessary in connection with any of the foregoing, even if the Agent, in the case of any or all of the foregoing, does not take these actions in accordance with its obligations under this Agreement.

ARTICLE 2
THE CREDIT FACILITY

Section 2.1 Description of Facility; Borrower Representative

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(a) On the terms and conditions set forth in this Agreement each Lender hereby establishes in favor of the Borrowers a revolving credit facility (the "Facility") pursuant to which the Borrower Representative, on behalf of the Borrowers or any one or more of them, may from time to time on any Business Day subject to the limitations set forth in Section 3.2(k)(vi) of this Agreement on or after the Effective Date and prior to the Revolving Period Termination Date, request an Advance. The Borrowers shall be jointly and severally liable for all Advances made hereunder, regardless of which Borrower or Borrowers received the proceeds of any Advance.

(b) Each Borrower hereby designates the Borrower Representative as its representative and agent on its behalf for the purposes of issuing Borrowing Notices, giving instructions with respect to the disbursement of the proceeds of the Advances, giving and receiving all other notices and consents hereunder or under any of the other Loan Documents and taking all other actions (including in respect of compliance with covenants) on behalf of any Borrower or the Borrowers under the Loan Documents. The Borrower Representative hereby accepts such appointment. Each Lender and the Agent may regard any notice or other communication pursuant to any Loan Document from Borrower Representative as a notice or communication from all Borrowers, and may give any notice or communication required or permitted to be given to any Borrower or Borrowers hereunder to Borrower Representative on behalf of such Borrower or Borrowers. Each Borrower agrees that each notice, election, representation and warranty, covenant, agreement and undertaking made on its behalf by Borrower Representative shall be deemed for all purposes to have been made by such Borrower and shall be binding upon and enforceable against such Borrower to the same extent as if the same had been made directly by such Borrower.

(c) No Advance shall be requested or made in respect of any Person (including in respect of any property of any Person) who is not, at the time the related Borrowing Notice is delivered to the Agent, a Borrower hereunder.

Section 2.2 Procedure for Adding Financed Properties and Borrowing Advances

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(a) Adding Financed Properties. The Borrower Representative may from time to time prior to the Revolving Period Termination Date, subject to satisfaction of the conditions precedent set forth in Section 3.2, add Eligible Properties as Financed Properties hereunder by:

(i) delivering to the Agent, the Calculation Agent and the Diligence Agent a Property Addition Notice (which may be delivered in conjunction with a Borrowing Notice pursuant to Section 2.2(c) below) identifying the Eligible Properties to be added to the Facility as Financed Properties and certifying to the matters required therein;

(ii) simultaneously with delivery of such Property Addition Notice (or not more than fifteen (15) Business Days prior thereto) posting to the Data Site the Document Packages relating to each such Property.

(b) Property Addition and Document Package Verification. Following delivery of a Property Addition Notice:

(i) the Calculation Agent shall, within three (3) Business Days after receipt by it of such Property Addition Notice, deliver to the Agent, the Diligence Agent and the Borrower Representative, either (A) if it has confirmed all of the applicable calculations related to a Property Addition Notice as reflected on the calculation schedule attached hereto as Exhibit F, its Property Addition Confirmation or (B) if it has found any Calculation Deficiency therein, a Calculation Agent Deficiency Report;

(ii) the Diligence Agent shall, within three (3) Business Days after receipt such Property Addition Notice, deliver to the Agent, the Calculation Agent and the Borrower Representative, either (A) its certification that (i) it has reviewed each Document Package related to such Property Addition Notice, that there is no Diligence Deficiency with respect to any such Document Package, (ii) it has completed its due diligence review of each Property, including, without limitation, that it has determined that each such Property is an Eligible Property, (iii) BPOs have been prepared (and which shall not be older than 60 days prior to the date of the Property Addition Notice) and completed by it for each Property included in such Property Addition Notice (the Agent shall direct the Diligence Agent to post copies of the related BPOs to the Data Site) and (iv) it has determined the Property Value for each such Property included in such Property Addition Notice or (B) if it has found any Diligence Deficiency, deliver a Diligence Agent Deficiency Notice; and

(iii) upon receipt by the Agent of the Calculation Agent's confirmation described in Section 2.2(b)(i) and the Diligence Agent's certification described in Section 2.2(b)(ii), and the satisfaction of the conditions precedent set forth in Section 3.2, the Agent shall deliver copies thereof, together with the related Property Addition Notice to each Lender. Upon delivery of the Property Addition Confirmations from each of the Calculation Agent and the Diligence Agent to each Lender, the Properties included in such Property Addition Confirmations shall be Financed Properties for all purposes under this Agreement.

(iv) Upon delivery to the Borrower Representative of a Calculation Agent Deficiency Report or Diligence Agent Deficiency Notice, as applicable, the Borrower Representative shall forthwith deliver to the Agent, the Calculation Agent and the Diligence Agent a new Property Addition Notice to be reviewed pursuant to Section 2.2(b)(i) hereof and any related Document Packages (including any revisions or updates thereto) to correct each of the Calculation Deficiencies and Diligence Deficiencies noted in such Calculation Agent Deficiency Report or Diligence Agent Deficiency Notice, as applicable, which may include removing Properties subject to such Calculation Deficiencies or Diligence Deficiencies, as the case may be.

(c) Borrowing Notice. The Borrower Representative may from time to time prior to the Revolving Period Termination Date request Advances by:

(i) delivering to the Agent, the Calculation Agent and the Diligence Agent a Borrowing Notice for such proposed Advance; and

(ii) simultaneously with delivery of such Borrowing Notice, posting to the Data Site the Document Packages relating to each Property relating to such proposed Advance to the extent not already a Financed Property or any supplement or update to such Document Package required in connection with each Property.

(d) Funding Advances. Each Property related to a requested Advance that is not already a Financed Property, shall be subject to the review and certification procedures in Section 2.2(b). In addition, the Calculation Agent shall, within three (3) Business Days after receipt by it of such Borrowing Notice, deliver to the Agent, the Diligence Agent and the Borrower Representative, either (A) if it has confirmed all of the calculations, its Borrowing Notice Confirmation or (B) if it has found any Calculation Deficiency therein, a Calculation Agent Deficiency Report. Upon receipt by the Agent of the Property Addition Confirmations from each of the Calculation Agent and the Diligence Agent for such Properties, and satisfaction of the other conditions precedent set forth in Section 3.2, the Agent shall deliver copies thereof, together with the related Borrowing Notice to each Lender.

(e) Each Borrowing Notice shall specify: (i) the proposed Borrowing Date, (ii) each Borrower related to such proposed Advance, (iii) each Property related to such proposed Advance, (iv) the Asset Purchase Price related to each such Property and (v) the amount of the Advance requested, which shall be in an amount at least equal to one million dollars ($1,000,000). In connection with each Borrowing Notice, the Borrower Representative shall certify on behalf of each Borrower that (1) each of the Properties related to such proposed Advance is an Eligible Property, (2) each of the representations and warranties on Schedule 2 hereto with respect to each such Property is true and correct and that each of the documents contained in each of the related Document Packages is true and complete copy of the original document and (3) no Trigger Event, Default or Event of Default exists or would exist after giving effect to such proposed Advance. The Borrowers shall indemnify the Agent and the Lenders against any loss or expense incurred by the Agent or any of the Lenders, either directly or indirectly as a result of any failure by any Borrower to complete any requested Advance, including any loss (including loss of profit) or expense incurred by the Agent or any Lender, either directly or indirectly by reason of the liquidation or reemployment of funds acquired by any Lender (including obtaining deposits or loans from third parties) in order to fund such requested Advance.

(f) The obligations of any Lender to make Advances hereunder are several from the obligations of any other Lenders. The failure of any Lender to make available its Pro Rata Share of any Advance hereunder shall not release the obligations of any other Lender to make available its Pro Rata Share of any Advance hereunder, but no Lender shall be responsible for the failure of any other Lender to make available its Pro Rata Share of any Advance hereunder.

(g) On the third (3rd) Business Day after delivery by the Agent to each Lender of the Borrowing Notice and related Borrowing Notice Confirmation, pursuant to Section 2.2(d), subject to the satisfaction of the applicable conditions precedent specified in Section 3.2, each Lender shall remit its Pro Rata Share of the Advance requested by the Borrowers to the Loan Account by 1:00 p.m. (New York City time) by wire transfer of same day funds. Upon receipt of such funds, the Paying Agent, in accordance with the written instruction of the Agent (which may be in electronic form) received no later than 4:00 p.m. (New York City time) one (1) Business Day prior to such Borrowing Date, shall remit such funds by wire transfer of same day funds (i) to the Agent, in the amount of any unpaid fees, costs or expenses of the Agent, (ii) to the Diligence Agent, in the amount of any unpaid fees, costs or expenses of the Diligence Agent, (iii) to each applicable Reserve Account, in the amount of the related Reserve Account Deposit Amount with respect to the proposed Advance and (iv) the balance of such funds to the accounts specified in such related Borrowing Notice by 4:00 p.m. (New York City time), to the extent it has received such funds from the Lenders no later than 1:00 p.m. (New York City time). Funds received by the Paying Agent from any Lender after 1:00 p.m. (New York City time) on any Business Day may, at the discretion of the Paying Agent, be deemed to have been received on the next Business Day.

(h) Advances repaid under this Agreement may be re-borrowed prior to the Revolving Period Termination Date, subject to the terms of this Agreement.

(i) Any Lender may elect to postpone remittance of an Advance pursuant to Section 2.2(g), subject to the following: any such election must be made by written notice to the Borrower Representative, the Calculation Agent, the Agent and each of the other Lenders delivered prior to 5:00 p.m. (New York City time) on the Business Day immediately following the date the Borrowing Notice is received. If any Lender timely delivers such notice, the date on which such Lender is obligated to remit its Pro Rata Share of an Advance pursuant to Section 2.2(g) shall be deemed postponed to the earliest of (a) the date provided in such notice and (b) the date that is ten (10) days after the applicable Borrowing Notice was received.

Section 2.3 Purpose

. The proceeds of the Advances will be used by the Borrowers for the costs and expenses related to their acquisition, renovation and maintenance of Properties and for other general purposes of the Borrowers, including, without limitation, Permitted Distributions, provided, that no portion of the proceeds of any Advance may be used in any manner that causes or might cause such Advance or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System or any other regulation thereof.

Section 2.4 Interest and Fees

.

(a) Except as otherwise set forth in this Agreement, the Advances Outstanding on each day shall bear interest at the applicable Interest Rate. Interest accrued during each Interest Accrual Period shall be payable on each Payment Date in accordance with Section 2.8.

(b) Unless otherwise provided herein, interest and fees payable under this Agreement shall be computed on the basis of a 360 day year and the actual number of days in the related Interest Accrual Period. In computing interest on the Advances Outstanding on each day, interest shall accrue on the Advances Outstanding at the opening of business on such day, even if a principal payment is made as of such day.

(c) On the Effective Date, the Borrowers shall pay to the Paying Agent, and the Paying Agent shall distribute to each Lender, their Pro Rata Share of the Facility Fee payable under the Fee Letter. The Facility Fee for each Lender is fully earned as of the Effective Date and non-refundable in whole or in part.

Section 2.5 Payment of Principal and Interest

. Each of the Borrowers, jointly and severally, unconditionally promises to pay to the order of each Lender all Obligations due such Lender under this Agreement as provided herein.

(a) Unless the Advances Outstanding and all accrued and unpaid interest on the Advances Outstanding become due and payable earlier in accordance with Section 8.2(a), the Advances Outstanding and all accrued and unpaid interest on the Advances Outstanding shall be due and payable in full on the ~~Scheduled~~Stated Maturity Date.

(b) Interest accrued hereunder shall be due and payable (i) on each Payment Date, (ii) upon any prepayment or repayment of any portion or all of the Advances Outstanding, whether on the ~~Scheduled~~Stated Maturity Date or otherwise, to the extent accrued on the amount being prepaid or repaid and (iii) otherwise as provided herein.

(c) Payments to each Lender hereunder shall be made in lawful money of the United States of America in immediately available funds, without defense, recoupment, setoff or counterclaim, free of any restriction or condition, and delivered to each Lender, not later than 2:00 p.m. (New York City time) on the date due by via wire transfer of immediately available funds to the account of such Lender set forth on Annex A hereto (or at such other location or bank account within the City and State of New York as may be designated by each Lender from time to time); funds received by any Lender in writing to the Paying Agent after that time on such due date shall be deemed to have been paid on the next Business Day and such extension of time shall be included in the computation of the payment of interest hereunder.

Section 2.6 Termination and Reduction of Facility

. The Borrower Representative may at any time terminate the Facility, or from time to time reduce the Facility Amount; provided that (i) each reduction of the Facility Amount shall be in an aggregate amount of $1,000,000 or any whole multiple of $1,000,000 in excess thereof and (ii) the Borrower shall not terminate the Facility or reduce the Facility Amount if the Advances Outstanding would exceed the Facility Amount (after giving effect to any concurrent prepayment of Advances). In connection with any reduction of the Facility Amount, each Lender shall be entitled to have its Commitment reduced by at least its Pro Rata Share of the aggregate reduction amount, such that its Pro Rata Share of the Facility is not increased, but any Lender may (with the consent of the Borrower Representative) waive reduction of its Commitment, in whole or in part, in connection therewith. The Borrower shall notify the Agent and the Calculation Agent of any election to terminate the Facility or reduce the Facility Amount at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the

effective date thereof. Any such notice of termination or reduction shall be irrevocable; but may be conditioned upon the receipt of proceeds from indebtedness, an asset sale or other transaction. Promptly following receipt of any such notice, the Agent shall advise the Lenders of the contents thereof.

Section 2.7 Prepayments and Releases

.

(a) Prepayments In Connection With Property Releases. At any time and from time to time prior to the Termination Date, the Borrower Representative may, by delivering at least three (3) Business Days' prior written notice to the Agent, each Lender, the Calculation Agent and the Paying Agent, obtain the release of a Financed Property as a Financed Property (a "Property Release") hereunder (in connection with a Conveyance or otherwise), provided that each of the following conditions has been satisfied:

(i) the payment to the Collection Account, in immediately available funds on the date of transfer of ownership or release of such Financed Property of the related Property Release Amount, if applicable;

(ii) the Borrower Representative shall certify, at least three (3) Business Days' prior to the proposed Property Release date, to the Agent, each Lender, the Calculation Agent and the Paying Agent (A) the Allocated Loan Amount for the related Financed Property, (B) the related Conveyance Proceeds; (C) the related Release Premium and Reduction Amount; (D) the Release Premium Deduction that will apply after such Property Release; and (E) that, after giving effect to the release of such Financed Property, the Eligibility Requirements will be met with respect to all remaining Financed Properties;

(iii) if the Financed Property is being released in a Related Party Property Release, the Borrower Representative shall certify, at least three (3) Business Days' prior to the proposed release, to the Agent, the Calculation Agent, the Paying Agent and each Lender, that the selection of such Financed Property for release does not violate Section 7.1(n);

(iv) the Borrower Representative shall certify pursuant to a certificate of its Responsible Officer, at least three (3) Business Days' prior to the proposed Property Release date, to the Agent, each Lender, the Calculation Agent and the Paying Agent, that no Trigger Event, Default or Event of Default has occurred and is continuing prior to or after giving pro forma effect to the removal of such Financed Property from the Facility and the application of the Property Release Amount, if any, including, without limitation, pro forma calculation of the Borrowing Base, Debt Service Coverage Ratio, Debt Yield Ratio, Portfolio Delinquency Amount and Loan to Value Ratio, which pro forma calculation shall be attached as a schedule to such certificate and certified by the Borrower Representative and calculated by the Borrower Representative;

(v) if the Property Release Amounts deposited in the Collection Account pursuant to this Section 2.7(a) exceed $5,000,000, then the Agent may give notice to the Paying Agent instructing the Paying Agent to apply such sums to the prepayment of the Advances Outstanding, and the Paying Agent shall so apply such funds within two (2) Business Days after receipt of such notice. If not so applied prior to the Payment Date following deposit of any Property Release Amount pursuant to this Section 2.7(a), the related Property Release Amount shall be due and payable on such Payment Date pursuant to Section 2.8(b); and

(vi) the Borrower Representative shall deliver a Release Premium Report prior to such Property Release.

(b) Prepayments In Connection With Condemnations. In the first Monthly Report delivered after the receipt of any Condemnation Proceeds in the Collection Account pursuant to the provisions of Section 6.3, the Borrower Representative shall state the amount thereof, the identity of the related Property, and whether the related Property is a Financed Property and, if such Property is a Financed Property, the Allocated Loan Amount therefor. If the related Property is a Financed Property, then on the related Payment Date such Condemnation Proceeds shall be applied to repay the Allocated Loan Amount of the related Financed Property, or, if the related Condemnation Proceeds are less than the related Allocated Loan Amount, the portion of the Allocated Loan Amount equal to the related Condemnation Proceeds.

(c) Prepayments In Connection With Insurance Proceeds. In the first Monthly Report delivered after the receipt of any Insurance Proceeds in the Collection Account pursuant to the provisions of Section 6.2(g), the Borrower Representative shall state the amount thereof and, if such Insurance Proceeds relate to any damage, destruction or other casualty affecting any Property, the identity of the related Property, whether the related Property is a Financed Property and, if such Property is a Financed Property, the Allocated Loan Amount therefor. If the related Property is a Financed Property, then on the related Payment Date such Insurance Proceeds shall be applied to repay Advances in an amount equal to the Allocated Loan Amount of the related Financed Property or, if the related Insurance Proceeds are less than the related Allocated Loan Amount, the portion of the Allocated Loan Amount equal to the related Insurance Proceeds.

(d) Prepayments In Connection With Non-Eligible Properties. If the Borrowers are required to repay Advances Outstanding pursuant to Section 2.13, the Borrowers shall deposit or cause to be deposited into the Collection Account the amount required to be repaid on or before the date required under Section 2.13. Upon deposit of any amounts in the Collection Account in compliance with the provisions of Section 2.13, the Borrower Representative shall notify the Agent, the Lenders, the Calculation Agent and the Paying Agent in writing of the deposit and amount thereof, the purpose for which it was deposited, the identity of the related Property, and the Allocated Loan Amount therefor. Upon receipt of the Borrower Representative's notice referred to above, the Paying Agent shall pay to each Lender its Pro Rata Share of the Advances Outstanding from the amounts deposited by or on behalf of the Borrowers into the Collection Account for such purpose.

(e) Prepayments In Connection With Ratio Compliance. If the Borrowers elect to cure a breach of Section 8.1(r) by repaying the Ratio Cure Amount, upon deposit in the Collection Account of the amounts required pursuant to the Ratio Cure Procedures, the Borrower Representative shall notify the Agent, the Lenders, the Calculation Agent and the Paying Agent in writing of the deposit and amount thereof, and the purpose for which it was deposited. Upon receipt of the Borrower Representative's notice referred to above, the Paying Agent shall pay to each Lender its Pro Rata Share of the Ratio Cure Amount from the amounts deposited by or on behalf of the Borrowers into the Collection Account for such purpose.

(f) Release of Borrowers. In the event a Borrower has Conveyed or obtained the release of all of its Financed Properties pursuant to Section 2.7(a) above, the Agent shall if requested by the Borrower Representative, and at the Borrowers' expense, execute, deliver, file and record any release, document or other instrument and take such action that may be necessary or that the Borrower may reasonably request, to evidence the release by the Agent of the Borrower from the Obligations hereunder.

(g) Prepayments In Connection With Borrowing Base Shortfall. If, as of any date of determination, there is a Borrowing Base Shortfall, including, without limitation, due to an Advance Rate Reduction Event or following updated property valuations obtained pursuant to Section 4.2, the Borrowers are required to repay Advances Outstanding in an amount sufficient to eliminate such Borrowing Base Shortfall. The Borrowers shall deposit or cause to be deposited into the Collection Account the amount required to be repaid within two (2) Business Days after the occurrence of such Borrowing Base Shortfall. Upon deposit of any such amounts in the Collection Account, the Borrower Representative shall notify the Agent, the Lenders, the Calculation Agent and the Paying Agent in writing of the deposit and amount thereof, the purpose for which it was deposited, the cause of the Borrowing Base Shortfall, and the amount required to cure such Borrowing Base Shortfall. Upon receipt of the Borrower Representative's notice referred to above, the Paying Agent shall pay to each Lender its Pro Rata Share of the Advances Outstanding from the amounts deposited by or on behalf of the Borrowers into the Collection Account for such purpose.

(h) Voluntary Prepayments. If the Borrowers elect to prepay Advances, upon deposit in the Collection Account of the amount of such prepayment, the Borrower Representative shall notify the Agent, the Lenders, the Calculation Agent and the Paying Agent in writing of the deposit and amount thereof. Upon receipt of the Borrower Representative's notice referred to above, the Paying Agent shall pay to each Lender its Pro Rata Share of the amount deposited by or on behalf of the Borrowers into the Collection Account for such purpose.

The Exit Fee shall be due and payable at the time of such prepayment or release (including on the Commitment Termination Date pursuant to Section 8.2(a)).

Section 2.8 Application of Available Funds; Collection Account

.

(a) The Collection Account shall be established and maintained with the Paying Agent. The Agent shall have sole dominion and control (including, without limitation, "control" within the meaning of Section 9-104(a) of the UCC) over the Collection Account. None of the Borrowers, the Borrower Representative, the Property Manager, the Back-Up Manager, Guarantors, Sponsor or any Person claiming through or under any of them shall have any right to direct application of funds in the Collection Account until all Obligations have been repaid in full and this Agreement is terminated. So long as no Early Amortization Event, Default or Event of Default shall have occurred and be continuing, the Borrower Representative shall have the right to direct the investment of sums on deposit in the Collection Account in Permitted Investments if

(i) such investments are permitted by Applicable Laws and (ii) the maturity date of the Permitted Investment is not later than the date on which funds in the related Collection Account are required for payment of an obligation.

(b) On each Payment Date, the Paying Agent shall, in accordance with the related Payment Date Report, distribute the Available Funds for such Payment Date and any other funds deposited into the Collection Account by or on behalf of the Borrowers not later than the Business Day immediately prior to such Payment Date for distribution, to the extent the Calculation Agent has received notice of such amounts on or prior to the Reporting Date, on such Payment Date in the following order of priority:

(i) *first,* to the Borrower Representative (for application by Borrower Representative or the applicable Borrower to the purposes described in this clause (i)) the sum of (A) the Senior Property Manager Fees due and payable and (B) the Operating Expenses (other than Property Manager Fees) for the related Collection Period in an amount equal to:

1. if no Ratio Trigger Event, Early Amortization Event or Event of Default has occurred and is continuing (or will result from application of the Available Funds pursuant to this Section 2.8(b) on such Payment Date), zero dollars ($0);

2. if a Ratio Trigger Event has occurred and is continuing (or will result from application of the Available Funds pursuant to this Section 2.8(b) on such Payment Date), the Property Expense Amount to pay Senior Property Manager Fees and Operating Expenses for the Financed Properties and the Net Non-Financed Collections to the Borrower Representative to pay Senior Property Manager Fees and Operating Expenses for the Non-Financed Properties and for such other lawful purposes permitted hereunder as determined by the Borrower Representative; or

3. if an Early Amortization Event or Event of Default has occurred and is continuing (or will result from application of the Available Funds pursuant to this Section 2.8(b) on such Payment Date), the Approved Monthly Expense Amount, or, if no Approved Monthly Expense Amount has been established, then to the payment of Senior Property Manager Fees and Operating Expenses for the Properties as submitted by the Borrower Representative in the applicable Monthly Report, excluding such items thereof as the Agent shall have determined to exclude in its sole discretion;

(ii) *second*, (x) to the Insurance Reserve Account, the aggregate Insurance Reserve Account Shortfall Amount for such Payment Date and (y) to the Tax Reserve Account, the aggregate Tax Reserve Account Shortfall Amount for such Payment Date;

(iii) *third*, to pay, pro rata, (A) the Agent Fee owed to the Agent on such Payment Date, together with any costs, expenses or indemnities then due and payable to the Agent, (B) the Paying Agent Fee owed to the Paying Agent on such Payment Date, together with any costs, expenses or indemnities then due and payable to the Paying Agent, (C) the Calculation Agent Fee to the Calculation Agent, together with any costs, expenses and/or indemnities then due and payable to the Calculation Agent, (D) the Diligence Agent Fees then due and payable to the Diligence Agent, together with any costs, expenses or indemnities then due and payable to the Diligence Agent, (E) any costs, expenses or indemnities then due and payable to the Securities Intermediary and (F) the Back-Up Manager Fee to the Back-Up Manager, together with any costs, expenses or indemnities then due and payable to the Back-Up Manager;

(iv) *fourth*, pro rata to each Lender, any fees, costs, expenses or indemnities then due or payable under this Agreement or any Loan Document;

(v) *fifth*, to pay to each Lender, such Lender's Pro Rata Share of each of the Interest Payment Amount and the Unused Fee for such Payment Date (and any unpaid amounts from any prior Payment Date);

(vi) *sixth*, to pay to each Lender, such Lender's Pro Rata Share of any Required Principal Payment Amount to the extent not paid prior to such Payment Date;

(vii) *seventh*, to the Interest Reserve Account, an amount equal to the Interest Reserve Account Shortfall Amount, if any, as of such Payment Date;

(viii) *eighth*, to the Renovation Cost Reserve Account, an amount equal to the Renovation Cost Reserve Account Shortfall Amount, if any, as of such Payment Date;

(ix) *ninth*, if a Ratio Trigger Event has occurred and is continuing, (A) prior to the Ratio Trigger Delay Termination Date, to the Ratio Trigger Reserve Account the amount necessary to reduce the Advances Outstanding such that such Ratio Trigger Event would be cured if such amount were applied to reduce the Advances Outstanding on a pro forma basis and (B) on and after the Ratio Trigger Delay Termination Date, to each Lender such Lender's Pro Rata Share of the amount necessary to reduce the Advances Outstanding to an amount such that, after giving effect to such reduction, no Ratio Trigger Event shall be continuing;

(x) *tenth*, during an Early Amortization Event Repayment Period or if an Event of Default exists, to each Lender such Lender's Pro Rata Share of the Advances Outstanding until the Advances Outstanding have been reduced to zero;

(xi) *eleventh*, to the payment of the Property Manager Fees and other Operating Expenses not paid pursuant to Section 2.8(b)(i) above; and

(xii) *twelfth*, to the Borrower Representative (or its designee) all remaining amounts, who may use or apply such amounts for any lawful purpose permitted under this Credit Agreement.

(c) On each Reporting Date, the Borrower Representative will prepare and deliver to the Calculation Agent and the Agent a Monthly Report for the related Collection Period. Upon receipt of such Monthly Report, the Calculation Agent shall review the substance thereof, verify any applicable calculations contained therein and shall prepare and deliver a Monthly Report Confirmation and a Payment Date Report to the Agent (with a copy to the Borrower Representative, the Paying Agent and the Lenders) two (2) Business Days prior to the related Payment Date. Upon the Agent's approval of each such Payment Date Report, the Agent will forward each such Payment Date Report to the Paying Agent (with a copy to the Borrower

Representative and the Lenders) no later than 4:00 p.m. (New York City time) one (1) Business Day prior to the related Payment Date and instruct the Paying Agent to pay the Available Funds in the Collection Account in accordance with such Payment Date Report in the manner set forth in Section 2.8(b).

(d) Distributions pursuant to this Section 2.8 in respect of amounts payable under the Loan Documents shall constitute payment of such amounts by the Loan Parties for all purposes of the Loan Documents.

Section 2.9 Alternate Rate of Interest

.

(a) Subject to clauses (b), (c), (d), (e), (f) and (g) of this Section 2.9, if prior to the commencement of any Interest Accrual Period for an Advance:

(i) the Agent determines (which determination shall be conclusive absent manifest error) at any time, that adequate and reasonable means do not exist for ascertaining Daily Simple SOFR; or

(ii) the Agent is advised by the Required Lenders that at any time, Adjusted Daily Simple SOFR will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans bearing interest by reference to Adjusted Daily Simple SOFR;

then the Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark, the interest rate applicable to the Advances shall be the Alternate Base Rate.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) The Agent will promptly notify the Borrower and the Lenders of (1) any occurrence of a Benchmark Transition Event, (2) the implementation of any Benchmark Replacement, (3) the effectiveness of any Benchmark Replacement Conforming Changes, and (4) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.9, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.9.

(e) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, and at all times during the continuation of a Benchmark Unavailability Period, the Advances will bear interest at the Alternate Base Rate.

Section 2.10 [Reserved]

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Section 2.11 Increased Costs

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(a) If any Applicable Laws (other than with respect to any amendment made to any Lender's organizational or governing documents), including those regarding capital adequacy, or any change in, or change in the interpretation or application of, any Applicable Laws or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof:

(i) subject any Lender to any Applicable Taxes (other than (A) Indemnified Taxes, (B) Applicable Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, or other extensions of credit by, or any other acquisition of funds by, any office of any Lender which is not otherwise included in the determination of the Daily Simple SOFR hereunder; or

(iii) shall impose on any Lender any other condition;

and the result of any of the foregoing is to increase the cost to any Lender, by an amount which such Lender deems to be material, of entering, continuing or maintaining the Advances or to reduce any amount due or owing hereunder in respect thereof or shall have the effect of reducing any Lender's rate of return, then, in any such case, the Borrowers shall promptly deposit into the Collection Account such additional amount or amounts as calculated by such Lender in good faith as will compensate such Lender for such increased cost or reduced amount receivable.

(b) If any Lender shall have determined that any Applicable Laws (whether now existing or hereafter enacted) regarding capital adequacy or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Person with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, the Borrowers shall promptly deposit into the Collection Account such additional amount or amounts as will compensate such Lender for such reduction. For the avoidance of doubt, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in Applicable Law" subject to this Section 2.11, regardless of the date enacted, adopted or issued.

(c) If any Lender becomes entitled to claim any additional amounts pursuant to this Section 2.11, it shall notify the Borrowers, the Agent and Paying Agent in writing of the amount payable. A certificate as to any additional amounts payable pursuant to this Section submitted by a Lender to the Borrowers and the Agent shall be conclusive in the absence of manifest error.

Section 2.12 Indemnified Taxes

.

(a) Any and all payments by or on account of any obligation of Borrower under any Loan Document shall be made without deduction or withholding for any Applicable Taxes, except as required by Applicable Law. If any Applicable law (as determined in the good faith discretion of the applicable Withholding Agent) requires the deduction or withholding of any Applicable Tax from any such payment by the applicable Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Applicable Tax is an Indemnified Tax, then the sum payable by Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.12) the applicable Lender receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the applicable Withholding Agent timely reimburse it for the payment of, any Other Taxes.

(c) Borrower shall indemnify each Lender, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.12) payable or paid by such Lender or required to be withheld or deducted from a payment to such Lender and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to Agent), or by Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Each Lender shall severally indemnify Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that Borrower has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (ii) any Applicable Taxes attributable to such Lender's failure to comply with the provisions of Section 10.1(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Applicable Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to Lender from any other source against any amount due to the Agent under this Section 2.12(d).

(e) As soon as practicable after any payment of Applicable Taxes by Borrower to a Governmental Authority pursuant to this Section 2.12, Borrower shall deliver to Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Agent.

(f) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments made under any Loan Document shall deliver to the applicable Withholding Agent, at the time or times reasonably requested by the applicable Withholding Agent, such properly completed and executed documentation reasonably requested by the Withholding Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by a Withholding Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by a Withholding Agent as will enable the Withholding Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.12(f)(i), (ii) and (iv) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would prejudice the legal or commercial position of such Lender. Without limiting the generality of the foregoing,

(i) any Lender that is a U.S. Person shall deliver to the applicable Withholding Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of a Withholding Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the applicable Withholding Agent (in such number of copies as shall be requested by the Lender) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of a Withholding Agent), whichever of the following is applicable:

1. in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "business profits" or "other income" article of such tax treaty;

2. executed originals of IRS Form W-8ECI;

3. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit K-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

4. to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-4 on behalf of each such direct and indirect partner;

(iii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the applicable Withholding Agent (in such number of copies as shall be requested by the Lender) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of a Withholding Agent), executed originals of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Applicable Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the applicable Withholding Agent to determine the withholding or deduction required to be made; and

(iv) For the avoidance of doubt, neither the Calculation Agent nor the Paying Agent shall have any obligation under this Agreement to determine any withholding amount required pursuant to FATCA or otherwise.

(v) Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the applicable Withholding Agent in writing of its legal inability to do so.

(vi) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Applicable Taxes as to which it has been indemnified pursuant to this Section 2.12 (including by the payment of additional amounts pursuant to this Section 2.12), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.12 with respect to the Applicable Taxes giving rise to such refund), net of all out-of-pocket expenses (including Applicable Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-tax position than the indemnified party would have been in if the Applicable Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Applicable Tax had never been paid. This paragraph (vi) shall not be construed to require any indemnified party to make available its tax returns (or any other information relating to its Applicable Taxes that it deems confidential) to the indemnifying party or any other Person.

Each party's obligations under this Section 2.12 shall survive the resignation or replacement of Agent or any assignment of rights by a Lender and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 2.13 Remedies Upon Breach of Representation As To Eligible Property

. If at any time any Financed Property no longer qualifies as an Eligible Property or at any time any Borrower, the Borrower Representative, the Property Manager, the Back-Up Manager, the Agent, the Diligence Agent or any Lender determines that any Financed Property that has been represented to be an Eligible Property is not an Eligible Property (in any such case, a "Non-Eligible Property"), the party making such discovery shall promptly notify the other parties of such Non-Eligible Property and the reasons it fails to qualify as an Eligible Property. On or before the last day of the applicable Cure Period, the Borrowers shall either (i) cure the failure of such Non-Eligible Property to constitute an Eligible Property or (ii) repay Advances Outstanding, and/or qualify and deliver additional Eligible Properties as Financed Properties pursuant to Section 2.2, to the extent necessary to cure any Borrowing Base Shortfall, an LTV Ratio in excess of 70% or a Trigger Event resulting from such Non-Eligible Property (together with any other Non-Eligible Properties) failing to constitute an Eligible Property, and in either case provide notice to the Calculation Agent of the Borrowers' election to proceed under the foregoing (i) or (ii). For the purpose of clause (ii) of the immediately preceding sentence, (i) such Non-Eligible Property shall be deemed to have an Advance Rate, Market Value, Property Value and Asset Purchase Price of zero and (ii) the Debt Service Coverage Ratio, the Debt Yield Ratio and the Portfolio Delinquency Amount shall be recalculated as of the most recently ended Measurement Quarter with the Annualized Net Cash Flow related to such Non-Eligible Property

excluded from the applicable calculation. Unless the failure of such Non-Eligible Property to constitute an Eligible Property is cured on or before the last day of the applicable Cure Period, such Non-Eligible Property shall no longer constitute a Financed Property unless and until it subsequently qualifies as an Eligible Property and is re-delivered and qualified pursuant to Section 2.2.

Section 2.14 The Paying Agent

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(a) The Lenders hereby appoint JPMorgan Chase Bank, National Association as the initial Paying Agent and JPMorgan Chase Bank, National Association hereby accepts such appointment.

(b) The Paying Agent hereby agrees that subject to the provisions of this Section 2.14, it shall:

(i) establish and maintain, until the Revolving Period Termination Date, the Loan Account as a separate account for the benefit of the Lenders;

(ii) hold any sums held by it for the payment of amounts due with respect to the Obligations in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided and pay such sums to such Persons as herein provided;

(iii) give the Agent notice of any default by any Borrower of which a ~~CA/PA~~ Responsible Officer of the Paying Agent has actual knowledge in the making of any payment required to be made with respect to the Obligations; and

(iv) at any time during the continuance of any such default, upon the written instruction of the Agent (a copy of which shall be provided by the Agent to the Borrower Representative), forthwith pay at the direction of the Agent any sums so held in trust by the Paying Agent.

(c) Any successor paying agent shall be appointed by the Agent, subject to notice thereof being provided to the Lenders by the Agent, and to consent by the Required Lenders; provided that any successor Paying Agent shall be, at the time of such appointment, a Qualified Institution. The Agent shall have the right to approve the fees (including any adjustments or modifications thereto) required to engage the services of any successor paying agent, such approved fee shall constitute the Paying Agent Fee.

(d) The Paying Agent shall be entitled to indemnification, pursuant to Section 2.8(b)(iii), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever (including litigation costs and reasonable attorneys' fees and expenses) which may at any time (including at any time following the payment of the obligations under this Agreement, including the Advances Outstanding) be imposed on, incurred by or asserted against the Paying Agent in any way relating to or arising out of this Agreement, or any documents contemplated by or referred to herein or the transactions contemplated hereby or any action taken or omitted by the Paying Agent under or in connection with any of the foregoing; provided, that the Paying Agent shall not be entitled to the payment of any such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of the Agent resulting from its own gross negligence, or willful misconduct, or fraud. The provisions of this Section shall survive the payment of the Obligations, the termination of this Agreement, and any resignation or removal of the Paying Agent.

(e) The Paying Agent shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Paying Agent in such capacity herein. No implied covenants or obligations shall be read into this Agreement against the Paying Agent and, in the absence of gross negligence, willful misconduct or fraud on the part of the Paying Agent, the Paying Agent may conclusively rely on the truth of any statements and written direction or instruction and the correctness of the opinions expressed in any certificates or opinions furnished to the Paying Agent pursuant to and conforming to the requirements of this Agreement.

(f) The Paying Agent shall not be liable for (i) an error of judgment made in good faith by one of its officers; or (ii) any action taken, suffered or omitted to be taken in good faith in accordance with or believed by it to be authorized by this Agreement or at the direction of a Secured Party relating to the exercise of any power conferred upon the Paying Agent under this Agreement, in each case, unless it shall be proved that the Paying Agent shall have been grossly negligent or acted in fraud or with willful misconduct in ascertaining the pertinent facts.

(g) The Paying Agent shall not be charged with knowledge of any Early Amortization Event, Default or Event of Default unless a ~~CA/PA~~ Responsible Officer of the Paying Agent obtains actual knowledge of such event or the Paying Agent receives written notice of such event from the Borrowers, the Borrower Representative, any Secured Party or the Agent, as the case may be.

(h) Without limiting the generality of this Section 2.14, the Paying Agent shall have no duty (i) to record, file or deposit this Agreement or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest in the Collateral, or maintain any such recording, filing or depositing or to subsequently record, refile or redeposit any of the same, (ii) to pay or discharge any Taxes, real property taxes or assessment or other governmental charge or any Lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Collateral, (iii) to confirm or verify the contents of any reports or certificates of the Agent or the Calculation Agent delivered to the Paying Agent pursuant to this Agreement believed by the Paying Agent to be genuine and to have been signed or presented by the proper party or parties or (iv) to ascertain or inquire as to the performance or observance of any of the Borrowers' representations, warranties or covenants under this Agreement or any other Loan Document.

(i) The Paying Agent shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability shall not be reasonably assured to it, and none of the provisions contained in this Agreement shall in any event require the Paying Agent to perform, or be responsible for the manner of performance of, any of the obligations of the Borrowers under this Agreement.

(j) The Paying Agent may rely and shall be protected in acting or refraining from acting upon any resolution, certificate of a Responsible Officer, any Monthly Report, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.

(k) The Paying Agent may consult with counsel of its choice with regard to legal questions arising out of or in connection with this Agreement and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by the Paying Agent in good faith and in accordance therewith.

(l) Any Person into which the Paying Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any Person succeeding to the business of the Paying Agent, shall be the successor of the Paying Agent under this Agreement, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(m) The Paying Agent may: (i) terminate its obligations as Paying Agent under this Agreement (subject to the terms set forth herein) upon at least thirty (30) days' prior written notice to the Borrowers, the Lenders and the Agent; provided, however, that, without the consent of the Agent and the Required Lenders and, so long as no Event of Default has occurred and is continuing, the Borrower, such resignation shall not be effective until a successor Paying Agent acceptable to the Agent, and to whose appointment the Required Lenders do not object within five (5) Business Days after the Lenders are notified thereof (or such shorter period in which the Required Lenders consent thereto), shall have accepted appointment as Paying Agent, pursuant hereto and shall have agreed to be bound by the terms of this Agreement; or (ii) be removed at any time by written demand of the Agent, upon sixty (60) days' notice delivered to the Paying Agent, the Lenders and the Borrower Representative; provided, however, that, such removal shall not be effective until the appointment of a successor Paying Agent acceptable to the Agent, and to whose appointment the Required Lenders do not object within five (5) Business Days after the Lenders are notified thereof (or such shorter period in which the Required Lenders consent thereto). In the event of such termination or removal, the Agent shall make reasonable efforts to appoint a successor Paying Agent. If, however, a successor Paying Agent is not appointed by the Agent within sixty (60) days after the giving of a notice of resignation, the Agent may petition a court of competent jurisdiction for the appointment of a successor Paying Agent.

(n) Any successor Paying Agent appointed pursuant hereto shall (i) execute, acknowledge, and deliver to the Agent and to the predecessor Paying Agent an instrument accepting such appointment under this Agreement. Thereupon, the resignation or removal of the predecessor Paying Agent shall become effective and such successor Paying Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties, and obligations of its predecessor as Paying Agent under this Agreement, with like effect as if originally named as Paying Agent. The predecessor Paying Agent shall upon payment of its fees and expenses deliver to the successor Paying Agent all documents and statements and monies held by it under this Agreement; and the Agent and the predecessor Paying Agent shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor Paying Agent all such rights, powers, duties, and obligations.

(o) In the event the Paying Agent's appointment hereunder is terminated without cause, the Borrowers shall reimburse the Paying Agent for the reasonable out of pocket expenses of the Paying Agent incurred in transferring any funds in its possession to the successor Paying Agent.

(p) The Paying Agent shall not be bound to make any investigation into the facts of matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing so to do by a Lender or the Agent; provided, that if the payment within a reasonable time to the Paying Agent of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation shall be, in the opinion of the Paying Agent, not reasonably assured by the Borrowers, the Paying Agent may require reasonable indemnity from the Lenders against such cost, expense or liability as a condition to so proceeding. The reasonable expense of every such investigation shall be paid by the Borrowers.

(q) The Paying Agent hereby agrees that subject to the provisions of this Section 2.14, it shall establish and maintain, until the Commitment Termination Date, the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account as separate non-interest bearing trust accounts on behalf of the Agent in the name of the Borrower Representative;

(r) The Paying Agent hereby agrees that: (i) the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account is each, a Securities Account in respect of which the Paying Agent is a *"securities intermediary"* (within the meaning of Section 8-102(a)(14) of the UCC), (ii) each item of property (whether cash, a security, an instrument or any other property) credited to the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account shall be treated as a *"financial asset"* (within the meaning of Section 8-102(a)(9) of the UCC) and (iii) each of the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account and any rights or proceeds derived therefrom are subject to a security interest in favor of the Agent arising under this Agreement. The Borrower Representative and Agent hereby direct the Paying Agent, subject to the terms of this Agreement, to identify the Agent on its books and records as the *"entitlement holder"* (as defined in Section 8-102(a)(7) of the UCC) with respect to each of the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account and the property held therein and the Paying Agent agrees to do the same. In furtherance of the foregoing, the Paying Agent shall comply with *"entitlement orders"* within the meaning of Section 8-102(a)(8) of the UCC originated by the Agent with respect to each of the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account, without further consent by the Borrower Representative. For purposes of the UCC, its "*securities intermediary's jurisdiction"* (within the meaning of Section 8-110(e) of the UCC) shall be the State of New York.

(s) The Paying Agent shall, by book-entry notation, promptly credit to the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account, whichever applicable, all property to be credited thereto pursuant to this Agreement and the wire instructions set forth on Annex B hereto.

Section 2.15 The Calculation Agent

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(a) The Lenders hereby appoint ~~JPMorgan Chase Bank, National Association~~Computershare Trust Company, N.A. in its capacity as Calculation Agent, and authorize the Calculation Agent to take such actions and to exercise such powers and perform such duties as are expressly delegated to the Calculation Agent by the terms hereof, together with such other powers as are reasonably incidental thereto and ~~JPMorgan Chase Bank, National Association~~Computershare Trust Company, N.A. hereby accepts such appointment.

(i) The duties of the Calculation Agent hereunder shall be limited to those duties expressly set forth in this Agreement. On each Payment Date, Borrowers shall pay to the Calculation Agent any Calculation Agent Fee and any and all other amounts due and payable to the Calculation Agent hereunder pursuant to Section 2.8(b)(iii).

(ii) In the event of a discrepancy between the calculations received by the Calculation Agent from the Borrowers or the Borrower Representative and the results of the reviews thereof conducted by the Calculation Agent as reflected in any reports provided by the Calculation Agent, the Calculation Agent shall give written notice (which may be in electronic form) of such discrepancy to Borrowers or Borrower Representative, and Administrative Agent, and the Calculation Agent shall reasonably work with such parties to resolve such discrepancy. In each case, the final result agreed to by the parties with respect to such Calculations shall be approved in writing (which may be in electronic form) by the Borrowers, or the Borrower Representative, and the Administrative Agent.

(iii) Each of the Borrowers, the Borrower Representative, the Lenders and the Agent agree that so long as the Calculation Agent complies with the terms of clause (ii) above, the Calculation Agent shall have no liability with respect to any calculations that are verified by the Calculation Agent (including pursuant to consultations described in clause (ii) above) that are subsequently determined to be incorrect. For avoidance of doubt, such exculpation from liability shall include, without limitation, any loss, liability or expense of Lenders incurred as a result of lending to Borrowers based on any such erroneous calculations. The Calculation Agent shall not be responsible for performing or verifying any calculations pursuant to this Agreement to the extent information necessary to verify such calculations is requested from, or is required by the terms of this Agreement to be provided by, and is not provided by, Administrative Agent, Borrower Representative or Borrowers, as applicable.

(b) Any successor ~~Calculation Agent~~calculation agent shall be appointed by the Agent subject to providing notice thereof to the Lenders and the absence of objection thereto by the Required Lenders within five (5) Business Days after being notified thereof (or such shorter period in which the Required Lenders consent thereto). The Required Lenders shall have the right to approve in their respective sole discretion the fees (including any adjustments or modifications thereto) required to engage the services of any such successor ~~Calculation Agent~~calculation agent and such approved fee shall constitute the Calculation Agent Fee.

(c) ~~(c)~~ (c) The Borrowers shall jointly and severally indemnify the Calculation Agent ~~shall be entitled to indemnification, pursuant to Section 2.8(b)(iii), from~~and its officers, directors, employees, affiliates and agents (each, a "**CA Party**" and collectively, the "**CA Parties**") for, and hold them harmless against, any ~~and all liabilities, obligations, losses~~loss, liability, damages, ~~penalties, actions, judgments, suits~~fees, costs, ~~expenses~~ or ~~disbursements of any kind whatsoever~~expense (including ~~litigation costs and reasonable~~ attorneys' fees and expenses) ~~which may at any time (including at any time following the payment of the obligations~~incurred in connection with or arising out of (i) the performance of its obligations under and in accordance with this Agreement, including without limitation the costs, fees, and expenses of (A) investigating any claim, dispute or allegation relating to the exercise or performance of any of its powers or duties under this Agreement, and (B) preparing for, and prosecuting or defending itself against any investigation, legal proceeding, whether pending or threatened, related to any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement~~,~~; (ii) pursuing enforcement (including ~~the Advances Outstanding) be imposed on, incurred by or asserted against the Calculation Agent in any way relating to or arising out of this Agreement, or any documents contemplated by or referred to herein or the transactions contemplated hereby or~~without limitation by means of any action ~~taken~~, claim, or ~~omitted~~suit brought by the Calculation Agent ~~under or in connection with any of the foregoing; provided, that the Calculation Agent shall not be entitled to the payment of any such liabilities, obligations, losses, damages, penalties, actions, judgments, suits~~for such purpose) of any indemnification or other obligation of the Borrowers (the indemnification afforded under this **clause (ii)** to include, without limitation, any legal fees, costs~~,~~ and expenses ~~or disbursements of the Agent resulting~~incurred by the Calculation Agent in connection therewith) and (iii) the negligence, willful misconduct or bad faith of a Borrower in the performance of its duties hereunder, except in each case to the extent any such loss, liability or expense directly results from ~~its own~~the gross negligence~~,~~ or willful misconduct ~~or fraud. The provisions of this Section~~of the Calculation Agent or any CA Party (in each case, as finally determined by a court of competent jurisdiction pursuant or as otherwise agreed to by the parties). All such indemnification amounts shall be payable in accordance with **Section 2.8(b)(iii)**. In the event any such indemnity amounts are distributed to the Calculation Agent from the Collection Account pursuant to **Section 2.8(b)(iii)** prior to deposit by the Borrowers of such indemnity amounts therein, the obligation of reimbursement by the Borrowers with respect to such indemnity amounts will instead be payable to the Collection Account. The foregoing indemnification shall survive the ~~payment of the Obligations, the~~ termination or assignment of this Agreement~~,~~ and ~~any~~the termination or resignation ~~or removal~~ of the Calculation Agent.

(d) The Calculation Agent shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Calculation Agent in such capacity herein. No implied covenants or obligations shall be read into this Agreement against the Calculation Agent and, in the absence of gross negligence~~,~~ or willful misconduct ~~or fraud~~ on the part of the Calculation Agent, as determined by a court of competent jurisdiction by final and nonappealable judgment or court order, the Calculation Agent may conclusively rely on the truth of the statements and the correctness of the opinions expressed in any certificates or opinions furnished to the Calculation Agent pursuant to and conforming to the requirements of this Agreement. The Calculation Agent shall not be responsible for verifying any calculations pursuant to this Agreement to the extent information necessary to make such verifications is not provided to it by the Agent, the Borrower Representative or the Borrowers; provided, however the Calculation Agent shall request from the Borrower Representative any such information which has not been provided to the Calculation Agent, and if not received following such request, the Calculation Agent shall thereafter in its Calculation Agent Deficiency Report identify the nature of such information not provided or, at its election, advise the Administrative Agent and the Paying Agent of any information that the Calculation Agent deems is necessary to perform its duties under this Agreement but which information has not been provided to the Calculation Agent.

(e) The Calculation Agent shall not be liable for (i) an error of judgment made in good faith by one of its officers; or (ii) any action taken, suffered or omitted to be taken in good faith in accordance with or believed by it to be authorized or within the discretion or rights or powers conferred by this Agreement or at the written direction of a Secured Party relating to the exercise of any power conferred upon the Calculation Agent under this Agreement, in each case, unless it shall be proved that the Calculation Agent shall have been grossly negligent or acted ~~in fraud or~~ with willful misconduct in ascertaining the pertinent facts.

(f) The Calculation Agent shall not be charged with or deemed to have knowledge of any Early Amortization Event, Default or Event of Default or any fact or matter for purposes of this Agreement unless a Responsible Officer of the Calculation Agent obtains actual knowledge of such event or a Responsible Officer of the Calculation Agent receives written notice of such event from the Borrowers, any Secured Party or the Agent, as the case may be.

(g) Without limiting the generality of this Section 2.15, the Calculation Agent shall have no duty (i) to record, file or deposit this Agreement or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest in the Collateral, or maintain any such recording, filing or depositing or to subsequently record, refile or redeposit any of the same, (ii) to pay or discharge any Taxes, real property taxes or assessments or other governmental charge or any Lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Collateral, (iii) to confirm, monitor or verify the contents of any reports or certificates of the Borrowers or the Agent delivered to the Calculation Agent pursuant to this Agreement believed by the Calculation Agent to be genuine and to have been signed or presented by the proper party or parties or (iv) to ascertain, investigate or inquire as to the performance or observance of any of the Borrowers' representations, warranties or covenants under this Agreement or any other Loan Document.

(h) The Calculation Agent shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability shall not be reasonably assured to it, and none of the provisions contained in this Agreement shall in any event require the Calculation Agent to perform, or be responsible for the manner of performance of, any of the obligations of the Borrowers under this Agreement.

(i) The Calculation Agent may rely and shall be protected in acting or refraining from acting, in good faith, upon any resolution, certificate of a Responsible Officer, any report, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.

(j) The Calculation Agent may consult with nationally recognized counsel of its choice with regard to legal questions arising out of or in connection with this Agreement and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by the Calculation Agent in good faith and in accordance therewith.

(k) The Calculation Agent shall be under no obligation to exercise any of the rights, powers or remedies vested in it by this Agreement (except to comply with its obligations under this Agreement and any other Loan Document to which it is a party) or to institute, conduct or defend any litigation under this Agreement or in relation to this Agreement, at the written request, order or direction of the Agent or any Lender pursuant to the provisions of this Agreement, unless the Agent, on behalf of the Secured Parties, or such Lender shall have offered to the Calculation Agent reasonable security or indemnity against the costs, expenses (including attorneys' fees and expenses) and liabilities that may be incurred therein or thereby.

(l) The Calculation Agent shall not be ~~bound to make any investigation into~~responsible for or have any duty to ascertain, review, investigate inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iii) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (iv) the satisfaction of any condition herein, other than to confirm receipt of items expressly required to be delivered to the Calculation Agent or (v) the facts of matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing so to do by the Agent; provided, that if the payment within a reasonable time to the Calculation Agent of the costs, expenses (including reasonable attorneys' fees and expenses) or liabilities likely to be incurred by it in the making of such investigation shall be, in the opinion of the Calculation Agent, not reasonably assured by the Borrowers, the Calculation Agent may require reasonable indemnity against such cost, expense or liability as a condition to so proceeding. The reasonable expense of every such investigation shall be paid by the Borrowers.

(m) The Calculation Agent shall not be responsible for the acts or omissions of the Agent, the Borrowers, the Borrower Representative, the Property Manager, the Back-Up Manager, any Lender or any other Person. Notwithstanding anything in this Agreement to the contrary, to the fullest extent permitted by law, the Calculation Agent shall not be liable for any special, indirect, consequential or punitive damages (including, without limitation, lost profits) even if advised of the likelihood of such loss or damage and regardless of the form of action.

(n) Any Person into which ~~the~~all or substantially all of the corporate trust business or assets of Calculation Agent may be merged, sold, or converted or with which it may be consolidated, or any Person resulting from any merger, sale, conversion or consolidation to which the Calculation Agent shall be a party, or any Person succeeding to all or substantially all of the corporate trust business or assets of the Calculation Agent, shall be the successor of the Calculation Agent under this Agreement, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(o) The Calculation Agent does not assume and shall have no responsibility for, and makes no representation as to, monitoring the value of the Properties or the Collateral.

(p) If the Calculation Agent shall at any time receive conflicting instructions from the Agent and the Borrowers or any other party to this Agreement and the conflict between such instructions cannot be resolved by reference to the terms of this Agreement, the Calculation Agent shall be entitled to rely on the instructions of the Agent without liability. In the absence of ~~fraud~~bad faith, gross negligence or willful misconduct on the part of the Calculation Agent as determined by a court of competent jurisdiction by final and nonappealable judgment or court order, the Calculation Agent may rely and shall be protected in acting or refraining from acting upon any resolution, officer's certificate, any monthly Payment Report, certificate of auditors, legal opinion, or any other certificate, statement, instrument, opinion, report, notice request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Calculation Agent may rely upon the validity of documents delivered to it, without investigation as to their authenticity or legal effectiveness, and the parties to this Agreement will hold the Calculation Agent harmless from any claims that may arise or be asserted against the Calculation Agent because of the invalidity of any such documents or their failure to fulfill their intended purpose.

(q) The Calculation Agent is authorized, in its sole discretion, to disregard any and all notices or instructions given by any other party hereto or by any other person, firm or corporation, except only such notices or instructions as are herein provided for and orders or process of any court entered or issued with or without jurisdiction. If any property subject hereto is at any time attached, garnished or levied upon under any court order or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part hereof, then and in any of such events the Calculation Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree with which it is advised by legal counsel of its own choosing is binding upon it, and if it complies with any such order, writ, judgment or decree it shall not be liable to any other party hereto or to any other person, firm or corporation by reason of such compliance even though such order, writ, judgment or decree maybe subsequently reversed, modified, annulled, set aside or vacated.

(r) The Calculation Agent may: (i) terminate or resign from its obligations as ~~Calculation Agent~~calculation agent under this Agreement (subject to the terms set forth herein) upon at least thirty (30) days' prior written notice to the Borrowers, the Lenders and the Agent; provided, however, that, without the consent of the Agent and the Required Lenders, such resignation shall not be effective until a successor ~~Calculation Agent~~calculation agent acceptable to the Required Lenders shall have accepted appointment as ~~Calculation Agent~~calculation agent, pursuant hereto and shall have agreed to be bound by the terms of this Agreement; or (ii) be removed at any time by written demand of the Agent upon sixty (60) days' prior written notice, delivered to the Calculation Agent, the Lenders and the Borrower Representative; provided, however, that, such removal shall not be effective until the appointment of a successor ~~Calculation Agent~~calculation agent acceptable to the Required Lenders. In the event of such termination or removal, the Agent shall make reasonable efforts to appoint a successor calculation agent. If, however, a successor calculation agent is not appointed by the Agent within sixty (60) days after the giving of a notice of resignation or removal, the Calculation Agent may petition a court of competent jurisdiction for the appointment of a successor calculation agent, and the reasonable fees, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses and court costs) of such petition shall be paid by the Agent.

(s) Any successor ~~Calculation Agent~~calculation agent appointed pursuant hereto shall (i) execute, acknowledge, and deliver to the Agent and to the predecessor ~~Calculation Agent~~calculation agent an instrument accepting such appointment under this Agreement. Thereupon, the resignation or removal of the predecessor ~~Calculation Agent~~calculation agent shall become effective and such successor ~~Calculation Agent~~calculation agent, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties, and obligations of its predecessor as ~~Calculation Agent~~calculation agent under this Agreement, with like effect as if originally named as ~~Calculation Agent~~calculation agent. The predecessor ~~Calculation Agent~~calculation agent shall upon payment of its fees and expenses deliver to the successor ~~Calculation Agent~~calculation agent all documents and statements and monies held by it under this Agreement; and the Agent and the predecessor ~~Calculation Agent~~calculation agent shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor ~~Calculation Agent~~calculation agent all such rights, powers, duties, and obligations.

(t) In the event the Calculation Agent's appointment hereunder is terminated without cause, the Borrowers shall (i) reimburse the Calculation Agent for the ~~reasonable out-of-pocket~~cost, fees, and expenses (including attorneys' fees and expenses) of the Calculation Agent incurred in connection with such termination and the related succession by the successor Calculation Agent.

(u) The Loan Parties hereby agree, in connection with an appointment of a successor ~~Calculation Agent~~calculation agent, to negotiate in good faith any modifications to this Agreement reasonably requested by such successor calculation agent.

(v) The Calculation Agent may delegate or perform any of its duties under this Agreement by or through agents, sub-agents, affiliates, service providers or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Calculation Agent shall not be responsible for the negligence or misconduct of any agents, sub-agents, affiliates, service providers or attorneys-in-fact selected by it with reasonable care except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that such agents, sub-agents, affiliates, service providers or attorneys-in-fact acted grossly negligent or with willful misconduct. The Borrowers shall reimburse the Calculation Agent for any and all reasonable costs or expenses (including reasonable attorneys' fees and expenses) incurred by the Calculation Agent with respect to any agents, sub-agents, service providers, affiliates, or attorneys-in-fact appointed by the Calculation Agent pursuant to this section and such agents, sub-agents, service providers, affiliates, and attorneys-in-fact shall be entitled to all the same protections, indemnification rights, and exculpation by the Loan Parties as may apply to the Calculation Agent.

(w) The Calculation Agent shall not be responsible or liable for any delays or failures in performance resulting from any of the following force majeure events, which are beyond the control of the Calculation Agent, including without limitation, a (i) provision of any future law or regulation or act of any governmental authority, (ii) act of God, (iii) natural disaster, (iv) war, (v) terrorism, (vi) civil unrest, (vii) nationwide labor dispute, (viii) disease, epidemic, or pandemic and any related quarantine, (ix) national emergency, (x) malware or ransomware attack (xi) communications system failure (xii) utility failure, (xiii) computer hardware or software failure, or (x) unavailability of the Federal Reserve Bank wire or telex system or other applicable wire or funds transfer system, provided that such unavailability results in failures in connection with the Calculation Agent's duties and/or obligations as they relate to wiring funds under this Agreement and; provided that in each case, the Calculation Agent is taking reasonable steps to mitigate such delays and failures.

(x) The Calculation Agent shall not be responsible for making any decision or determination in connection with any Benchmark related event, and all parties hereto shall be deemed to waive and release any and all claims against the Calculation Agent relating to any such determination, decision or election by the Administrative Agent or any other responsible party.

(y) The parties hereto acknowledge that, in accordance with the Anti-Money Laundering Laws, the Calculation Agent is required to obtain, verify, and record information relating to individuals and entities that establish a business relationship or open an account with the Calculation Agent. Each party hereby agrees that it shall provide the Calculation Agent with such identifying information and documentation as Calculation Agent may reasonably request from time to time in order to enable the Calculation Agent comply with any and all applicable requirements of the Anti-Money Laundering Laws.

Knowledge or information acquired by (i) Computershare Trust Company, N.A. in its respective capacity hereunder or under any other document related to this transaction shall not be imputed to Computershare Trust Company, N.A. in any of its other capacities or under such other documents except to the extent their respective duties are performed by employees in the same division of Computershare Trust Company, N.A., and (ii) any Affiliate of Computershare Trust Company, N.A. shall not be imputed to Computershare Trust Company, N.A. in any of its respective capacities hereunder and vice versa.

Section 2.16 Extension of Maturity Date

. Not earlier than thirty (30) days and not less than fifteen (15) days prior to each Extension Election Date, so long as no Event of Default or Early Amortization Event has occurred and is continuing, the Borrower Representative shall have the right to submit an Extension Request. The Agent shall promptly and, in any event, prior to the applicable Extension Election Date, accept or decline in writing (with a copy to the Calculation Agent) any Extension Request in its sole and absolute discretion. If the Agent agrees to such extension in writing, the Stated Maturity Date then in effect shall be extended for an additional twelve (12) month period (such date, the "Extended Maturity Date"). If the Administrative Agent declines such extension, the Stated Maturity Date then in effect shall remain in effect.

ARTICLE 3
CONDITIONS PRECEDENT

Section 3.1 Conditions to Closing

. On or prior to the Effective Date, each of the conditions precedent set forth below shall have been satisfied, as determined by the Agent and the Lenders:

(a) Loan Documents. Each of the Borrowers shall have duly executed and delivered, or caused to be duly executed and delivered, (i) to the Agent and the Lenders: (A) this Agreement, (B) the Security Agreement and (C) the Fee Letter and (ii) to each Lender that has requested a Note, a Note in the amount of such Lender's Commitment, dated as of the Effective Date, executed by each of the Borrowers and payable to the order of such Lender (each, a "Note") in substantially the form of Exhibit B attached hereto. In no event shall either the Paying Agent or the Calculation Agent have any obligation to maintain a register of holders of any such Notes, or to register or otherwise monitor transfers thereof.

(b) Limited Guaranty. The Sponsor shall have duly executed and delivered, or caused to be duly executed and delivered, the Limited Guaranty.

(c) Guaranty Agreements. The Guarantors shall have duly executed and delivered, or caused to be duly executed and delivered, the Guaranty Agreement.

(d) Security Agreement. The Borrowers and the Guarantors shall each have duly executed and delivered, or caused to be duly executed and delivered, the Security Agreement.

(e) Property Management Agreement. The Property Manager, the Back-Up Manager and the Borrowers shall have duly executed and delivered, or caused to be duly executed and delivered, the Property Management Agreement and Assignment of Management Agreement.

(f) Assignment of Management Agreement. The Agent shall have received copies of each Assignment of Management Agreement duly executed by each Borrower and each applicable Property Manager.

(g) Environmental Indemnity. Borrowers, Guarantors and Sponsor shall have duly executed and delivered, or caused to be duly executed and delivered, the Environmental Indemnity.

(h) Control Agreements. The Agent and each Lender shall have received copies of the Deposit Account Control Agreements required by the Cash Management Requirements, in each case duly executed by each Borrower, the bank maintaining the related Deposit Account and the Agent.

(i) Collection Account, Reserve Accounts, Insurance Proceeds Account and Account Control Agreement. The Borrower Representative shall have established the Collection Account, the Insurance Proceeds Account, the Security Deposit Account and each Reserve Account as a Securities Account with the Paying Agent. The Borrower Representative, the Borrowers and the Paying Agent shall have duly executed and delivered, or caused to be duly executed and delivered, the Account Control Agreements.

(j) Security Interest. The Agent, pursuant to the Security Agreement, shall have (i) received the certificates representing each of the Pledged Securities and the certificates representing each such Pledged Security shall have been (x) registered in the name of Equity Owner with respect to the Pledged Security relating to the Parent Holdco and such registration shall have been confirmed by the related certificate registrar, (y) registered in the name of Parent Holdco with respect to each Pledged Security relating to the Holdco Guarantors and such registration shall have been confirmed by the related certificate registrar and (z) registered in the name of the Holdco Guarantors with respect to each Pledged Security related to the Borrowers, and, in each case, have a Stock Power (as such term is defined in the Security Agreement) duly executed and delivered in favor of the Agent or in blank and (ii) received evidence in form and substance satisfactory to the Agent that it has a first priority perfected security interest in each of the Pledged Securities, subject to no other Liens. Any documents (including, without limitation, financing statements) required to be filed, registered or recorded in order to create, in favor of the Agent, a perfected, first-priority security interest in the Collateral, subject to no Liens other than those created hereunder, shall have been properly prepared and executed for filing (including the applicable county(ies) if the Agent determines such filings are necessary in its sole discretion), registration or recording in each office in each jurisdiction in which such filings, registrations and recordations are required to perfect such first-priority security interest.

(k) Financing Statements. Acknowledgment copies or other evidence of filing acceptable to the Agent of the Financing Statements filed on or before the Effective Date or other similar instruments or documents as may be necessary or in the reasonable opinion of the Agent desirable under the UCC of all appropriate jurisdictions or any comparable law to perfect the Agent's security interest in the Collateral (other than the Properties).

(l) Representations and Warranties. Each representation or warranty by each of the Borrowers, each of the Guarantors and Sponsor, the Property Manager, the Back-Up Manager and their respective Affiliates contained herein or in any other Loan Document shall be true and correct in all material respects (without duplication of any materiality qualifier contained herein or therein).

(m) No Default. No Early Amortization Event, Default or Event of Default shall have occurred and be continuing or result from or exist upon the effectiveness of this Agreement.

(n) No Guarantor Default. No Guarantor Default shall have occurred and be continuing or result from or exist upon the effectiveness of this Agreement.

(o) Consents; Authorizations. All consents, authorizations, permits and approvals of any Governmental Authority or other Person required in connection with the execution and delivery of the Loan Documents and the transactions contemplated thereby shall have been obtained and be in full force and effect.

(p) Completion of Proceedings. All limited liability company and other proceedings taken or to be taken in connection with the transactions contemplated hereby and all documents incidental thereto not previously found acceptable by the Agent and its counsel shall be satisfactory in form and substance to the Agent and such counsel, and the Agent and such counsel shall have received all such counterpart originals or certified copies of such documents as the Agent may reasonably request.

(q) Opinions of Counsel to the Borrowers, the Property Manager each Guarantor and the Sponsor. The Agent and each of the Lenders and their respective counsel shall have received originally executed copies of the favorable written opinions of Wick Phillips, LLP, counsel for the Borrowers, the Guarantors, the Property Manager and Sponsor as to such matters as the Agent or any of the Lenders may reasonably request, dated as of the Effective Date and otherwise in form and substance reasonably satisfactory to the Agent and each of the Lenders (and each of the Borrowers hereby instructs such counsel to deliver such opinions to the Agent and each of the Lenders).

(r) Governing Documents. Each Borrower and each Guarantor shall have provided to the Agent and each of the Lenders the executed and delivered Governing Documents of such Borrower and Guarantor, in form and substance satisfactory to the Agent and each of the Lenders, which provide that each such Borrower and Guarantor is subject to the SPE Requirements. Sponsor shall have provided to the Agent and each of the Lenders copies of its executed and delivered Governing Documents.

(s) Secretary's Certificates. The Agent shall have received a certificate of the secretary or assistant secretary of (1) each of the Borrowers certifying as to the incumbency and genuineness of the signature of each officer of such Borrower executing this Agreement and certifying that attached thereto is a true, correct and complete copy of (i) the certificate of formation or comparable Governing Documents, if any, of such Borrower and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in such Borrower's jurisdiction of organization, (ii) the Governing Documents of such Borrower as in effect on the date of such certifications, (iii) resolutions duly adopted by the board of directors or comparable governing body of such Borrower authorizing, as applicable, the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and (iv) certificates as of a recent date of the good standing or active status, as applicable, of such Borrower under the laws of its jurisdiction of organization and under the laws of each jurisdiction where such Borrower owns any Properties and (2) each of the Guarantors and Sponsor certifying as to the incumbency and genuineness of the signature of each officer of such Guarantor and Sponsor, as applicable, executing this Agreement and certifying that attached thereto is a true, correct and complete copy of (i) the certificate of formation or comparable Governing Documents, if any, of such Guarantor or Sponsor and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in such Guarantor's or Sponsor's jurisdiction of organization, (ii) the Governing Documents of such Guarantor or Sponsor as in effect on the date of such certifications, (iii) resolutions duly adopted by the board

of directors or comparable governing body of such Guarantor or Sponsor authorizing, as applicable, the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and (iv) certificates as of a recent date of the good standing or active status, as applicable, of such Guarantor or Sponsor under the laws of its jurisdiction of organization and short-form certificates as of a recent date of the good standing of such Guarantor or Sponsor under the laws of each other jurisdiction where such Guarantor or Sponsor is qualified to do business and where a failure to be so qualified could have a reasonable likelihood of causing a Material Adverse Effect.

(t) Fees and Expenses. The Paying Agent and the Calculation Agent shall have received all fees and expenses required to be paid to or on behalf of the Paying Agent and the Calculation Agent and each Lender on the Effective Date, including all fees and expenses required hereunder and under the Fee Letter.

(u) No Adverse Effect. The Agent and each Lender shall not have determined that a Material Adverse Effect exists and, in the Agent's or any Lender's determination, (i) no event, circumstance or information or matter shall exist that is inconsistent in a material adverse manner with any event, circumstance or information or matter disclosed to the Agent or any Lender by any of the Borrowers, the Guarantors, the Sponsor, the Back-Up Manager or the Property Manager, or (ii) any change whatsoever has occurred that, in the opinion of the Agent or any Lender, could reasonably be expected to have a Material Adverse Effect.

(v) No Market Disruption Event. There shall not, in the opinion of the Agent, or any Lender, have occurred (i) a material adverse change in any of the financial, banking or capital markets including but not limited to lending or repurchase markets, an outbreak or escalation of hostilities or a material adverse change in national or international political, financial or economic conditions, (ii) a general suspension of trading on major national or international stock exchanges, or (iii) a disruption in or moratorium on commercial banking activities or securities settlement services.

(w) Insurance Policies. The Borrowers shall have delivered to the Agent copies of all insurance certificates evidencing satisfaction of the Insurance Requirements.

(x) Power of Attorney. The Borrowers, the Holdco Guarantors and Parent Holdco shall have delivered to the Agent an executed Power of Attorney in the form of Exhibit I hereto.

(y) Certification Regarding Recycled SPEs. The Sponsor shall have duly executed and delivered, or caused to be duly executed and delivered, the Certification Regarding Recycled SPEs.

(z) "Eagle 9" UCC Policy. An "Eagle 9" UCC Policy, or other comparable UCC insurance policy, with respect to the Pledged Security in form acceptable to Lender.

(aa) Other Documents and Information. The Borrowers shall have delivered to the Agent such other documents, certificates, resolutions, instruments and agreements reasonably requested by the Agent.

Section 3.2 Conditions to Adding Financed Properties and Each Advance

. The addition of any Property as a Financed Property and each Advance to be made under this Agreement shall be subject to the prior or concurrent satisfaction of the conditions precedent set forth below, in each case to the reasonable satisfaction of the Agent:

(a) Property Addition Notice and Borrowing Notice. The Borrower Representative shall have delivered a completed Property Addition Notice and Borrowing Notice pursuant to Section 2.2, together with the Document Packages for each Property to which the requested Advance relates.

(b) Joinder. If submitted for addition as a Borrower in connection with such requested Advance, each such new Borrower with respect to which such Advance relates is an Eligible Property Owner and has executed and delivered a Joinder, an amendment to the Account Control Agreement, to become a party thereto, and each other Loan Document required to be executed and delivered by it under this Agreement, including, but not limited to, a Power of Attorney, a Security Agreement Supplement, Deposit Account Control Agreements, an "Eagle 9" UCC Policy, or other comparable UCC insurance policy, with respect to the Pledged Security in form acceptable to Lender, and any other Loan Document and all conditions to the effectiveness of such Joinder have, in the opinion of the Agent and each Lender, been satisfied.

(c) Revolving Period Termination Date. The Revolving Period Termination Date has not occurred.

(d) Representations and Warranties. Each representation or warranty by the Borrowers, the Guarantors, the Sponsor, the Back-Up Manager and the Property Manager contained herein or in any other Loan Document shall be true and correct on such date, except to the extent that such representation or warranty expressly relates to an earlier date.

(e) No Default. No Early Amortization Event, Default or Event of Default shall have occurred and be continuing or could reasonably be expected or anticipated to result from such addition or Advance.

(f) No Guarantor Default. No Guarantor Default shall have occurred and be continuing.

(g) Calculation Agent and Diligence Agent Confirmations. The Calculation Agent shall have delivered to the Agent its reports according to the results of its calculations described in Section 2.2(b)(i) and Section 2.2(d), as applicable, and the Diligence Agent shall have delivered to the Agent its certification described in Section 2.2(b)(ii), with respect to all Properties to which such Advance relates.

(h) No Adverse Effect. No Material Adverse Effect has occurred as determined by the Agent.

(i) Property Inspection. Completion of a Property inspection of any proposed Financed Property reasonably satisfactory to the Agent, if required by the Agent.

(j) Mortgage Licensing Compliance. If the Borrowers elect to place Mortgages on the Financed Properties pursuant to Section 4.11(a), no Advance or additional Advance may be made with respect to any Financed Property or proposed Financed Property with a Mortgage thereon that is located in a state in which a Lender has notified the Borrower Representative and the Agent that such Lender is required to obtain one or more license(s), or otherwise take action, to comply with Applicable Law prior to making an Advance or additional Advance on a mortgaged property in such state, until such license(s) have been obtained or such action has been taken; provided, however, each such Lender shall make commercially reasonable efforts to obtain such license(s) or take such action. Accordingly, for purposes of any requested Advance to which this Section 3.2(j) applies, the Property Borrowing Base of any such Financed Property or proposed Financed Property will be excluded from the Borrowing Base for purposes of Section 3.2(k)(ii).

(k) Facility Parameters. The following parameters are satisfied, determined after giving effect to the requested addition or Advance:

(i) the Advances Outstanding will not exceed the Facility Amount;

(ii) the Advances Outstanding will not exceed the Borrowing Base;

(iii) any Lender's Pro Rata Share of the Advances Outstanding will not exceed such Lender's Commitment;

(iv) each Reserve Account Deposit Amount will be fully funded and credited to the applicable Reserve Account;

(v) no Trigger Event exists on such date;

(vi) such Advance will not result in more than one (1) Advance being funded on any Business Day or more than one (1) Advance be funded during any calendar week;

(vii) the requirements of Section 2.13 are satisfied with respect to any Non-Eligible Property existing on such date (without regard to any Cure Period) after giving effect to such addition or Advance. For the avoidance of doubt, the requirements of Section 2.13 shall be deemed to be satisfied if the requirements of this Section 3.2 are met assuming any Non-Eligible Property within its applicable Cure Period is treated as if such Cure Period has expired without cure;

(viii) in connection with any Advance, the Loan to Aggregate Market Value Ratio prior to and after giving pro forma effect to such Advance shall not exceed 70%;

(ix) the Agent shall have received an Appraisal or Evaluation with respect to the Properties to be financed on the related Borrowing Date unless the Agent has determined that an Appraisal or Evaluation is not required; provided, however, that if there is a change in Applicable Law or Agent's interpretation thereof, then such Appraisals or Evaluations will become mandatory in Agent's sole discretion; and

(x) the Portfolio Delinquency Amount is less than 10% for the ninety (90) day period prior to such requested Advance.

(l) MSA. With respect to any Advance except for the initial Advance, no Property shall be from any MSA that has experienced a five percent (5%) decline in housing prices, measured at any time prior to the Commitment Termination Date, over either the previous calendar quarter or the previous calendar year according to the Freddie Mac House Price Index.

ARTICLE 4
PROPERTY MANAGEMENT, VALUATIONS AND RESERVES

Section 4.1 Property Management and Cash Management

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(a) Property Management Agreement. On or prior to the Effective Date, the Borrower Representative shall have caused each Property owned by the Borrowers to be managed by the Property Manager pursuant to the Property Management Agreement. The applicable Borrower shall cause any Property acquired by any Borrower following the Effective Date to be managed by the Property Manager pursuant to the Property Management Agreement as of the date acquired by such Borrower. Upon the termination of the Property Manager, the applicable Borrower shall cause the related Properties to be managed by a successor Property Manager pursuant to the Property Management Agreement.

(b) Assignment of Management Agreement. On or prior to the Effective Date, the Property Manager shall have executed and delivered the Assignment of Management Agreement.

(c) Blocked Accounts. With respect to all security deposits, the applicable Borrower shall use commercially reasonable efforts to deliver to the Agent and the Paying Agent a monthly report detailing the activity in such accounts for the prior calendar month.

(d) Cash Management Requirements. Each Loan Party shall (collectively, the "Cash Management Requirements"):

(i) establish and maintain the following Deposit Accounts with PNC Bank, National Association for each Borrower: (A) a Borrower Expense Account and (B) Borrower Funding Account (collectively, the "Borrower Deposit Accounts").

(ii) cause all Borrower Deposit Accounts to be at all times subject to a Deposit Account Control Agreement;

(iii) cause the Collection Account, the Insurance Proceeds Account, each Reserve Account and the Security Deposit Account to be at all times subject to an Account Control Agreement;

(iv) by its own action, or by instructing and causing the Property Manager for each Property to take such action, (A) direct all Tenants to mail rent checks to the Vinebrook Physical Address for deposit into the Borrower Rent Account using the Yardi property management software program (or other substantially similar software program), (B) cause all rents received in the form of electronic or online payments to be deposited (and each electronic or online service provider shall be instructed to deposit) directly into the applicable Borrower Rent Account and (C) deposit all other Collections received by the Property Manager with respect to all Properties managed by the Property Manager directly to the applicable Borrower Rent Account;

(v) cooperate with the Agent in causing all amounts deposited in a Borrower Rent Account to be swept to the Collection Account within two (2) Business Days of receipt in the Borrower Rent Account;

(vi) instruct and cause the Property Manager for each Financed Property of each Borrower to deposit security deposits with respect to all Financed Properties directly to the Security Deposit Account, which holds no amounts other than security deposits for Tenants of the related Borrower;

(vii) deposit or cause any escrow agent for the Conveyance of any Financed Property to deposit all Conveyance Proceeds directly to the Collection Account;

(viii) deposit or cause to be deposited all other Collections and amounts required to be included in Available Funds to the Collection Account; and

(ix) cause all amounts received for Operating Expenses pursuant to Section 2.8(b)(i) or Section 2.8(b)(xi) to be deposited in the applicable Borrower Expense Account maintained by each Borrower for payment of such Operating Expenses from such account.

(e) Operating Expense Budget. If an Event of Default has occurred and is continuing (or will occur upon application of the Available Funds pursuant to Section 2.8(b)), (i) Borrower Representative shall submit to the Agent and the Lenders a proposed quarterly budget of Operating Expenses, with a proposed monthly expense allocation, for Operating Expenses for all Properties and shall by the second month of each calendar quarter submit a quarterly budget for Operating Expenses for the following calendar quarter and (ii) the Agent shall have the right to approve each such proposed quarterly budget of Operating Expenses, proposed monthly expense allocation and each item contained therein in their respective sole and absolute discretion, and upon such approvals such quarterly budget of Operating Expenses shall constitute the "Approved Quarterly Operating Expense Budget" for such calendar quarter.

Section 4.2 Property Valuations

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(a) Quarterly Valuations. On the fifteenth (15th) day (or if such day is not a Business Day, the immediately preceding Business Day) of the month following each Fiscal Quarter, the Agent shall have the option, at the sole cost and expense of the Borrowers, to order a sample of updated BPOs and AVMs up to ten percent (10%), by Allocated Loan Amount, of the Financed Properties consisting of (i) updated BPOs from the Diligence Agent with respect to five percent (5%), by Allocated Loan Amount, of the Financed Properties and (ii) AVMs from an Approved AVM Supplier with respect to five percent (5%), by Allocated Loan Amount, of the Financed Properties (each, a "Quarterly Sample"). Each Quarterly Sample shall be randomly selected by the Agent with a statistically meaningful sample from the portfolio of Financed Properties which were not included in any of the eight immediately preceding Quarterly Samples and with BPOs

or AVMs obtained more than thirty (30) days prior to the date of such selection, including each geographic area in which such Financed Properties are located.

If the Loan To Value Ratio for Financed Properties (calculated with respect to Properties for which BPOs or AVMs were obtained in a Quarterly Sample) is greater than 70% (any such condition, a "Sample Decline"), then the Agent shall have the option in its sole discretion, at the sole cost and expense of the Borrowers and within five (5) Business Days of any such Sample Decline, to order updated BPOs or AVMs from the Diligence Agent or Approved AVM Supplier with respect to an additional 10.0%, by Allocated Loan Amount, of the Financed Properties (each, an "Additional Sample"). Each Additional Sample shall be randomly selected by the Agent with a statistically meaningful sample from the portfolio of Financed Properties, which were not included in any of the four immediately preceding Quarterly Samples and with BPOs or AVMs obtained more than 30 days prior to the date of such selection, including each geographic area in which such Financed Properties are located.

If the Loan To Value Ratio for Financed Properties (calculated with respect to Financed Properties for which BPOs or AVMs were obtained in a Quarterly Sample and a related Additional Sample) is greater than 70%, then the Agent may, in its sole discretion, within five (5) Business Days of such findings, at the sole cost and expense of the Borrowers, obtain updated BPOs or AVMs from the Diligence Agent with respect to all of the Financed Properties.

(b) The Diligence Agent and Approved AVM Supplier shall be required to deliver any such updated BPOs or AVMs required pursuant to Section 4.2(a) above to the Borrower Representative and the Agent not later than thirty (30) days after they are ordered by the Agent. Within five (5) Business Days after receipt of such updated BPOs or AVMs, the Borrower Representative shall deliver to the Agent and the Calculation Agent a BPO and AVM Report showing the calculation of the Loan to Value Ratio taking into account such updated BPOs and AVMs. The Loan To Value Ratio for all Financed Properties and for all purposes under this Agreement will be recalculated based on the updated BPOs and AVMs obtained in connection with any Quarterly Valuation. All updated BPOs and AVMs prepared pursuant to Section 4.2(a) above shall be posted to the Data Site upon completion of such BPOs and AVMs.

(c) In addition to BPOs or AVMs obtained in connection with any Quarterly Valuation, if any Borrower, the Property Manager or the Back-Up Manager obtains any BPO, AVM or any external valuation of any or all Properties, it shall promptly upon receipt thereof provide the Agent and the Diligence Agent with copies of each such BPO, AVM or valuation. Any such additional BPOs or AVMs prepared pursuant to Section 4.2(c) shall be posted to the Data Site upon completion of such BPOs and AVMs.

Section 4.3 Audit and Information Rights

.

(a) Each Borrower shall deliver to the Agent and the Lenders information at any time or from time to time reasonably requested by the Agent or any Lender regarding the Advances, the Properties, the Property Manager, the Back-Up Manager, the Guarantors, the Sponsor and the Borrowers. Any reasonable out-of-pocket costs and expenses in connection with any such request shall be paid by the Borrowers. The Agent shall have the right from time to time at all times during normal business hours upon reasonable notice (and, in any event, not more than twice in any calendar year (unless an Event of Default shall have occurred and be continuing, in which case no such restriction shall apply)) to examine such books, records, accounts, agreements, leases, instruments and other documents and the collection systems of the Borrower-Related Parties at the offices of the Borrower-Related Parties or any other Person maintaining such books, records and accounts and to make such copies or extracts thereof as the Agent shall desire. After the occurrence of an Event of Default, the Loan Parties shall pay any reasonable costs and expenses incurred by the Agent and the Lenders to examine the Borrower-Related Parties' records, as the Agent or any Lender shall determine to be necessary or appropriate in the protection of the Lenders' interest.

(b) Each Borrower shall grant or cause to be granted to the Diligence Agent at reasonable times, subject to reasonable advance notice, and subject to the rights of tenants, access to any of the Financed Properties (or pending Financed Properties) to enable the Diligence Agent to inspect such the Properties.

(c) Each Borrower shall (and shall cause the Property Manager to) cooperate with the Diligence Agent to enable the Diligence Agent to perform various oversight functions with respect to the Properties, including periodic verification that all property taxes have been paid in full.

(d) The Agent (or its third-party auditors, accountants, consultants or appraisers) shall have the right to conduct an annual structured finance audit, including agreed upon procedures, at the cost and expense of the Borrowers.

Section 4.4 [Reserved].

Section 4.5 Interest Reserve Account

. On the date of each Advance hereunder, the Borrowers shall deposit (or cause to be deposited from such Advance) in the Interest Reserve Account the Interest Reserve Account Deposit Amount for each Financed Property (to the extent not previously funded) and any Interest Reserve Account Shortfall Amount existing on such date. On each Payment Date, as applicable, (i) in accordance with Section 2.8(b), the Borrowers shall deposit any Interest Reserve Account Shortfall Amount for the Financed Properties existing on such date and (ii) the Paying Agent shall withdraw any Interest Reserve Account Excess Amount identified in the Monthly Report from the Interest Reserve Account and deposit such amount in the Collection Account as Available Funds for such Payment Date. During the continuance of an Event of Default, the Agent may direct the Paying Agent in writing to withdraw all or any portion of the amounts on deposit in the Interest Reserve Account and apply such funds to pay (i) unpaid Interest Payment Amounts, or (ii) the Advances Outstanding, *pro rata* to each Lender, in such proportion as between items (i) and (ii) above as the Agent may determine in its sole discretion. The right to direct the Paying Agent in writing to withdraw and apply amounts on deposit in the Interest Reserve Account in accordance with the foregoing shall be in addition to all other rights and remedies provided to the Agent or any Lenders under this Agreement and the other Loan Documents. Except as expressly set forth in this Section 4.5, the amounts on deposit in the Interest Reserve Account shall not be released to the Borrowers or otherwise available to pay any Obligations.

Section 4.6 Insurance Premiums and Real Property Taxes; Insurance Reserve Account and Tax Reserve Account

.

(a) The Borrowers shall pay (or shall cause to be paid) all insurance premiums related to all Properties necessary in order to maintain compliance with the Insurance Requirements for such Properties and all real estate taxes and other governmental assessments for all Financed Properties. For the avoidance of doubt, the Borrower Representative may not use amounts on deposit in the Insurance Reserve Account for the payment of taxes or other governmental assessments relating to any Non-Financed Property.

(b) The Borrower Representative shall, not later than the Reporting Date for each Collection Period, deliver to the Agent, the Diligence Agent and the Calculation Agent a report certifying (i) the amounts paid during the related Collection Period in respect of insurance premiums related to Properties necessary in order to maintain compliance with the Insurance Requirements for such Properties and real estate taxes and other governmental assessments for Financed Properties, (ii) the aggregate insurance premiums related to all Properties paid during the related Collection Period and necessary in order to maintain compliance with the Insurance Requirements for such Properties, (iii) the insurance premiums related to each Property paid during the related Collection Period and necessary in order to maintain compliance with the Insurance Requirements for such Property, (iv) the aggregate real estate taxes or other governmental assessments paid for all Financed Properties during the related Collection Period and (v) the real estate taxes or other governmental assessments paid for each Financed Property during the related Collection Period.

(c) Upon the occurrence of an Event of Default, the Agent may instruct the Paying Agent in writing to remit all or any portion of the amount on deposit in the Insurance Reserve Account and/or the Tax Reserve Account and apply such funds to (i) the costs of maintaining insurance on the Properties in compliance with the provisions of Section 6.2 and/or to the payment of real estate taxes or other governmental assessments with respect to any Properties, or (ii) the Advances Outstanding, *pro rata* to each Lender, in such proportion as between items (i) and (ii) above as the Agent may determine in its sole discretion. The right to instruct the Paying Agent to remit and apply such amounts in accordance with the foregoing shall be in addition to all other rights and remedies provided to the Agent or any Lender under this Agreement and the other Loan Documents. Provided no Event of Default shall exist and remain uncured, the Paying Agent shall disburse the amounts on deposit in the Insurance Reserve Account and the Tax Reserve Account with respect to a Property to the Collection Account as Available Funds for the next Payment Date upon the Conveyance of such Property and the payment in full of the applicable Property Release Amount with respect to such Property. Except as expressly set forth in this Section 4.6, the amounts on deposit in the Insurance Reserve Account and the Tax Reserve Account shall not be released to the Borrowers or otherwise available to pay any Obligations.

Section 4.7 Insurance Proceeds Account

.

(a) All repairs to any Property with respect to which any Insurance Proceeds or Condemnation Proceeds have been deposited to the Insurance Proceeds Account shall be deemed to be renovations and all of the provisions of Section 4.8(a), including the requirements for inspections by the Diligence Agent, shall apply to such Properties.

(b) Upon (i) completion of all repairs to any Property in respect of which Insurance Proceeds or Condemnation Proceeds are held in the Insurance Proceeds Account, (ii) receipt by the Agent and the Diligence Agent of a Repair Completion Certificate of a Responsible Officer of the Borrower Representative and (iii) confirmation by the Diligence Agent to the Agent that such repairs have been completed in compliance with the Renovation Standards, the Agent shall direct Paying Agent to withdraw from the Insurance Proceeds Account the related Insurance Proceeds or Condemnation Proceeds on the next Payment Date and deposit such amount in the Collection Account as Available Funds for such Payment Date.

(c) Upon the occurrence of an Event of Default, the Agent may instruct the Paying Agent in writing to remit all or any portion of the amount on deposit in the Insurance Proceeds Account and apply such funds to (i) the costs of completion of the repairs to any Property in respect of which Insurance Proceeds are held in the Insurance Proceeds Account, or (ii) the Advances Outstanding, *pro rata* to each Lender, in such proportion as between items (i) and (ii) above as the Agent may determine in its sole discretion. The right to instruct the Paying Agent to remit and apply such amounts in accordance with the foregoing shall be in addition to all other rights and remedies provided to the Agent or any Lender under this Agreement and the other Loan Documents. Except as expressly set forth in this Section 4.7, the amounts on deposit in the Insurance Proceeds Account shall not be released to the Borrowers or otherwise available to pay any Obligations.

Section 4.8 Renovations and Renovation Cost Reserve Account

.

(a) The Borrower Representative shall provide to the Agent, the Lenders and the Diligence Agent a budget and schedule (the "Proposed Scheduled Renovation Work") describing, if applicable, the Renovation Costs for each Non-Leased Property and the renovation work necessary in the Borrowers' good faith determination to cause such Non-Leased Properties to be renovated, improved, repaired and completed so as to satisfy the Renovation Standards. The Agent shall cause the Diligence Agent to review the Proposed Scheduled Renovation Work in accordance with the Diligence Agent Agreement. After the Diligence Agent completes its evaluation, the Agent may propose modifications to the Proposed Scheduled Renovation Work for such Non-Leased Properties and upon revision of the Proposed Scheduled Renovation Work in a manner agreed to by the Borrower Representative and the Agent, such revised schedule shall constitute the "Scheduled Renovation Work" for such Non-Leased Property. The Borrowers shall promptly perform all of the Scheduled Renovation Work (i) in compliance with all Applicable Laws and (ii) in a Lien-free, good and workmanlike manner, and shall promptly deliver to the Agent, the Lenders and the Diligence Agent a Certificate of Completion when the Scheduled Renovation Work on a Property has been completed. The Agent shall cause the Diligence Agent to inspect each month at least 10% of all Non-Leased Properties for which the Scheduled Renovation Work has been completed in the prior month for purposes of verifying compliance with the Renovation Standards, such sample to be selected by the Diligence Agent. If the Diligence Agent is not able to access any such Property selected for inspection, the Diligence Agent shall select other Properties to be inspected, such that at least 10% of the Non-

Leased Properties for which the Scheduled Renovation Work has been completed in the prior month are so inspected. The Borrowers will cooperate reasonably to enable the Diligence Agent to inspect such Properties before they become occupied. If any such sample shows that more than 5% of such sampled Properties are not then in compliance with the Renovation Standards, the Agent or the Lenders may cause the Diligence Agent to subsequently inspect all or a larger sample of the Non-Leased Properties for which the Scheduled Renovation Work has been completed in the prior month to confirm compliance for such Properties with the Renovation Standards.

(b) The Borrowers shall be required to deposit to the Renovation Cost Reserve Account on the date of the initial Advance, the addition of a Property as a Financed Property hereunder, the date of each subsequent Advance and on each Payment Date, an amount such that the amount on deposit in the Renovation Cost Reserve Account equals an amount (the "Renovation Cost Reserve Account Required Amount") equal to the aggregate Renovation Costs related to all Non-Leased Properties that on such date of determination are subject to any Scheduled Renovation Work or if Scheduled Renovation Work has not been agreed to, the Proposed Scheduled Renovation Work. Upon completion of the Scheduled Renovation Work, delivery of the related Certificate of Completion and verification by the Diligence Agent in accordance with Section 4.8(a) with respect to a Property, provided no Event of Default has occurred and is continuing, the Paying Agent (at the written direction of the Agent) shall release the related Renovation Cost Reserve Account Required Amount to the Collection Account as Available Funds for the next Payment Date. If the applicable Property ceases to be a Financed Property pursuant to Section 2.7(a) or Section 2.13, then the Paying Agent shall withdraw any amount on deposit in the Renovation Cost Reserve Account for such Property from the Renovation Cost Reserve Account and deposit such amount in the Collection Account as Available Funds for such Payment Date.

(c) Upon the occurrence of an Event of Default, the Agent may instruct the Paying Agent in writing to remit all or any portion of the amount on deposit in the Renovation Cost Reserve Account and apply such funds to (i) the costs of completion of the Scheduled Renovation Work of any Non-Leased Properties or (ii) the Advances Outstanding, *pro rata* to each Lender, in such proportion as between items (i) and (ii) above as the Agent may determine in its sole discretion. The right to instruct the Paying Agent to remit and apply such amounts in accordance with the foregoing shall be in addition to all other rights and remedies provided to the Agent or any Lender under this Agreement and the other Loan Documents. Except as expressly set forth in this Section 4.8, the amounts on deposit in the Renovation Cost Reserve Account shall not be released to the Borrowers or otherwise available to pay any Obligations.

Section 4.9 Ratio Trigger Reserve Account

.

(a) If, on any Payment Date, no Trigger Event has occurred and is continuing (and none will result from application of the Available Funds pursuant to Section 2.8(b) on such Payment Date), then Agent shall direct Paying Agent to withdraw from the Ratio Trigger Reserve Account any amounts then on deposit in such account and deposit such amounts in the Collection Account as Available Funds for such Payment Date.

(b) Otherwise, amounts deposited in the Ratio Trigger Reserve Account shall be applied as provided in Section 2.8(b)(x).

Section 4.10 Reserve Accounts Generally

.

(a) Each Reserve Account shall be established and maintained by the Paying Agent as a Securities Account in the name of the Borrower Representative in trust for the benefit of Agent as agent for the Secured Parties. Each Reserve Account shall, pursuant to the Account Control Agreement, be under the sole dominion and control of the Agent. The Paying Agent on behalf of the Agent shall have the sole right to issue entitlement orders with respect to each Reserve Account. The taxpayer identification number associated with the Reserve Accounts shall be that of the Borrower Representative and the Borrower Representative (and other applicable Borrowers) will report for federal, state and local income taxes, the income, if any, represented by the Reserve Accounts.

(b) Any costs of any Reserve Account shall be deducted from any income or earnings, if any, on amounts on deposit in such Reserve Account and to the extent such income or earnings is not sufficient to pay such costs, such costs shall be deducted from amounts on deposit in such Reserve Account.

(c) All interest or other earnings on Reserve Accounts shall be added to and become a part of the related Reserve Account and shall be disbursed in the same manner as other monies deposited in the applicable Reserve Account. So long as no Early Amortization Event, Default or Event of Default shall have occurred and be continuing, the Borrower Representative shall have the right to direct the investment of sums on deposit in the Reserve Accounts in Permitted Investments if (i) such investments are permitted by Applicable Laws and (ii) the maturity date of the Permitted Investment is not later than the date on which funds in the related Reserve Account are required for payment of an obligation for which the applicable Reserve Account was created. Absent the written instruction of the Borrower Representative, the funds on deposit in the Reserve Accounts shall remain uninvested; provided that, if an Event of Default has occurred and is continuing, the Agent in its sole discretion, shall have the right (but not the obligation) to direct the investment of sums on deposit in the Reserve Accounts in Permitted Investments. The Borrowers shall be responsible for payment of any federal, state or local income or other Applicable Taxes applicable to the interest and other amounts earned on the Reserve Accounts, regardless of to whom any amount in any such Reserve Account is credited or paid. No other investments of the sums on deposit in the Reserve Accounts shall be permitted except as set forth in this Section 4.8(c).

(d) Neither the Agent nor the Paying Agent shall be liable for any loss sustained on the investment of any funds maintained in any of the Reserve Accounts. The Borrowers shall indemnify the Agent and the Paying Agent and hold the Agent and the Paying Agent harmless from and against any and all actions, suits, claims, demands, liabilities, losses, damages, obligations and costs and expenses (including litigation costs and reasonable attorneys' fees and expenses) arising from or in any way connected with the Reserve Accounts or the performance of the obligations for which the Reserve Accounts were established. The Borrowers shall collaterally assign to the Agent, as security for the Obligations, all rights and claims the Borrowers may have against all persons or entities supplying labor, materials or other services which are to be paid from or secured by the Reserve Accounts.

Section 4.11 Prohibited Conveyance

.

(a) If the Borrowers fail to obtain the Agent's prior written consent to any Conveyance or refinancing of any Property(ies) with an aggregate market value (measured with respect to any such Property as of the date of its conveyance or refinancing) of more than $1,000,000, to the extent not permitted under the Loan Documents, upon the written request of the Agent, the Borrowers shall obtain, grant to Agent (for the benefit of the Secured Parties) and record in the applicable recording offices first priority mortgage liens on all of the Borrowers' Financed Properties (in each case, pursuant to mortgages, deeds of trust of other forms of security instruments as are required in the subject jurisdiction, in form and substance reasonably acceptable to Agent (collectively, "Mortgages"), and insured by a nationally recognized title insurance company pursuant to a lender's policy of title insurance in an amount not less than the Allocated Loan Amount of the applicable Financed Property, in form and substance reasonably acceptable to Agent) within sixty (60) days of such request. Notwithstanding anything to the contrary contained herein, the Borrowers may elect, at any time and in their sole discretion, to obtain and grant to Agent (for the benefit of the Secured Parties) Mortgages on the Financed Properties. If Mortgages are granted in jurisdictions that require a cap on the amount secured, such amount shall be no less than 125% of the Allocated Loan Amount, provided that if such excess would result in material additional taxes or fees payable by the Borrowers, then the Agent may in its discretion accept such other cap or alternative arrangement as the Agent may deem appropriate in light of the risk to the Lenders resulting from such cap and such cost to the Borrowers.

(b) In connection with any Mortgages obtained pursuant to Section 4.11(a) above, the Borrowers will pay all costs associated with providing such Mortgages, including all recordation taxes with respect to such Mortgages, any costs and/or expenses related to the preparation and assembly of such Mortgages and the delivery thereof to the proper Governmental Authority for recordation, any reasonable out-of-pocket fees for attorneys and other professionals incurred in connection with the preparation, review on behalf of the Agent and recordation of such Mortgages, and the cost of such lender's title insurance policies (collectively, the "Mortgage Recording Expenses").

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations and Warranties

. To induce each Lender, the Paying Agent and the Calculation Agent to enter into this Agreement and the other Loan Documents and to make Advances, each Loan Party hereby represents and warrants to the Agent and each Lender, on the Effective Date and, except to the extent such representation and warranty specifically relates to an earlier date, on each Borrowing Date and each date that any Property is added as a Financed Property that the following statements, and each of the representations and warranties set forth on Schedule 2 hereto are true and correct:

(a) Existence. It is duly formed, validly existing and in good standing under the laws of its jurisdiction of organization, and has all requisite power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted. It is qualified to do business in every jurisdiction where such qualification is required or where the failure to do so could be reasonably expected to have a Material Adverse Effect.

(b) Power and Authority; Enforceability. It has all necessary corporate, limited liability company or organizational power to enter into, and has taken all necessary corporate, limited liability company or organizational action to authorize the execution, delivery and performance of, this Agreement and the other Loan Documents to which it is a party, and all of the transactions contemplated herein and therein. This Agreement and the other Loan Documents have been duly executed and delivered by it constitutes, and any Loan Documents executed and delivered by it after the Effective Date will constitute, its legal, valid and binding obligations, enforceable against it in accordance with their respective terms, subject to applicable Insolvency Laws and general principles of equity, regardless of whether considered in a proceeding in equity or at law. Each Loan Document to which it is a party is in full force and effect.

(c) No Violation. Neither the execution and delivery by it of this Agreement and the other Loan Documents, as applicable, nor the performance by it of its duties and obligations hereunder or thereunder, (i) require any consent or approval of its directors, shareholders, trustees, members or managers, other than any consents or approvals previously obtained, (ii) results or will result in a breach of, or constitutes or will constitute a violation or default under (1) any term or provision of its Governing Documents, (2) any law, rule, regulation, order, judgment, writ, injunction, or decree of any court or Governmental Authority having jurisdiction over its or its property or assets, the violation of which could be reasonably expected to have a Material Adverse Effect or (3) any loan agreement, mortgage, deed of trust, security agreement or lease, or any other contract or instrument binding on or affecting it or its property or assets, the violation of which could be reasonably expected to have a Material Adverse Effect, (iii) requires any approval of stockholders, members or partners or any approval or consent of any Person under any of its Contractual Obligations, except for such approvals or consents which will be obtained on or before the Effective Date and disclosed in writing to the Agent or (iv) results or will result in the creation or imposition of any Lien of any nature upon or with respect to any of its properties or assets, whether now owned or hereafter acquired (except the Liens created by the Loan Documents).

(d) Consents; Authorizations. No authorization, consent, approval, license, exemption of, or filing or registration with, or any other action in respect of any other Governmental Authority is or will be necessary for the valid execution, delivery or performance by it of this Agreement and the other Loan Documents to which it is a party except (i) those with have been made or obtained and are in full force and effect and (ii) those filings or recordings contemplated in connection with this Agreement or the other Loan Documents.

(e) Title to Assets. It has good and marketable title to all of the Financed Properties (or, with respect to the Non-Financed Properties and all other assets owned by it, good and marketable title except where a failure to have such title counsel not be reasonably expected to have a Material Adverse Effect), in each case, free and clear of all Liens other than Permitted Liens.

(f) Collateral. It has rights in and the power to transfer each item of Collateral upon which it purports to grant a Lien under this Agreement, the Security Agreement or the other Loan Documents free and clear of any and all Liens other than Permitted Liens. No effective security agreement, financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed in connection with this Agreement or the other Loan Documents. With respect to the security interest granted by it in the Security Agreement, such security interest is a valid first priority security interest in the Collateral, subject only to Permitted Liens, which security interest will, upon the filing of the Financing Statements as provided for in the Security Agreement, be perfected to the extent such security interest can be perfected by possession, filing or control. The execution and delivery of this Agreement, the Security Agreement and the Grant of the Lien under the Security Agreement create a valid, enforceable Lien on the Collateral and the Proceeds thereof. The Filing Offices are the only offices where Financing Statements are required to be filed under the UCC in order to perfect such Lien in all Filing Collateral. Following the filing of the Financing Statements in the Filing Offices, the Lien granted hereunder in all Filing Collateral will be a first priority perfected Lien.

(g) Litigation. There is no litigation pending or threatened, to which it is a party that (i) purports to affect the legality, validity or enforceability of this Agreement or any other Loan Document or the transactions contemplated hereunder or thereunder or (ii) if adversely determined, individually or in the aggregate, could be reasonably expected to have a Material Adverse Effect.

(h) Compliance with Laws. It is in compliance with all Applicable Laws including without limitation those with respect to owning, leasing and maintaining the Properties.

(i) Disclosure. No representation or warranty made by it and contained in any Loan Document or in any other documents, certificates or written statements furnished to the Agent, the Calculation Agent, the Paying Agent, the Diligence Agent and any Lender by or on behalf of any of the Borrowers for use in connection with any Advance or the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances in which the same were made. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by it to be reasonable at the time made, and are not to be viewed as facts and the actual results during the period or periods covered by any such projections may differ from the projected results. There are no material facts known (or which should upon the reasonable exercise of diligence be known) to any Borrower-Related Party (other than matters of a general economic nature) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or in such other documents, certificates and statements furnished to any Lender or the Agent for use in connection with the transactions contemplated hereby.

(j) Environmental Matters. (i) There is no past or present non-compliance with Environmental Laws, or with permits issued pursuant thereto, in connection with any Property which has not been fully addressed and/or remediated in accordance with Environmental Law or in accordance with any requirements imposed by any Governmental Authority, except for those that could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (ii) except as otherwise disclosed to Agent, it does not have any knowledge of, nor has it received, any written notice from any inspector, contractor, property manager, agent of any property manager or Governmental Authority relating to Hazardous Materials or Remediation (as defined in the Environmental Indemnity) in connection with any Property, of liability of any Person pursuant to any Environmental Law or any actual administrative or judicial proceedings in connection with any of the foregoing, except for those that could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(k) Solvency. It is and, upon each Borrowing Date, both before and after giving effect to the making of the Advance requested hereunder, the Grant by it hereunder and the consummation of the other transactions contemplated hereunder, will be, Solvent, and intends to remain Solvent. No Insolvency Event has occurred with respect to it and it has not taken any Insolvency Action or action in contemplation or furtherance thereof.

(l) Organization Documents. Since the Effective Date, it has not amended, supplemented, restated or other modified its Governing Document or any other of its organizational or governing documents.

(m) Taxes. It has filed (or obtained effective extensions for filing) all required income tax returns and all other tax returns, domestic and foreign, required to be filed by it and has paid all taxes (including mortgage recording taxes), assessments, fees, and other governmental charges payable by it, or with respect to any of its properties or assets, which have become due, and income or franchise taxes have been paid except that individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect unless, in each case, the same are not delinquent and are being contested in accordance with the provisions of Section 6.1(u). It has paid, or has provided adequate reserves for the payment of, all such taxes for all prior fiscal years and for the current fiscal year to date. There is no action, suit, proceeding, investigation, audit or claim relating to any such taxes now pending or threatened by any Governmental Authority against any it, which is not being contested in good faith as provided above if adversely determined could reasonably be expected to have a Material Adverse Effect. No tax liens that have not been discharged have been filed against it or any of its assets (except with respect to any Property, Liens in respect of taxes not yet due and payable).

(n) Anti-Money Laundering Laws. It has complied with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2001 (collectively, the "Anti-Money Laundering Laws"); it has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws, has conducted and will conduct the requisite due diligence in connection with the Leases and Tenants for purposes of the Anti-Money Laundering laws, including with respect to the legitimacy of the applicable Tenant and the origin of the assets used by the said Tenant to lease the property in question and maintains and will maintain, sufficient information to identify the applicable Tenant for purposes of the Anti-Money Laundering Laws.

(o) OFAC. Neither any Borrower nor any entity owned directly or indirectly by the Sponsor, nor any such Borrower's or entity's officers, directors, partners or members or, any Tenant of any Borrower is an entity or person (or owned or controlled by an entity or person): (i) that is listed in the Annex to, or is otherwise subject to the provisions of the Executive Order 13224 issued on September 24, 2001 ("EO13224"); (ii) whose name appears on OFAC's most current list of "Specifically Designated National and Blocked Persons" (as such list is published from time to time on the OFAC website, http:www.treas.gof/ofac/t11sdn.pdf, or any replacement thereof promulgated by OFAC, the "OFAC List"); or (iii) who commits or threatens to commit "terrorism", as that term is defined in EO13224. The Borrowers shall cause the Property Manager, prior to entering into any Lease with a Tenant, to screen each Tenant's provided name against the OFAC List to confirm such Tenant's name does not appear on the OFAC List. If a Responsible Officer of any Loan Party obtains knowledge that any Tenant's name appears on the OFAC List, such Loan Party shall give prompt notice to the Agent and shall take all legally required action with respect to any such Tenant as a result thereof.

(p) ERISA Compliance. Each Plan is in compliance with the applicable provisions of ERISA, the Code and other Applicable Law. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS and nothing has occurred which would prevent, or cause the loss of, such qualification. To the extent applicable, such Borrower and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan. There are no pending or threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan, except for those that could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. There has been no non-exempt prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan, except for those that could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. (i) No ERISA Event has occurred or is reasonably expected to occur; (ii) no Pension Plan has any Unfunded Pension Liability; (iii) neither such Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iv) neither such Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (v) neither such Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA, in each case that either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) Equity Interests and Ownership. (i) the Holdco Guarantors own all of the outstanding and issued Equity Interests in each Borrower, (ii) Parent Holdco owns all of the outstanding and issued Equity Interests in the Holdco Guarantors, (iii) Equity Owner owns all of the outstanding and issued Equity Interests in the Parent Holdco, (iv) Sponsor ~~directly or indirectly~~ owns ~~all~~approximately 84.25% of the ~~outstanding and issued Equity Interests~~indirect equity in Equity Owner, and (v) no Change of Control has occurred. Such Equity Interests and all Equity Interests of the Sponsor have been duly authorized and validly issued and are fully paid and non-assessable. There is no existing option, warrant, call, right, commitment or other agreement to which it is a party requiring, and none of its Equity Interests outstanding, which upon conversion or exchange, would require the issuance by it of its Equity Interests or other Securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase, its Equity Interests. The Equity Interest of each Borrower, each Holdco Guarantor and Parent Holdco have been pledged to the Agent for the benefit of the Lenders pursuant to the terms of the Security Agreement.

(r) Governmental Regulation. It is not subject to regulation under the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Obligations or which may otherwise render all or any portion of its Obligations unenforceable. It is not a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

(s) Margin Stock. None of the transactions contemplated by any of the Loan Documents will violate or result in a violation of Section 7 of the Exchange Act, or any regulations issued pursuant thereto, including Regulations T, U and X of the Federal Reserve Board, 12 C.F.R., Chapter II. It does not own or intend to carry or purchase, and no proceeds of any Advance or from the pledge of the Collateral will be used to carry or purchase, any "Margin Stock" within the meaning of Regulation U or to extend "Purchase Credit" within the meaning of Regulation U.

(t) Insurance. The Borrowers have obtained and delivered to the Agent certificates evidencing the insurance policies that satisfy the Insurance Requirements. All such policies are in full force and effect. No claims have been made that are currently pending, outstanding or otherwise remain unsatisfied under any such insurance policies that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. With respect to any insurance policy, there has been no act or omission would impair the coverage of such policy, the benefits of the endorsement or the validity and binding effect of either such policy or the endorsement in any material respect.

(u) Eligibility. Such Borrower is an Eligible Property Owner. Each Financed Property is an Eligible Property.

(v) Investment Company Act. Such Borrower is not an "investment company" registered or required to be registered under the Investment Company Act.

(w) Fiscal Year and Fiscal Quarters. Such Borrower's fiscal year ends on December 31 of each calendar year and its fiscal quarters end on March 31, June 30, September 30 and December 31 (each, a "Fiscal Quarter") of each calendar year.

ARTICLE 6
AFFIRMATIVE COVENANTS

Section 6.1 Affirmative Covenants of the Loan Parties

. Each of the Loan Parties covenants with each Lender, the Paying Agent, the Calculation Agent and the Agent that until all Obligations have been repaid in full and this Agreement is terminated:

(a) Compliance With Laws. It shall comply with all Environmental Laws as required by the Environmental Indemnity. It shall comply with all other Applicable Laws.

(b) Maintenance of Existence. It shall maintain its existence and the right to carry on its business and duly procure all necessary renewals and extensions thereof and maintain, preserve and renew all rights, powers, privileges and franchises and conduct its business in the usual and ordinary course; provided, that it shall not be required to maintain, preserve or renew any such rights, powers, privileges or franchises unless the failure to maintain, preserve or renew the same could reasonably be expected to have a Material Adverse Effect. It shall maintain and preserve all property material to the conduct of its business and keep such property in good repair, working order and condition (ordinary wear and tear and casualty excepted) and from time to time make, or cause to be made, such repairs, renewals, additions, improvements and replacements thereto as are necessary in order that the business carried on in connection therewith may be properly conducted at all times, except, in each case, where the failure to do so could not be reasonably expected to have a Material Adverse Effect.

(c) Use of Proceeds. It shall use the proceeds of all Advances solely for the purposes described in Section 2.3.

(d) Delivery of Information. It shall furnish, or cause to be furnished, to the Agent:

(i) as soon as available and in any event within ~~sixty~~ninety (~~60~~90) days after the end of each fiscal year of Sponsor, the audited consolidated balance sheet of Sponsor and its consolidated subsidiaries (which shall include the Borrowers and the Guarantors) as at the end of such fiscal year and the related consolidated statements of income and cash flows of Sponsor and its consolidated subsidiaries (which shall include the Borrowers and the Guarantors) for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on in conformity with GAAP, with the opinion thereon of an independent public accountant reasonably acceptable to the Agent, together with such information as shall be reasonably required to permit the reconciliation of the net worth, debt and liquidity of Sponsor as set forth in such financial statements to the Tangible Net Worth, Debt to Tangible Net Worth ratio and Liquidity required to be maintained by Sponsor pursuant to the Sponsor Financial Covenants;

(ii) as soon as available and in any event within thirty (30) days after the end of each fiscal quarter (other than the last fiscal quarter in such fiscal year) of Sponsor and its consolidated subsidiaries (which shall include the Borrowers and the Guarantors), an unaudited consolidated balance sheet of Sponsor and its consolidated subsidiaries (which shall include the Borrowers and the Guarantors) as at the end of each such fiscal quarter and the related statements of income and cash flows of Sponsor and its consolidated subsidiaries (which shall include the Borrowers and the Guarantors) for such quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, setting forth in each case in comparative form the figures for the corresponding quarter in the previous fiscal year, all certified as to fairness of presentation and conformity with GAAP (other than with respect to lack of footnotes and being subject to normal year-end adjustments) by a Responsible Officer of Sponsor, together with such information as shall be reasonably required to permit the reconciliation of the net worth, debt and liquidity of Sponsor as set forth in such financial statements to the Tangible Net Worth, Debt to Tangible Net Worth ratio and Liquidity required to be maintained by Sponsor pursuant to the Sponsor Financial Covenants;

(iii) a Monthly Report on each Reporting Date together with a certificate of a Responsible Officer of the Borrower Representative delivered to Agent certifying (a) that the Borrowers, each of the Guarantors, the Sponsor and their respective Affiliates have each complied with all covenants and agreements in the Loan Documents applicable to such Person and (b) that no Early Amortization Event, Default or Event of Default has occurred and is continuing on the date of such certificate, and if any Default or Event of Default then exists, setting forth the details thereof and the action which the Borrowers are taking or propose to take with respect thereto;

(iv) promptly after any of its Responsible Officers becoming aware of the occurrence of any Early Amortization Event, Default or Event of Default (but in any event within one (1) Business Day thereafter), a certificate of a Responsible Officer setting forth the details thereof and the action that it is taking or proposes to take with respect thereto;

(v) promptly after any of its Responsible Officers becoming aware of any event or occurrence (including any litigation, whether pending or threatened) that could reasonably be expected to have a Material Adverse Effect (but in any event within one (1) Business Day thereafter), a certificate of a Responsible Officer setting forth the details thereof and the action that it is taking or proposes to take with respect thereto;

(vi) promptly after receipt of written notice of the matters described in Section 2(k) of the Environmental Indemnity;

(vii) as soon as possible, notice of any material changes to its organization or structure or any material change or expansion of its operations or programs;

(viii) promptly upon request by the Agent from time to time, such additional information regarding its financial condition or business or assets (including, without limitation, the Collateral), as the Agent may reasonably request from time to time;

(ix) as soon as practicable but in no event later than five (5) Business Days prior to the acquisition of any such real property by a Borrower, notice that such Borrower intends to acquire real property in a state other than the state or states that such Borrower owned Properties as of the Effective Date; provided that, the Agent shall have the right to approve such acquisition in its sole discretion; and

(x) all information furnished by or on behalf of any Borrower to the Agent or any Lender in connection with the Loan Documents will be true, correct and complete, or in the case of projections will be based on reasonable estimates prepared and presented in good faith, on the date as of which such information is stated or certified.

(e) Books and Records. It shall keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities to the extent necessary to prepare its financial statements in conformity with GAAP.

(f) Further Assurances. It shall at any time or from time to time upon the reasonable request of the Agent, at the Borrowers' sole cost and expense, (i) furnish to the Agent all instruments, documents, boundary surveys, footing or foundation surveys, certificates, plans and specifications, appraisals, title and other insurance reports and agreements, and each and every other document, certificate, agreement and instrument required to be furnished by any Borrower pursuant to the terms of the Loan Documents or reasonably requested by the Agent in connection therewith, in each case to the extent in the possession of the Borrowers, the Borrower Representative or any of their agents; (ii) promptly execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, continuation statements and fixture filings), which are required under any Applicable Laws or may be reasonably requested by the Agent to effectuate the transactions contemplated by the Loan Documents or to grant, preserve, protect or perfect the Liens created by the Loan Documents or the validity or priority of an such Lien; and (iii) cooperate with each Lender and the Agent with respect to any proceedings before any court, board or other Governmental Authority which may in any way adversely affect the rights of any Secured Party hereunder (other than any adverse proceeding between any Borrower-Related Parties, on the one hand and any Lender, Agent, Paying Agent, the Calculation Agent and/or Diligence Agent, on the other hand, relating to the transactions contemplated herein). During the existence and continuance of an Event of Default, it shall provide to the Agent and the Lenders, from time to time upon request, evidence reasonably satisfactory to the Agent as to the perfection and priority of the Liens created or intended to be created by the Loan Documents.

(g) SPE Requirements. Since its formation and at all times thereafter it has complied with the following provisions, and it shall:

(i) own no material assets, and shall not engage in any business, other than the assets and transactions specifically contemplated by this Agreement and any other Loan Document;

(ii) not incur any Debt or other obligation, secured or unsecured, direct or indirect, absolute or contingent (including guaranteeing any obligation), other than as permitted under Section 7.1(a) or as otherwise permitted under this Agreement;

(iii) not make any loans or advances to any Affiliate or third party and shall not acquire obligations or securities of its Affiliates, in each case other than in connection with the acquisition, conversion or maintenance of Properties in connection with the Loan Documents;

(iv) pay its debts and liabilities (including, as applicable, shared personnel and overhead expenses) only from and to the extent of its own assets; provided, however that the foregoing shall not require its member to make any additional capital contributions to it;

(v) maintain a sufficient number of employees, if any, in light of its contemplated business operations;

(vi) pay the salaries of its own employees, if any, only from and to the extent of its own funds;

(vii) comply with the provisions of its Governing Documents;

(viii) do all things necessary to observe organizational formalities and to preserve its existence, and shall not amend, modify, waive provisions of or otherwise change its Governing Documents without the consent of the Agent;

(ix) maintain all of its books, records, financial statements and bank accounts separate from those of its Affiliates and any other Person, and has not and shall not list its assets as assets on the financial statements of any other Person (except that, to the extent required under GAAP or as a matter of Applicable Law its assets may be included in a consolidated financial statement of its Affiliates; provided, that (a) appropriate notation shall be made on such financial statements to indicate the separateness of such Person from such Affiliate and to indicate that such Person's assets and credit are not available to satisfy the debts and other obligations of such Affiliate or any other Person and (b) such assets shall also be listed on such Person's own separate balance sheet) and file its own tax returns separate from those of any other Person except to the extent such Person is treated as a "disregarded entity" for tax purposes and is not required to file tax returns under Applicable Law;

(x) be, and at all times shall hold itself out to the public as, a legal entity separate and distinct from any other entity (including any Affiliate), shall correct any known misunderstanding regarding its status as a separate entity, shall conduct business solely in its own name, and shall not identify itself or any of its Affiliates as a division of the other;

(xi) intend to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations; provided, however that the foregoing shall not require its member to make any additional capital contributions to it;

(xii) not engage in or suffer any Change of Control, dissolution, winding up, liquidation, consolidation or merger in whole or in part or convey or transfer all or substantially all of its properties and assets to any Person (except as contemplated herein);

(xiii) except with respect to other Borrowers to the extent permitted by the Cash Management Requirements, not commingle its funds or other assets with those of any Person and shall maintain its properties and assets in such a manner that it would not be costly or difficult to identify, segregate or ascertain its properties and assets from those of others;

(xiv) hold all of its assets in its own name;

(xv) maintain its properties, assets and accounts separate from those of any Affiliate or any other Person;

(xvi) except with respect to other Borrowers and/or the Borrower Representative as provided for in the Loan Documents, not hold itself out to be responsible for the debts or obligations of any other Person;

(xvii) not, without the prior unanimous written consent of the holders of 100% of its Equity Interests, take any Insolvency Action;

(xviii) not enter into any transaction with an Affiliate of any of the Borrowers except on terms and conditions that are intrinsically fair, commercially reasonable and substantially similar to those available to unaffiliated parties in an arm's length transaction;

(xix) use separate stationary, invoices and checks bearing its own name;

(xx) allocate fairly and reasonably any shared expenses with an affiliate (including, without limitation, shared office space);

(xxi) except with respect to other Borrowers and/or the Borrower Representative as provided for in the Loan Documents, not pledge its assets to secure the obligations of any other Person; and

(xxii) not form, acquire or hold any subsidiary or own any equity interest in any other entity other than in the case of the Borrower Representative, its equity interest in the Borrowers as expressly permitted under this Agreement or the other Loan Documents.

(h) Litigation. It shall give prompt written notice to the Agent and the Lenders of any litigation or governmental proceedings pending or threatened against it.

(i) Release Premium Report. In connection with a Property Release, it shall provide a report (the "Release Premium Report") to the Agent and the Calculation Agent detailing the Release Premium, the Release Premium Deduction, the Reduction Amount, the Property Value, the Property Borrowing Base and the Borrowing Base, both before and after giving effect to such Property Release, in form and substance reasonably acceptable to the Agent.

(j) Estoppel Statement. After request by the Agent, it shall within ten (10) Business Days furnish the Agent with a statement, duly acknowledged and certified, setting forth (i) the Advances Outstanding as of such date, (ii) the Interest Rate, (iii) the date interest and/or principal were last paid, (iv) any offsets or defenses to the payment of the Obligations evidence by this Agreement and (v) that the Note, this Agreement and the other Loan Documents are valid, legal and binding obligations and have not been modified or if modified, giving particulars of such modification.

(k) Performance and Compliance with Loan Documents. It will, at its expense, timely and fully perform and comply with all provisions, covenants and other promises required to be observed by it under each Loan Document to which it is a party.

(l) Inspection Rights. The Agent and the Lenders (and their respective agents or professional advisors) shall have the right, from time to time, at their discretion and upon reasonable prior notice to the relevant party, to visit and inspect any of the offices of any Borrower, to discuss the affairs, finances and condition of any Borrower with the officers thereof and independent accountants therefor and to examine, and audit, during business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, financial statements, collection policies, legal and regulatory compliance, operating and reporting procedures and information systems, their respective directors, officers and employees, or other information and information systems (including without limitation customer service and/or whistleblower hotlines) of the Borrowers, or held by another for a Borrower or on its behalf, concerning or otherwise affecting the Properties, the Loan Documents, the Borrower Representative, Sponsor, the Guarantors or any Borrower. Upon reasonable notice and during regular business hours, each Borrower agrees to promptly provide the Agent and the Lenders

(and their respective agents or professional advisors) with access to, copies of and extracts from any and all documents, records, agreements, instruments or information (including, without limitation, any of the foregoing in computer data banks and computer software systems) the Agent and the Lenders (and their respective agents or professional advisors) may reasonably require in order to conduct periodic due diligence relating to the Borrowers in connection with the Properties and the Loan Documents. Each Borrower will make available to the Agent and the Lenders (and their respective agents or professional advisors) knowledgeable financial, accounting, legal and compliance officers for the purpose of answering questions with respect to such Borrower and the Properties and to assist in the Agent's and the Diligence Agent's diligence. In addition, the Borrowers shall provide, or shall cause the Borrower Representative and the Property Manager to provide, the Agent and the Diligence Agent (and their respective agents or professional advisors) from time to time, at their discretion and upon reasonable prior notice to the relevant party, with access to such Person to visit and inspect the offices of such Person and to examine, and audit, during business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, financial statements, collection policies, legal and regulatory compliance, operating and reporting procedures and information systems, their respective directors, officers and employees, or other information and information systems (including without limitation customer service and/or whistleblower hotlines) of such Persons, concerning or otherwise affecting the Properties. All costs and expenses incurred by the Agent, the Lenders and the Diligence Agent (and their respective agents or professional advisors) in connection with the due diligence and other matters outlined in this Section shall be paid pursuant to Section 2.8(b) in an aggregate amount not to exceed $100,000 per year. Notwithstanding the foregoing, all inspections of Properties shall be subject to the rights of tenants pursuant to Leases entered into in accordance with the terms hereof.

(m) HOA Dues. It will pay, or cause to be paid, in full when due all home owners' association dues and fees for each Property owned by it.

(n) Conversion to Leased Property. It will exercise commercially reasonable efforts to complete and pay for all repairs and make all capital expenditures necessary to repair and renovate any Non-Leased Property owned in accordance with the budget and timeframe submitted to the Agent in connection with the Advance made in respect of such Non-Leased Property and that is necessary to render such Property a Leased Properties.

(o) Maintenance of Properties. The Loan Parties shall keep and maintain (i) the Financed Properties in a good, safe and habitable condition and repair, and from time to time make, or cause to be made, all reasonably necessary repairs, renewals, replacements, betterments and improvements thereto and (ii) all other Properties, except the extent that the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, in a good, safe and habitable condition and repair (ordinary wear and tear excepted), and from time to time make, or cause to be made, all reasonably necessary repairs, renewals, replacements, betterments and improvements thereto.

(p) Maintenance of Documents Relating to Properties. The Borrower shall deliver to the Data Site any new Lease entered into by a Borrower with respect to a Financed Property. The Borrower Representative shall maintain at its offices the original (or, if originals are not available, true, complete and correct copies of) Purchase Agreements, Title Insurance Policies, deeds and other documents that are part of each Document Package and shall provide access to the Agent and the Lenders to review each such document in connection with any inspection performed in accordance with Section 6.1(l), above or as otherwise reasonably requested by the Agent or Diligence Agent hereunder.

(q) Defense of Title. The Borrower warrants and will defend the right, title and interest of Lender in and to all Collateral against all adverse claims and demands of all Persons whomsoever.

(r) Operation of Financed Property. Each Loan Party shall cause the Financed Properties to be operated by the Property Manager, under the supervision of the Property Manager, in accordance with the Property Management Agreement and the Property Management Agreement. In the event that the Property Management Agreement expires or is terminated (without limiting any obligation of the Loan Parties to obtain the Agent's consent to any termination or modification of the Property Management Agreement in accordance with the terms and provisions of this Agreement), the Borrowers shall promptly enter into a replacement Property Management Agreement with Property Manager or another qualified Property Manager (which qualified Property Manager shall be reasonably acceptable to the Agent), as applicable and provide to the Agent an Assignment of Property Management Agreement with respect to such replacement Property Management Agreement. Each Borrower shall: (i) promptly perform and/or observe all of the covenants and agreements required to be performed and observed by it under the Property Management Agreement and do all things necessary to preserve and to keep unimpaired its material rights thereunder; (ii) promptly notify the Agent of any default under the Property Management Agreement of which it is aware (and post a copy of such notice to a Data Site); and (iii) enforce the performance and observance of all of the covenants and agreements required to be performed and/or observed by Property Manager under the Property Management Agreement, in a commercially reasonable manner.

(s) Property Managers. Each Loan Party shall use commercially reasonable efforts to replace any resigning Property Manager prior to the effective date of such Property Manager's resignation. In the event a replacement Property Manager is not appointed prior to such resignation, the Loan Parties shall take reasonable steps to assume the obligations of such resigning Property Manager until a replacement Property Manager is appointed.

(t) Taxes and Other Charges. It shall pay, or shall cause to be paid, all Taxes and Other Charges now or hereafter levied or assessed or imposed against any Property or any part thereof as the same become due and payable. It shall maintain receipts, or other evidence for the payment of the Taxes and the Other Charges prior to the date the same shall become delinquent and shall furnish, or cause to be furnished, copies thereof to the Agent promptly upon request. It shall not suffer and shall promptly pay and discharge any Lien or charge whatsoever which may be or become a Lien or charge against any Collateral other than Permitted Liens. After prior written notice to the Agent, it may, at its own expense, contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any Taxes or Other Charges, provided that (i) no Early Amortization Event, Default or Event of Default has occurred; (ii) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which the Borrowers are subject and shall not constitute a default thereunder and such proceeding shall be conducted in accordance with all Applicable Laws; (iii) neither the Collateral nor any Property nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, cancelled or lost; (iv) it shall promptly upon final determination thereof pay the

amount of any such Taxes or Other Charges, together with all costs, interest and penalties which may be payable in connection therewith; (v) such proceeding shall suspend the collection of such contested Taxes or Other Charges, from the released Property; (vi) appropriate reserves have been established in accordance with GAAP and (vii) it shall furnish such security as may be required in the proceeding, or as may be requested by the Agent, to insure the payment of any such Taxes or Other Charges, together with all interest and penalties thereon. The Agent may apply such security or part thereof held by it at any time when, in its judgment, the validity or applicability of such Taxes or Other Charges are established or the Property or any other of its asset (or part thereof or interest therein) shall be in danger of being sold, forfeited, terminated, cancelled or lost or there shall be any danger of the Lien granted hereunder being primed by any related Lien.

(u) Anti-Money Laundering Laws. It will comply with all applicable Anti-Money Laundering Laws and shall provide notice to the Agent and the Lenders, within one (1) Business Day after it obtains knowledge of any Anti-Money Laundering Law regulatory notice or action involving it.

(v) OFAC. It will, prior to entering into a Lease with a Tenant, confirm that such Tenant is not a Person that is the subject of any sanctions administered by OFAC, including any person or entity listed on the OFAC List and not enter into a Lease with a Tenant that is listed on either of such lists. Notwithstanding the foregoing, if a Responsible Officer of any Loan Party determines or obtains knowledge that a Tenant's name appears on the OFAC List, such Loan Party shall give notice of such determination to the Agent within one (1) Business Day and shall take all legally required action with respect to any such Tenant.

Section 6.2 Insurance

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(a) It shall obtain and maintain, or cause to be maintained, insurance for itself and each Property (and its related improvements and personal property) providing at least the following coverages:

(i) comprehensive "all risk" or special causes of loss form insurance, as is available in the insurance market as of the Effective Date, including, but not limited to, loss caused by any type of windstorm (including hail) on the Properties (A) in an amount equal to one hundred percent (100%) of the "full replacement cost", which for purposes of this Agreement shall mean actual replacement value of the Properties, subject to a loss limit equal to $25,000,000 per occurrence; (B) containing an agreed amount endorsement with respect to the improvements and personal property at any Property waiving all co-insurance provisions or to be written on a no co-insurance form and (C) providing for no deductible in excess of $25,000 (it being understood that, so long as no Early Amortization Event, Default or Event of Default has occurred and is continuing, (1) Borrowers may utilize a $3,000,000 aggregate deductible stop loss subject to a $25,000 per occurrence deductible and a $25,000 maintenance deductible following the exhaustion of the aggregate, (2) the aggregate stop loss does not apply to any losses arising from named windstorm, earthquake or flood, (3) the perils of named windstorm or flood shall be permitted to have a deductible of five percent (5%) of the total insurable value of the Properties (with a minimum deductible of $250,000 per occurrence for any and all locations), (4) the peril of earth movement including but not limited to earthquake shall be permitted to have a deductible of ten percent (10%) of the total insurable value of the Properties (with a minimum deductible of $250,000 per occurrence for any and all locations) and (5) the peril of "other wind and hail" shall be permitted to have a deductible of three percent (3%) of the total insurable value of the Properties (with a minimum deductible of $250,000 per occurrence for any and all locations)). In addition, it shall obtain (x) if any portion of a Property is currently or at any time

in the future located in a federally designated "special flood hazard area", or other area identified by Agent as having a high or moderate risk of flooding, flood hazard insurance in an amount equal to the maximum amount of coverage available for the applicable Property under the Flood Laws, plus excess amounts as Agent shall require in its sole discretion with deductibles acceptable to Agent, (y) named windstorm insurance in an amount equal to the Probable Maximum Loss (PML) or Scenario Expected Limit (SEL) based upon a storm risk analysis for a 475 year event (such analysis to be secured by the applicable Borrower utilizing a third-party firm qualified to perform such storm risk analysis using the most current RMS software, or its equivalent, to include consideration of storm surge, if applicable, and loss amplification, at the expense of the applicable Borrower at least one time per year or more frequently as may reasonably be requested by Agent and shared with Agent, presented by the Properties located in areas prone to named storm activity); and (z) earthquake insurance in an amount equal to the Probable Maximum Loss (PML) or Scenario Expected Limit (SEL) based upon a seismic risk analysis for a 475 year event (such analysis to be secured by the applicable Borrower utilizing a third-party firm qualified to perform such seismic risk analysis using the most current RMS software, or its equivalent, to include consideration of loss amplification, at the expense of the applicable Borrower at least one time per year or more frequently as may reasonably be requested by Agent and shared with Agent, presented by the Properties located in areas prone to seismic activity); provided, that the insurance pursuant to subclauses (x), (y) and (z) hereof shall be on terms consistent with the comprehensive all risk insurance policy required under this Section 6.2(a)(i);

(ii) business income or rental loss insurance, written on an "Actual Loss Sustained Basis" (A) with loss payable to the Agent for the benefit of the Secured Parties; (B) covering all risks required to be covered by the insurance provided for in Section 6.2(a)(i); (C) in an amount equal to one hundred percent (100%) of the aggregate projected net income plus continuing expenses from the operation of a Property for a period of at least twelve (12) months after the date a Property is damaged or destroyed, in whole or in part, by fire or other casualty (a "Casualty"); and (D) containing an extended period of indemnity endorsement which provides that after the physical loss to the improvements and personal property at a Property has been repaired, the continued loss of income will be insured until such income either returns to the same level it was at prior to the loss, or the expiration of thirty (30) days from the date that the applicable Property is repaired or replaced and operations are resumed, whichever first occurs, and notwithstanding that the policy may expire prior to the end of such period. The amount of such business income or rental loss insurance shall be determined prior to the Effective Date and at least once each year thereafter based on Borrowers' reasonable estimate of the net income from each Property for the succeeding twelve (12) month period. All proceeds payable to the Agent pursuant to this subsection shall be held by the Agent and shall be applied in Agent's sole discretion to (x) the Obligations or (y) Operating Expenses approved by Agent in its sole discretion; provided, however, that nothing herein contained shall be deemed to relieve Borrowers of their obligation to pay the Obligations on the respective dates of payment provided for in this Agreement and the other Loan Documents except to the extent such amounts are actually paid out of the proceeds of such business income insurance;

(iii) at all times during which structural construction, repairs or renovations are being made with respect to any Property, and only if each of the property coverage form and the liability insurance coverage form does not otherwise apply, (A) owner's contingent or protective liability insurance, otherwise known as Owner Contractor's Protective Liability (or its equivalent), covering claims not covered by or under the terms or provisions of the above mentioned commercial general liability insurance policy and (B) the insurance provided for in Section 6.2(a)(i), written in a so-called builder's risk completed value form including coverage for all insurable hard and soft costs of construction (x) on a non-reporting basis, (y) against all risks insured against pursuant to Section 6.2(a)(i), (z) including permission to occupy such Property and (C) with an agreed amount endorsement waiving co-insurance provisions;

(iv) commercial general liability insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about any Property, such insurance (A) to be on the so-called "occurrence" form with a combined limit of not less than $1,000,000 per occurrence; $2,000,000 in the aggregate "per location" and overall $20,000,000 in the aggregate; (B) to continue at not less than the aforesaid limit until required to be changed by the Agent in writing by reason of changed economic conditions making such protection inadequate and (C) to be at least as broad as Insurance Services Offices (ISO) policy form CG 00 01;

(v) if applicable, automobile liability coverage for all owned and non-owned vehicles, including rented and leased vehicles, containing minimum limits per occurrence of $1,000,000;

(vi) if applicable, worker's compensation subject to the worker's compensation laws of the applicable state, and employer's liability in amounts reasonably acceptable to the Agent;

(vii) umbrella and excess liability insurance in an amount not less than $50,000,000 per occurrence and in the aggregate on terms consistent with the commercial general liability insurance policy required under Section 6.2(a)(iv), and including employer liability and automobile liability, if applicable; and

(viii) upon sixty (60) days' written notice, such other reasonable insurance, and in such reasonable amounts as the Agent from time to time may reasonably request against such other insurable hazards which at the time are commonly insured against for properties similar to the Properties located in or around the region in which Properties are located.

(b) All Policies required pursuant to this Section 6.2 shall: (i) be obtained under valid and enforceable policies (collectively, the "Policies" or in the singular, the "Policy"), and shall be subject to the approval of Agent as to insurance companies, amounts, deductibles, loss payees and insureds and (ii) be issued by financially sound and responsible insurance companies authorized to do business in the states where the applicable Properties are located and having a rating of "A-:IX" or better with an outlook of "Positive" or "Stable" in the current Best's Insurance Reports or a claims paying ability rating of "A-" or better by S&P or another rating agency selected by Agent, provided, however, that if Borrowers elect to have their insurance coverage provided by a syndicate of insurers, then, if such syndicate consists of five (5) or more members, (A) at least sixty percent (60%) of the insurance coverage (or seventy-five percent (75%) if such syndicate consists of four (4) or fewer members) and one hundred percent (100%) of the first layer of such insurance coverage shall be provided by insurance companies having a claims paying ability rating of "A-" or better by S&P and (B) the remaining forty percent (40%) of the insurance coverage (or the remaining twenty-five percent (25%) if such syndicate consists of four (4) or fewer members) shall be provided by insurance companies having a claims paying ability rating of "BBB" or better by S&P;

(c) All Policies of insurance provided for in Section 6.2(a), except for the Policies referenced in Section 6.2(a)(vi), shall contain clauses or endorsements to the effect that:

(i) no act or negligence of any Borrower, or anyone acting for any Borrower, or of any tenant or other occupant, or failure to comply with the provisions of any Policy, which might otherwise result in a forfeiture of the insurance or any part thereof, shall in any way affect the validity or enforceability of the insurance insofar as the Secured Parties are concerned;

(ii) the Policy shall not be canceled without at least thirty (30) days' written notice to the Agent and any other party named therein as an additional insured (other than in the case of non-payment in which case only ten (10) days prior notice, or the shortest time allowed by Applicable Law (whichever is longer), will be required) and shall not be changed (other than to increase the coverage provided thereby) without such a thirty (30) day notice;

(iii) the Secured Parties shall not be liable for any Insurance Premiums thereon or subject to any assessments thereunder; and

(iv) the issuers thereof shall give notice to the Agent if a Policy has not been renewed ten (10) days prior to its expiration.

(d) Certificates of insurance evidencing the Policies shall be delivered to the Agent on the Effective Date with respect to the current Policies. Further, not less than ten (10) days prior to the expiration dates of the Policies theretofore furnished to the Agent, Borrowers shall deliver to the Agent certificates of insurance evidencing the Policies (and, upon the written request of the Agent, copies of such Policies) accompanied by evidence satisfactory to the Agent of payment of the premiums due thereunder (the "Insurance Premiums").

(e) All Policies of insurance provided for or contemplated by Section 6.2(a), except for the Policy referenced in Section 6.2(a)(iv), shall name the applicable Borrower as the insured and the Agent and its successors and/or assigns as mortgagee and loss payee, as its interests may appear, and in the case of property damage, boiler and machinery, windstorm, flood and earthquake insurance, shall contain a so-called New York standard non-contributing mortgagee clause in favor of the Agent providing that the loss thereunder shall be payable to the Agent unless below the Casualty Threshold Amount for a Borrower to handle such claim without the Agent. Additionally, if a Borrower obtains property insurance coverage in addition to or in excess of that required by Section 6.2(a)(i), then such insurance policies shall also contain a so-called New York standard non-contributing mortgagee clause in favor of the Agent providing that the loss thereunder shall be payable to the Agent.

(f) If at any time the Agent is not in receipt of written evidence that all insurance required hereunder is in full force and effect, the Agent shall have the right, without notice to Borrowers, to take such action as the Agent deems necessary to protect its interest in the Properties, including, without limitation, the obtaining of such insurance coverage as the Agent in its sole discretion deems appropriate after three (3) Business Days' notice to Borrowers if prior to the date upon which any such coverage will lapse or at any time the Agent deems necessary (regardless of prior notice to Borrowers) to avoid the lapse of any such coverage. All premiums incurred by the Agent in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Borrowers to the Agent upon demand and, until paid, shall be secured by the Loan Documents and shall bear interest at the rate set forth in clause (ii) of the definition of Applicable Margin.

(g) In the event of foreclosure of the pledge of the Equity Interest of Borrowers pursuant to the Security Agreement the Policies shall remain in full force and effect.

(h) For the avoidance of doubt, neither this Section 6.2 nor any of the terms defined therein shall be modified, amended or waived without the express written consent of the Agent.

(i) Any blanket insurance Policy shall otherwise provide the same protection as would a separate Policy insuring only the Properties in compliance with the provisions of Section 6.2(a).

Section 6.3 Condemnation

. If a Property is subject to Condemnation, the applicable Borrower shall, promptly after receipt of any Condemnation Proceeds either (i) deposit all or a portion of such Condemnation Proceeds into the Insurance Proceeds Account and promptly commence and diligently pursue the completion of the repair of any damage to such Property resulting from such Condemnation, if applicable and (ii) otherwise deposit all Condemnation Proceeds into the Collection Account, which Condemnation Proceeds shall be applied in accordance with the provisions of Section 2.8(b).

ARTICLE 7
NEGATIVE COVENANTS

Section 7.1 Negative Covenants of the Loan Parties

. Each Loan Party covenants with each Lender and the Agent that for so long as this Agreement is outstanding:

(a) Debt. It shall not create, incur, assume, guaranty, or suffer to exist any Debt other than: (i) Obligations owing pursuant to this Agreement and the other Loan Documents; (ii) endorsements of instruments or other payment items for deposit in the ordinary course of business; (iii) overdue accounts payable (A) in respect of Subordinate Property Manager Fees, (B) Operating Expenses which are not paid due to the exercise of the Agent's budget approval rights during an Event of Default, (C) due to contractors and/or suppliers of materials in amounts not exceeding $1,000,000 in aggregate outstanding at any time and not overdue for more than ninety (90) days, or (D) due to trades accounts payable (without limitation of the immediately preceding Section 7.1(a)(iii)(C)) in amounts not exceeding $1,000,000 in aggregate outstanding at any time and (iv) Capital Lease Obligations not exceeding $250,000 in aggregate outstanding at any time.

(b) Liens; Dispositions. It shall not create, incur, assume or suffer to exist any Lien on all or any part of its assets (including, without limitation, the Collateral) other than Permitted Liens. It shall not sell, convey, transfer, assign or permit any sale, conveyance, transfer or assignment of its assets or any interest therein by operation of law or otherwise, except to the extent contemplated by this Agreement. It shall not sell, assign, convey, encumber or otherwise transfer any Property owned by it except (i) any Conveyance of Financed Properties as permitted pursuant to Section 2.7, and/or (ii) any Conveyance of Non-Financed Properties provided that no Trigger Event, Default or Event of Default exists on the date of such Conveyance as otherwise permitted by this Agreement.

(c) Investments. It shall not directly or indirectly, lend money or extend credit (by way of guarantee, assumption of debt or otherwise) or make advances to any Person, or purchase or acquire any stock, bonds, notes, debentures or other obligations or securities of, or any other interest in, or make any capital contribution to, any other Person, or purchase or own a futures contract or otherwise become liable for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract, except to the extent contemplated by this Agreement, and except that any Holdco Guarantor may acquire the Equity Interests of any Eligible Property Owner that becomes Borrower under this Agreement.

(d) Mergers; Consolidations; Sales of Assets; Etc. It shall not enter into any transaction of merger or consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution) or any sale, lease or transfer of all or any substantial part of its assets.

(e) Line of Business. The Loan Parties shall not enter into any line of business other than the ownership and operation of the Properties (and any ancillary business related to such operation), or make any material change in the scope or nature of its business objectives, purposes or operations, or undertake or participate in activities other than the continuance of its present business.

(f) Subsidiaries. It shall not organize, form or acquire any subsidiaries other than as explicitly provided in this Agreement (and other than the formation by any Holdco Guarantor of any Eligible Property Owner that becomes a Borrower under this Agreement).

(g) Intentionally Omitted.

(h) Bad Acts. The Loan Parties will not permit any of the following:

(i) fraud, malfeasance, gross negligence, willful misconduct, bad faith or intentional misrepresentation or the commission of any criminal act by (i) any Loan Party, any Sponsor or any Affiliate of any Loan Party or any Sponsor in connection with the Facility, including any Advance or any Property or (ii) Property Manager, sub-manager, operator or entity engaged by a Loan Party in connection with the rental, management or operation of any Property, excepting criminal acts by Property Manager, a sub-manager, operator or entity that do not relate to this Facility, any Property or the ability of any such party to perform its obligations under the Loan Documents or that are otherwise immaterial;

(ii) any material physical waste of any Financed Property;

(iii) the imposition of any consensual Lien or other encumbrance on any Property other than that which is expressly permitted under the terms of this Agreement;

(iv) to the extent of available cash flow from the Properties, failure to pay charges for labor or materials or other charges or judgments that can create Liens or other encumbrance on any portion of any Property other than that which is expressly permitted under the terms of this Agreement;

(v) to the extent of available cash flow from the Properties, failure by any Loan Party to pay Taxes (except those Taxes which are being contested in good faith by appropriate proceedings and for which adequate reserves are maintained in the Tax Reserve Account), the result of which creates a Lien on any Property;

(vi) to the extent of available cash flow from the Properties, failure to meet the Insurance Requirement with respect to any Loan Party or any Property;

(vii) the theft, misappropriation or conversion or other failure to remit (to the extent required by the Loan Documents) by any Borrower-Related Party of (A) any Insurance Proceeds paid by reason of any casualty or under any insurance policy, (B) any Condemnation Proceeds, (C) any Conveyance Proceeds or refinancing proceeds to the Collection Account or (D) any other Available Funds or other amounts required to be deposited into any Collection Account, Reserve Account, or any other account established and maintained pursuant to this Agreement;

(viii) except as otherwise required by Applicable Law, the failure to deliver security deposits to the Security Deposit Account;

(ix) a breach by any Loan Party of any "special purpose entity" or separateness obligation set forth in this Agreement or any other Loan Document;

(x) any amendment of any Governing Documents of any Loan Party other than as is expressly permitted under the terms of this Agreement; or

(xi) any Loan Party's bad faith interference with the Lenders' exercise of rights or remedies under any of the Loan Documents, at law or in equity.

(i) Restricted Payments. It shall not, directly or indirectly, declare, pay or make any Restricted Payment, or set aside or otherwise deposit or invest any sums for such purpose, or agree to do any of the foregoing; provided, that any Borrower may declare, pay or make Permitted Distributions.

(j) Accounts. It shall not establish, maintain or suffer to exist any Deposit Account or Securities Account by or on behalf of itself except as permitted by this Agreement or another Loan Document.

(k) Electronic Rent Payments. It shall not permit or direct any electronic rent payments to be transferred to or deposited in any account other that a Deposit Account subject to the lien of the Security Agreement.

(l) Equity Interests. It shall not issue or grant any right to any Person to receive, directly or indirectly, any Equity Interests.

(m) No Other Accounts. It shall not, except to the extent expressly permitted by this Agreement, (i) open or permit to remain open any cash, securities or other account with any bank, custodian or institution, (ii) open or permit to remain open any sub-account of any cash, securities or other account with any bank, custodian or institution, (iii) permit any funds of Persons other than the Borrowers to be deposited or held in any of the Collection Account, the Insurance Proceeds Account or the Reserve Accounts or (iv) permit any cash (including any Collections or other proceeds of any Properties) to be deposited or held in any account other than cash and Permitted Investments that could be distributed as a Restricted Payments by a Borrower unless such account is subject to an Account Control Agreement.

(n) No Adverse Selection. It shall not intentionally use selection procedures that identify the Financed Properties, when taken as a whole, as being less desirable or valuable than other comparable assets owned by such Borrower or any Affiliate of such Borrower.

ARTICLE 8
DEFAULT

Section 8.1 Default

. Each of the following shall constitute an "Event of Default" under this Agreement:

(a) Failure to Pay. Any Borrower shall default in the payment of (i) the Advances Outstanding on the ~~Scheduled~~Stated Maturity Date or any Required Principal Payments Amounts when due and payable pursuant to Section 2.7, (ii) any Interest Payment Amount or Unused Fee is not paid in full on any Payment Date and such failure continues for one (1) Business Day, or (iii) any other amount (including other fees, expenses, indemnities or other obligations) payable to the Agent or any other Secured Party hereunder or under any other Loan Document is not paid when due and such failure continues for five (5) Business Days.

(b) Failure to Observe Covenants. (i) Any Borrower shall fail to perform or comply with any term or condition contained in Section 4.1(c), Section 4.1(d), Section 6.1(b), Section 6.1(c), Section 6.1(g), Section 6.1(h), Section 6.1(t), Section 6.1(u), Section 6.2 or Article 7 of this Agreement, (ii) any Borrower shall fail to perform or comply with any other term or condition contained in this Agreement (other than Section 5.1(o) or Section 6.1(v)) or any other Loan Document and such failure specified in this subclause (ii) shall continue for a period of thirty (30) days after the earlier to occur of (1) the date upon which a Responsible Officer of any Borrower-Related Party has knowledge of such failure and (2) the date upon which written notice thereof is given to the Borrower Representative by the Agent or any Lender.

(c) Failure to Observe OFAC. Any failure on the part of any Borrower to duly observe or perform any of its covenants set forth in Section 6.1(v) or the representation and warranty in Section 5.1(o) shall fail to be correct in respect of a Tenant of any Property and, in each case, the applicable Borrower fails to notify OFAC within five (5) days or as otherwise required by Applicable Laws (and Agent and Lenders within one (1) Business Day) of a Responsible Officer obtaining knowledge that such Tenant is on any of the lists described in those sections and promptly take such steps as may be required by OFAC with respect to such Tenant.

(d) Misrepresentation. Any representation or warranty contained in this Agreement (other than Section 5.1(o)) or any other Loan Document shall be or shall have been or proves to be incorrect, false or misleading in any material respect (without duplication of any materiality qualifier contained herein or therein) when made or deemed made, without regard to any knowledge or lack of knowledge thereof by the Agent or any Lender, and such failure continues unremedied (in the Agent's reasonable determination) for a period of thirty (30) days after the earlier to occur of (1) the date upon which a Responsible Officer of any Borrower-Related Party has actual knowledge of such failure and (2) the date upon which written notice thereof is given to the Borrower Representative by the Agent or any Lender; provided that it shall not be an Event of Default under this clause (d) in the event of a breach of a representation or warranty contained on Schedule 2 hereto so long as the Borrowers comply with the requirements of Section 2.13 within the times required thereunder.

(e) Judgments. Any judgment or order or series of judgments or orders for the payment of money is rendered against any Loan Party by a court of competent jurisdiction, unless such judgment(s) or order(s) has, within thirty (30) days of the entry thereof, been vacated, satisfied, dismissed or bonded pending appeal or, in the case of judgment(s) or order(s) in the aggregate not exceeding $1,000,000 in excess of the amount which is covered by insurance (subject to applicable deductibles), the insurer in respect of which has accepted defense thereof subject only to customary reservations of rights.

(f) Voluntary Bankruptcy; Appointment of Receiver. Any Borrower, the Borrower Representative, any Guarantor or any Sponsor (i) becomes unable, or fails, or admits in writing its inability, to generally pay its debts as such debts become due, (ii) makes an assignment for the benefit of creditors, (iii) files a petition in bankruptcy, (iv) petitions or applies to any tribunal for any receiver or any trustee of such Person or any substantial part of the property of such Person, (v) commences any proceeding relating to such Person under any reorganization, arrangement, composition, readjustment, liquidation or dissolution law or statute of any jurisdiction, whether in effect now or after this Agreement is executed or (vi) the board of directors (or similar governing body) of such Person (or any committee thereof) shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to in this Section 8.1(f).

(g) Involuntary Bankruptcy. If, (i) within forty-five (45) days after the filing of a bankruptcy petition or the commencement of any proceeding against any Borrower, the Borrower Representative, any Guarantor or any Sponsor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, the proceeding shall not have been dismissed, (ii) within forty-five (45) days after the appointment, without the consent or acquiescence of such Person, of any trustee, receiver or liquidator of such Person or all or any substantial part of the properties of such Person, the appointment shall not have been vacated or (iii) any order for relief is granted in any bankruptcy proceeding against such Person.

(h) Dissolution. Any action is taken that is intended to result, or results, in the dissolution, liquidation or termination of the existence of any Borrower.

(i) Tax or ERISA Liens. The IRS shall file notice of a Lien pursuant to Section 6323 of the Code with regard to any assets of any Borrower or any Guarantor and such lien shall not have been released within five (5) Business Days, or the Pension Benefit Guaranty Corporation shall file notice of a Lien pursuant to Section 4068 of ERISA with regard to any of the assets of any Borrower or any Guarantor and such Lien shall not have been released within five (5) Business Days.

(j) Lien Not First Priority. The Agent for the benefit of the Secured Parties shall fail for any reason to have a first priority perfected security interest in all or any portion of the Pledged Securities or, other than Permitted Liens, any other Collateral; provided that no Event of Default shall arise hereunder if the failure of the Secured Parties to have a first priority perfected security interests relates only to portions of the Collateral other than the Pledged Securities and/or the pledged Deposit Accounts and Securities Accounts and the related Liens with priority, if any, are in an aggregate amount of $500,000 or less and such failure is cured within fifteen (15) Business Days.

(k) Defaults Under Other Agreements. Any default by any Borrower under any agreement to which such Person is a party, which default is not cured within any applicable cure period or waived and with respect to which the amount due and payable exceeds $1,000,000, singly or in the aggregate.

(l) Property Manager Event of Default. Any Property Manager Event of Default occurs and the Property Manager is not replaced with a successor Property Manager acceptable to the Agent within 30 days.

(m) Termination of the Property Management Agreement, Assignment of Management Agreement or Deposit Account Control Agreement. The Property Management Agreement shall terminate or the Property Manager shall be terminated or resign thereunder and such agreement or manager is not replaced with the Property Management Agreement with the Property Manager (which may include the Property Manager) within thirty (30) days after the date of such termination or resignation (provided that, if the Property Manager has not been replaced as of the date of such termination or resignation, the Property Manager shall undertake the property management duties related to such Properties in accordance with the provisions of this Agreement) and the related Property Management Agreement or any Deposit Account Control Agreement shall terminate or fails to be in place with respect to the Security Deposit Account (within the timeframes required under this Agreement).

(n) Change of Control. A Change of Control shall occur.

(o) Loan Documents. At any time after the execution and delivery thereof, (i) this Agreement or any other Loan Document ceases to be in full force and effect or shall be declared null and void, or the Agent shall not have or shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Loan Documents with the priority required by the Loan Documents (other than by reason of any act or omission by the Agent or any Lender, where the applicable Loan Parties take such actions as are required under 6.1(f) promptly after written request) or (ii) any Borrower, the Property Manager, any Guarantor, any Sponsor or any of their respective Affiliates shall contest the validity or enforceability of any Loan Document in writing or deny in writing that it has any further liability under any Loan Document to which it is a party.

(p) Insolvency Opinions. Any of the assumptions contained in any non-consolidation opinion letter delivered by Wick Phillips, LLP on the Effective Date or by any other firm in connection with any Joinder is, or shall become, untrue in any respect.

(q) Guarantor Default. Any Guarantor Default shall occur.

(r) Ratio Compliance. Any of clauses (i) or (ii) below shall exist as of a Reporting Date immediately following a Measurement Quarter, and, in any such case, not be cured in accordance with the Ratio Cure Procedures:

(i) the Debt Service Coverage Ratio is less than 1.25:1.00; or

(ii) the Debt Yield Ratio is less than 7.00%.

(s) Sponsor Financial Covenants. The failure by Sponsor to be in compliance with any Sponsor Financial Covenant.

Section 8.2 Remedies Upon Default

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(a) Upon the occurrence and during the continuance of any Event of Default, the obligation, if any, of each Lender to make Advances shall automatically terminate (unless waived in writing by the Agent and each Lender) and the Agent may, and at the direction of the Required Lenders shall, by notice to the Borrower Representative, declare the Termination Date and/or the Commitment Termination Date to have occurred (provided, that upon the occurrence of any Event of Default described in Section 8.1(f), (g) or (h), no such declaration shall be necessary and the termination of Commitments and the acceleration hereinafter described shall occur automatically), whereupon the Advances Outstanding shall be accelerated and the same, and all interest accrued thereon and all other Obligations, shall forthwith become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, anything contained herein or in the other Loan Documents to the contrary notwithstanding, and the Agent, on behalf of the Lenders, shall have any and all rights and remedies available to it under Applicable Law, this Agreement and the other Loan Documents or otherwise and shall, at the direction of the Required Lenders and subject to compliance with the provisions of Article 9, take such actions and exercise such powers as so directed and to enforce such rights and remedies under Applicable Law, this Agreement and the other Loan Documents, including with respect to the Collateral and in any event, including, without limiting the generality of the foregoing, the right to sell, assign or otherwise dispose of, or credit bid on behalf of the Lenders the Collateral or any part thereof, at one or more public or private sales in accordance with Applicable Law upon such terms and conditions and at prices as it may deem advisable, for cash or on credit or for future delivery without assumption of any credit risk. The

Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, maintenance or safekeeping of any of the Collateral or in any way relating to the Collateral, including the Properties, or the rights of the Agent or the Lenders hereunder, including attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in such order as the Agent may elect (or be directed by the Required Lenders), and only after such application and after the payment by the Agent of any other amount required or permitted by any provision of Applicable Law, including Section 9-504(1)(c) of the UCC, need the Agent account for the surplus, if any, to the Borrowers. To the greatest extent permitted by Applicable Law, each Loan Party waives all claims, damages and demands it may acquire against the Agent or any Lender arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(b) No right or remedy herein conferred upon the Agent is intended to be exclusive of any other right or remedy contained herein or in any instrument or document delivered in connection with or pursuant to this Agreement, and every such right or remedy contained herein and therein or now or hereafter existing at law or in equity or by statute, or otherwise may be exercised separately or in any combination.

(c) No course of dealing between the Borrowers, on the one hand, and the Agent or any Secured Party, on the other hand, or any failure or delay on any Secured Party or the Agent's part in exercising any rights or remedies hereunder or under any Loan Document shall operate as a waiver of any rights or remedies of the Agent or any Secured Party and no single or partial exercise of any rights or remedies hereunder or thereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder or thereunder.

(d) For the avoidance of doubt, any sales, use, excise, value-added, gross receipts (in the nature of a sales tax), services, consumption, and other similar transaction-based taxes, however designated, that are properly levied by any Governmental Authority upon or in respect of the exercise of rights and remedies by the Agent and the other Secured Parties under this Agreement shall be deemed to be, for all purposes, an Advance.

(e) For the avoidance of doubt, the Agent may only use the Power of Attorney after the occurrence and during the continuance of an Event of Default in connection with the exercise of the remedies described in this Section 8.2.

ARTICLE 9
THE AGENT

Section 9.1 Authorization and Action

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(a) Each Lender hereby designates and appoints JPMorgan Chase Bank, National Association (and JPMorgan Chase Bank, National Association accepts such designation and appointment) as Agent hereunder, and authorizes the Agent to take such actions as agent on its behalf and to exercise such powers as are delegated to the Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. In performing its functions and duties hereunder, the Agent shall act solely as agent for the Lenders and do not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for any other party hereto or any of their respective successors or assigns. The Agent shall not be required to take any action which exposes it to personal liability or which is contrary to this Agreement or Applicable Law. The appointment and authority of the Agent hereunder shall terminate at the indefeasible payment in full of the Obligations.

(b) Notwithstanding any provision to the contrary elsewhere in this Agreement, the Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or otherwise exist against the Agent.

(c) Notwithstanding any provision to the contrary elsewhere in this Agreement or any Loan Document, to the extent that any Loan Document requires the Agent's consent to amend, modify, supplement or restate any such Loan Document, the Borrower Representative shall obtain the Agent's consent prior to any such amendment, modification, supplement or restatement.

Section 9.2 Delegation of Duties

. The Agent may execute any of its duties under any of the Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 9.3 Exculpatory Provisions

. Neither the Agent nor any of its directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct or, in the case of the Agent, the breach of its obligations expressly set forth in this Agreement) or (ii) responsible in any manner to any of the Secured Parties for any recitals, statements, representations or warranties made by any Borrower, the Borrower Representative, the Property Manager, the Back-Up Manager, the Sponsor or any other party in this Agreement or in any other Loan Document or any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement or any other Loan Document to which it is a party for the value, validity, effectiveness, genuineness, enforceability

or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of any Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager or any Sponsor to perform any of their respective obligations hereunder or any Loan Document, or for the satisfaction of any condition specified herein or therein. The Agent shall not be under any obligation to any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of any Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager or any Sponsor.

Section 9.4 Reliance

.

(a) The Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, written statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Agent), independent accountants and other experts selected by the Agent.

(b) The Agent shall be fully justified in failing or refusing to take any action under any of the Loan Documents unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders, on a several basis, against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

(c) The Agent shall in all cases be fully protected in acting, or in refraining from acting, under any of the Loan Documents in accordance with a request of the Required Lenders or any Lender, as applicable, with respect to matters over which Required Lenders are granted discretion under this Agreement (or if any matter requires consent or direction of Required Lenders and such consent or direction is not provided), and such request and any action taken or failure to act pursuant thereto shall be binding upon all present and future Lenders.

(d) The Agent shall not be deemed to have knowledge of any Early Amortization Event, Default or Event of Default unless it has received written notice thereof from a Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager, any Sponsor or a Secured Party. In the event that the Agent receives such a notice, it shall promptly give notice thereof to each Lender. The Agent shall take such action with respect to such event as shall be reasonably directed in writing by the Required Lenders.

Section 9.5 Non-Reliance on Agent

. Each Lender expressly acknowledges that neither the Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Agent hereafter taken, including any review of the affairs of any Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager or any Sponsor shall be deemed to constitute any representation or warranty by the Agent to the Lenders. Each Lender represents to the Agent that it has, independently and without reliance upon the Agent, and based on such documents and information as it has deemed appropriate, made its own appraisal of an investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrowers, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager and any Sponsor and the Collateral and made its own decision to make its Commitment hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Agent, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis, appraisals and decisions in taking or not taking action under any of the Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrowers, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager and any Sponsor and the Collateral. Except for notices, reports and other documents received by the Agent hereunder, the Agent shall have no duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager, the Sponsor or the Collateral which may come into the possession of the Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

Section 9.6 Indemnification

. Each Lender agrees to indemnify, severally, in proportion to each such Lender's then-applicable Pro Rata Share, the Agent in its capacity as such (without limiting the obligation (if any) of the Borrowers to reimburse the Agent for any such amounts), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including at any time following the payment of the obligations under this Agreement, including the Advances Outstanding) be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of this Agreement, or any documents contemplated by or referred to herein or the transactions contemplated hereby or any action taken or omitted by the Agent under or in connection with any of the foregoing; provided, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of the Agent resulting from its own gross negligence or willful misconduct. The provisions of this Section shall survive the payment of the Obligations, the termination of this Agreement, and any resignation or removal of the Agent.

Section 9.7 Agent in its Individual Capacity

. The Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Borrower, the Borrower Representative, any Guarantor, the Property Manager, the Back-Up Manager, any Sponsor and any other party to a Loan Document as though it were not the Agent hereunder. None of the provisions to this Agreement shall require the Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

Section 9.8 Successor Agent

. The Agent may resign as Agent upon thirty (30) days' notice to each Lender and the Borrower Representative with such resignation becoming effective upon a successor agent succeeding to the rights, powers and duties of the Agent pursuant to this Section. In addition, the Required Lenders may remove the Agent as Agent upon thirty (30) days' notice to the Agent, each Lender and the Borrower Representative upon a finding certified to by such Required Lenders that the Agent has materially breached its duties hereunder, which notice shall set forth with specificity the nature and dates of any such material breaches. If the Agent shall resign or be removed as Agent under this Agreement, then the Required Lenders shall appoint a successor Agent, which may be a Lender, and, if not a Lender, with the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed). Any successor Agent shall succeed to the rights, powers and duties of resigning Agent, and the term "Agent" shall mean such successor Agent effective upon its appointment, and the former Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of the former Agent or any of the parties to this Agreement. After the retiring Agent's resignation as Agent or the removal of the Agent as Agent, the provisions of this Article shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

ARTICLE 10
ASSIGNMENTS AND PARTICIPATIONS

Section 10.1 Assignments and Participations

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(a) Any Lender may, with the prior written consent of the Borrower Representative unless an Event of Default has occurred and is continuing, which consent shall not be unreasonably withheld, conditioned or delayed, sell with novation all or any part of its right, title and interest in, and to, and under the Commitment, the Advances Outstanding and this Agreement, on either a pro rata or senior/subordinate basis or otherwise, in the sole discretion of such Lender (an "Assignment"), to one or more additional Persons, provided that (i) the prior consent of the Borrower Representative will not be required for any Assignment to another Lender, or any Affiliate of any Lender and (ii) other than an assignment of all Commitments and Advances Outstanding of the assigning Lender, then Commitments and Advances Outstanding may not be assigned in amounts less than $5,000,000 and $1,000,000 increments over such amount. Each new Lender shall enter into an assignment and assumption agreement (the "Assignment and Assumption") assigning the assigning Lender's (the "Assigning Lender") rights and obligations, and pursuant to which the Lender accepts such assignment and assumes the assigned obligations. From and after the effective date specified in the Assignment and Assumption (i) the new Lender shall be a party hereto and to each Loan Document to the extent of the applicable percentage or percentages set forth in the Assignment and Assumption and, except as specified otherwise herein, shall succeed to the rights and obligations (in whole or in part) of the Assigning Lender hereunder and (ii) the Assigning Lender shall, to the extent such rights and obligations have been assigned by it pursuant to such Assignment and Assumption, relinquish its rights and be released from its obligations hereunder and under the Loan Documents. In no event shall any of the following competitors of the Sponsor be assigned or participate in, any portion of the Facility, unless an Event of Default has occurred and is continuing in respect of a failure of any Borrower to pay principal or interest due under the facility which has continued for thirty (30) days: (1) UBS, (2) Apollo (or Athene), (3) Credit Suisse, (4) Amherst, (5) Pretium or (6) Ares.

(b) Intentionally Omitted.

(c) Each of the Borrowers shall execute supplemental notes in the principal amount of each new Lender's Pro Rata Share of the Advances substantially in the form of the Note, and such supplemental note shall (i) be payable to order of such new Lender, (ii) be dated as of the Effective Date and (iii) mature on the ~~Scheduled~~Stated Maturity Date. Each such supplemental note shall provide that it evidences a portion of the existing Obligations hereunder and under the Note and not any new or additional indebtedness of the Borrowers. The term "Note" as used in this Agreement and in all the other Loan Documents shall include all such supplemental notes.

(d) The Agent shall maintain at its domestic lending office, or at such other location as the Agent, shall designate in writing to each Lender and the Borrower Representative, a copy of each Assignment and Assumption delivered to and accepted by it and a register for the recordation of the names and addresses of each Lender, the amount of each Lender's Pro Rata Share of the Advances and the name and address of each Lender's agent for service of process (the "Register") and shall provide the Calculation Agent and the Paying Agent with notice of the names and addresses of each Lender and the amount of each Lender's Pro Rata Share of the Advances after giving effect to such Assignment and Assumption. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrowers, the Agent and each Lender, and each party hereto may treat each person or entity whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection and copying by the Borrowers, the Paying Agent, the Calculation Agent and each Lender during normal business hours upon reasonable prior notice to the Agent. Any Lender may change its address and its agent for service of process upon written notice to the Agent, which notice shall only be effective upon actual receipt by the Agent, which receipt will be acknowledged by the Agent upon request.

(e) Notwithstanding anything herein to the contrary, any Lender may sell to any financial institution or other entity (such financial institution or entity, a "Participant") a participation interest in the portion of the Advances made by such Lender (a "Participation"). Except as set forth in Section 10.1(a) regarding competitors of the Sponsor, the prior consent of the Borrower Representative will not be required for any Participation. No Participant shall be considered a Lender hereunder or under the Note or the Loan Documents. No Participant shall have any direct rights under this Agreement, the Note or any of the Loan Documents and a Participant's rights in respect of such participation shall be solely through the related Lender as set forth in the participation agreement executed by and between the related Lender and such Participant. No participation shall relieve the related Lender from its obligations hereunder or under the Note or the Loan Documents and such Lender shall remain solely responsible for the performance of its obligations hereunder.

(f) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, amounts owing to it in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System), provided that no such security interest or the exercise by the secured party of any of its rights thereunder shall release such Lender from its Commitment hereunder. Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each Participant's interest in the Advance or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

ARTICLE 11
INTENTIONALLY OMITTED

ARTICLE 12
CROSS-GUARANTY

Section 12.1 Cross-Guaranty

. Each Borrower hereby agrees that such Borrower is jointly and severally liable for, and hereby absolutely and unconditionally guarantees to the Secured Parties and their respective successors and assigns, the full and prompt payment (whether at stated maturity, by acceleration or otherwise) and performance of, all Obligations and other obligations owed or hereafter owing to any Secured Party by each other Borrower. Each Borrower agrees that its guaranty obligation hereunder is a continuing guaranty of payment and performance and not of collection, that its obligations under this Article 12 shall not be discharged until payment and performance, in full, of the Obligations has occurred, and that its obligations under this Article 12 shall be absolute and unconditional, irrespective of, and unaffected by:

(a) the genuineness, validity, regularity, enforceability or any future amendment of, or change in, this Agreement, any other Loan Document or any other agreement, document or instrument to which any Borrower is or may become a party;

(b) the absence of any action to enforce this Agreement (including this Article 12) or any other Loan Document or the waiver or consent by the Agent or any Lender with respect to any of the provisions thereof;

(c) the existence, value or condition of, or failure to perfect its Lien against, any security for the Obligations or any action, or the absence of any action, by the Agent or any Lender in respect thereof (including the release of any such security);

(d) the insolvency of any Borrower or any of their respective Affiliates; or

(e) any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor.

Each Borrower shall be regarded, and shall be in the same position, as principal debtor with respect to the Obligations guaranteed hereunder.

Section 12.2 Waivers by Borrowers

. Each Borrower expressly waives all rights it may have now or in the future under any statute, or at common law, or at law or in equity, or otherwise, to compel any Secured Party to marshal assets or to proceed in respect of the Obligations guaranteed hereunder against any other party or against any security for the payment and performance of the Obligations before proceeding against, or as a condition to proceeding against, such Borrower. It is agreed among each Borrower and the Secured Parties that the foregoing waivers are of the essence of the transaction contemplated by this Agreement and the other Loan Documents and that, but for the provisions of this Article 12 and such waivers, each Lender would decline to enter into this Agreement and to make any Advance requested hereunder.

Section 12.3 Benefit of Guaranty

. Each Borrower agrees that the provisions of this Article 12 are for the benefit of the Secured Parties and their respective successors, transferees, endorsees and assigns, and nothing herein contained shall impair, as between any other Borrower and the Secured Parties, the obligations of such other Borrower under the Loan Documents.

Section 12.4 Waiver of Subrogation, Etc.

. Notwithstanding anything to the contrary in this Agreement or in any other Loan Document, each Borrower hereby expressly and irrevocably waives any and all rights at law or in equity to subrogation, reimbursement, exoneration, contribution, indemnification or set off and any and all defenses available to a surety, guarantor or accommodation co-obligor. Each Borrower acknowledges and agrees that this waiver is intended to benefit the Secured Parties and shall not limit or otherwise affect such Borrower's liability hereunder or the enforceability of this Article 12, and that each Secured Party and their respective successors and assigns are intended third party beneficiaries of the waivers and agreements set forth in this Section 12.4.

Section 12.5 Liability Cumulative

. The liability of Borrowers under this Article 12 is in addition to and shall be cumulative with all liabilities of each Borrower to the Secured Parties under this Agreement and the other Loan Documents to which such Borrower is a party or in respect of any Obligations or obligation of the other Borrower, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

ARTICLE 13
MISCELLANEOUS

Section 13.1 Amendments and Waivers.

Except as provided in this Section, no amendment, waiver, or other modification of any provision of this Agreement or any schedule or exhibit hereto shall be effective without the written agreement of the Borrowers, the Agent and the Required Lenders; provided that:

(a) no such amendment, waiver or other modification shall, without the written consent of each Lender adversely affected thereby;

(i) alter or change the Commitment of any Lender;

(ii) extend the ~~Scheduled~~Stated Maturity Date;

(iii) postpone any date scheduled for, or reduce the amount of, any payment of principal or interest owing under or change the order of the application of Available Funds specified herein;

(iv) reduce (absent payment thereof) the amount of Advances Outstanding, the rate of interest thereon, any fee payable to any Lender or the currency applied to amounts due and payable in respect of the Advances Outstanding;

(v) change any provision of this Section 13.1, the definitions of "Pro Rata Share" or "Required Lenders" or any other provision specifying the number of Lenders or portion of the Advances Outstanding to take action under the Loan Documents;

(vi) release any claims accruing to the Lenders as secured parties hereunder or under Applicable Laws, without the written consent of each Lender;

(vii) accept any additional property as Collateral on any basis other than for the pro rata benefit of the Secured Parties;

(viii) approve any Lien on any Collateral senior to the interest of the Secured Parties' interest;

(ix) release any Borrower, any Guarantor, any Sponsor, the Property Manager, the Back-Up Manager or any Collateral from the provisions of any Loan Document (except as provided in Section 13.19); and

(b) no such amendment, waiver or other modification shall:

(i) amend, waive or modify any provision of this Agreement applicable to the Paying Agent without the written consent of the Paying Agent;

(ii) amend, waive or modify any provision of this Agreement applicable to the Calculation Agent without the written consent of the Calculation Agent;

(iii) amend, waive or modify any provision of this Agreement applicable to the Property Manager without the written consent of the Property Manager;

(iv) amend, waive or modify any provision of this Agreement applicable to the Back-Up Manager without the written consent of the Back-Up Manager;

(v) amend, waive or modify any provision of this Agreement applicable to the Diligence Agent without the written consent of the Diligence Agent;

(vi) amend, waive or modify any provision of this Agreement applicable to the Borrower Representative without the written consent of the Borrower Representative;

(vii) adversely affect in any material respect the interests of any account bank without the written consent of such account bank; or

(viii) postpone any payment or deposit of Collections without the written consent of the Agent.

Notwithstanding the foregoing, any amendment, waiver or other modification of any provision directly affecting any payment Obligation to any Lender shall require the written consent of such Lender.

Section 13.2 Governing Law; Consent to Jurisdiction

.

THIS AGREEMENT AND ANY CLAIM WITH RESPECT HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN §§5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW)).

EACH OF THE PARTIES HERETO HEREBY AGREES TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK, LOCATED IN THE BOROUGH OF MANHATTAN AND THE FEDERAL COURTS LOCATED WITHIN THE STATE OF NEW YORK IN THE BOROUGH OF MANHATTAN.

EACH OF THE PARTIES HERETO HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.

Section 13.3 Waiver of Jury Trial

. Each party hereto hereby expressly waives, to the fullest extent it may effectively do so under Applicable Law, any right to a trial by jury in any action or proceeding to enforce or defend any rights or remedies under or pursuant to this Agreement or under any other Loan Document, and agrees, to the fullest extent it may effectively do so under Applicable Law, that any such action or proceeding shall be tried before a court and not before a jury.

Section 13.4 Assignment

. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Loan Party, whether by operation of law or otherwise, without the prior written consents of the Agent and the Lenders. Each Lender may assign their rights, interests or obligations under this Agreement as provided in Article 10 hereof. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns (including by operation of law).

Section 13.5 Notices

. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given and received (a) when sent by telecopy, upon receipt of an electronically generated confirmation of receipt by the addressee, or delivered personally or (b) upon receipt of email confirmation of receipt by addressee after being sent by email (subject to the last sentence of this Section 13.5) or (c) on the first (1st) Business Day after being sent by nationally recognized overnight delivery service or (d) on the third (3rd) Business Day after being sent by registered or certified U.S. mail (postage prepaid, return receipt requested) to the parties at the telecopy number, email address or street address set forth below or in a counterpart agreement:

Any Borrower:

c/o Nexpoint Real Estate Advisors
2515 McKinney Ave, Suite 1100
Dallas, Texas 75201
Attn: Brian Mitts
Email: bmitts@nexpoint.com

with a copy to:
c/o Nexpoint Real Estate Advisors
2515 McKinney Ave, Suite 1100
Dallas, Texas 75201
Attn: D.C. Sauter
Email: dsauter@nextpoin.com

with a copy to:
c/o Vinebrook Homes Trust, Inc.
3500 Park Center Drive, Suite 100
Dayton, Ohio 45414

Attn: Dana Sprong
Email: dana.sprong@vinebrookhomes.com

and with a copy to:
Wick Phillips Gould & Martin LLP
3131 McKinney Avenue, Suite 100
Dallas, Texas 75204
Attn: Chris Fuller and Rachel Sam
Emails: chris.fuller@wickphillips.com and
rachel.sam@wickphillips.com

~~Agent, Calculation~~ Agent or Paying Agent:

JPMorgan Chase Bank, N.A.
Attention: ABS Principal Finance~~, Mackenzie Smith~~
383 Madison Avenue, 8th Floor~~ 08~~
New York, New York 10179
~~Telephone Number: (212) 834-6577~~

~~and~~

~~JPMorgan Chase Bank, N.A.~~
Email: ABS_Vinebrook_Facility@jpmorgan.com

Calculation Agent

Computershare Trust Company, N.A.
9062 Old Annapolis Road
Columbia, Maryland 21045
Attention: ~~Sophia Redzaj~~Client Manager: JPMVINESFR231
~~500 Stanton Christiana Road, Floor 01~~
~~Newark, Delaware 19713~~
~~Telephone Number: (302) 634-1381~~
~~Facsimile Number: (302) 504-8969~~
~~E-mail: spg_mf_team@jpmorgan~~
Email:CTSMPSJPM@wellsfargo.com and
CTSMPSJPM@computershare.com

Each Lender:

At its address next to its signature on the signature pages to this Agreement or as set forth in the related Assignment and Assumption.

Notwithstanding anything to the contrary in the foregoing, notice by email shall not constitute notice under this Agreement if given (a) pursuant to Section 4.11, Article 8 or the definitions of the terms "Cure Period" or "Property Manager Event of Default" or (b) to demand payment, indemnification or reimbursement.

Section 13.6 Data Site; Access to Information

.

(a) Data Site. The Borrowers shall have established, for the purpose of posting the Document Packages relating to Advances and the notices, reports, valuations, inspections, Borrowing Notices, certifications, documents and other deliverables under this Agreement and the other Loan Documents as contemplated by Section 13.6(b), an on-line data website which provides prompt email notification to the Agent, the Lenders, ~~the Calculation Agent,~~ the Paying Agent, the Diligence Agent, the Borrowers, the Back-Up Manager and the Property Manager of any item posted thereto and which shall be owned by and under the sole control of the Agent (the "Data Site"). The Agent, each Lender, the Borrowers, the Property Manager, the Back-Up Manager, the Guarantors, the Sponsor, the Diligence Agent~~,~~ and the Paying ~~Agent and the Calculation~~ Agent shall each be granted access to the Data Site, in each case subject to agreement by each of such Persons to confidentiality and use restrictions from time to time prescribed by the Agent. The Agent shall have no liability for any use made of the Data Site or for any inability of any of Lender, the Borrowers, the Back-Up Manager, the Property Manager, the Guarantors, the Sponsor~~,~~ and the Diligence ~~Agent and the Calculation~~ Agent to access the Data Site at any time or from time to time. The cost of establishing and maintaining the Data Site has and shall be paid by the Borrowers. Each Borrower and the Borrower Representative will and will cause their respective representatives to comply with all procedures established by the Agent from time to time for the delivery, maintenance and use of documents to Data Site. Without limitation of the foregoing, no Party shall modify, alter or remove any document or information previously delivered to the Data Site except to the extent necessary to correct any error or omission, or to remove any confidential information erroneously delivered to the Data Site, in each case with the consent of the Agent and the Borrower Representative.

(b) Access to Information. Concurrently with the delivery of any notice, report, valuation, inspection, Document Package, Borrowing Notice, certification, document or other deliverable under this Agreement or any other Loan Document, the party required to provide such notice or deliver such deliverable, including, without limitation, the Borrowers, the Borrower Representative, the Property Manager, the Back-Up Manager, the Agent, the Lenders~~, the Calculation Agent~~ and the Diligence Agent, shall post the same to the Data Site. Any notice or deliverable required to be delivered under the Agreement or any other Loan Document shall be deemed to be delivered on the date such notice or deliverable is posted to the Data Site if posted prior to 4:00 p.m. New York time on such date.

(c) Data Site Unavailability. If the Data Site is not available or not functioning for any reason, the parties hereto agree that, until the Data Site is available, if such party is the party required to provide any notice, report, valuation, inspection, Document Package, Borrowing Notice, certification, document or other deliverable under this Agreement or any other Loan Document, such party shall deliver such notice or deliverable to each party to which the same is required to be delivered pursuant to the terms of this Agreement by electronic mail and each such notice or deliverable shall be deemed posted to the Data Site upon receipt of email confirmation of receipt by addressee of such electronic mail and, promptly after the Data Site becomes available for use, post each such notice or deliverable that such party has delivered by electronic mail to the Data Site.

Section 13.7 Severability

. If any provision of this Agreement is deemed to be invalid or unenforceable or is prohibited by the laws of the state or jurisdiction where it is to be performed, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative in such state or jurisdiction. The remaining provisions of this Agreement shall be valid and binding and shall remain in full force and effect as though such provision was not included.

Section 13.8 Entire Agreement; Amendments; No Third Party Beneficiaries

. This Agreement and the other Loan Documents represent the entire agreement between the parties hereto with regard to the matters addressed herein and therein and all prior agreements are superseded hereby. This Agreement may be amended only by a written instrument executed and delivered in accordance with the provisions of Section 13.1. Except as otherwise expressly provided herein, the parties hereby agree that no Person other than the parties hereto shall have any rights, remedies, or benefits under any provision of this Agreement.

Section 13.9 Counterparts

. This Agreement may be executed in any number of counterparts, including facsimile counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 13.5), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "***Ancillary Document***") that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Agent has agreed to accept any Electronic Signature, the Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each Loan Party hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Agent, the Lenders and the Loan Parties, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) the Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed

created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Lender for any Liabilities arising solely from the Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of any Loan Party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

Section 13.10 Expenses

. Each of the Borrowers agrees to pay (a) all the Agent's out-of-pocket and reasonable invoiced costs and expenses of negotiation, preparation and execution of the Loan Documents and any consents, amendments, waivers or other modifications thereto and the transactions contemplated thereby, (b) all the reasonable invoiced fees, costs, expenses and disbursements of external counsel to the Agent, the Calculation Agent and Paying Agent in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by the Borrowers, any Guarantor or any Sponsor, (c) all the out-of-pocket and reasonable invoiced costs and expenses of creating and perfecting Liens in favor of the Agent for the benefit of the Secured Parties, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, title insurance premiums and reasonable, invoiced fees, expenses and disbursements of external counsel to the Agent and of external counsel providing any opinions that the Agent may request in respect of the Collateral or the Liens created pursuant to the Loan Documents, (d) all the out-of-pocket and reasonable invoiced costs and expenses (including the reasonable invoiced fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by the Paying Agent, the Calculation Agent, the Diligence Agent and the Agent and their respective external counsel) in connection with the custody or preservation of any of the collateral under the Security Agreement, (e) after the occurrence of a Default or an Event of Default, all out-of-pocket and reasonable invoiced costs and expenses, including external attorneys' fees and costs of settlement, incurred by each Lender and the Agent in enforcing any Obligations or in collecting any payments due from the Borrowers hereunder or under the other Loan Documents by reason of such Default or Event of Default (including in connection with the sale of, proceeds from, or other realization upon any of the collateral) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work out" or pursuant to any insolvency or bankruptcy cases or proceedings and (f) the Agent's out-of-pocket and reasonable invoiced costs and expenses for, and reasonable invoiced disbursements of the Agent's auditors, accountants, consultants or appraisers incurred by the Agent in connection with any of the foregoing. The Borrower Representative, on behalf of the Borrowers, shall pay on demand any and all stamp, sales, excise and other, similar taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and the other Loan Documents. Amounts payable under this paragraph will be payable promptly on the Effective Date (or the effective date of the applicable amendment, waiver or modification) in the case of clauses (a) and (b), upon receipt of invoice in the case of clause (e) above, and otherwise on the first Payment Date after such amounts have been invoiced and verified by the Borrower Representative to meet the requirements set forth herein (provided that Borrower may not unreasonably withhold or delay such verification, and such verification shall be deemed made if the Borrower has not objected in writing within ten (10) Business Days after receipt of such invoices).

Section 13.11 Indemnity

.

Without limiting any other rights which any Secured Party may have hereunder or under Applicable Law (including the right to recover damages for breach of contract and the rights pursuant to Sections 13.10), each Loan Party hereby agrees to indemnify, on a joint and several basis, each of the Secured Parties and their respective directors, officers, employees, affiliates, agents, advisors, sub-agents and the parent company or holding company that controls such Person (each, an "Indemnified Party"), from and against any and all damages, losses, claims, liabilities and related costs and expenses, including reasonable external attorneys' fees and disbursements and Applicable Taxes awarded against or incurred by such Indemnified Party to the extent relating to or arising from or as a result of this Agreement or the funding or maintenance of Advances made by a Lender hereunder; provided, however, that the Loan Parties shall not be required to indemnify any Indemnified Party to the extent of any amounts resulting from the gross negligence, fraud or willful misconduct of such Indemnified Party, or such Indemnified Party's breach of its obligations under the Loan Documents. Any amounts subject to the indemnification provisions of this Section 13.11 shall be paid by the Loan Parties to the related Indemnified Party within ten (10) Business Days following written demand therefor. The provisions set forth in this Section 13.11 shall survive the termination of this Agreement.

Section 13.12 Usury Savings Clause

. Notwithstanding any other provision herein, the aggregate interest rate charged or agreed to be paid with respect to any of the Obligations, including all charges or fees in connection therewith deemed in the nature of interest under Applicable Laws shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the Advances Outstanding shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Advances made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Borrower shall pay to each Lender an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of each Lender and the Borrowers to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall, at each Lender's option, be applied to the Advances Outstanding or be refunded to the Borrowers. In determining whether the interest contracted for, charged, or received by each Lender exceeds the Highest Lawful Rate, a Lender may, to the extent permitted by Applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest, throughout the contemplated term of the Obligations hereunder.

Section 13.13 Set-off

. In addition to any rights and remedies of any Secured Party hereunder and by law, the Agent and each Lender shall have the right, without prior notice to the Borrowers, any such notice being expressly waived by the Borrowers to the extent permitted by Applicable Law, to set-off and appropriate and apply against any Debt of any of the Borrowers or any of their respective subsidiaries to the Agent, any such Lender or any of their respective Affiliates any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other obligation (including to return excess margin), credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by or due from the Agent, any Lender or any of their respective Affiliates thereof to or for the credit or the account of any Borrower or any of their respective subsidiaries. The Agent and each Lender agrees promptly to notify the Borrowers after any such set off and application made by such Person; provided that the failure to give such notice shall not affect the validity of such set off and application. The Agent and each Lender shall at any time have the right, in each case until such time as it determines otherwise, to retain, to suspend payment or performance of, or to decline to remit, any amount or property that it would otherwise be obligated to pay, remit or deliver to any Borrower hereunder if an Event of Default or Default has occurred.

If any Lender, whether by set-off or otherwise, has payment made to it with respect to any Obligations in a greater proportion than that received by any other Lender entitled to receive a ratable share of such payment, such Lender agrees, promptly upon demand, to purchase for cash without recourse or warranty a portion of such Obligations so that after such purchase each Lender will hold its ratable proportion of such Obligations; provided that if all or any portion of such excess amount is thereafter recovered from such Lender, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest. Notwithstanding anything to the contrary herein, any Lender's exercise of set-off rights shall not change or reduce the obligations of the Loan Parties to any other Lender under the Loan Documents.

Section 13.14 Confidentiality

.

(a) Each of the parties hereto hereby acknowledges and agrees that the Loan Documents and all written or computer-readable information received by such party from any other party regarding the terms set forth in any of the Loan Documents or the transactions contemplated thereby, and any information obtained through the exercise of inspection rights under Section 6.1(l) (the "Confidential Information") shall be kept confidential and shall not be divulged to any party without the prior written consent of any Borrower-Related Party, on the one hand, or Agent and/or Lender, on the other hand, as parties to the Loan Documents or the party providing such Confidential Information, as applicable, except (i) to its affiliates, controlling persons, controlling persons of any affiliates, officers, directors, employees, investors, potential investors, sources of financing (in the case of participations, subject to Section 10.1), hedging counterparties, any prospective hedging counterparties, any prospective source of financing or their respective Affiliates, nationally recognized statistical rating organizations, agents, counsel, accountants, subservicers, auditors, advisors or representatives (such Persons, "Excepted Persons"); provided, that each Excepted Person shall, as a condition to any such disclosure, agree for the benefit of other parties hereto that such information shall be used solely in connection with such Excepted Person's evaluation of, or relationship with, such party hereto and its Affiliates, and shall not be further disclosed by such Excepted Person, (ii) to the extent it is (a) required by Applicable Law (including filing a copy of this Agreement and the other Loan Documents (other than the Fee Letter)) as exhibits to filings required to be made with the Securities and Exchange Commission, or in connection with any legal or regulatory proceeding or (b) requested by any Governmental Authority to disclose such information, (iii) to the extent that (a) it is necessary to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies or regulatory bodies or in order to comply with any applicable federal or state laws, (b) any of the Confidential Information are in the public domain (including a filing of this Agreement and the other Loan Documents (other than the Fee Letter) with the Securities and Exchange Commission as described above) other than due to a breach of this covenant, (c) in connection with any assignment or Participation or proposed assignment or Participation in compliance with Article 10, or (d) in the event of an Event of Default any Lender or the Agent determines such information to be necessary or desirable to disclose in connection with the marketing and sales of the Collateral or otherwise to enforce or exercise their rights hereunder or (iv) by a Borrower-Related Party to its investors in accordance with Applicable Law. Notwithstanding the limitations (and without limiting the exclusions) listed above or anything to the contrary contained herein or in any other Loan Document, the parties hereto may disclose to any and all Persons, without limitation of any kind, the federal, state and local tax treatment of the Advances, any fact relevant to understanding the federal, state and local tax treatment of the Advances, and all materials of any kind (including opinions or other tax analyses) relating to such federal, state and local tax treatment and that may be relevant to understanding such tax treatment; provided that, except as permitted otherwise in this Section 13.14, the Borrower may not disclose any pricing terms (including, without limitation, the Applicable Margin, Interest Rate and Facility Fee) or other nonpublic business or financial information (including any sublimits and financial covenants) that is unrelated to the federal, state and local tax treatment of the Advances and is not relevant to understanding the federal, state and local tax treatment of the Advances, without the prior written consent of each Lender or Agent. The provisions set forth in this Section 13.14 shall survive the termination of this Agreement.

(b) Each of the parties hereto further acknowledges and agrees that that it is aware that the securities laws of the United States (as well as stock exchange regulations) prohibit any person who has material, non-public information concerning a party from purchasing or selling that party's securities when in possession of such information and from communicating such information to any other person or entity under circumstances in which it is reasonably foreseeable that such person or entity is likely to purchase or sell such securities in reliance upon such information.

Section 13.15 Limitation of Liability

.

(a) No claim may be made by any party hereto against any other party hereto or their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Loan Document, or any act, omission or event occurring in connection herewith or therewith, except to the extent such damages are recovered by third parties in connection with claims made by third parties that are indemnified under this Agreement; and each party hereto hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor; provided that, for the avoidance of doubt, the foregoing limitations shall not be applicable to principal, interest, fees and other amounts that are due and payable under the Loan Documents.

(b) No recourse under any obligation, covenant or agreement of any Secured Party contained in this Agreement shall be had against any incorporator, stockholder, officer, director, member, manager, employee or agent of such Secured Party or any of its Affiliates (solely by virtue of such capacity) by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is solely a corporate obligation of such Secured Party, and that no personal liability whatever shall attach to or be incurred by any incorporator, stockholder, officer, director, member, manager, employee or agent of any Secured Party or any of its Affiliates (solely by virtue of such capacity) or any of them under or by reason of any of the obligations, covenants or agreements of such Secured Party contained in this Agreement, or implied therefrom, and that any and all personal liability for breaches by any Secured Party of any of such obligations, covenants or agreements, either at common law or at equity, or by statute, rule or regulation, of every such incorporator, stockholder, officer, director, member, manager, employee or agent is hereby expressly waived as a condition of and in consideration for the execution of this Agreement; provided that the foregoing shall not relieve any such Person from any liability it might otherwise have as a result of fraudulent actions taken or fraudulent omissions made by them.

Section 13.16 No Joint Venture

. Notwithstanding anything to the contrary herein contained, neither the Agent nor any Lender by entering into this Agreement or by taking any action pursuant hereto, will be deemed a partner or joint venturer with the Borrowers. The Calculation Agent and the Paying Agent are not Lenders, and are performing only ministerial and administrative duties as specified in this Agreement.

Section 13.17 No Insolvency Proceeding

. Notwithstanding any prior termination of this Agreement, (a) neither the Property Manager nor the Borrower Representative, each in its capacity as a creditor of a Borrower, shall, prior to the date which is one year and one day after the final payment of the Obligations of the Borrowers, petition or otherwise invoke the process of any Governmental Authority for the purpose of commencing or sustaining an insolvency proceeding against any Borrower under any Insolvency Laws or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of any Borrower or any substantial part of its property or ordering the winding up or liquidation of the affairs of any Borrower, (b) no Borrower, in its capacity as a creditor of the Borrower Representative, shall, prior to the date which is one year and one day after the final payment of the Obligations of the Borrowers, petition or otherwise invoke the process of any Governmental Authority for the purpose of commencing or sustaining an insolvency proceeding against the Borrower Representative under any Insolvency Laws or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Borrower Representative or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Borrower Representative and (c) no Borrower, each in its capacity as a creditor of another Borrower shall, prior to the date which is one year and one day after the final payment of the Obligations of the Borrowers, petition or otherwise invoke the process of any Governmental Authority for the purpose of commencing or sustaining an insolvency proceeding against any other Borrower under any Insolvency Laws or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of any other Borrower or any substantial part of its property or ordering the winding up or liquidation of the affairs of any other Borrower.

Section 13.18 Lender Communications

. The Parties hereto acknowledge and agree that the Lenders may communicate with each other concerning any matters relating to this Agreement and the other Loan Documents, whether for the purpose of approving or objecting to matters under the Loan Documents, protecting their rights and interests, enforcing remedies or otherwise.

Section 13.19 Cross-Default; Cross-Collateralization.

(a) Each Borrower hereby acknowledges that Lenders have made the Advances to such Borrower upon, among other things, the security of its collective interest in the Collateral and in reliance upon the aggregate of the Collateral taken together being of greater value as collateral security than the sum of any individual item of Collateral taken separately.

(b) Each Borrower agrees that the Mortgages, if any, are and will be cross-collateralized and cross-defaulted with each other so that (i) an Event of Default under any of the Mortgages, if any, shall constitute an Event of Default under each of the other Mortgages, if any; (ii) an Event of Default under this Agreement shall constitute an Event of Default under each Mortgage, if any; (iii) each Mortgage, if any, shall constitute security as if a single blanket lien were placed on all of the Financed Properties as security; and (iv) such cross-collateralization shall in no event be deemed to constitute a fraudulent conveyance.

(c) Each Borrower agrees that the Obligations hereunder are and will be cross-defaulted with the Sponsor's and its Affiliates' financial obligations under any other permitted loan arrangement or debt financing so that an event of default such other permitted loan arrangement or debt financing shall constitute an Event of Default hereunder.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

VB THREE, LLC,
as Parent Holdco, Borrower Representative and a Guarantor

By: __
Name: Dana Sprong
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 OPERATING COMPANY, LLC
REX RESIDENTIAL PROPERTY OWNER, LLC
REX RESIDENTIAL PROPERTY OWNER A, LLC
REX RESIDENTIAL PROPERTY OWNER II, LLC
REX RESIDENTIAL PROPERTY OWNER III, LLC

REX RESIDENTIAL PROPERTY OWNER IV, LLC
REX RESIDENTIAL PROPERTY OWNER V, LLC
REX RESIDENTIAL PROPERTY OWNER VI, LLC
each as a Borrower

By: __
Name: Dana Sprong
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 HOLDING COMPANY, LLC,
VB HOLDING COMPANY I, LLC,
VB HOLDING COMPANY II, LLC,
VB HOLDING COMPANY III, LLC,
VB HOLDING COMPANY IV, LLC,
VB HOLDING COMPANY V, LLC,
VB HOLDING COMPANY VI, LLC,
VB HOLDING COMPANY VII, LLC
each as a Holdco Guarantor

By: __
Name: Dana Sprong
Title: Authorized Signatory

[Signatures continue]

VB THREE EQUITY, LLC,
as Equity Owner and a Guarantor

By: __
Name: Dana Sprong
Title: Authorized Signatory

[Signatures continue]

VINEBROOK HOMES TRUST, INC.,
as Sponsor

By: __
Name: Dana Sprong
Title: Authorized Signatory

[Signatures continue]

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as Agent, Lender, ~~Calculation Agent,~~ Paying Agent and Securities Intermediary

By:__
Name: Mackenzie Smith
Title:

Commitment: $~~500,000,000~~350,000,000

Notice Address:

JPMorgan Chase Bank, N.A.
Attention: ABS Principal Finance~~, Mackenzie Smith~~
383 Madison Avenue, 8th Floor ~~08~~
New York, New York 10179
~~Telephone Number: (212) 834-6577~~

~~and~~

~~JPMorgan Chase Bank, N.A.~~
~~Attention: Sophia Redzaj~~
~~500 Stanton Christiana Road, Floor 01~~
~~Newark, Delaware 19713~~
~~Telephone Number: (302) 634-1381~~
~~Facsimile Number: (302) 504-8969~~
~~E-mail: spg_mf_team~~
Email: ABS_Vinebrook_Facility@jpmorgan.com

COMPUTERSHARE TRUST COMPANY, N.A., as Calculation Agent

By:
Name:
Title:

[End of signatures]

SCHEDULE 1

BORROWERS AND HOLDCO GUARANTORS

BORROWERS:

1. CONREX RESIDENTIAL PROPERTY GROUP 2013-1, LLC, a Delaware limited liability company;

2. CONREX RESIDENTIAL PROPERTY GROUP 2013-2 OPERATING COMPANY, LLC, a Delaware limited liability company;

3. CONREX RESIDENTIAL PROPERTY GROUP 2013-3 OPERATING COMPANY, LLC, a Delaware limited liability company

4. CONREX RESIDENTIAL PROPERTY GROUP 2013-4 OPERATING COMPANY, LLC, a Delaware limited liability company;

5. CONREX RESIDENTIAL PROPERTY GROUP 2013-5 OPERATING COMPANY, LLC, a Delaware limited liability company;

6. CONREX RESIDENTIAL PROPERTY GROUP 2013-6 OPERATING COMPANY, LLC, a Delaware limited liability company;

7. CONREX RESIDENTIAL PROPERTY GROUP 2013-7 OPERATING COMPANY, LLC, a Delaware limited liability company;

8. CONREX RESIDENTIAL PROPERTY GROUP 2013-8 OPERATING COMPANY, LLC, a Delaware limited liability company

9. CONREX RESIDENTIAL PROPERTY GROUP 2013-9 OPERATING COMPANY, LLC, a Delaware limited liability company;

10. CONREX RESIDENTIAL PROPERTY GROUP 2013-10 OPERATING COMPANY, LLC, a Delaware limited liability company;

11. CONREX RESIDENTIAL PROPERTY GROUP 2013-11 OPERATING COMPANY, LLC, a Delaware limited liability company;

12. CONREX RESIDENTIAL PROPERTY GROUP 2013-12 OPERATING COMPANY, LLC, a Delaware limited liability company;

13. CONREX RESIDENTIAL PROPERTY GROUP 2013-13 OPERATING COMPANY, LLC, a Delaware limited liability company;

14. REX RESIDENTIAL PROPERTY OWNER, LLC, a Delaware limited liability company;

15. REX RESIDENTIAL PROPERTY OWNER A, LLC, a Delaware limited liability company;

16. REX RESIDENTIAL PROPERTY OWNER II, LLC, a Delaware limited liability company;

17. REX RESIDENTIAL PROPERTY OWNER III, LLC, a Delaware limited liability company;

18. REX RESIDENTIAL PROPERTY OWNER IV, LLC, a Delaware limited liability company;

19. REX RESIDENTIAL PROPERTY OWNER V, LLC, a Delaware limited liability company; and

20. REX RESIDENTIAL PROPERTY OWNER VI, LLC, a Delaware limited liability company.

HOLDCO GUARANTORS:

1. CONREX RESIDENTIAL PROPERTY GROUP 2013-1 HOLDING COMPANY, LLC, a Delaware limited liability company

2. CONREX RESIDENTIAL PROPERTY GROUP 2013-2 HOLDING COMPANY, LLC, a Delaware limited liability company;

3. CONREX RESIDENTIAL PROPERTY GROUP 2013-3 HOLDING COMPANY, LLC, a Delaware limited liability company;

4. CONREX RESIDENTIAL PROPERTY GROUP 2013-4 HOLDING COMPANY, LLC, a Delaware limited liability company;

5. CONREX RESIDENTIAL PROPERTY GROUP 2013-5 HOLDING COMPANY, LLC, a Delaware limited liability company;

6. CONREX RESIDENTIAL PROPERTY GROUP 2013-6 HOLDING COMPANY, LLC, a Delaware limited liability company

7. CONREX RESIDENTIAL PROPERTY GROUP 2013-7 HOLDING COMPANY, LLC, a Delaware limited liability company;

8. CONREX RESIDENTIAL PROPERTY GROUP 2013-8 HOLDING COMPANY, LLC, a Delaware limited liability company;

9. CONREX RESIDENTIAL PROPERTY GROUP 2013-9 HOLDING COMPANY, LLC, a Delaware limited liability company;

10. CONREX RESIDENTIAL PROPERTY GROUP 2013-10 HOLDING COMPANY, LLC, a Delaware limited liability company;

11. CONREX RESIDENTIAL PROPERTY GROUP 2013-11 HOLDING COMPANY, LLC, a Delaware limited liability company;

12. CONREX RESIDENTIAL PROPERTY GROUP 2013-12 HOLDING COMPANY, LLC, a Delaware limited liability company;

13. CONREX RESIDENTIAL PROPERTY GROUP 2013-13 HOLDING COMPANY, LLC, a Delaware limited liability company;

14. VB HOLDING COMPANY I, LLC, a Delaware limited liability company;

15. VB HOLDING COMPANY II, LLC, a Delaware limited liability company;

16. VB HOLDING COMPANY III, LLC, a Delaware limited liability company;

17. VB HOLDING COMPANY IV, LLC, a Delaware limited liability company;

18. VB HOLDING COMPANY V, LLC, a Delaware limited liability company;

19. VB HOLDING COMPANY VI, LLC, a Delaware limited liability company;

20. VB HOLDING COMPANY VII, LLC, a Delaware limited liability company

SCHEDULE 2

ELIGIBILITY REQUIREMENTS

(a) Property As Described. All information furnished to the Agent, the Lenders and the Diligence Agent with respect to such Property, including without limitation, all information set forth in the Borrowing Notice and the Document Package with respect to such Property, was complete, true and correct as of the date such information was furnished to the Agent, the Lenders or the Diligence Agent, as applicable. There is no fact known to any Borrower or the Borrower Representative which has not been disclosed to the Agent and the Lenders with respect to such Property or the local housing market containing such Property that could reasonably be expected to have a material adverse effect on the value of such Property or the interest of the Lenders in such Property.

(b) Title. The related Borrower has good and marketable fee simple title to the Property with full right to transfer and sell the Property, free and clear of all Liens other than Permitted Liens.

(c) Deed. A copy of the recorded deed conveying the Property to the applicable Borrower with recording information on it; or if unavailable, either, (x) in the case of a Bid Receipt Property, a Bid Receipt, or (y) otherwise, evidence reasonably satisfactory to the Diligence Agent that the deed has been submitted for recording, provided, in each case, that a copy of the recorded deed shall be delivered to the Diligence Agent as promptly as practicable and in no event more than sixty (60) days after the Property first becomes a Financed Property.

(d) Taxes and Other Charges. All real property taxes related to such Property, including supplemental or other taxes, if any, governmental assessments, water, sewer and municipal charges, home owners association dues, fees and penalties, condominium charges and assessments, leasehold payments or ground rents ("Real Property Taxes and Charges") which previously became due and owing have been paid, as of the date such Property is proposed to become a Financed Property, and thereafter Real Property Taxes and Charges have been paid as required by the Credit Agreement.

(e) No Violation of Law. There has been no violation of any law or regulation or breach of any contractual obligation by the Borrowers, the Property Manager or the Back-Up Manager in connection with the management of the Property in each case which is material and adverse to any Secured Party.

(f) Environmental Laws. The Property is in compliance with all Environmental Laws. No Borrower-Related Party has caused, or has knowledge of, any Release on to the Property or any adjoining property and no tenant of such Property is involved in any activity that would reasonably be expected to give rise to any environmental liability for any Borrower-Related Party. There is no condition existing and no event has occurred or failed to occur concerning the Property relating to any Hazardous Material that could reasonably be expected to have a material adverse effect on such Property or its value.

(g) Compliance. The Property (including the leasing and intended use thereof) complies with all Applicable Laws, including without limitation all ordinances applicable to residential real property and improvements thereon and all applicable zoning ordinances of the jurisdiction in which such Property is located, except to the extent any failure to comply could not be reasonably expected to have a material adverse effect on such Property or its value. There is no consent, approval, order or authorization of, and no filing with or notice to, any Governmental Authority related to the use, operation or leasing of the Property which has not been obtained or made other than construction permits relating to the renovation of such

Property, and except as to which the failure to obtain could reasonably be expected to have a material adverse effect on such Property or its value. There has not been committed by any Borrower or by any other Person in occupancy of or involved with the operation, use or leasing of the Property any act or omission affording any Governmental Authority the right of forfeiture of the Property or any material part thereof.

(h) Document Package. The Document Package and any other documents required to be delivered by the Borrowers with respect to such Property under this Agreement have been posted to the Data Site.

(i) No Condemnation; No Damage. Such Property has not been condemned in whole or in part. No proceeding is pending or threatened for the Condemnation of the Property. Such Property has not been damaged by waste, fire, earthquake or earth movement, windstorm, flood, tornado, vandalism, natural disaster or other casualty except for any such damage that has not been repaired or which has not had a material adverse effect on the value of such Property.

(j) Property Management. The Property has been and is currently being managed and maintained by the Property Manager pursuant to the Property Management Agreement.

(k) Management and Other Contracts. There are no management, service, supply, security, maintenance or other similar contracts or agreements entered into by any Borrower-Related Party with respect to such Property, other than the Property Management Agreement, which are not terminable upon thirty (30) days' notice. No Borrower has a financial obligation under any indenture, mortgage, deed of trust, loan agreement or other similar agreement or instrument by which such Property is bound, other than obligations under the Loan Documents.

(l) Residential Property. The Property is a one-to-four family residential home, an individual condominium unit in a low-rise or high-rise condominium project, an individual townhome or an individual unit in a planned unit development.

(m) Condominiums. If such Property is a condominium unit, none of the Borrowers are "sponsors" or nominees of a "sponsor" under any plan of condominium organization affecting the unit, the ownership and sale of any such condominium unit will not violate any federal, state or local law or regulation regarding condominiums or require registration, qualification or similar action under such law or regulation and such condominium unit is in conformity with all requirement of the Federal National Mortgage Association relating to condominium units.

(n) No Manufactured Housing; No Mobile Home; No Cooperatives; No Commercial; No More Than Four Families. Such Property is not manufactured housing nor a mobile home nor a cooperative nor a commercial property nor a residential home with more than four families.

(o) No Occupants. Other than pursuant to an Eligible Lease, no Person has any right to occupy or is currently occupying such Property.

(p) Location in United States. Such Property is located in the District of Columbia or in a state of the United States of America, other than Alaska or Hawaii.

(q) Owner's Title Insurance Policy. Except in the case of a Bid Receipt Property, such Property is covered by an American Land Title Association (or other form approved for use in the jurisdiction in which such Property is located) owner's title insurance policy, insuring the related Borrower as fee owner or, if unavailable, a marked or initialed irrevocable binding commitment that is effective as a Title Insurance Policy (a "Title Insurance Policy") issued by a title insurer generally acceptable to prudent institutional purchasers of residential real property (a "Qualified Title Insurance Company"), ensuring that the related Borrower is the holder of good and marketable, fee simple title to such Property, subject only to Permitted Liens. Such Title Insurance Policy is in an amount at least equal to the original purchase price for such Property. The related Borrower is the sole insured under such owner's title insurance policy and such owner's title insurance policy is in full force and effect. No claims have been made under such owner's title insurance policy that have not been disclosed in writing to the Agent and the Diligence Agent, and no current or prior owner of such Property, including the related Borrower, has done, by act or omission, anything which would impair the coverage of such Title Insurance Policy. In the case of a Bid Receipt Property, or if a Title Insurance Policy provided in the Document Package with respect to a Financed Property initially consists of a marked or initialed binding commitment, then the related Borrower shall have delivered to the Document Package an Eligible Title Insurance Policy for such Financed Property within ninety (90) days following the date the Property first becomes a Financed Property.

(r) Litigation. There is no action, suit or proceeding, in law or in equity or other litigation pending or threatened, relating to such Property and none of the Borrowers has received notice from any Person (including without limitation any Governmental Authority) that such Property is subject to any consumer litigation.

(s) Bid Receipt Properties. Bid Receipt Properties may not comprise more than 10% of the Borrowing Base at any time.

(t) Lease. If such Property is a Leased Property, the related lease is an Eligible Lease with an Eligible Tenant (at the time of signing) or a Carry-Over Lease, in each case, such Lease is in compliance with Applicable Laws.

(u) Non-Leased Properties. If such Property is a Non-Leased Property, such Property shall become a Leased Property subject to an Eligible Lease with an Eligible Tenant within three hundred sixty (360) days of becoming a Financed Property.

(v) Asset Purchase Price. The Asset Purchase Price of such Property is greater than or equal to $50,000, but does not exceed $400,000.

(w) Brokers. There is no commission or other compensation payable to any broker or finder in connection with the purchase of the Property by the applicable Borrower which has not been paid.

(x) Orders, Injunctions, Etc. There are no orders, injunctions, decrees or judgments outstanding with respect to the Property that have not been paid in full.

(y) Insurance Coverage. Such Property is covered by one or more insurance policies that satisfy the requirements of Section 6.2 of the Credit Agreement, which insurance policies are each in full force and effect.

(z) Compliance with Renovation Standards. If the Property is a Leased Property (other than a Carry-Over Property) at the time of the related Borrowing Notice or if the Property is a Non-Leased Property that becomes a Leased Property, the Property satisfies the Renovation Standards.

(aa) Concentration Limits. No more than:

(i) thirty percent (30%) of all Properties that are Financed Properties shall be located in the Top MSA (by Allocated Loan Amount);

(ii) seventy percent (70%) of all Properties that are Financed Properties shall be located in the Top Three MSAs (by Allocated Loan Amount);

(iii) twenty-five percent (25%) of all Properties that are Financed Properties shall be Non-Cashflowing Properties (by Allocated Loan Amount);

(iv) five percent (5%) of all Properties that are Financed Properties shall be condominium units or townhouses (by Allocated Loan Amount);

(v) five percent (5%) of all Properties that are Financed Properties shall be 2-4 family residential homes (by Allocated Loan Amount); and

(vi) fifteen percent (15%) of all Properties that are Financed Properties shall have an Asset Purchase Price greater than or equal to $200,000 and less than or equal to $400,000 (by Allocated Loan Amount).

(bb) Previously Financed Properties. The Property shall not have been (i) a Financed Property which has previously been released as a Financed Property under Section 2.7(a) of the Credit Agreement or (ii) previously financed by any credit facilities (other than the Credit Agreement) by a subsidiary of a Borrower-Related Party other than a Borrower.

(cc) Such Property is not located in an area identified by the Federal Emergency Management Agency as a special flood hazard area or other area identified by Agent as having a high or moderate risk of flooding, or, if so located the flood insurance required pursuant to Section 6.2 is in full force and effect with respect to such Property.

For the avoidance of doubt, the Borrowers may elect to exclude Properties from Eligible Properties in order to comply with the limitations under paragraph (s), (v) or (aa) of this Schedule, and may subsequently elect to include such Properties when such inclusion would not cause such limits to be exceeded.

SCHEDULE 3

FILING OFFICES

Delaware

SCHEDULE 4

SCHEDULE OF PROPERTIES

[see attached]

SCHEDULE 5

LEASING STANDARDS

1. The Property Manager is not authorized to enter into a lease with a prospective tenant who does not meet the following requirements without prior approval of the Property Manager:

   - The Property Manager will verify at least one (1) year of rental history whenever possible for each prospective tenant. Late payments or negative references should result in a prospective tenant being denied or additional conditions being imposed. Recent prior evictions will cause an application to be denied.

   - Prospective tenants must have income or assets to support the monthly rental rate, as evidenced by a recent paystub, bank statement, letter from a supervisor on employer letterhead, or similar source of verification.

   - Background checks should not contain felonies or any other charges or convictions of a type that should cause denial in property managers' commercially reasonable judgment.

   - Prospective tenants must not be on the OFAC List.

2. The Property Manager will obtain a security deposit from each tenant.

3. The monthly rental amounts shall be approved in advance.

4. Except as otherwise required by Applicable Law, at least 75% of all initial leases shall have a term of not be less than one (1) year or greater than two (2) years unless otherwise approved by the Property Manager.

5. The Property Manager will use commercially reasonable judgment in determining whether to allow a tenant to terminate its lease early and what, if any, conditions to impose.

6. No tenant will be granted occupancy without the Property Manager's prior approval unless the Property Manager has a fully signed lease and all prepaid rent and deposits have been received.

7. Leasing concessions may be granted on a case-by-case basis after approval by the Property Manager.

SCHEDULE 6

SPONSOR FINANCIAL COVENANTS

The Sponsor shall collectively (measured on a consolidated basis together with Sponsor's subsidiaries) have:

(i) a Tangible Net Worth equal to no less than the sum of (a) $150,000,000 and (b) fifty percent (50%) of net proceeds from any issuances and sales of stock occurring after the Effective Date;

(ii) Liquidity equal to no less than the greater of (a) $7,500,000 and (b) the sum of (1) the product of (A) the lesser of (x) the amount of assets of the Sponsor and (y) $250,000,000 and (B) 1.25%, (2) the product of (A) the lesser of (x) the amount of assets of the Sponsor in excess of $250,000,000 and (y) $250,000,000 and (B) 1.00%, (3) the product of (A) the lesser of (x) the amount of assets of the Sponsor in excess of $500,000,000 and (y) $250,000,000 and (B) 0.75%, (4) the product of (A) the lesser of (x) the amount of assets of the Sponsor in excess of $750,000,000 and (y) $250,000,000 and (B) 0.50%, (5) the product of (A) the lesser of (x) the amount of assets of the Sponsor in excess of $1,000,000,000 and (y) $250,000,000 and (B) 0.40% and (6) the product of (A) the amount of assets of the Sponsor in excess of $1,250,000,000 and (B) 0.25%; and

(iii) a ratio of Debt to Tangible Net Worth no greater than 3.00:1.00.

As used in this Schedule 6, the following terms shall have the following meanings:

Cash Equivalents: Any (a) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (b) certificates of deposit and Eurodollar time deposits with maturities of ninety (90) days or less from the date of acquisition and overnight bank deposits of any commercial bank having capital and surplus in excess of $500,000,000, (c) repurchase obligations of the Agent or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven (7) days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of a domestic issuer rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within ninety (90) days after the day of acquisition, (e) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (f) securities with maturities of ninety (90) days or less from the date of acquisition backed by standby letters of credit issued by any Lender or any commercial bank satisfying the requirements of clause (b) of this definition and (g) shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

Debt: With respect to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments representing extensions of credit whether or not representing obligations for borrowed money, (c) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business not overdue for more than sixty (60) days), (d) all Capital Lease Obligations of such Person, (e) all obligations of such Person to reimburse any Person with respect to amounts paid under a letter of credit or similar instrument, (f) all obligations of such Person under hedge agreements, (g) all indebtedness of other Persons secured by a Lien on any property of such

Person, whether or not such indebtedness is assumed by such Person (other than Permitted Liens) and (h) all indebtedness of other Persons guaranteed by such Person. For purposes of this definition, the amount of the obligations of such Person with respect to any hedge agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Person would be required to pay if such hedge agreement were terminated at such time. Solely for purposes of Schedule 6, "Debt" shall not include the Obligations.

Liquidity: With respect to Sponsor, collectively, and any date of determination, all Unrestricted Cash of Sponsor.

"Net Worth" means, with respect to any Person, the excess of total assets of such Person, over total liabilities of such Person, determined in accordance with GAAP.

"Tangible Net Worth" means: with respect to any Person as of any date of determination, an amount equal to (i) the consolidated Net Worth of such Person and its subsidiaries, minus (ii) the consolidated net book value of all assets of such Person and its subsidiaries (to the extent reflected as an asset in the balance sheet of such Person or any subsidiary at such date) which will be treated as intangibles under GAAP, including, without limitation, such items as deferred financing expenses, deferred taxes, net leasehold improvements, goodwill, trademarks, trade names, service marks, copyrights, patents, licenses and unamortized debt discount and expense.

Unrestricted Cash: With respect to a specified Person, all unpledged and unencumbered cash and Cash Equivalents (excluding all such amounts or items held in any reserve account, collection account, disbursement account, rent receipts account, tenant deposit account or similar account) of such Person.

SCHEDULE 7

DATA TAPE FIELDS

SCHEDULE 8

SALESFORCE FINANCED PROPERTIES

ANNEX A

Lender Accounts

ANNEX B

Wire Instructions

Exhibit A Form of Borrowing Notice

Exhibit A-1 Form of Borrowing Notice Confirmation

Exhibit A-2 Form of Property Addition Notice

Exhibit A-2A~~— Form of Property Addition Confirmation (Calculation Agent)~~ Payment Date Report

Exhibit A-2B Form of Property Addition Confirmation (Diligence Agent)

Exhibit A-3 Form of Borrower Representative Certification

Exhibit B Form of Note

Exhibit C Form of Eligible Lease

Exhibit D Form of Monthly Report

Exhibit E Form of Joinder Agreement

Exhibit F Form of Calculation Schedule

Exhibit G Form of Certificate of Completion

Exhibit H Form of Monthly Report Confirmation

Exhibit I Form of Power of Attorney

Exhibit J Title Review

Exhibit K - 1

Exhibit K-1 Form of Tax Compliance Certificate

Exhibit K-2 Form of Tax Compliance Certificate

Exhibit K-3 Form of Tax Compliance Certificate

Exhibit K-4 Form of Tax Compliance Certificate

Exhibit II

Exhibit A-2A
Form of Payment Date Report (Calculation Agent)

AMENDMENT NO. 3
TO REVOLVING CREDIT AGREEMENT

Amendment No. 3 to Revolving Credit Agreement, dated as of March 15, 2023 (this "Amendment"), among VINEBROOK HOMES TRUST, INC., a Maryland corporation, as sponsor (in such capacity, the "Sponsor"), VB THREE EQUITY, LLC, a Delaware limited liability company, as equity owner (in such capacity, the "Equity Owner"), VB THREE, LLC, a Delaware limited liability company, as parent holdco (in such capacity, the "Parent Holdco") and as borrower representative (in such capacity, the "Borrower Representative"), the borrowers identified on the signature pages hereto (the "Borrowers"), the guarantors identified on the signature pages hereto (the "Guarantors"), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national banking association, as Lender (in such capacity, the "Lender") agent for each Lender (in such capacity, the "Agent"), as paying agent (in such capacity, the "Paying Agent") and securities intermediary (in such capacity, the "Securities Intermediary") and Computershare Trust Company, N.A., as calculation agent (the "Calculation Agent").

RECITALS

Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary are parties to that certain Revolving Agreement, dated as of March 1, 2021 (as amended by Amendment No. 1 to Credit Agreement, dated as of March 10, 2022, as further amended by Amendment No. 2 to Credit Agreement, dated as of January 31, 2023, the "Existing Credit Agreement", as further amended by this Amendment, the "Credit Agreement"). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Existing Credit Agreement.

Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary have agreed, subject to the terms and conditions of this Amendment, that the Existing Credit Agreement be amended to reflect certain agreed upon revisions to the terms of the Existing Credit Agreement.

Accordingly, Borrowers, Guarantors, Sponsor, Lender, Administrative Agent, Paying Agent, Calculation Agent and Securities Intermediary hereby agree, in consideration of the mutual promises and mutual obligations set forth herein, that the Existing Credit Agreement is hereby amended as follows:

SECTION 1. Amendments to Existing Credit Agreement. Effective as of the date hereof, the Existing Credit Agreement is hereby amended as follows:

(a) Section 1.1 of the Credit Agreement is hereby amended by deleting the definition of Interest Reserve Account Deposit Amount in its entirety and replacing it with the following:

"Interest Reserve Account Deposit Amount": On any date of determination, for any Eligible Property and the initial Advance requested related thereto, the amount required to make the amount on deposit in the Interest Reserve Account after such Advance an amount equal to the Interest Reserve Account Required Amount after giving effect to such Advance.

(b) Section 1.1 of the Credit Agreement is hereby amended by deleting the definition of Interest Reserve Account Required Amount in its entirety and replacing it with the following:

"Interest Reserve Account Required Amount": As of any date of determination, for the aggregate Allocated Loan Amounts of all Properties then funded by the Facility up to the Notional Amount, an amount equal to the product of (a) the lesser of (i) the Cap Rate plus the Applicable Margin and (ii) the Interest Rate for the related Interest Accrual Period (for such purpose, the Adjusted Daily Simple SOFR shall be the rate in effect on such date of determination), (b) the aggregate Allocated Loan Amounts of all Properties then funded by the Facility, (c) 1/12 and (d) three (3).

As of any date of determination, for the aggregate Allocated Loan Amounts of all Properties then funded by the Facility in excess of the Notional Amount, an amount equal to the product of (a) the Interest Rate for the related Interest Accrual Period (for such purpose, the Adjusted Daily Simple SOFR shall be the rate in effect on such date of determination), (b) the aggregate Allocated Loan Amounts of all Properties then funded by the Facility, (c) 1/12 and (d) three (3).

SECTION 2. Conditions Precedent. This Amendment shall become effective as of the date hereof, upon the execution and delivery by the Borrowers and Guarantors, as applicable, to Administrative Agent and Lender of this Amendment.

SECTION 3. Limited Effect. Except as expressly amended and modified by this Amendment, the Existing Credit Agreement shall continue to be, and shall remain, in full force and effect in accordance with its terms. The parties hereto have entered into this Amendment solely to amend the terms of the Existing Credit Agreement and do not intend this Amendment or the transactions contemplated hereby to be, and this Amendment and the transactions contemplated hereby shall not be construed to be, a novation of any of the obligations owing by Borrower or any other party under or in connection with the Existing Credit Agreement or any of the other Loan Documents. It is the intention and agreement of each of the parties hereto that (i) the perfection and priority of all security interests securing the payment of the obligations of the parties under the Existing Credit Agreement are preserved, (ii) the liens and security interests granted under the Existing Credit Agreement continue in full force and effect, and (iii) any reference to the Existing Credit Agreement in any Loan Document shall be deemed to reference the Existing Credit Agreement as amended by this Amendment.

SECTION 4. Ratification and Reaffirmation of Guarantees. Each Guarantor hereby ratifies and reaffirms the terms and conditions of the Guaranty Agreement and the Limited Guaranty, as applicable. Each Guarantor's obligations, liabilities, covenants, and guaranties pursuant to the Guaranty Agreement and the Limited Guaranty, whether for payment, performance, or otherwise, are now and shall remain valid and binding obligations of such Guarantor, as applicable, and both before and after giving effect to the Amendment, will remain, now and hereafter, in full force and effect, unmodified and enforceable against each Guarantor in accordance with their terms. Each Guarantor acknowledges and agrees that this ratification and reaffirmation is given to induce Administrative Agent and Lenders to provide their consent to this Amendment. Absent execution and delivery of this Amendment by each Guarantors, Administrative Agent would not have provided such consent to this Amendment.

SECTION 5. Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

SECTION 6. Counterparts. This Amendment may be executed by each of the parties hereto by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic

Transactions Act, and/or any other relevant electronic signatures law, including any relevant provisions of the Uniform Commercial Code (collectively, "Signature Law"), in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm of otherwise verify the validity or authenticity thereof. This Amendment may be executed in one or more counterparts and by the different parties hereto on separate counterparts, including without limitation counterparts transmitted by facsimile or other electronic transmission, each of which, when so executed, shall be deemed to be an original and such counterparts, together, shall constitute one and the same agreement. The parties agree that this Amendment, any documents to be delivered pursuant to this Amendment and any notices hereunder may be transmitted between them by email and/or by facsimile.

SECTION 7. **GOVERNING LAW AND JURISDICTION. THIS AMENDMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH SHALL GOVERN. EACH OF THE PARTIES HERETO HEREBY AGREES TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK, LOCATED IN THE BOROUGH OF MANHATTAN AND THE FEDERAL COURTS LOCATED WITHIN THE STATE OF NEW YORK IN THE BOROUGH OF MANHATTAN. EACH OF THE PARTIES HERETO HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.**

SECTION 8. Waiver of Jury Trial. Each party hereto hereby expressly waives, to the fullest extent it may effectively do so under Applicable Law, any right to a trial by jury in any action or proceeding to enforce or defend any rights or remedies under or pursuant to this Agreement or under any other Loan Document, and agrees, to the fullest extent it may effectively do so under Applicable Law, that any such action or proceeding shall be tried before a court and not before a jury.

SECTION 9. Headings. The headings of this Amendment are provided solely for convenience of reference and shall not modify, define, expand or limit any of the terms or provisions of this Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be duly executed as of the date first above written.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as Agent, Lender, Paying Agent and Securities Intermediary

By: /s/ Mackenzie Smith
Name: Mackenzie Smith
Title: Vice President

[Signatures continue]

VB THREE, LLC,
as Parent Holdco, Borrower Representative and a Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 OPERATING COMPANY, LLC
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 OPERATING COMPANY, LLC
REX RESIDENTIAL PROPERTY OWNER, LLC
REX RESIDENTIAL PROPERTY OWNER A, LLC
REX RESIDENTIAL PROPERTY OWNER II, LLC
REX RESIDENTIAL PROPERTY OWNER III, LLC
REX RESIDENTIAL PROPERTY OWNER IV, LLC
REX RESIDENTIAL PROPERTY OWNER V, LLC
REX RESIDENTIAL PROPERTY OWNER VI, LLC
each as a Borrower

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

CONREX RESIDENTIAL PROPERTY GROUP 2013-1 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-2 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-3 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-4 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-5 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-6 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-7 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-8 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-9 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-10 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-11 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-12 HOLDING COMPANY, LLC,
CONREX RESIDENTIAL PROPERTY GROUP 2013-13 HOLDING COMPANY, LLC,
VB HOLDING COMPANY I, LLC,
VB HOLDING COMPANY II, LLC,
VB HOLDING COMPANY III, LLC,
VB HOLDING COMPANY IV, LLC,
VB HOLDING COMPANY V, LLC,
VB HOLDING COMPANY VI, LLC,
VB HOLDING COMPANY VII, LLC
each as a Holdco Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

VB THREE EQUITY, LLC,
as Equity Owner and a Guarantor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

[Signatures continue]

VINEBROOK HOMES TRUST, INC.,
as Sponsor

By: /s/ Brian Mitts
Name: Brian Mitts
Title: President

[Signatures continue]

COMPUTERSHARE TRUST COMPANY, N.A.,
as Calculation Agent

By: /s/ Daniel Woods
Name: Daniel Woods
Title: Vice President

[End of signatures.]

March 9, 2023

VineBrook Homes Operating Partnership, L.P.
c/o NexPoint Advisors, L.P.
300 Crescent Court, Suite 700
Dallas, Texas 75201
Attention: Brian Mitts
Email: BMitts@nexpointsecurities.com

RE: Side Letter to Contribution Agreement ("Side Letter")

Ladies and Gentlemen:

Reference is made to that certain Contribution Agreement (substantially in the form attached hereto as Exhibit A hereto, the "Contribution Agreement"), by and among each of the signatories thereto (the "Parties"), pursuant to which VineBrook Homes Operating Partnership, L.P. (the "OP") will purchase all of the issued and outstanding equity interests of VineBrook Homes, LLC (the "Company") on the terms set forth therein. Capitalized terms used, but not otherwise defined, herein shall have the meaning given to such terms in the Contribution Agreement.

As of the date hereof, (i) all closing deliverables required pursuant to Article II of the Contribution Agreement other than payments to be made by the OP pursuant to Section 2.2(c) of the Contribution Agreement, have been delivered by the respective Parties, (ii) signature pages to the Contribution Agreement and the other Transaction Documents have been exchanged in escrow by the Parties and (iii) the Parties intend to close on the Transaction as promptly as practicable following the effectiveness of that certain Consent and Sixth Amendment to Credit Agreement (as amended, the "Consent") by and among the OP, certain of the OP's subsidiaries, as Subsidiary Borrowers, KeyBank National Association, a national banking association (in its individual capacity and as administrative agent), and the other Lenders party thereto, providing for, among other things, the consent of the Administrative Agent and the Lenders to the Transaction.

Therefore, in Consideration of the mutual covenants, agreements and undertakings contained herein and in the Contribution Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned, intending to be legally bound, hereby agrees as follows:

1. Contribution; Closing Payments.

As promptly as practicable following the effectiveness of the Consent (and in any event, no later than one (1) Business Day thereafter), the Parties shall release from escrow their respective signature pages to the Contribution Agreement and the other Transaction Documents and take all other actions reasonably required to effectuate the consummation of the Transaction (the "Effective Closing").

From and after the date hereof until the Effective Closing or earlier termination of this Side Letter pursuant to Section 2, the OP shall use reasonable best efforts to obtain the Consent as soon as practicable.

2. Termination.

If the Effective Closing does not take place within 11 Business Days following the execution of this Side Letter (the "Outside Date"), then the Contributors may, in their sole discretion, terminate this Side Letter immediately upon delivery of notice of such termination to the other Party or Parties, as applicable, in accordance with the terms of the Contribution Agreement; provided, that the Contributors shall not be entitled to terminate this Side Letter pursuant to this Section 2 if they are then in material breach of any covenants, obligations or agreements set forth in this Side Letter, which breach has prevented the consummation of the Effective Closing on or prior to the Outside Date.

3. Conduct of Business.

From and after the date hereof until the Effective Closing or earlier termination of this Side Letter pursuant to Section 2, the Company shall, and the Contributors shall cause the Company to, conduct its business in the ordinary course, unless otherwise consented to by the OP (which consent shall not be unreasonably withheld, conditioned or delayed), and failure to respond with a reasonable explanation of the basis of withholding consent within 2 business days of request shall constitute deemed consent of the OP.

4. Closing Date.

For the removal of doubt, upon the Effective Closing, the "Closing Date" as defined in the Contribution Agreement shall be deemed to be March 9, 2023 for purposes of calculating the closing consideration payable to the Contributors (including the OP Units and the Cash Component).

5. Miscellaneous.

a. Except as otherwise set forth herein, this Side Letter may be amended and the observance of any provision may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the mutual written consent of each Party hereto.

b. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Side Letter or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

c. This Side Letter may be executed in multiple counterparts which taken together shall constitute one and the same agreement.

d. The section headings in this Side Letter are for convenience of reference only and will not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

e. This Side Letter shall be governed by and construed in accordance with the laws of the State of Delaware.

f. This Side Letter supersedes any prior or contemporaneous agreement or understanding among the Parties hereto with respect to the Closing Date; *provided*, *however*, that, for the avoidance of doubt, the termination of this Side Letter does not terminate the Amended and Restated Side Letter, dated July 31, 2020, by and among the Parties hereto and the other parties thereto, including the Call Right (defined therein). In the event of a conflict between this Side Letter and the Contribution Agreement, this Side Letter shall control.

g. Section 8.19 of the Contribution Agreement is hereby incorporated herein by reference, *mutatis mutandis*.

* * * *

Remainder of this page intentionally left blank

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CONTRIBUTORS:

VINEBROOK MANAGEMENT, LLC, a Delaware limited liability company

By: /s/ Ryan McGarry
Name: Ryan McGarry
Title: Manager

VINEBROOK DEVELOPMENT CORPORATION, a Delaware corporation

By: /s/ Dana W. Sprong
Name: Dana W. Sprong
Title: President

VINEBROOK HOMES PROPERTY MANAGEMENT COMPANY, INC., an Ohio corporation

By: /s/ Dana W. Sprong
Name: Dana W. Sprong
Title: President

VINEBROOK HOMES REALTY COMPANY, INC., an Ohio corporation

By: /s/ Dana W. Sprong
Name: Dana W. Sprong
Title: Contributors' Representative

VINEBROOK HOMES SERVICES COMPANY, INC., an Ohio corporation

By: /s/ Dana W. Sprong
Name: Dana W. Sprong
Title: Contributors' Representative

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CONTRIBUTORS:

/s/ Dana W. Sprong
Dana W. Sprong

/s/ Ryan McGarry
Ryan McGarry

/s/ Dan Bathon
Dan Bathon

/s/ Tom Silvia
Tom Silvia

CONTRIBUTORS REPRESENTATIVE:

/s/ Dana W. Sprong
Dana W. Sprong

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

OP:

VINEBROOK HOMES OPERATING PARTNERSHIP, L.P., a Delaware limited partnership

By: /s/ Brian Mitts
Name: Brian Mitts
Title: Authorized Signatory

Exhibit A

Form of Contribution Agreement

[See Attached]

FORM OF CONTRIBUTION AGREEMENT

BY AND AMONG

VINEBROOK HOMES, LLC, as Company

VINEBROOK MANAGEMENT, LLC,

VINEBROOK DEVELOPMENT CORPORATION,

VINEBROOK HOMES PROPERTY MANAGEMENT COMPANY, INC.,

VINEBROOK HOMES REALTY COMPANY, INC.,

VINEBROOK HOMES SERVICES COMPANY, INC., AND

THE INDIVIDUALS SET FORTH ON SCHEDULE C, as Contributors

AND

VINEBROOK HOMES OPERATING PARTNERSHIP, L.P., as Buyer

AND

DANA W. SPRONG, as the Contributors Representative

DATED AS OF [_], 2023

TABLE OF CONTENTS

EXHIBITS AND SCHEDULES

FORM OF CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "Agreement") is entered into as of [_], 2023, by and among VineBrook Management, LLC, a Delaware limited liability company, VineBrook Development Corporation, a Delaware corporation, VineBrook Homes Property Management Company, Inc., an Ohio corporation, VineBrook Homes Realty Company, Inc., an Ohio corporation, VineBrook Homes Services Company, Inc., an Ohio corporation**,** and each of the individuals set forth on Schedule C (each a "Contributor" and collectively, the "Contributors"), VineBrook Homes, LLC, a Delaware limited liability company (the "Company"), VineBrook Homes Operating Partnership, L.P., a Delaware limited partnership, ("Buyer"), and Dana Sprong, solely in his capacity as the representative of the Contributors (the "Contributors Representative"). Unless defined herein, capitalized terms used in this Agreement are defined in Exhibit A.

WITNESSETH

WHEREAS, the Company currently serves as the external manager of Buyer and certain of its subsidiaries pursuant to certain Management Agreements;

WHEREAS, the Contributors collectively own all of the issued and outstanding equity of the Company (the "Contributed Equity Interests");

WHEREAS, pursuant to the terms and conditions set forth in that certain Amended and Restated Side Letter (the "Side Letter"), dated July 31, 2020, by and among (a) Buyer, (b) VineBrook Homes Trust, Inc., a Maryland corporation (the "REIT"), (c) the Company, (d) VineBrook Homes OP GP, LLC, a Delaware limited liability company (the "General Partner"), (e) the Contributors and (f) Dana Sprong and Ryan McGarry, at any time following the date of the Side Letter, Buyer has the right and option (but not the obligation) to purchase all, but not less than all, of the Contributed Equity Interests from the Contributors (the "Call Right");

WHEREAS, on June 28, 2022, Buyer elected to exercise the Call Right in accordance with the Side Letter; and

WHEREAS, upon the terms and subject to the conditions set forth herein, the Contributors desire to contribute to Buyer all of the Contributed Equity Interests, and Buyer desires to accept such contribution.

NOW, THEREFORE, in consideration of the Recitals, the mutual representations, warranties, covenants, agreements and conditions contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
CONTRIBUTION; PAYMENT OF PURCHASE PRICE

1.1 Contribution. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing each Contributor shall contribute, assign, transfer, convey and deliver to Buyer, and Buyer shall acquire and accept from such Contributor, the Contributed Equity Interests (free and clear of all Liens) held by such Contributor in exchange for the Closing Consideration Amount, payable to the Contributors in accordance with the Allocation Schedule (the "Transaction");

1.2 Definitions. As used in this Agreement, the following terms shall have the meanings specified:

(a) "Base Purchase Price" means $20,318,085.

(b) "Cash Component" means the portion of the Closing Consideration Amount to be paid in cash, which shall be $5,300,000.

(c) "Closing Consideration Amount" means an amount equal to: (i) the Base Purchase Price, less (ii) the Estimated Closing Debt Amount, less (iii) the Estimated Transaction Costs, plus (iv) the amount of any Estimated Working Capital Excess, less (v) the amount of any Estimated Working Capital Deficit, plus (vi) the Estimated Closing Cash Amount.

(d) "Closing Date Cash" means Company Cash as of 11:59 p.m. Central Time on the date immediately prior to the Closing Date.

(e) "Closing Date Debt" means the Debt of the Company as of 11:59 p.m. Central Time on the date immediately prior to the Closing Date.

(f) "Closing Date Working Capital" means (a) the sum of the total current assets of the Company as of 11:59 p.m. Central Time on the date immediately prior to the Closing Date minus (b) the sum of the total current liabilities of the Company as of 11:59 p.m. Central Time on the date immediately prior to the Closing Date, in each case calculated in accordance with this Agreement and, to the extent not inconsistent with this Agreement, in accordance with the working capital calculation principles described on **Schedule E** hereto. For the avoidance of doubt, that Closing Date Working Capital shall exclude (i) any and all Tax assets and income Tax liabilities, (ii) Closing Date Cash, Closing Date Debt, and Transaction Costs, and (iii) receivables or payables from any of the Company's Affiliates, employees, managers, officers or equityholders and any of their respective Affiliates. The Closing Date Working Capital shall be calculated on a basis consistent with GAAP; provided that any Tax liabilities included in the computation of Closing Date Working Capital shall be calculated as of 11:59 p.m. Central Time on the Closing Date.

(g) "Company Cash" means cash and cash equivalents (to the extent convertible into cash within 30 days) of the Company in accordance with GAAP consistently applied; provided that Company Cash shall be net of the amount of outstanding checks, drafts or wire transfers (including any overdrawn accounts) and exclude any cash which is not freely usable to a subsequent purchaser or equity holder of the Company because it is subject to restrictions or limitations on use or distribution by law or contract, including amounts held in escrow or as a deposit; provided, further, that Company Cash may be less than zero.

(h) "Debt" means, without duplication, the aggregate amount of: (i) all indebtedness of the Company (including the principal amount thereof or, if applicable, the accreted amount thereof and the amount of accrued and unpaid interest, fees, prepayment penalties and other charges thereon), whether or not represented by bonds, debentures, notes or other securities, for the repayment of money borrowed; (ii) any payment obligation of the Company under any interest rate swap agreement, forward rate agreement, interest rate cap or collar agreement or other financial agreement or similar arrangement entered into for the purpose of limiting or managing interest rate risks; (iii) all indebtedness for borrowed money secured by any Lien existing on property owned by the Company, whether or not indebtedness secured thereby shall have been assumed; (iv) all obligations evidenced by a bond, note, debenture or similar instrument, or funded by a letter of credit or similar instrument; (v) all payments due and owing to Affiliates, (vi) all other short-term, current and long-term liabilities of the Company for borrowed money; (vii) all unpaid income Taxes of the Company for any Pre-Closing Tax Period (calculated on a jurisdiction-by-jurisdiction basis, with zero dollars ($0) being the lowest amount for a jurisdiction); (viii) any payroll or other employment Taxes of the Company deferred pursuant to any COVID-19 Legislation; (ix) all unpaid severance obligations that relate to the period prior to the Closing; (x) unfunded benefit plan liability under any deferred

compensation plan or arrangement; (xi) the aggregate amount of all deferred revenue; (xii) deferred purchase price in respect of any property or services (including any seller notes, earn-out obligations, redemption obligations or similar payments for the deferred compensation for services (other than any current payroll period deferral and any amounts included in Transaction Costs); (xiii) all declared but unpaid dividends or any other distribution on any of the Company's equity; (xiv) any other obligations of the Company that would be treated as indebtedness pursuant to GAAP; (xv) any accounts payable of the Company that are over sixty (60) days past due; (xvi) all guaranties, endorsements, and assumptions and other contingent obligations of the Company in respect of any of the foregoing and (xvii) all fees, expenses, premiums, penalties, breakage costs, change of control payments or make-whole or other payment obligations as a result of the Closing; provided that any Tax liabilities included in the computation of Debt shall be calculated as of 11:59 p.m. Central Time on the Closing Date. Notwithstanding the foregoing, in no event shall the term of "Debt" include, or be deemed to include, (a) any ordinary course trade payables or (b) any current liabilities to the extent taken into account in the calculation of Closing Date Working Capital.

(i) "Fraud" means a knowing or intentional misrepresentation of material fact in the making of a representation or warranty contained in this Agreement or in the certificates and instruments delivered hereunder that constitutes common law fraud under Delaware law. For the avoidance of doubt, "Fraud" shall exclude constructive fraud and any fraud claim (including any claim based on negligence or recklessness) that does not include the element of making a knowing or intentional misrepresentation of fact with intent to induce another Party to enter into or consummate this Agreement or to act in reliance thereon.

(j) "Internalization Price Per Unit" means $59.85.

(k) "OP Units" means 250,929 Class C Units, which the Parties acknowledge and agree represents an aggregate fair market value equal to the Closing Consideration Amount less the Cash Component.

(l) "Target Working Capital" means $1,000,000.

(m) "Transaction Costs" means all unpaid fees and expenses, as of 11:59 p.m. Central Time on the date immediately prior to the Closing Date, that have been incurred by the Company or any Contributor in connection with the Transaction, the Transaction Documents and the consummation of the transactions contemplated by this Agreement and the other Transaction Documents, including to the extent unpaid (as applicable), (i) any brokerage commissions, finders' fees, financial advisory fees, fees for counsel or accountants, or other advisor and service provider fees and, in each case, related costs and expenses; (ii) the amount of any retention bonus, change of control payment, severance, stay or transaction bonus, incentive or phantom equity payment, discretionary bonus or other similar payment that becomes payable to any employee, officer, manager, or consultant the Company as a result of the consummation of the transactions contemplated by this Agreement, whether due upon the Closing or after the Closing; and (iii) the employer's share of Taxes attributable to the payment of the amounts referred to in the preceding clause (ii) above (including any Taxes deferred pursuant to the Cares Act).

(n) In calculating the Closing Consideration Amount and the other payments and calculations to be made pursuant to Section 1.3, Section 1.4, Section 1.6, and Section 1.7, (i) the amounts of the Closing Consideration Amount, the Estimated Closing Date Working Capital, the Estimated Closing Cash Amount, the Estimated Closing Debt Amount, the Estimated Transaction Costs and the Adjustment Amount (and all components thereof, as applicable) shall be determined in accordance with this Article I and/or the definitions thereof, as applicable, which amounts shall be final and binding on the Parties, and (ii) no single item shall be given duplicative effect.

1.3 Closing Date Statement. The Contributors Representative has delivered to Buyer the statement (the "Closing Date Statement"), setting forth or attaching, as applicable:

(a) the Company's good faith estimate of Closing Date Working Capital ("Estimated Closing Date Working Capital"), and either (i) the amount, if any, by which such estimate exceeds Target Working Capital (any such amount, an "Estimated Working Capital Excess") or (ii) the amount, if any, by which such estimate is less than Target Working Capital (any such amount, an "Estimated Working Capital Deficit");

(b) the Company's good faith estimate of the aggregate amount of the Transaction Costs (the "Estimated Transaction Costs") (together with the name of each payee thereof that is to receive a payment of Transaction Costs at the Closing and if applicable the related invoice);

(c) the Company's good faith estimate of Closing Date Cash (the "Estimated Closing Cash Amount") and Closing Date Debt (the "Estimated Closing Debt Amount"); and

(d) the resulting calculation of the Closing Consideration Amount.

1.4 Closing Payments. Subject to Section 1.5, at the Closing, Buyer shall issue or pay, or shall cause the Company to pay, the following payments:

(a) to the Contributors, in accordance with the Allocation Schedule, the OP Units;

(b) to the Contributors, in accordance with the Allocation Schedule, the Cash Component; and

(c) to each payee thereof, an amount in cash equal to such payee's applicable portion of the Transaction Costs.

1.5 Mechanics of Payments.

(a) All cash payments made under or pursuant to Section 1.4(b) shall be made by wire transfer of immediately available funds to one or more accounts designated by, and in the name of, each applicable Contributor.

(b) All cash payments made under or pursuant to Section 1.4(b) and Section 1.4(c) shall be made by wire transfer of immediately available funds to one or more accounts designated by the payee thereof.

1.6 Post-Closing Purchase Price Determination.

(a) After Closing, Buyer shall prepare and, within ninety (90) days after Closing, Buyer shall deliver to the Contributors Representative, a statement setting forth Buyer's determination of (i) Closing Date Working Capital, (ii) Closing Date Cash, (iii) Closing Date Debt and (iv) the Transaction Costs (the "Purchase Price Adjustment Statement").

(b) If the Contributors Representative disagrees with the Purchase Price Adjustment Statement, the Contributors Representative shall notify Buyer in writing of such disagreement within thirty (30) days after delivery of the Purchase Price Adjustment Statement, which notice shall describe in reasonable detail the nature of such disagreement, including the specific items involved, the dollar amounts thereof and the calculations associated with the disputed items (a "Purchase Price Dispute Notice"). Any component of Buyer's Purchase Price Adjustment Statement that is not the subject of an objection by the Contributors Representative shall be final and binding on the Parties and deemed to be part of the Final Purchase Price Adjustment Statement. If the Contributors Representative does not deliver a Purchase Price Dispute Notice within such thirty (30)-day period, or if the Contributors Representative otherwise earlier notifies Buyer in writing that the Contributors Representative has no disputes or objections to the Purchase Price Adjustment Statement, the Purchase Price Adjustment Statement, as delivered by Buyer to the Contributors Representative, shall be the Final Purchase Price Adjustment Statement. If the Contributors Representative does deliver a Purchase Price Dispute Notice within such thirty (30)-day period (the aggregate amount in dispute as set forth in the Purchase Price Dispute Notice, the "Disputed Amounts"), then the Disputed Amounts shall be resolved pursuant to Section 1.6(c).

(c) Buyer and the Contributors Representative shall negotiate in good faith to resolve any Disputed Amounts and, if the Parties are able to resolve some or all Disputed Amounts (the Disputed Amounts so resolved during such period, the "Resolved Items"), such Resolved Items will be final, conclusive and binding on the Parties and the Purchase Price Adjustment Statement shall be modified to reflect such resolution of the Resolved Items (and for the avoidance of doubt, if all prior Disputed Amounts have been so resolved, then such modified Purchase Price Adjustment Statement shall be the Final Purchase Price Adjustment Statement). If Buyer and the Contributors Representative are unable to resolve all Disputed Amounts within twenty (20) days after delivery of the Contributors Representative's Purchase Price Dispute Notice, then the unresolved Disputed Amounts shall be referred for final determination to an independent accounting firm mutually agreeable to all Parties (such firm, or another firm appointed pursuant to this Section 1.6, the "Accounting Arbitrator"), within fifteen (15) days after the end of such twenty (20)-day period. If such independent accounting firm has any material relationship with Buyer, the Contributors or any of their respective Affiliates, or is otherwise unwilling or unable to serve, Buyer and the Contributors Representative shall jointly appoint as the Accounting Arbitrator a different nationally recognized firm of independent certified public accountants, which does not have any material relationship with Buyer, the Contributors Representative or any of their respective Affiliates. If Buyer and the Contributors Representative are unable to agree upon an alternative Accounting Arbitrator within such fifteen (15)-day period, then the Accounting Arbitrator shall be an accounting firm of national standing designated by the American Arbitration Association (which does not have any material relationship with Buyer, the Contributors Representative or any of their respective Affiliates). The Contributors Representative and Buyer shall execute any agreement reasonably required by the Accounting Arbitrator for its engagement hereunder. The Accounting Arbitrator shall consider only those Disputed Amounts which Buyer and the Contributors Representative have been unable to resolve. The Accounting Arbitrator will act as an arbitrator (not an expert) and may select as a resolution the position of either Buyer or the Contributors Representative for each Disputed Amount (based solely on presentations and supporting material provided by the Parties and not pursuant to any independent review) or may impose an alternative resolution which cannot be

higher than the highest value or lower than the lowest value presented by each Party for a disputed amount. The Accounting Arbitrator shall deliver to Buyer and the Contributors Representative, as promptly as practicable, and in any event within forty-five (45) days after its appointment, a written report setting forth the resolution of such Disputed Amounts. Such report shall be final and binding upon the Parties, and the determination of the Accounting Arbitrator shall constitute an arbitral award that is final, binding and non-appealable and upon which a judgment may be entered by a court having jurisdiction over the Party against which such determination is to be enforced. In selecting such resolution, the Accounting Arbitrator shall rely solely on the terms of this Agreement and on written submissions and supporting material provided by Buyer and the Contributors Representative, and at the Accounting Arbitrator's election, pursuant to responses provided by Buyer and the Contributors Representative to inquiries posed by the Accounting Arbitrator's review of the foregoing, but not pursuant to an independent review. Upon the decision of the Accounting Arbitrator, the Purchase Price Adjustment Statement, as adjusted to the extent necessary to reflect the Accounting Arbitrator's decision (and as otherwise adjusted in accordance with this Article I), shall be the Final Purchase Price Adjustment Statement. The fees, costs and expenses of the Accounting Arbitrator shall be allocated to and borne by Buyer, on the one hand, and Contributors, on the other hand, based on the inverse of the percentage that the Accounting Arbitrator's determination (before such allocation) bears to the Disputed Amount as originally submitted to the Accounting Arbitrator. For example, should the items in dispute total in amount to $1,000 and the Accounting Arbitrator awards $600 in favor of the Contributors Representative's position, 60% of the costs of its review would be borne by Buyer and 40% of the costs would be borne by Contributors.

(d) Following the delivery of the Purchase Price Adjustment Statement, Buyer shall cause the Company to permit the Contributors Representative and its counsel, accountants and other advisors reasonable access (during normal business hours, with the right to make copies) to the financial and other relevant books and records of the Company (including the accounting working papers in the Company's possession; provided that the party requesting work papers has executed and delivered any non-reliance, release or other agreements customarily required by the accounting firm that prepared such work papers) used in preparing the Closing Date Statement or the Purchase Price Adjustment Statement, and cause the personnel of the Company to cooperate with the Contributors Representative and its representatives to the extent reasonably required (including by making personnel and its and their relevant representatives available to Contributors Representative and its representatives), in each case for the purposes of the reasonable review and objection right and dispute and allocation process contemplated in this Section 1.6 and at the Contributors' expense.

1.7 Post-Closing Adjustment Amount.

(a) The "Adjustment Amount," which may be positive or negative, shall mean (i) the amount, if any, by which the Closing Date Working Capital as reflected on the Final Purchase Price Adjustment Statement exceeds the Estimated Closing Date Working Capital as reflected on the Closing Date Statement (it being understood that, notwithstanding the foregoing, if the Closing Date Working Capital as reflected on the Final Purchase Price Adjustment Statement exceeds the Estimated Closing Date Working Capital by less than $50,000 of the Estimated Closing Date Working Capital, there shall be no adjustment to the Adjustment Amount pursuant to this clause (i)), minus (ii) the amount, if any, by which the Closing Date Working Capital as reflected on the Final Purchase Price Adjustment Statement is less than the Estimated Closing Date Working Capital (it being understood that, notwithstanding the foregoing, if the Closing Date Working Capital as reflected on the Final Purchase Price Adjustment Statement is less than the Estimated Closing Date Working Capital by less than $50,000 of the Estimated Closing Date Working Capital, there shall be no adjustment to the Adjustment Amount pursuant to this clause (ii)) plus (iii) the Estimated Closing Debt Amount as reflected on the Closing Date Statement minus the Closing Date Debt as reflected on the Final Purchase Price Adjustment Statement, plus (iv) the Closing Date Cash as reflected on the Final Purchase Price Adjustment Statement minus the Estimated Closing Cash Amount as reflected on the Closing Date Statement, plus (v) the Estimated Transaction Costs as reflected on the

Closing Date Statement minus the Transaction Costs as reflected on the Final Purchase Price Adjustment Statement.

(b) If the Adjustment Amount is a positive number or zero, then Buyer shall promptly transfer the Adjustment Amount to the accounts designated by the Contributors in accordance with the Allocation Schedule, which Adjustment Amount shall be payable, at Buyer's election, in either cash or additional Class C Units which shall be issued at the Internalization Price Per Unit equal to the Adjustment Amount.

(c) If the Adjustment Amount is a negative number, then Contributors Representative, on behalf of Contributors, shall promptly transfer or cause to be transferred a number of OP Units to Buyer valued at the Internalization Price Per Unit equal to the absolute value of such Adjustment Amount; provided, that if Contributors Representative fails to transfer such Class C Units, Buyer may elect to exercise the remedies set forth in Section 7.6.

(d) Any amounts payable pursuant to this Section 1.7 shall be paid within three (3) Business Days after final determination pursuant to Section 1.6 of the Final Purchase Price Adjustment Statement, by either wire transfer of immediately available funds to an account designated by the Party receiving such payment or, in the case of Buyer a transfer of additional Class C Units or in the case of any Contributor a transfer of OP Units.

(e) The Contributors and Buyer agree to treat any payment made pursuant to this Section 1.7 as an adjustment to the aggregate consideration for the Contributed Equity Interests for federal, state, local and non-U.S. income Tax purposes.

1.8 Withholdings. Notwithstanding any other provision in this Agreement, Buyer and the Company may deduct and withhold any required Taxes from any payments to be made pursuant to this Agreement ("Withholdings") and shall timely pay over to the applicable Governmental Authority any such amounts deducted or withheld and shall comply with all applicable reporting obligations with respect thereto. Before deducting or withholding any amounts hereunder (other than with respect to amounts that are compensatory in nature or as a result of the Contributors' failure to provide IRS Forms W-9 pursuant to Section 2.2(a)(vii)), the applicable withholding agent shall use commercially reasonable efforts to notify the Contributors Representative of its intent to withhold (along with a description of the basis for such withholding) with a reasonable time prior to such withholding, and Buyer and the Company shall cooperate in good faith with the Contributors Representative to reduce or eliminate any such deductions or withholdings. To the extent that any such amounts are so withheld, such withheld amounts will be treated for all purposes of this Agreement as having been delivered and paid to the Person in respect of which such deduction and Withholding was made. For purposes of clarity, to accomplish any such Withholding with respect to payroll or other employment Taxes, any such payment subject to Withholdings shall be made through the payroll system of the Company, after reduction in respect of such payment for applicable Withholding.

1.9 Tax Treatment; Purchase Price Allocation.

(a) The Parties agree that for U.S. federal and applicable state income Tax purposes, (i) the Transaction is intended to be treated as the merger of two (2) partnerships into one (1) partnership under the "assets-over form" (within the meaning of Treasury Regulation Section 1.708-1(c)(3)) with the resulting partnership being considered the continuation of Buyer pursuant to Treasury Regulation Section 1.708-1(c)(1); (ii) pursuant to Treasury Regulation Section 1.708-1(c)(3), the Company will be treated as contributing the assets of the Company to Buyer pursuant to a transaction governed by Section 721 of the Code; and (iii) the Company will be treated as terminating as of the Closing Date under Treasury Regulation Section 1.708-1(c)(1), and (iv) each Contributor who receives cash in the Transaction will be treated as selling a portion of their interests in the merging partnership pursuant to Treasury Regulation Section 1.708-1(c)(4) (and each Contributor hereby consents to treat the Transaction accordingly for U.S. federal income Tax purposes) (clauses (i), (ii), (iii), and (iv), collectively, the "Intended Tax Treatment").

(b) Within sixty (60) days of the final determination of the Final Purchase Price Adjustment Statement, Buyer shall provide to the Contributors Representative a schedule allocating the aggregate value of the consideration for the Contributed Equity Interests (including the value of the OP Units, any positive cash adjustments to the consideration for the Contributed Equity Interests, and applicable liabilities of the Company) among the assets of the Company (the "Purchase Price Allocation Schedule"). The Purchase Price Allocation Schedule will be prepared in accordance with the applicable provisions of the Code and the methodologies set forth on Schedule B. If within thirty (30) days following the delivery of a Purchase Price Allocation Schedule to the Contributors Representative, the Contributors Representative has not objected, the Purchase Price Allocation shall be final and binding. If within thirty (30) days, the Contributors Representative objects to the Purchase Price Allocation Schedule, the Contributors Representative and Buyer shall cooperate in good faith to agree on a final Purchase Price Allocation Schedule, provided that if after thirty (30) days, the Contributors Representative and Buyer are unable to agree, the parties shall retain the Accounting Arbitrator to resolve their dispute under procedures similar to those set forth in Section 1.6, provided that the Accounting Arbitrator shall be instructed to utilize the methodologies for determining fair market value as set forth on Schedule B. The determination of the Accounting Arbitrator shall be final and binding on the parties. The cost of the Accounting Arbitrator shall be borne equally by the Contributors, on the one hand, and Buyer, on the other hand.

(c) The parties hereto shall make appropriate adjustments to the Purchase Price Allocation Schedule to reflect changes in the purchase price. The parties hereto agree for all Tax reporting purposes to report the transactions in accordance with the Intended Tax Treatment and the Purchase Price Allocation Schedule, as adjusted pursuant to the preceding sentence, and to not take any position during the course of any audit or other proceeding inconsistent with the Intended Tax Treatment or the Purchase Price Allocation Schedule unless required by a "determination" within the meaning of Code Section 1313(a).

ARTICLE II
CLOSING

2.1 Time and Place of Closing. The Closing of the transactions contemplated herein will take place remotely on the date hereof by electronic exchange of documents. The date upon which the Closing actually occurs is referred to as the "Closing Date." The Closing shall be deemed to be effective as of 12:01 a.m. Central Time on the Closing Date (the "Effective Time"). All business through the Effective Time will be for the Contributors' accounts and all business after the Effective Time will be for Buyer's account. Unless otherwise agreed by the Parties, the Closing shall occur by overnight mail, facsimile and/or other electronic means.

2.2 Deliveries at Closing.

(a) At the Closing, the Contributors shall deliver, or cause to be delivered, to Buyer the following documents, each properly executed and dated:

(i) Certificates representing any Contributed Equity Interests (to the extent such Contributed Equity Interests are certificated), together with any other appropriate instruments of transfer to convey the same to Buyer, duly executed by each Contributor;

(ii) compensation arrangements (the "Compensation Arrangements") by and between Buyer (or one or more of its Affiliates) and the persons set forth on **Schedule 2.2(a)(ii)**, duly executed by such persons, in form and substance satisfactory to Buyer;

(iii) written resignations and releases from each of the managers and officers of the Company as designated by Buyer, in each case in his or her capacity as such;

(iv) copies of the Consents identified on **Schedule 2.2(a)(iv)**, in form and substance reasonably satisfactory to Buyer;

(v) a properly completed and executed IRS Form W-9 from each Contributor and the Company;

(vi) evidence reasonably acceptable to Buyer of the termination of each of the agreements described on **Schedule 2.2(a)(vi)**;

(vii) to the extent not held at the principal office of the Company or stored electronically on a cloud-based storage system, all minute books, equity ledgers, equity transfer books, company seals, books of account, Contracts, Tax Returns and other Records of the Company;

(viii) good standing or similar certificates for the Company from the Secretary of State of the state in which the Company was formed or organized and from the appropriate state authorities in each jurisdiction in which the Company is qualified to do business, each dated not more than ten (10) days prior to the Closing;

(ix) limited power of attorney in favor of the REIT to the Buyer LP Agreement, duly executed by each Contributor (the "Powers of Attorney");

(x) an assignment agreement, duly executed by each equityholder of the General Partner, assigning all of the issued and outstanding equity interests of the General Partner to Buyer (or its designee) in accordance with the Side Letter and the Buyer LP Agreement, in form and substance reasonably satisfactory to Buyer (the "GP Assignment Agreement");

(xi) a registration rights agreement, duly executed by each Contributor, in form and substance reasonably satisfactory to Buyer (the "Registration Rights Agreement");

(xii) such other documents and instruments as may be reasonably requested by Buyer, each in form and substance satisfactory to Buyer, to consummate the transactions contemplated by this Agreement or any other Transaction Document.

(b) At the Closing, Buyer shall deliver, or cause to be delivered, to the Contributors Representative the following documents, each properly executed and dated:

(i) the Compensation Arrangements, duly executed by Buyer or its Affiliate(s), as applicable;

(ii) the Powers of Attorney, duly executed by Buyer;

(iii) the GP Assignment Agreement, duly executed by Buyer;

(iv) the Registration Rights Agreement, duly executed by the REIT;

(v) the OP Units and Cash Component to the Contributors, as contemplated by Section 1.4 and in accordance with the Allocation Schedule;

(vi) the Mike Albert Guaranty, duly executed by Buyer; and

(vii) the Enterprise Guaranty, duly executed by Buyer.

(c) At the Closing, Buyer shall make the payments contemplated by Section 1.4.

ARTICLE III
REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE CONTRIBUTORS

Subject to such exceptions as are disclosed in the correspondingly numbered Section of the Disclosure Schedules, each Contributor, severally and not jointly, represents and warrants to Buyer as follows:

3.1 Capacity. Each Contributor has the legal right and capacity to execute and deliver this Agreement and any other Transaction Document to which such Contributor is a party, and to perform such Contributor's respective obligations hereunder and thereunder.

3.2 Authorization of Transactions. This Agreement and all other Transaction Documents to which such Contributor is a party have been duly executed and delivered by such Contributor, and, assuming the due authorization, execution and delivery hereof and thereof by the parties hereto and thereto other than such Contributor, constitute the valid and binding agreements of such Contributor, enforceable against such Contributor in accordance with their terms, except as enforceability hereof or thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other Laws affecting creditors' rights generally and limitations on the availability of equitable remedies (regardless of whether enforcement is sought in a proceeding at law or in equity).

3.3 Absence of Conflicts. The execution, delivery and performance by any Contributor of this Agreement and the other Transaction Documents to which such Contributor is a party do not, and the consummation of the transactions contemplated herein and therein will not, (a) violate any Order, writ, judgment, injunction, decree, statute, Law, rule or regulation of any Governmental Authority applicable to such Contributor or by which or to which any portion of its properties or assets is bound or subject, or (b) result in the creation or imposition of any Lien upon such Contributor's Contributed Equity Interests.

3.4 Ownership of the Contributed Equity Interests. Each Contributor is the beneficial and record owner of all the Contributed Equity Interests opposite such Contributor's name on the Allocation Schedule, and has marketable title to such Contributed Equity Interests, free and clear of all Liens. No Contributor has granted a currently effective power of attorney or proxy to any Person with respect to any of the Contributed Equity Interests held by such Contributor. At the Closing, Buyer will acquire beneficial and record ownership of such Contributed Equity Interests free and clear of all Liens.

3.5 Litigation; Proceedings. There is no Claim pending or, to the Knowledge of the Contributors, threatened against or involving any Contributor, whether at law or in equity, whether civil or criminal in nature or by or before any arbitrator or Governmental Authority nor are there any investigations relating to Contributor pending or threatened by or before any arbitrator or any Governmental Authority, other than (i) Claims where Buyer or its Affiliates are named as co-defendants, (ii) Claims where the demand amount is less than $50,000, (iii) Claims for which the Company or the Contributors are indemnified or otherwise defended by third party insurers; (iv) Claims listed on **Schedule 3.5**, or (v) where such Claims are otherwise not reasonably likely to prevent, materially delay or materially impair Contributor's ability to perform its obligations under this Agreement and all other Transaction Documents to which Contributor is a party.

3.6 Securities Laws Matters. Each Contributor hereby represents and warrants that he, she or it is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Such Contributor is acquiring the OP Units for his, her or its own account for investment, and not with a view to any distribution, resale, subdivision or fractionalization thereof in violation of the Securities Act or any other applicable domestic or foreign securities Law, and such Contributor has no present plans to enter into any contract, undertaking, agreement or arrangement for any such distribution, resale, subdivision or fractionalization. Such Contributor is sophisticated in financial matters and is able to evaluate the risks and benefits of ownership of the OP Units and is able to bear the economic risk of its investment in the OP Units.

3.7 Liability for Brokers' Fees. The Company shall not have any liability or obligation, as a result of any undertakings or agreements of either Contributor, for brokerage fees, finder's fees, agent's commissions, nor other similar forms of compensation to any broker, finder, financial advisor or investment banker in connection with the execution of this Agreement and all other Transaction Documents or the Transactions.

3.8 Affiliated Transactions. Except as set forth in **Schedule 3.8**, no Affiliate or family member (within four degrees of affinity or consanguinity) of any Contributor is a party to or beneficiary of any Contract, commitment or transaction with the Company, has any interest in any property used by the Company or has any interest in any Person which is a competitor, supplier, manufacturer, distributor, lessor or lender of the Company.

3.9 Pre-Closing Restructuring. The Pre-Closing Restructuring and the other transactions contemplated by the agreements entered into in connection with the Pre-Closing Restructuring were consummated prior to the Closing in accordance with the Pre-Closing Restructuring Documents and is valid and effective. The Contributors have delivered to Buyer copies of the Pre-Closing Restructuring Documents which are true, correct and complete in all material respects. The consummation of the Pre-Closing Restructuring did not and will not cause the Company to incur any liability or obligation of any kind or to lose the benefit of any Tax election or Tax asset.

3.10 Accuracy of Representations. All of the representations in this Section 3, other than the Contributor Fundamental Representations, are materially true and correct as of December 29, 2022, unless otherwise specified. The Contributor Fundamental Representations are true and correct as of the Closing Date.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to such exceptions as are disclosed in the correspondingly numbered Section of the Disclosure Schedules, the Company represents and warrants to Buyer as follows:

4.1 Organizational Matters. The Company is a limited liability company duly organized and validly existing under the Laws of the state of Delaware. The Company has all requisite power and authority to own, lease and operate its assets and properties and to carry on its business as now being conducted. **Schedule 4.1(i)** sets forth each jurisdiction where the Company is licensed or qualified to do business as a foreign entity. The Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned, operated or leased by it or the operation of its business as it has been and is currently conducted makes such licensing or qualification necessary, except where the failure to be so licensed or qualified would not, individually or in the aggregate, have or be reasonably be expected to have a Material Adverse Effect on the Company. The Contributors have previously made available to Buyer true and complete copies of the Charter Documents of the Company, as amended and in effect on the date of this Agreement. The current managers and officers of the Company are as set forth on **Schedule 4.1(ii)**.

4.2 Authorization of Transactions. The Company has all necessary limited liability company power and authority to execute and deliver this Agreement and all other Transaction Documents to which the Company is a party, and to perform its obligations hereunder and thereunder, and no other proceeding or action on the part of the Company is necessary to approve and authorize the Company's execution and delivery of this Agreement or any other Transaction Document to which the Company is a party or the performance of the Company's obligations hereunder or hereunder. The execution and delivery of this Agreement and each Transaction Document to which the Company is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of the Company. This Agreement and each of the other Transaction Documents to which the Company is a party have been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery hereof and thereof by the parties hereto and thereto other than the Company, constitute the valid and binding agreements of the Company, enforceable against the Company in accordance with their terms, except as enforceability hereof or thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other Laws affecting creditors' rights generally and limitations on the availability of equitable remedies (regardless of whether enforcement is sought in a proceeding at law or in equity).

4.3 Capitalization.

(a) The authorized equity interests and all of the issued and outstanding equity interests of the Company held by each Contributor are set forth on **Schedule 4.3(a)**, and such equity interests constitute the Contributed Equity Interests. All of the Contributed Equity Interests are owned of record and beneficially by the Contributors free and clear of all Liens. Upon consummation of the transactions contemplated by this Agreement, Buyer will own all of the Contributed Equity Interests, free and clear of all Liens.

(b) The Company does not own or have any interest in any equity or have any ownership interest in any other Person.

(c) All of the Contributed Equity Interests have been duly authorized and are validly issued, fully paid and non-assessable. All of the Contributed Equity Interests were issued in compliance with all applicable Laws. None of the Contributed Equity Interests were issued in violation of any of the Company's Charter Documents or in violation of any other agreement, arrangement or commitment to which any Contributor or the Company is or was a party or is or was subject to or in violation of any preemptive or similar rights of any Person. There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the equity of the Company or obligating any Contributor or the Company to issue or sell any equity of, or any other interest in, the Company. Except as listed on **Schedule 4.3(c)**, the Company does not have outstanding or authorized any equity appreciation, phantom equity, profit participation or similar rights. There are no voting trusts, equityholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Contributed Equity Interests.

4.4 No Violation or Conflict. The execution, delivery and performance by the Company of this Agreement or any other Transaction Document to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Company's Charter Documents; (b) conflict with or result in a violation or breach of any provision of any Law or Order applicable to the Company; (c) except as set forth on Schedule 4.4, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which the Company is a party or by which the Company is bound or to which any of its properties and assets are subject or any Permit affecting the properties, assets or business of the Company, or (d) result in the creation or imposition of any Lien other than Permitted Liens on any properties or assets of the Company. No consent, approval, Permit, Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Company in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, except, with respect to clauses (c) and (d), as would not be adverse to the Company in any material respect.

4.5 Assets.

(a) Ownership of Assets. The Company owns good and valid title to all of its tangible assets and properties, free and clear of any and all Liens of any nature whatsoever, except for Permitted Liens. The Company has a valid leasehold interest in all tangible assets leased by the Company. The tangible assets and properties of the Company owned and leased by it include all of the tangible assets and properties which are necessary for the operation of the Company's business as now conducted. **Schedule 4.5(a)** sets forth a list of all Fixed Assets as of November 30, 2022. None of the Company's tangible assets are subject to any consignment arrangement.

(b) Unclaimed Property. There is no material property or obligation of the Company, including but not limited to uncashed checks to vendors, customers or employees, non-refunded overpayments, or unclaimed subscription balances, that is escheatable to any state, municipality or other Governmental Authority under any applicable escheatment or similar Laws as of the date hereof, and the Company made all filings required under applicable Laws in respect thereof.

4.6 Sufficiency. The tangible assets and properties of the Company are in good operating condition and repair, normal wear and tear excepted, free from any defects, have been maintained consistent with industry standards, and are sufficient to carry on the Company's business after the Closing in substantially the same manner as conducted prior to the Closing.

4.7 Financial Information.

(a) Financial Statements. Attached to this Agreement as **Schedule 4.7(a)** are true, correct and complete copies of the following (collectively, the "Financial Statements"): (i) true, complete and correct copies of the Company's unaudited balance sheets, statements of income, statements of retained earnings and statements of cash flows as of December 31, 2020 and 2021 and for the fiscal years then ended, respectively, and (ii) true, complete and correct copies of the Company's unaudited consolidated balance sheet as of September 30, 2022 (the "Latest Balance Sheet") and statements of income, retained earnings and cash flows for the nine (9)-month period then ended.

(b) Preparation of Financial Statements. The Financial Statements were prepared from the books and records of the Company and are true and correct in all material respects. Except as set forth on **Schedule 4.7(b)**, the Financial Statements were prepared in accordance with GAAP consistently applied through the applicable periods involved. The Financial Statements present fairly, in all material respects, the financial condition, assets and liabilities of the Company as of the respective dates of such Financial Statements and the results of operations for the respective periods then ended.

(c) Accounting Controls. The Company has established and maintains a system of internal controls over financial reporting sufficient to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of its financial statements in accordance with GAAP and such system of internal control over financial reporting is effective for its intended purpose. There are no significant deficiencies or material weaknesses in the design or operation of the internal controls of the Company which have adversely affected or could adversely affect the ability of the Company to record, process, summarize and report financial data.

4.8 Absence of Undisclosed Liabilities. Except as set forth on **Schedule 4.8**, the Company has no Liabilities of any kind whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise, except (a) those which are adequately reflected or reserved against on the Latest Balance Sheet, (b) those which have been incurred in the ordinary course of business consistent with past practice since the date of the Latest Balance Sheet and which are not, individually or in the aggregate, material in amount, (c) ordinary course trade payables which are not material in amount and (d) expenses of the Company related to the negotiation, execution, and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby.

4.9 Absence of Certain Changes. Except as set forth on **Schedule 4.9** hereto, since the date of the Latest Balance Sheet, the Company's business has been operated in the ordinary course and consistent with past practice, and there has not been any:

(a) adverse change in any of the Company's (financial or otherwise) revenues, operations, assets, liabilities, equity, relationships, earnings, or prospects except changes in the ordinary course of business, none of which individually or in the aggregate has been or will be reasonably expected to have a Material Adverse Effect on the Company;

(b) amendment of the Company's Charter Documents;

(c) split, combination or reclassification of any equity of the Company;

(d) issuance, sale or other disposition of, or creation of any Lien on, any equity of the Company, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any equity of the Company;

(e) declaration or payment of any distributions on or in respect of any equity in the Company or redemption, purchase or acquisition of any of the Company's outstanding equity;

(f) change in the cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

(g) entry into any Material Contract other than those entered into in the ordinary course of business;

(h) incurrence, assumption or guarantee of any Debt for borrowed money except unsecured current obligations and liabilities incurred in the ordinary course of business consistent with past practice;

(i) transfer, assignment, sale or other disposition of any material assets or property or cancellation of any debts or entitlements other than in the ordinary course of business consistent with past practice;

(j) transfer, assignment or grant of any license or sublicense of any rights under or with respect to any of the Company's Proprietary Rights;

(k) equity investment in, or any loan to, any other Person;

(l) acceleration, termination, material modification to or cancellation of any Material Contract to which the Company was or is a party or by which it was or is bound other than in the ordinary course of business;

(m) imposition of any Lien (other than a Permitted Lien) upon the Company's properties or assets, tangible or intangible, which could be reasonable expected to have a Material Adverse Effect;

(n) adoption, modification or termination of any: (i) employment, severance, retention or other agreement with any current or former employee, officer, or manager, (ii) Benefit Plan or (iii) collective bargaining or other similar agreement, in each case whether written or oral;

(o) loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its equityholders or current or former employees, officers or managers, other than employment compensation in the ordinary course of business;

(p) adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution (other than the Pre-Closing Restructuring) or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(q) increase or grant, or promise to increase or grant, of any salary, wage, severance or other compensation or benefits payable or to become payable to any current or former employee, officer, manager, independent contractor or consultant other than in the ordinary course of business (which ordinary course of business shall include annual salary increases, profit share bonuses and similar commissions;

(r) hiring or promotion of any employee, officer, director or individual service provider of the Company (except to fill a vacancy in an existing position or in the ordinary course), or termination any of its employees other than for cause or in the ordinary course of business; or

(s) Contract to do, take any action or fail to take any action that would result in any of the foregoing.

4.10 Taxes. Except as set forth on Schedule 4.10:

(a) The Company has timely filed all material Tax Returns required to be filed by it, and all such Tax Returns are true, correct and complete in all material respects.

(b) The Company has (i) timely paid all material Taxes that have become due and payable (whether or not shown on a Tax Return); (ii) withheld and timely remitted to the appropriate Governmental Authority, or properly set aside for future remittance when due, all material Taxes required to be withheld and paid in connection with any amounts paid or owing to or collected from any employee, independent contractor, supplier, creditor, shareholder, partner, member or other person; (iii) complied in all material respects with all applicable Laws relating to information reporting of Taxes; and (iv) collected all material sales and use or similar Taxes required to be collected, and has remitted, such amounts to the appropriate Governmental Authority, or has been furnished properly completed exemption certificates. All material Taxes of the Company have been properly accrued in the ordinary course of business, in accordance with past practice of the Company and in accordance with GAAP on the Latest Balance Sheet, and do not materially exceed comparable amounts incurred in similar periods in prior years (taking into account the Company's operating results).

(c) Since the date of the Latest Balance Sheet, the Company has not (i) incurred any material amount of Taxes outside the ordinary course of business, (ii) changed a method of accounting for Tax purposes, (iii) entered into any agreement with any Governmental Authority (including a closing agreement within the meaning of Section 7121 of the Code or similar state, local or foreign Law) the primary subject of which relates to Tax matters, (iv) surrendered any right to a material Tax refund, (v) changed an accounting period with respect to Taxes, (vi) filed an amended Tax Return, (vii) changed or revoked any material election with respect to Taxes, or (viii) made any Tax election inconsistent with past practices, in each case except as required by Law.

(d) Copies of all income and other material Tax Returns filed for the Company for the tax years ending on or after December 31, 2019 have been delivered or made available to representatives of Buyer, and such copies are true, correct and complete in all material respects.

(e) All material deficiencies for Taxes proposed or assessed against the Company by any Governmental Authority have been fully and timely paid or finally settled.

(f) Neither the Company nor any Person acting for or on behalf of the Company, has agreed to any extension or waiver that currently is in effect of the statute of limitations applicable to any Tax Return of the Company or with respect to any material Taxes of the Company, and no request for such extension or waiver is currently pending.

(g) There is no presently ongoing or pending audit, examination, request for information, claim or proposed adjustment with any Governmental Authority with respect to Taxes of the Company, and no Governmental Authority has contacted the Company in writing and disclosed in writing any intent to initiate any such audit, examination, claim or similar action. No written claim has been made by any Governmental Authority in any jurisdiction where the Company does not file a Tax Return that the Company is or may be subject to taxation by, or has or may have a Tax Return filing obligation in, that jurisdiction.

(h) The Company (i) is not party to or bound by any Tax indemnity, Tax allocation, Tax sharing or similar agreement with any Person, other than any agreement entered into in the ordinary course of its business the primary purpose of which is not related to Taxes; (ii) is not a party to or bound by any closing agreement pursuant to Section 7121 of the Code or any similar provision of state, provincial, local or foreign Tax Law, offer in compromise or any other agreement with any Governmental Authority with respect to Taxes; and (iii) has not requested or received and is not relying upon any private letter ruling or technical advice of the IRS, request for administrative relief, a request for a change of any method of accounting, or comparable ruling of any other Governmental Authority. No power of attorney granted by or with respect to the Company relating to Taxes is currently in force.

(i) There are no Liens with respect to Taxes upon any of the assets or properties of the Company, other than Permitted Liens.

(j) The Company has never participated in a “listed transaction” within the meaning of Treasury Regulations Section 1.6011-4(b)(2).

(k) The Company (i) has never been a member of an affiliated group of corporations, within the meaning of Section 1504 of the Code, or a member of a combined, consolidated or unitary group for state, local or foreign Tax purposes; and (ii) does not have, individually or collectively, any liability for Taxes of any other Person under (A) Treasury Regulations Section 1.1502-6 or Treasury Regulations Section 1.1502-78, (B) any similar provision of state, provincial, local or foreign income Tax Law, (C) as a transferee or successor, or (D) by contract (other than any agreement entered into in the ordinary course of its business, the primary purpose of which is not related to Taxes).

(l) The Company has correctly classified those individuals performing services as common Law employees, leased employees, independent contractors, consultants or agents of the Company.

(m) The Company is not required to include any material item of income, or exclude any material item of deduction, for any period after the Closing Date (determined with and without regard to the transactions contemplated hereby) as a result of (i) an installment sale transaction occurring on or before the Closing governed by Code Section 453 (or any similar provision of state, local or non-U.S. Laws); (ii) a transaction occurring on or before the Closing reported as an open transaction for U.S. federal income Tax purposes (or any similar doctrine under state, local, or non-U.S. Laws); (iii) any prepaid amounts received or paid on or prior to the Closing Date or deferred revenue realized or received on or prior to the Closing Date; (iv) an adjustment under Code Section 481 as a result of a change in method of accounting with respect to a Pre-Closing Tax Period (or as a result of an impermissible method used in a Pre-Closing Tax Period); or (v) an agreement entered into with any Governmental Authority (including a "closing agreement" under Code Section 7121) on or prior to the Closing Date). The Company does not currently use the cash method of accounting for income Tax purposes. The Company does not have any "long-term contracts" that are subject to a method of accounting provided for in Code Section 460 or have any deferred income pursuant to IRS Revenue Procedure 2004-34, Treasury Regulation Section 1.451-5, Section 455 of the Code, or Section 456 of the Code (or any corresponding provision of state or local Law).

(n) The Company is, and has been since formation, properly treated as a partnership for U.S. federal and applicable state income Tax purposes and no election has been made (and none is pending) to change such treatment.

(o) The Company has not made any election with respect to the Revised Partnership Audit Provisions, including, but not limited to, electing to apply any provision of the Revised Partnership Audit Provisions prior to January 1, 2018.

(p) No member (or former member of the Company) has any right to any distributions with respect to Taxes (or otherwise) from the Company that will survive the Closing.

(q) None of (i) the goodwill, (ii) going concern value, or (iii) other intangible assets of the Company that would not be amortizable prior to the enactment of Code Section 197 was held by any Contributor, the Company or any related person (within the meaning of Code Section 197(f)(9)(C)) to any Contributor or the Company on or before August 10, 1993 or could constitute anti-churning property under Code Section 197(f)(9)(A).

(r) The Company has no obligation to gross-up, indemnify or otherwise reimburse any current or former employee, manager, officer, consultant, independent contractor, contingent worker, leased employee or other service provider (or any dependents, spouses or beneficiaries thereof) of the Company for any Tax incurred by such individual, including under Section 409A or 4999 of the Code.

(s) **Schedule 4.10(s)** sets forth a true and complete list of elections that have been made (or are pending) or actions that have been taken (or are pending) by the Company pursuant to Sections 7001-7005 of the Families First Act.

(t) **Schedule 4.10(t)** sets forth the following (whether occurring or applied for, as applicable) by the Company: (i) credits claimed pursuant to Section 2301 of the CARES Act; (ii) payroll and employment Taxes deferred pursuant to Section 2302(a) of the CARES Act; (iii) elections made pursuant to Section 2306 of the CARES Act, and (iv) additional depreciation taken pursuant to Section 2307 of the CARES Act.

4.11 Contracts and Commitments.

(a) Listing. **Schedule 4.11(a)** hereto sets forth complete and accurate lists of each of the following Contracts to which the Company is a party (other than Contracts to which Buyer or its Affiliates are also parties) (collectively, the "Material Contracts"): (i) all leases of real and/or personal property involving annual expenditure in excess of $50,000; (ii) all Contracts relating to the use, ownership, registration, development, or enforcement of any material Proprietary Rights other than Contracts for software or information technology services involving annual expenditure less than $100,000; (iii) all other Contracts involving annual payments or expenditures in excess of $50,000, (iv) all Contracts between the Company, on the one hand, and any Contributor or with any of the Company's officers or Affiliates on the other hand; (v) all employment Contracts and independent contractor or consultant Contracts entered into other than in the ordinary course of business; (vi) all Contracts that contain any severance, incentive or phantom equity, or change in control payments or fees payable to any current or former manager, officer, employee, independent contractor, or consultant in connection with the transactions contemplated by this Agreement; (vii) all agreements that relate to Debt; (viii) all Contracts by the Company not to compete in any business or in any geographical area or to not solicit the customers or employees of any other Person, or requiring exclusive dealing by either party thereto; (ix) all partnership, joint venture, or similar arrangement involving the Company; (x) all Contracts that provide for the indemnification by the Company of any Person or the assumption of any Tax liability, material environmental liability or other material liability of any Person outside of the ordinary course of business; (xi) all Contracts that relate to the acquisition or disposition of any business, equity or a material amount of assets of any other Person or any real property (whether by merger, sale of equity, sale of assets or otherwise); (xii) all Contracts with any Governmental Authority; and (xiii) all Real Estate Leases.

(b) Absence of Breach. Except as described on **Schedule 4.11(b)**, (i) each Material Contract is a valid, binding and enforceable obligation of the Company and is in full force and effect; (ii) no Material Contract has been breached (or alleged to be in breach), cancelled (other than in accordance with the terms of such Material Contract) or repudiated by the Company or, to the Knowledge of the Company, the other party thereto, and no event has occurred or circumstance exists that (with or without notice or lapse of time) is reasonably likely to conflict with or result in a violation or breach of (or alleged breach of), or give the Company or the other party thereto the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify any Material Contract which could be reasonably expected to have a Material Adverse Effect; (iii) the Company has performed all material obligations required to be performed by it, in each case, to the extent such obligation is required to be performed prior to the Closing Date in connection with each Material Contract and has not received any Claim or notice of default under any Material Contract which could be reasonably expected to have a Material Adverse Effect; (iv) to the Knowledge of the Company, the counter party to each Material Contract has performed all material obligations required to be performed by it pursuant to such Material Contract, and the Company has not delivered any Claim or notice of default under any Material Contract which could be reasonably expected to have a Material Adverse Effect; and (v) no counterparty has threatened or expressed an intention to not fully perform any material obligation pursuant to any Material Contract, nor has any counter given written notice of any desire to terminate or not-renew any Material Contract which could reasonably be expected to have a Material Adverse Effect. The Company has made available or delivered to Buyer accurate and complete copies

in all material respects of all Material Contracts, including all modifications, amendments and supplements thereto and waivers thereunder.

4.12 Real Estate.

(a) Owned Real Estate. The Company does not currently own and has never owned any real property.

(b) Real Estate Leases. **Schedule 4.12(b)** hereto sets forth a description of all of the real property leased by the Company (the "Leased Real Estate"), including the address and the lease pertaining thereto (each, a "Real Estate Lease"), the rental amount currently being paid, the expiration of the term of the Real Estate Lease, and the current use of the real property. With respect to each Real Estate Lease: (i) the Real Estate Lease is valid, binding, enforceable and in full force and effect; (ii) neither the Company nor, to the Knowledge of the Company, the other party thereto is in breach or default under the Real Estate Lease, and no event has occurred or circumstance exists which, with the delivery of notice, passage of time or both, would constitute such a breach or default or permit the termination, modification, or acceleration of rent under the Real Estate Lease, and no notice has been received or given in respect thereof; (iii) the Company has paid all rent due and payable under the Real Estate Lease; (iv) the Company's interest under the Real Estate Lease is subject to no Liens other than Permitted Liens; and (v) copies of the Real Estate Lease and of all written amendments, modifications, and supplemental agreements to the same have previously been delivered to Buyer, which copies are true, correct and complete in all material respects.

(c) Leased Real Estate. The Leased Real Estate constitutes all real property used by the Company in the conduct of the business of the Company and there are no oral agreements related to the Leased Real Estate. The Company does not own, and has never owned, any real property, and the Company does not hold any options or other rights to purchase any real property from any Person. There are no written or oral subleases, concessions or other Contracts granting to any third party the right to use or occupy the Leased Real Estate or any portion thereof. The Leased Real Estate is in no need of significant repairs or improvements, other than maintenance in the ordinary course of business, and there are no structural or mechanical defects in the Leased Real Estate. There is no violation of or nonconformance with any Law requiring or calling attention to the need for any work, repairs, construction, alteration or installation affecting the Leased Real Estate. No Governmental Authority or Order has been issued requiring repairs, alterations or correction of any existing conditions of the Leased Real Estate. There is no pending, planned or contemplated condemnation or similar action or change in any zoning or building ordinance affecting the Leased Real Estate. The improvements on the Leased Real Estate have access to such sewer, water, gas, electric, telephone and other utilities as are necessary to allow the business of the Company operated thereon to be operated in the ordinary course as currently operated. To the Knowledge of the Company, the use and operation of the Leased Real Estate does not violate any Law, Contract, covenant, condition, restriction, easement, license, Permit, agreement or insurance requirements affecting the Leased Real Estate, and no notice has been received by the Company or, to the Knowledge of the Company, the landlord or owner of the Leased Real Estate in respect thereof.

4.13 Bank Accounts. **Schedule 4.13** hereto describes all checking accounts, savings accounts, custodial accounts, certificates of deposit, safe deposit boxes, money market accounts, or other similar accounts maintained by the Company. The signatories identified on **Schedule 4.13** constitute the only signatories with respect to said accounts.

4.14 Proprietary Rights; Data Privacy.

(a) Listing. **Schedule 4.14(a)** sets forth a complete and correct list of: (i) all registered Proprietary Rights and all material unregistered trademarks that are Owned Proprietary Rights ; and (ii) all material licenses or similar agreements or arrangements to which the Company is a party as licensee or licensor for Proprietary Rights. With respect to any Owned Proprietary Rights that are subject to any issuance registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction (the "Registered Proprietary Rights"), **Schedule 4.14(a)** sets forth the application number, application date, expiration date, registration/issue number, registration/issue date, title or mark, country or other jurisdiction, and owner(s), as applicable. All documents, recordations, and certificates due prior to the date of this Agreement and necessary to maintain the Registered Proprietary Rights have been filed with the relevant Governmental Authorities in the United States and non-U.S. jurisdictions, as the case may be, for the purposes of prosecuting, maintaining and perfecting such Registered Proprietary Rights. Each registered Proprietary Right is in compliance with all applicable Laws, except where failure to comply would not reasonably be expected to have a Material Adverse Effect, and all filings, payments and other actions required to be made or taken prior to the date of this Agreement to maintain each Registered Proprietary Right in full force and effect have been made by the applicable deadline. All filings, payments and other actions required to be made or taken prior to the date of this Agreement to maintain each Registered Proprietary Right in full force and effect have been made by the applicable deadline. With respect to domain name registrations, **Schedule 4.14(a)** sets forth each domain name, the registrant, and the date of any renewal deadlines (i.e., expiration date).

(b) Ownership. The Company is the sole owner of and possesses all right, title and interest in and to each of the Proprietary Rights owned or purported to be owned by the Company (the "Owned Proprietary Rights"), free and clear of all Liens (other than Permitted Liens), and the Company has valid and enforceable rights to use all Proprietary Rights used by the Company (with the Owned Proprietary Rights, the "Company Proprietary Rights"). There are no other Proprietary Rights that are material to the operation of the business of the Company other than the Proprietary Rights set forth on **Schedule 4.14(a)**. No loss or expiration of any of the Company Proprietary Rights shown on **Schedule 4.14(a)** is pending or, to the Knowledge of the Company, threatened, except in accordance with the normal terms of such Proprietary Rights. There are no inventorship challenges or opposition, reexamination, nullity or interference proceedings declared, commenced or, to the Knowledge of the Company, threatened with respect to any of the Proprietary Rights set forth on **Schedule 4.14(a)**. No funding, facilities or personnel of any Governmental Authority were used, directly or indirectly, to develop or create, in whole or in part, any Owned Proprietary Rights by the Company. Except as set forth on **Schedule 4.14(b)**, the Company is not subject to any outstanding Order (including any motion or petition therefor) that does or would restrict or impair the use of any Proprietary Right.

(c) Outbound Licenses. **Schedule 4.14(c)** sets forth list of all material Proprietary Rights licensed by the Company to any Person, and such list is true, correct and complete in all material respects.

(d) Trade Secrets. The Company has taken commercially reasonable steps to protect (i) the material trade secrets and other material confidential information that it owns or (ii) the trade secrets and other confidential information of third parties to which it owes a duty of confidentiality. No such trade secrets or other confidential information has been disclosed by the Company except pursuant to a confidentiality Contract restricting the disclosure and use thereof or to Person who is bound by a similar duty of confidentiality.

(e) Infringement. Except as listed on Schedule 4.14(e), the Company has not received from any third party any Claim, notice or demand contesting the validity, enforceability, use or ownership of any of the Company's Proprietary Rights or relating to any infringement, misappropriation or conflict, or any alleged infringement, misappropriation or conflict, with respect to any Proprietary Rights, including any written demand that the Company license rights from any third party. There are no currently pending Claims, notices or demands of the foregoing nature. To the Knowledge of the Company, the Company is not infringing upon or otherwise violating any Proprietary Rights of any Person, nor has the Company misappropriated any Proprietary Rights of any Person. Other than as set forth on Schedule 4.14(e), to the Knowledge of the Company, no Person is engaging in any activity that infringes, misappropriates or otherwise violates any Proprietary Rights of the Company, and no written threat, notice, demand or other communication to that effect has been made by the Company against any Person in the last five (5) years.

(f) Software. **Schedule 4.14(f)** lists all Software material to the Company's operation of its business in which the Company has rights, whether as owner or licensee, including pursuant to agreements or arrangements described in **Schedule 4.14(a).** All Software that is Owned Proprietary Rights is operative for its intended purpose and free of any Malicious Code. No Person other than the Company possesses a copy, in any form (print, electronic, or otherwise), of any source code for any Software that is Owned Proprietary Rights, and all such source code has been maintained strictly confidential. The Company has no obligation to afford any Person access to any such source code.

(g) Data Privacy; Security. The Company does not sell or rent any Personal Information collected, used or disclosed to it. The Company has at all times complied with all applicable Laws regarding the collection, retention, transfer, use and protection of Personal Information, except where failure to comply would not reasonably be expected to have a Material Adverse Effect. The Company has not experienced any loss, damage or unauthorized access, disclosure, use or breach of security of any Personal Information in its possession. The Company uses commercially reasonable efforts to safeguard any personally identifiable information that it obtains. To the Knowledge of the Company, the Company is and has been in compliance in with all applicable Laws relating to loss, theft and breach of security notification obligations, in each case as they relate to Personal Information.

4.15 Compliance with Laws.

(a) Permits. The Company has all material Permits required to be held or owned by the Company to conduct its business as currently conducted pursuant to applicable Laws, and such Permits are in full force and effect and listed on **Schedule 4.15(a)(i)**. Except as set forth in Schedule 4.15(a)(ii), no violations, notices of violations, cease and desist orders or Orders are or have been recorded and remain outstanding in respect of such Permits (other than any violations, notices, cease and desist orders or Orders in which Buyer or its Affiliates are also named) which could reasonably be expected to have a Material Adverse Effect. Set forth in attached **Schedule 4.15(a)(iii)** is a complete list of all complaints, citations and written notices of violations or alleged violations received by the Company with respect to Permits within the past five (5) years from any Governmental Authority having jurisdiction over the Company which could reasonably be expected to have a Material Adverse Effect (other than

complaints, citations or written notices of violations or alleged violations in which in which Buyer or its Affiliates are also named).

(b) Compliance with Laws and Regulations. Except as set forth in **Schedule 4.15(b)**, the Company is, and has been for the past five (5) years, in compliance, in all material respects, with all applicable Laws relating to the operation of its business, properties, assets and services, and no notice has been served upon the Company within the past five (5) years claiming a violation of or liability or responsibility under any of the foregoing, other than notices (i) where Buyer or its Affiliates are also named, (ii) where the demand amount is less than $50,000, (iii) for which the Company or the Contributors are indemnified or otherwise defended by third party insurers, or (iv) where such violations or liability would not reasonably be expected to have a Material Adverse Effect. In the past five (5) years, the Company has not engaged in any unfair competition or trade practices or any false, deceptive, unfair or misleading advertising or promotional practices, except as would not be material to the Company. Except as set forth in Schedule 4.15(b), the Company has not received a written notification or been subject to any investigation from any Governmental Authority or any advocacy or monitoring group regarding their marketing, advertising or promotional practices.

4.16 Books and Corporate Records. The Corporate Records, all of which have been made available to Buyer, are complete and correct in all material respects, have been maintained in accordance with sound business practices, and contain materially accurate and complete records of all transactions involving the activities of the Company. The Company has not engaged in any transaction, maintained any fund, asset or bank account, or used any of its funds, except as reflected in its normally maintained books and records. At the Closing, all of the Corporate Records will be in the possession of the Company.

4.17 Environmental Matters.

(a) Compliance Generally. Except (i) as set forth on **Schedule 4.17(a),** the Company is currently and has been in compliance with all Environmental Laws and has not received from any Governmental Authority and/or Person any: (i) Environmental Claim (other than Claims to which the REIT, Buyer, or Buyer's subsidiaries are also a party); or (ii) written request for information pursuant to Environmental Law (other than requests to which the REIT, Buyer, or Buyer's subsidiaries are also a party), which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date. The Company has not retained or assumed by Contract or operation of Law, any liabilities or obligations of any third parties under Environmental Law. Neither the Company nor, to the Knowledge of the Company, any other Person for whose conduct the Company is or may be held responsible under any applicable Environmental Law, has any liability under any Environmental Law with respect to the Leased Real Estate, any other properties geologically or hydrologically connected to the Leased Real Estate, or any other real property formerly owned, leased or operated by the Company. There has been no Environmental Release of Hazardous Materials in contravention of Environmental Law with respect to the business or assets of the Company or any real property currently or formerly owned, leased or operated by the Company. To the Knowledge of the Company, Hazardous Materials are not present on, at, or under the Leased Real Estate in violation of or in excess of applicable limited pursuant to Environmental Law.

(b) Environmental Permits. Except as set forth on **Schedule 4.17(b)**, the Company has obtained and is in compliance with all Environmental Permits (each of which is disclosed in **Schedule 4.17(b)**) necessary for the ownership, lease, operation or use of the business or assets of the Company, and all such Environmental Permits are in full force and effect.

4.18 Employee Benefit Matters.

(a) Benefit Plans. **Schedule 4.18(a)** lists the Company's current Benefit Plans. Each Benefit Plan is and all times has been in compliance with all Laws, including ERISA. There is no accumulated funding deficiency in connection with any Benefit Plan and no reportable event has occurred in connection with any Benefit Plan. No Benefit Plan, and no trustee or administrator of any Benefit Plan, has engaged in any non-exempt "prohibited transaction" as defined in ERISA or the Code or any breach of fiduciary duty. All of the Benefit Plans that are intended to meet the requirements of Section 401(a) of the Code have been determined by the IRS and the Treasury to be "qualified" within the meaning of the Code and the Company has received a favorable determination letter, or may rely on an opinion letter, from the IRS and the Treasury with respect thereto, and there are no facts which would reasonably be expected to adversely affect the qualified status of any Benefit Plan.

(b) Termination Matters. Any past Benefit Plan that has been terminated was done so in material compliance with all applicable Laws. The Company does not have any further liability or obligation pursuant to any Benefit Plans that have been terminated.

(c) Administration. With respect to each Benefit Plan: (i) all contributions, distributions, reimbursements, and/or payments required to be made under the terms of any Benefit Plan have been timely made or have been properly accrued and reflected in the Company's books and records in accordance with the terms of the applicable Benefit Plan and applicable Law; (ii) each Benefit Plan has been administered in accordance with applicable Law and its terms in all material respects; and (iii) there are no pending or, to the Knowledge of the Company, threatened Claims (other than routine Claims for benefits) with respect to such Benefit Plan or against the assets of such Benefit Plan and, to the Knowledge of the Company, no act or omission has occurred which would reasonably be expected to result in any such Claims (other than routine Claims for benefits).

(d) Effects of Transaction. Except as set forth on **Schedule 4.18(d)**, neither the execution nor the delivery of this Agreement nor the transactions contemplated by this Agreement will, either alone or in conjunction with any other event (whether contingent or otherwise) (i) entitle any current or former employee or other individual service provider (or any beneficiary or dependent thereof) of the Company to a stay, transaction, or change in control bonus, severance pay, or other compensation or benefits, (ii) accelerate the funding, time of payment, or vesting, or increase the amount or value of any compensation or benefits due to any current or former employee or other individual service provider (or any beneficiary or dependent thereof), (iii) with respect to any Benefit Plan, result in any prohibited transaction described in Section 406 of ERISA or Section 4975 of the Code for which an exemption is not available, or (iv) result in an "excess parachute payment" within the meaning of Section 280G(b) of the Code (determined without regard to the exceptions provided for in Section 280G(b)(5) of the Code).

(e) Certain Plan Obligations. Except as set forth on **Schedule 4.18(e)**, neither the Company nor any of its ERISA Affiliates currently sponsors, maintains, or has any obligation to contribute to (or any other liability, including current or potential withdrawal liability, with respect to) and neither the Company nor any ERISA Affiliate has within the last six (6) years sponsored, maintained, or contributed to or been obligated to contribute to (i) any "multiemployer plan" (as that term is defined in Section 3(37) of ERISA), (ii) any plan or arrangement, whether or not terminated, which is a "defined benefit plan" (as that term is defined in Section 3(35) of ERISA), (iii) any "multiple employer plan" (as defined in Section 413 of the Code), or (iv) any "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA). No Benefit Plan provides post-termination medical, health, life insurance or other welfare-type benefits for current employees or current or future retired or terminated employees (except for continued medical benefit coverage required to be provided under Section 4980B of the Code or as required under applicable Law).

(f) Required Employee Compensation Accounts. The Company is not liable for any payment to any trust or other fund or to any Governmental Authority with respect to unemployment compensation, social security or other benefits or obligations for employees or former employees other than routine payments to be made in the ordinary course of business or as required by applicable Law. To the Knowledge of the Company, the Company has made all required payments to its unemployment compensation, workers' compensation, social security or other legally required payments with the appropriate Governmental Authority.

(g) New Plans. The Company has not announced any plan or legally binding commitment to create any additional Benefit Plans or to amend or modify any existing Benefit Plan, except to the extent required by applicable Law.

(h) Copies. With respect to each Benefit Plan, the Company has made available to Buyer true and correct copies of the following as applicable: (i) the plan document, adoption agreement, and all amendments thereto (or a written description of the key terms of any Benefit Plan that is not in writing), the summary plan description and any summary of material modifications thereto, and any other governing document (including but not limited to the trust agreement and other funding arrangements maintained with respect to such plan); (ii) Form 5500 annual reports and non-discrimination testing results for the three most recent plan years; (iii) with respect to each Benefit Plan that is intended to be qualified under Section 401(a) of the Code, the most recent favorable determination letter or opinion letter issued by the IRS and the Treasury; and (iv) any non-routine correspondence with Governmental Authority within the last three (3) years.

(i) Debt. There are no outstanding loans with any employee or former employee of the Company other than loans provided in the ordinary course under a Benefit Plan intended to be qualified under Section 401(a) of the Code.

4.19 Employment Matters.

(a) Listing. **Schedule 4.19(a)(i)** contains an accurate and complete list of all Persons who are employees (including any temporary employees) of the Company as of the date hereof, including each employee on leave of absence or layoff status, and sets forth for each such individual the following, as applicable: (i) name; (ii) title or position (including whether full or part time exempt or non-exempt for purposes of the applicable wage and hour Laws; (iii) hire or engagement date; (iv) location (city and state); (v) current annual salary, hourly rate, or fee rate; (vi) 2022 commission, bonus or other incentive-based compensation paid or payable; and (vii) accrued and unused vacation, sick and other paid time off. Except as set forth in **Schedule 4.19(a)(ii)**, each employee of the Company is employed on an at-will basis and the Company has the right to terminate the employment of all of its employees at will. Except as set forth in **Schedule 4.19(a)(ii)**, the Company does not have any contractual or other working arrangements with any Person otherwise employed by a staffing firm or other provider of temporary employees. Except as set forth in **Schedule 4.19(a)(iii)**, as of December 29, 2022, no employee or group of employees of the Company has given the Company written notice of

any plans to terminate his, her, or their employment or relationship with the Company. To the Knowledge of the Company, no employee is a party to, or is otherwise bound by, any agreement or arrangement, including any confidentiality, non-competition, or proprietary rights agreement, between such employee and any other Person that in any way materially inhibits (x) the performance of his or her duties as an employee of the Company, or (y) the ability of the Company to conduct its business.

(b) No Union Activity. The Company is not, and in the past has not been, a party to, bound by, or negotiating any collective bargaining agreement or other Contract with a union, works council or labor organization (collectively, "Union"), and, no Union or group of employees has sought or, to the Knowledge of the Company, is seeking to organize employees for the purpose of collective bargaining. There has never been, nor, to the Knowledge of the Company, is there any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor disruption or dispute affecting the Company or any of its employees. The Company does not have any duty to bargain with any Union.

(c) Compliance with Employment Laws. The Company is and has been in compliance in all material respects with all applicable Laws relating to the employment of personnel and labor, including without limitation those relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, employment and reemployment rights of members of the uniformed services, immigration, wages, hours, overtime compensation, employee classification, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, employee benefits, health and safety, the payment of social security and similar Taxes, workers' compensation, leaves of absence, collective bargaining, leased employees, temporary employees, plant closings and layoffs, unemployment insurance, and authorization of employees to work in the United States. All employees of the Company classified as exempt or non-exempt under the Fair Labor Standards Act and state and local wage and hour Laws are properly classified as such. All individuals who are performing services for the Company and are classified as independent contractors are properly classified as such. Except as set forth on **Schedule 4.19(c)**, the Company (i) has paid in full, or accrued in its books and records, all wages, salaries, overtime, wage premiums, commissions, bonuses, fees, severance, cash-outs of accrued unused vacation or other paid leave, and other compensation and benefits due and payable to or on behalf of its current or former employees, temporary employees, and individual independent contractors; and (ii) does not have any liability for any fines, Taxes, interest, or other penalties for any failure to pay (or delinquency in paying), or in withholding any amounts required by Law in respect of, any such compensation.

(d) Employment Claims. Except as set forth in **Schedule 4.19(d)**, no current or former employee or temporary employee (or any Governmental Authority on behalf of, or with respect to, any of the foregoing) has any pending, or to the Knowledge of the Company, threatened Claim against the Company under applicable employment laws. Except as set forth on Schedule 4.19(d), no formal claims or allegations have been made against the Company, or any current or former manager, director, officer, employee or other agent thereof (in their capacity as such), for discrimination, sexual or other harassment, sexual misconduct or retaliation, nor, to the Company's Knowledge, are any such claims threatened or pending nor is there any reasonable basis for such a claim. The Company has promptly and thoroughly investigated all discrimination, sexual or other harassment, sexual misconduct or retaliation allegations (including informal allegations) and, with respect to any allegation determined to have merit, taken prompt corrective action reasonably calculated to prevent further improper conduct or actions. The Company does not reasonably expect any liability with respect to any such allegations and has not entered into any settlement agreements related to allegations of sexual harassment or sexual misconduct by a manager, director, officer, employee or any other agent of the Company. There are no pending labor or employee-related investigation or audit by any Governmental Authority, either now or at any time in the last five (5) years, nor has the Company been notified by any Governmental Authority of any labor or employee-related investigation involving the Company.

(e) Immigration Matters. Each employee of the Company was hired in compliance with the Immigration Reform and Control Act of 1986 and the rules and regulations thereunder ("IRCA") and/or any other applicable immigration related Laws (including any applicable E-Verify obligations) and the Company is in compliance with and at all times has complied with all recordkeeping and other regulatory requirements under IRCA and/or any other applicable immigration related Laws (including any applicable E-Verify obligations). Except as set forth on **Schedule 4.19(e)**, the Company does not have any employees who hold temporary (non-immigrant) visas, nor has it entered into any contractual obligations with any employee or prospective employee to assist in obtaining permanent residence on behalf of the employee.

(f) WARN Act; COVID-19 Impact. The Company has not taken any action that could constitute a "mass layoff," "mass termination," or "plant closing" within the meaning of the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar state or local Law.

4.20 Litigation; Orders. Other than (i) Claims where Buyer or its Affiliates are named as co-defendants, or (ii) as set forth on **Schedule 4.20,** there are no Claims pending or, to the Knowledge of the Company, threatened (a) against or by the Company affecting any of its properties or assets other than (1) Claims where the demand amount is less than $50,000, (2) Claims for which the Company or the Contributors are indemnified or otherwise defended by third party insurers, or (3) where such Claims are otherwise not reasonably likely to prevent, materially delay or materially impair Contributor's ability to perform its obligations under this Agreement and all other Transaction Documents to which Contributor is a party; or (b) against or by the Company that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. The Company is not a party to, or bound by, any Order (or agreement entered into in any administrative, judicial or arbitration proceeding with any Governmental Authority) with respect to or affecting the Company, and there are no unsatisfied judgments, penalties or awards against or affecting the Company or any of its properties or assets.

4.21 Insurance. **Schedule 4.21(i)** contains a list of all insurance policies maintained by the Company and relating to the assets, business, operations, employees, officers or managers of the Company. The Company has delivered to Buyer copies of all such insurance policies and all pending applications by the Company for any insurance coverage, which copies are true, correct and complete in all material respects. Such insurance policies are in full force and effect and the Company has not received any written notice of any cancellation of such insurance. The Company is in compliance with its obligations pursuant to such policies. The Company currently maintains all insurance coverage required by applicable Laws or any Contract to which the Company is a party. All premiums due under all such insurance policies have been timely paid as of the Closing. No limits under any such policies have been exhausted or significantly diminished. **Schedule 4.21(ii)** sets forth, by year, for the current policy year and each of the three (3) preceding policy years in respect of each policy for liability, property or casualty: (a) a summary of loss experience under such policy; (b) a statement describing each Claim under each policy for an amount in excess of $10,000; and (c) a statement describing the loss experience for all Claims that were self-insured, including the number and aggregate cost of such Claims. The Company has not failed to give notice or present any Claim for an amount in excess of $10,000, either individually or in the aggregate, under any insurance policy in a due and timely fashion and has not received: (x) any refusal or dispute of coverage or notice that a defense will only be afforded with a reservation of rights; or (y) except for those policies that the Company chooses not to renew, any notice of cancellation or any other indication that any insurance policy is no longer in full force and effect or will not be renewed or that the issuer of any such policy is not willing or able to perform its obligations thereunder. The Company has never had a lapse of insurance coverage. All policies to which the Company is a party or that provide coverage to the Company or any officer or manager of the Company: (i) are "occurrence based" insurance policies and (ii) will continue in full force and effect following the consummation of the transactions contemplated in this Agreement through tail policies or otherwise.

4.22 Affiliate Transactions. Other than as specifically described on **Schedule 4.22**, none of the Contributors, nor any Affiliate, ancestor, sibling, descendant or spouse of any of the Contributors: (a) is or has been within the last three (3) years a party to any Contract or transaction with the Company (other than in such person's capacity as an employee of the Company); or (b) has or has had within the last three (3) years any direct or indirect financial interest in a competitor, supplier, sales representative, distributor or customer of the Company or any other Person that (i) has or has had business dealings in excess of $10,000 in a calendar year with the Company, or (ii) is or was engaged in competition with the Company.

4.23 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of the Contributors or the Company.

4.24 Accuracy of Representations. All of the representations in this Section 3, other than the Company Fundamental Representations, are materially true and correct as of December 29, 2022, unless otherwise specified. The Company Fundamental Representations are true and correct as of the Closing Date.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to the Company and the Contributors as follows:

5.1 Organization. Buyer is a limited partnership duly and validly organized and existing in good standing under the Laws of the State of Delaware and has full limited liability company power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted.

5.2 Authorization; Enforceability. The execution, delivery, and performance of this Agreement by Buyer, and all of the other Transaction Documents to which Buyer is a party, are within the corporate power of Buyer and have been duly authorized by all necessary corporate action. This Agreement and each of the other Transaction Documents to which Buyer is a party constitute, assuming the due authorization, execution and delivery hereof and thereof by the parties hereto and thereto other than Buyer, the valid and binding agreements of Buyer, enforceable in accordance with their respective terms, except as enforceability hereof or thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other Laws affecting creditors' rights generally and limitations on the availability of equitable remedies (regardless of whether enforcement is sought in a proceeding at law or in equity).

5.3 No Violation or Conflict. The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which Buyer is a party: (a) do not and will not conflict with or violate any Law, the Charter Documents of Buyer, or any Contract to which Buyer is a party or by which Buyer is bound or give rise to a right of termination or acceleration of an obligation thereunder which would, in each case, materially adversely affect the ability of Buyer to timely consummate any of the transactions contemplated by this Agreement or the other Transaction Documents; and (b) do not require any Consent or other action by or notice to any third parties, including any declarations or filings with any court or Person, the failure of which to be obtained or made would not materially adversely affect the ability of Buyer to timely consummate any of the transactions contemplated by this Agreement or the other Transaction Documents.

5.4 OP Units. All of the OP Units have been duly authorized and are validly issued, fully paid and non-assessable. Assuming the accuracy and completeness of the Contributors' representations in Section 3.6, all of the OP Units were issued in compliance with all applicable Laws. None of the OP Units were issued in violation of any of Buyer's Charter Documents or in violation of any other agreement, arrangement or commitment to which Buyer or any of its Affiliates is or was a party or is or was subject to or in violation of any preemptive or similar rights of any Person. There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the equity of Buyer or obligating Buyer or any of its Affiliates to issue or sell any equity of, or any other interest in Buyer. Except for this Agreement, the charter of the REIT and the Buyer LP Agreement, there are no voting trusts, equityholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Class C Units.

5.5 Brokers. No broker, finder or financial advisor or other Person is entitled to any brokerage fees, commissions, finders' fees or financial advisory fees in connection with the transactions contemplated hereby by reason of any action taken by Buyer or any of its members, managers, officers, employees, representatives or agents.

5.6 No Restrictions on Transfer. There are no restrictions on transfer of the OP Units (or additional Class C Units issued by Buyer hereunder, as applicable) except as referenced in this Agreement, in the Buyer LP Agreement.

ARTICLE VI
COVENANTS

6.1 Access to Information. Buyer shall (and shall cause the Company to) hold all the books and records of the Company existing on the Closing Date ("Closing Books and Records") and not to destroy or dispose of any such books or records for a period of six (6) years from the Closing Date. During that six (6) year period, Buyer shall (and shall cause the Company to), during normal business hours, upon reasonable notice, make available and provide the Contributors Representative and its authorized representatives with access to such Closing Books and Records that they may reasonably require with respect to any reasonable business purpose (including, without limitation, any Tax matter). Notwithstanding anything to the contrary set forth in this Agreement, the access and disclosure of information contemplated by this Section 6.1 shall not be permitted to the extent that such access or disclosure is related to any dispute or pending or threatened litigation between any of the Parties (or any of their respective Affiliates).

6.2 Further Assurances. At and after the Closing, the officers and managers of the Company will be authorized to execute and deliver, in the name and on behalf of the Company or Buyer, any deeds, bills of sale, assignment or assurances and to take and do, in the name and on behalf of the Company or Buyer, any other actions and things to vest, perfect or confirm of record or otherwise in the Company or Buyer any and all right, title and interest in, to and under any of the rights, properties or assets of the Company acquired or to be acquired by Buyer as a result of, or in connection with, the transactions contemplated hereby.

6.3 Tax Matters.

(a) Tax Returns.

(i) The Contributors Representative shall, at the Contributors' sole cost and expense, prepare the IRS Form 1065 (and any comparable state and local Tax Returns) of the Company for any Tax period ending on or prior to the Closing Date (and any other Tax Return of the Company for any Tax period ending on or prior to the Closing Date with respect to which the items of Company income, gain, loss, deduction, and credit shown thereon are passed through to the Company's owners (collectively, the "Partnership Returns"). Each Partnership Return shall be prepared in accordance with existing procedures and practices and accounting methods of the Company, except as required by applicable Law. Each Partnership Return due after the Closing Date that needs to be filed by the Company shall be submitted to Buyer for Buyer's review at least thirty (30) days prior to the due date of the Tax Return. The Contributors Representative shall incorporate all reasonable written comments of Buyer received by the Contributors Representative at least ten (10) days prior to the due date of such Tax Return. No Partnership Return may be amended after the Closing without the prior written consent of Buyer.

(ii) Buyer shall prepare and file or cause to be prepared and filed all Tax Returns for the Company for any Pre-Closing Tax Period or Straddle Period which are due after the Closing Date and are not Partnership Returns (the "Buyer Prepared Returns"). To the extent that a Buyer Prepared Return relates solely to a Pre-Closing Tax Period, such Tax Return shall be prepared in accordance with existing procedures and practices and accounting methods of the Company, unless otherwise required by Law. Each Buyer Prepared Return that shows an Indemnified Tax shall be submitted to the Contributors Representative for its review and comment within a reasonable time prior to the due date of the Tax Return. Buyer shall incorporate any reasonable comments made by the Contributors Representative in the final Tax Return prior to filing. No failure or delay of Buyer in providing Buyer Prepared Returns for the Contributors Representative to review shall reduce or otherwise affect the obligations or liabilities of the Contributors pursuant to this Agreement, except to the extent the Contributors are actually and materially prejudiced by such failure or delay. The Contributors Representative shall deliver to Buyer, at least three (3) Business Days prior to the date on which such Taxes are required to be paid, any Indemnified Taxes shown as due on a Buyer Prepared Return.

(iii) The Contributors, the Contributors Representative and Buyer agree to take all steps such that an election under Section 754 of the Code (and any similar election under state, local and, if applicable, foreign Law) with respect to the Company will be made or will be in effect for the Tax period of the Company that includes the Closing Date.

(b) Straddle Period Allocation. The parties hereto hereby agree that the Tax year of the Company shall end for federal income Tax purposes as of the end of the Closing Date and, to the extent permissible under applicable Law, the Company shall elect to have each of its other Tax years end as of the end of the Closing Date. For purposes of determining the amount of Taxes for any Straddle Period that are attributable to a Pre-Closing Tax Period, the parties hereto agree as follows:

(i) in the case of all property Taxes and other similar Taxes imposed on a periodic basis, the amount attributable to the portion of the Straddle Period ending on the Closing Date equals the amount of such Tax for the entire Tax period multiplied by the number of days in the Straddle Period ending on the Closing Date and divided by the total number of days in the entire Straddle Period;

(ii) in the case of any payroll taxes related to any bonus or severance payments arising from this transaction or any other Taxes imposed on the Company with respect to the payment of any expenses arising from this transaction, such Taxes shall be treated as Taxes of the Company for a Pre-Closing Tax Period (or portion of the Straddle Period ending on the Closing Date) to the extent any such payment was treated as deductible in a Pre-Closing Tax Period (or portion of the Straddle Period ending on the Closing Date); and

(iii) in the case of all other Taxes for a Straddle Period (including income Taxes, employment Taxes and sales and use Taxes), the amount attributable to the portion of the Straddle Period ending on the Closing Date equals the amount that would be payable if the relevant Tax period ended on the Closing Date using a “closing of the books methodology”; provided that all permitted allowances, exemptions and deductions that are normally computed on the basis of an entire year or period (such as amortization and depreciation deductions and the effect of graduated rates) will be allocated between the portion of the taxable period ending on the Closing Date and the remainder of the taxable period based on the mechanics set forth in clause (i) for periodic Taxes;

For the avoidance of doubt, any payroll or other employment Taxes of the Company for any Pre-Closing Tax Period that are deferred pursuant to Section 2302 of the CARES Act shall be treated as attributable to a Pre-Closing Tax Period.

(c) Tax Proceedings. If any Governmental Authority issues to the Company (i) a written notice of its intent to audit or conduct another legal proceeding with respect to Indemnified Taxes or Partnership Returns or (ii) a written notice of deficiency for Indemnified Taxes or with respect to Partnership Returns, Buyer shall notify the Contributors Representative of its receipt of such communication from the Governmental Authority within thirty (30) days of receipt. No failure or delay of Buyer in the performance of the foregoing shall reduce or otherwise affect the obligations or liabilities of Contributors pursuant to this Agreement, except to the extent that the Contributors are actually and materially prejudiced by such failure or delay. The Company shall control any audit or other legal proceeding in respect of any Tax Return or Taxes of the Company (a “Tax Contest”); provided, however, that (A) the Contributors Representative, at the sole cost and expense of the Contributors, shall have the right to participate in any such Tax Contest to the extent it relates to a Pre-Closing Tax Period; and (B) Buyer shall not allow the Company to settle or otherwise resolve any Tax Contest if such settlement or other resolution relates to Taxes for a Pre-Closing Tax Period without the permission of the Contributors Representative (which will not be unreasonably withheld, delayed or conditioned). Notwithstanding the foregoing, the Contributors Representative shall control the conduct of any Tax Contest relating to a Partnership Return; provided, however, that (1) the Contributors Representative shall keep Buyer and the Company reasonably informed regarding the status of such Tax Contest; (2) the Contributors Representative shall control the Tax Contest

diligently and in good faith; (3) Buyer shall have the right to participate in such Tax Contest; (4) the Contributors Representative shall not settle, resolve or abandon the Tax Contest (or any portion thereof) without the prior written consent of Buyer (which will not be unreasonably withheld, delayed or conditioned); and (5) the Contributors shall bear all costs and expenses of the Contributors Representative and the Company in controlling such Tax Contest. Notwithstanding anything to the contrary herein, the Company shall make (or cause to be made) a "push out" election under Section 6226 of the Code (and any corresponding election available under applicable state or local law) with respect to any imputed underpayment (within the meaning of Section 6225 of the Code) for any Pre-Closing Tax Period of the Company. The Company shall in all events timely seek (and cause the partnership representative, as that term is used in the Code, to timely seek) reduction of any imputed underpayment for any Pre-Closing Tax Period of the Company to the full extent permitted by Section 6225 of the Code.

(d) Cooperation in Tax Matters. The Contributors, Buyer and the Company shall cooperate fully in connection with the preparation and filing of Tax Returns of the Company and any pending or threatened Tax audit, assessment, litigation or other legal proceeding with respect to Taxes of the Company, and each Party shall provide any information necessary or reasonably requested to allow other Parties to comply with any information reporting or withholding requirements contained in the Code or other applicable laws or to compute the amount of payroll or other employment Taxes due with respect to any payment made in connection with this Agreement. Each Party shall furnish the other Parties with copies of all relevant correspondence received from any taxing authority in connection with any Tax audit or information request with respect to any Taxes for which the other may have an indemnification obligation under this Agreement.

(e) Transfer Taxes. All federal, state, local, non-U.S. transfer, excise, sales, use, ad valorem, value added, registration, stamp, recording, property and similar Taxes or fees applicable to, imposed upon, or arising out of the transfer of the shares in the Company or any other transaction contemplated by this Agreement and all related interest and penalties (collectively, "Transfer Taxes") shall be borne fifty percent (50%) by Buyer and fifty percent (50%) by the Contributors. The parties hereto shall cooperate in good faith to reduce or eliminate any Transfer Taxes which could apply to the Transactions.

(f) Certain Tax Distributions. Notwithstanding anything to the contrary, no Contributor shall retain any right to any distribution for Taxes pursuant to the terms of the Company's operating agreement.

(g) Tax Refunds. Subject to this Section 6.3(g), all refunds of Taxes (other than refunds of Transfer Taxes, which shall be allocated in the same manner as Transfer Taxes are allocated under Section 6.3(e)) of the Company for any Pre-Closing Tax Period (determined, with respect to a Straddle Period, in accordance with the same principles provided in Section 6.3(b)), whether in the form of cash received from the applicable Governmental Authority or a direct credit against Taxes that are not Indemnified Taxes, shall be for the benefit of the Contributors. To the extent that Buyer or the Company receives a refund that is for the benefit of the Contributors, Buyer shall pay to the Contributors Representative for distribution to the Contributors the amount of such refund (without interest other than interest received from the applicable Governmental Authority), net of any reasonable costs incurred by Buyer or its Affiliates in obtaining, receiving or paying over such refunds, including Taxes). The net amount due to the Contributors shall be payable ten (10) days following actual receipt of such Tax refund (or, if the refund is in the form of direct credit, ten (10) days after filing the Tax Return claiming such credit). Nothing in this Section 6.3(g) shall require that Buyer make any payment with respect to any refund for a Tax (and such refunds shall be for the benefit of Buyer and the Company) that is with respect to (A) any refund of Tax that is the result of the carrying back of any Tax attribute or Tax credit incurred in a Tax period (or portion thereof) beginning after the Closing Date, (B) any refund of an Indemnified Tax paid after the Closing Date to the extent the Contributors have not indemnified Buyer or the Company for such Taxes, (C) any refund for Tax that is reflected as a current asset (or offset to a current liability) on the Closing Date Working Capital, as finally determined, or (D) any refund for Tax that gives rise to a payment obligation of

the Company to any Person under applicable Law or pursuant to a provision of a contract or other agreement entered into (or assumed) by the Company prior to Closing.

(h) Post-Closing Tax Actions. Unless required by applicable Law, or unless such action would not result in an indemnification obligation of the Contributors under Article VII or otherwise result in additional Taxes to Contributors (or any direct or indirect equity owner of any Contributor), neither the Company nor Buyer (including its Affiliates) will (i) file or amend any Tax Returns of the Company for any Tax period ending on or prior to the Closing Date, (ii) extend or waive, or cause to be extended or waived, any statute of limitations or other period for the assessment of any Tax of the Company for any Tax period ending on or prior to the Closing Date, (iii) make or change any material Tax election or accounting method or practice of the Company with respect to, or that has retroactive effect to, any Tax period ending on or prior to the Closing Date, or (iv) enter into a voluntary disclosure agreement or make any similar voluntary disclosure to a Governmental Authority regarding Taxes of the Company for any Tax period ending on or prior to the Closing Date, in each case without the prior consent of the Contributors' Representative, not to be unreasonably conditioned, withheld, or delayed.

(i) Transaction Costs. All Transaction Costs shall be allocated to and reported as Tax deductions in the Pre-Closing Tax Period, to the extent permitted by Law (based on a "more likely than not" or higher level of comfort).

6.4 Non-Competition; Non-Solicitation and Confidentiality.

(a) For a period of five (5) years commencing on the Closing Date, each Contributor shall not, and shall not permit any of its Affiliates to, directly or indirectly, (i) engage in or assist others in engaging in the Business in any state in which the Company is qualified or is required to be qualified to do business or any state in which the Company has otherwise taken reasonable steps to engage in the Business, in each case, as of the Closing Date (the "Territory"); (ii) be or become an officer, director, stockholder, investor, beneficiary, promoter, owner, co-owner, Affiliate, partner, joint venturer, member, employee, agent, representative, consultant, advisor, manager of or otherwise render any services to or have an interest in any Person that engages directly or indirectly in the Business in the Territory in any capacity; or (iii) intentionally interfere in any respect with the business relationships (whether formed prior to or after the date of this Agreement) between the Company and any customers or suppliers of the Company. Notwithstanding the foregoing, each Contributor may (A) own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if such Contributor is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own two percent (2%) or more of any class of securities of such Person and/or (B) own equity interests in Buyer and/or the REIT or continue to be involved in the management of or be an employee of the Company or its Affiliates.

(b) For a period of five (5) years commencing on the Closing Date, each Contributor shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any employee of the Company who was employed by the Company on, or within six (6) months prior to, the date of such hiring or solicitation, or otherwise encourage any such employee to leave such employment, except pursuant to a general solicitation which is not directed specifically to any such employees.

(c) Each Contributor recognizes that by reason of (i) his or her ownership of the Contributed Equity Interests, and (ii) the information provided by Buyer to such Contributor and/or the Company in connection with the transactions contemplated hereby, such Contributor has acquired and/or will acquire Confidential Information of the Company and Buyer, the use or disclosure of which could cause Buyer, the Company and/or their respective Subsidiaries and Affiliates substantial loss and damages that could not be readily calculated and for which a remedy at Law may not be adequate. Accordingly, each Contributor covenants and agrees with Buyer that such Contributor will not, at any time, except in performance of such Contributor's obligations to Buyer, directly or indirectly, disclose or publish, or permit other Persons within Contributor's control (including such Contributor's Affiliates) to disclose or publish, any Confidential Information, unless (a) such information becomes generally known to the public not resulting from breach by Contributor of this Section 6.4(d), (b) disclosure is required by Law or the order of any Governmental Authority of competent jurisdiction under Law, or (c) the disclosing party reasonably believes that such disclosure is required in connection with the defense of a lawsuit against the disclosing party; provided that prior to disclosing any information pursuant to clause (a) or (b) above, to the extent permitted by applicable law, such Person shall give prior written notice thereof to Buyer and provide Buyer with the opportunity to contest such disclosure and shall, but at no expense to Contributor, cooperate with efforts to prevent such disclosure.

(d) Each Contributor acknowledges and agrees that a breach or threatened breach of this Section 6.4 would give rise to irreparable harm to Buyer, for which monetary damages may not be an adequate remedy, and hereby agrees that in the event of a breach or threatened breach by any Contributor of any such obligations, Buyer shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to seek equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

(e) Each Contributor acknowledges that the restrictions contained in this Section 6.4 are reasonable and necessary to protect the legitimate interest of Buyer and constitute a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this Section 6.4 should ever be adjudicated to exceed the temporal, geographic, product or service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service, or other limitations permitted by applicable Law. The covenants contained in this Section 6.4 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

6.5 Contributors' Names. Within ten (10) business days following the Closing, each Contributor that is an entity shall change its legal name in its jurisdiction of formation and each jurisdiction where it is qualified as a foreign limited liability company to a name that does not use "VineBrook" or any derivation thereof.

6.6 Credit Support. Following the Closing, Buyer shall use commercially reasonable best efforts to cause Buyer or one of its Affiliates (including the Company from and after the Closing) acceptable to PNC to be substituted in all respects for Contributors or their Affiliates, as applicable, with respect to each of the PNC Guaranties.

ARTICLE VII
INDEMNIFICATION

7.1 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein will survive the Closing and will remain in full force and effect until the nine-month anniversary of the Closing Date (the "General Survival Date"); provided, that the Contributor Fundamental Representations, the Company Fundamental Representations and the Buyer Fundamental Representations will survive until the sixth anniversary of the Closing Date, and the representations and warranties contained in Section 4.10 (Taxes) shall survive for the full period of the applicable statutes of limitations plus sixty (60) days). All covenants and agreements contained in this Agreement that are to be performed in whole prior to the Closing shall survive the Closing Date but shall terminate on the General Survival Date. All covenants and agreements contained in this Agreement that are to be performed in whole or in part after the Closing shall survive the Closing for the period contemplated therein. Notwithstanding the foregoing, any Claims asserted in accordance with this Article VII prior to the expiration date of the applicable survival period will not thereafter be barred by the expiration of the relevant representation, warranty or covenant and such Claims will survive until finally resolved.

7.2 Indemnification by the Contributors.

Subject to the limitations set forth in Section 7.5 below:

(a) each Contributor shall, severally and not jointly, in accordance with their Allocation Percentage, indemnify and hold Buyer and its current and future Affiliates (including after the Closing, the Company), their successors and permitted assigns, and any of their respective equityholders, agents, employees, representatives, officers, directors and managers (collectively the "Buyer Indemnitees") harmless from and against any and all losses, damages, costs, expenses, liabilities, obligations, and Claims of any kind (including reasonable attorneys' fees and other costs and expenses) ("Damages") asserted against and/or suffered by any Buyer Indemnitee to the extent arising out of or in connection with any of the following:

(i) any breach or inaccuracy of any of the representations and warranties made by such Contributor in Article III of this Agreement (other than the Contributor Fundamental Representations made by such Contributor);

(ii) any breach or inaccuracy of any of the Contributor Fundamental Representations made by such Contributor; and

(iii) any breach or failure by such Contributor to comply with, carry out, perform, satisfy, or discharge any of its respective covenants, agreements, undertakings, liabilities, or obligations in or pursuant to this Agreement.

(b) the Contributors shall, severally and not jointly, in accordance with their Allocation Percentage, indemnify and hold the Buyer Indemnitees harmless from and against any and all Damages asserted against and/or suffered by any Buyer Indemnitee to the extent arising out of or in connection with any of the following:

(i) any breach or inaccuracy of any of the representations and warranties made in Article IV (other than the Company Fundamental Representations);

(ii) any breach or inaccuracy of any of the Company Fundamental Representations;

(iii) any breach or failure by the Company to comply with, carry out, perform, satisfy, or discharge any covenants, agreements, undertakings, liabilities, or obligations in or pursuant to this Agreement;

(iv) any Indemnified Taxes;

(v) any Debt not paid at or prior to Closing and not otherwise accounted for in the Adjustment Amount; and

(vi) any Transaction Costs not paid at or prior to Closing.

7.3 Indemnification by Buyer.

Buyer shall indemnify and hold the Contributors their successors and permitted assigns, and any of their respective equityholders, agents, employees, representatives, officers, directors and managers (collectively the "Contributor Indemnitees") harmless from and against any and all Damages asserted against and/or suffered by the Contributor Indemnitees, to the extent arising out of or in connection with any of the following:

(a) any breach or inaccuracy of any of the representations and warranties made by Buyer in Article V (other than the Buyer Fundamental Representations) or contained in any certificate or instrument delivered by or on behalf of Buyer;

(b) any breach or inaccuracy of any of the Buyer Fundamental Representations;

(c) any breach or failure by Buyer to comply with, carry out, perform, satisfy, or discharge any of its covenants, agreements, undertakings, liabilities, or obligations in or pursuant to this Agreement or any other Transaction Documents; and

(d) any liability under the PNC Guaranties to the extent such liability arises from or relates to any incident, occurrence, condition, claim or conduct existing, arising or accruing on or after the Closing Date.

7.4 Indemnification Procedures.

The party making a Claim under this Article VII is referred to as the "Indemnified Party", and the party against whom such Claims are asserted under this Article VII is referred to as the "Indemnifying Party".

(a) Third Party ClaimsIf any Indemnified Party receives notice of the assertion or commencement of any Claim made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement (a "Third Party Claim") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party will give the Indemnifying Party (and the Contributors Representatives on behalf of the Contributors, if applicable) prompt written notice thereof, but in any event not later than thirty (30) days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice will not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party can prove that it was materially prejudiced as a direct result of such failure. Such notice by the Indemnified Party (a "Claim Notice") will describe the Third-Party Claim in reasonable detail to the extent then feasible and will indicate the estimated amount, if reasonably practicable, of the Damages that have been or may be sustained by the Indemnified Party. The Indemnifying Party will have the right to participate in, or after giving written notice within ten (10) days after receipt of the Claims Notice to the Indemnified Party acknowledging in writing its obligation to indemnify the Indemnified Party against all Damages that may result from such Third Party Claim, to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party will cooperate in good faith in such defense; provided, that if the Indemnifying Party is one or more of the Contributors, the Indemnifying Party shall not have the right to defend or direct the defense of any such Third Party Claim (i) that seeks an injunction or other equitable relief against the Indemnified Party, (ii) to the extent such claim involves criminal allegations against the Indemnified Party, (iii) if such claim would impose liability on the part of the Indemnified Party in excess of the liability that would be imposed on the Indemnifying Party, or (iv) if such claim gives right to one or more legal or equitable defenses available to the Indemnified Party and in the reasonable opinion of outside counsel for the Indemnified Party counsel for the Indemnifying Party could not adequately represent the Indemnified Party's interest and assert such defenses because they conflict with the interests of the Indemnifying Party. In the event that the Indemnifying Party assumes the defense of any Third-Party Claim, subject to Section 7.4(b), it will have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party will have the right to participate in the defense of any Third-Party Claim with counsel selected by it, subject to the Indemnifying Party's right to control the defense thereof, and the fees and disbursements of such counsel will be at the expense of the Indemnified Party. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim, fails to notify the Indemnified Party in writing of its election to defend as provided in this Agreement, or fails to diligently prosecute the defense of such Third Party Claim, the Indemnified Party may, subject to Section 7.4(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Damages based upon, arising from or relating to such Third Party Claim. The Contributors and Buyer will cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(b) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party will not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent will not be unreasonably withheld or delayed), except as provided in this Section 7.4(b). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such

offer, the Indemnifying Party will give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim will not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim in writing within two (2) days after the expiration of the ten (10) day period, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defense of any Third Party Claim pursuant to Section 7.4(a), it will not agree to any settlement without the written consent of the Indemnifying Party (which consent will not be unreasonably withheld or delayed).

(c) Direct Claims. Any Claim by an Indemnified Party on account of Damages which do not result from a Third Party Claim (a "Direct Claim") will be asserted by the Indemnified Party giving the Indemnifying Party (and the Contributors Representatives on behalf of the Contributors, if applicable) prompt written notice thereof within the applicable survival period specified in Section 7.1. Such notice by the Indemnified Party will describe the Direct Claim in reasonable detail to the extent then feasible and will indicate the estimated amount, if reasonably practicable, of the Damages that have been or may be sustained by the Indemnified Party.

(d) To the extent that there is an inconsistency between this Section 7.4 and Article VI as it relates to a Tax matter, the provisions of Article VI shall govern.

7.5 Limits on Indemnification.

Except for Claims based on Fraud, the following provisions shall apply to limit the Buyer Indemnitees' ability to recover for Damages:

(a) No Contributor shall have any obligation to indemnify the Buyer Indemnitees with respect to any Damages pursuant to Section 7.2(a)(i) and Section 7.2(b)(i) until the Buyer Indemnitees have first suffered aggregate Damages in excess of $200,000 (the "Deductible"), at which time Contributors will be obligated to indemnify the Buyer Indemnitees with respect to the aggregate amount of all Damages described in Section 7.2(a)(i) and Section 7.2(b)(i) in excess of the Deductible, in each case subject to the limitations set forth in this Article VII.

(b) The aggregate liability of the Contributors to indemnify the Buyer Indemnitees under Section 7.2(a)(i) and Section 7.2(b)(i) shall not exceed $2,000,000.

(c) The aggregate liability of the Contributors to indemnify the Buyer Indemnitees under Section 7.2(a)(ii)-(iii) and Section 7.2(b)(ii)-(vi) shall not exceed such Contributor's proceeds actually received (*i.e.*, such Contributor's allocable portion of the Closing Consideration Amount, subject to adjustment for any Adjustment Amount) hereunder.

(d) In the event that a Claim may be asserted under more than one provision of Section 7.2, then the Buyer Indemnitee shall be entitled to select the provision of Section 7.2 under which to assert such Claim.

7.6 Right to Setoff.

Subject to Section 7.9 hereof, the Contributors hereby agree that with respect to any right to indemnification under this Article VII or any other post-Closing obligations of the Contributors under this Agreement or any other Transaction Documents to the extent not timely paid in full by the Contributors or the Contributors Representative, and not subject to dispute between the Parties as to amounts owed hereunder, Buyer is hereby authorized, at its option with respect to such unpaid amount owed, to (i) set-off or cancellation against any post-Closing distributions payable by Buyer (or its Affiliates) to any Contributor that owns OP Units (or equity securities exchanged for such OP Units) (or their respective Affiliates) relative to such OP Units (or equity securities exchanged for such OP Units) and/or (ii) cancellation or forfeiture of the OP Units (or equity securities exchanged for such OP Units) held by a Contributor that owns OP Units (or its respective Affiliates), utilizing the then fair market value of such OP Units (or equity securities exchanged for such OP Units), taking into account the reduction in fair market value as a result or consequence of the Damages or the facts, circumstances or events related thereto.

7.7 Tax Treatment of Indemnification Payments.

All indemnification payments made under this Agreement will be treated by the Parties as an adjustment to the aggregate consideration for the Contributed Equity Interests for Tax purposes, unless otherwise required by Law.

7.8 Materiality Qualifiers.

For the purpose of determining whether a breach or inaccuracy of any representation or warranty has occurred and for the purpose of determining the amount of Damages under this Article VII, the representations and warranties contained in Article III and Article IV shall not be deemed qualified by any references to “material”, “materiality”, “in all material respects”, “Material Adverse Effect”, or any similar term or phrase (but, for the avoidance of doubt, excluding the term “Material Contract”), in each case to the extent such qualifiers appear in such representations and warranties, and all of which terms or phrases shall be disregarded for such purposes.

7.9 Setoff Priority

Notwithstanding anything else in this Article VII, any indemnification obligation of the Contributors pursuant to this Article VII shall be satisfied as follows: (a) first, as a set-off against the OP Units, and (b) second, paid directly by the Contributors, severally and not jointly, by wire transfer of immediately available funds, subject to the limitations and procedures herein.

7.10 Exclusive Remedy.

Following the Closing, except for claims based on Fraud, the sole and exclusive remedy for the breach of any representation or warranty of this Agreement shall be the indemnification provisions set forth in this Article VII; provided, however, that nothing herein will limit or otherwise affect any Party’s rights to specific performance, injunctive or other equitable relief to enforce its rights under this Agreement or otherwise in connection with the transactions contemplated hereby.

MISCELLANEOUS

8.1 Amendment and Waiver. This Agreement may only be amended if such amendment is set forth in a writing executed by Buyer and the Contributors Representative (on behalf of the Company and the Contributors). Except as otherwise set forth herein, no waiver of any provision of this Agreement shall be binding unless such waiver is in writing and signed by the Party against whom such waiver is to be enforced. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy with respect to a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

8.2 Notices. All notices, demands and other communications given or delivered under this Agreement will be in writing and will be deemed to have been given when personally delivered or sent by electronic means of transmitting written documents, or sent to the Parties at the respective addresses indicated herein by private overnight mail courier service. Notices, demands and communications sent by electronic means must also be sent by regular U.S. mail or by private overnight mail courier service to the Parties in order for such notice to be effective. Notices, demands and communications to the Company, Buyer, the Contributors or the Contributors Representative must, unless another address is specified in writing, be sent to the address indicated below:

If to the Contributors or the Contributors Representative:

c/o VineBrook Homes, LLC
561 Virginia Road
Concord, Massachusetts 01742
Attn: Messrs. Sprong and McGarry
Email: dana.sprong@VineBrookhomes.com
ryan.mcgarry@VineBrookhomes.com

with a copy (which copy shall not constitute notice to the foregoing) to:

King & Spalding LLP
1180 Peachtree Street NE
Atlanta, Georgia 30309
Attention: Spencer Johnson; Daniel Fowler
E-mail: csjohnson@kslaw.com; DFowler@kslaw.com

If to Buyer or the Company after the Closing Date:

c/o NexPoint Advisors, L.P.
300 Crescent Court, Suite 700
Dallas, Texas 75201
Attention: Brian Mitts
Email: BMitts@nexpointsecurities.com

with a copy (which copy shall not constitute notice to Buyer) to:

Winston & Strawn LLP
2121 N. Pearl Street, Suite 900
Dallas, Texas 75201
Attention: Charles T. Haag; Justin Reinus
E-mail: chaag@winston.com; jreinus@winston.com

Any of the above addresses may be changed at any time by notice given as provided above; provided, however, that any such notice of change of address shall be effective only upon receipt.

8.3 Binding Agreement; Assignment. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties hereto, whether by operation of law or otherwise, without the prior written consent of all other Parties hereto. Any attempted assignment of this Agreement in violation of this Section 8.3 will be void.

8.4 Severability. Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under Law, but if any provision of this Agreement is held to be prohibited by or invalid under Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

8.5 Other Definitional Provisions. The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Article, Section, clause, subsection, subclauses, Exhibit and Schedule references contained in this Agreement are references to Articles, Sections, clauses, subsections, subclauses, Exhibits and Schedules in or attached to this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the terms “include” or “including” are used in this Agreement (whether or not such terms are followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification. Each reference in this Agreement to any Laws will be deemed to include such Laws as it hereafter may be amended, supplemented or modified from time to time and any successor thereto, unless such treatment would be contrary to the express terms of this Agreement. Any term used but not defined in this Agreement shall have the meaning given to such term in Exhibit A, which Exhibit A is hereby incorporated herein by reference. Whenever any amount is stated in this Agreement in “Dollars” or by reference to the “**$**” symbol, such amount shall be United States dollars (unless a contrary intention appears) and will, when the context allows, include equivalent amounts in other currencies. The word “extent” in the phrase “to the extent” shall mean the degree to which a subject or other thing extends and such phrase shall not mean “if.”

8.6 Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

8.7 Entire Agreement. This Agreement (including the Exhibits and the Schedules) and the other Transaction Documents contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, whether written or oral, which may have related to the subject matter hereof in any way.

8.8 Counterparts and Facsimile Signatures. This Agreement may be executed and delivered (including by facsimile transmission or .pdf, .tif, .gif, .jpeg or similar attachment to electronic mail (any such delivery, an "Electronic Delivery")) in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart. No Party hereto shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each Party forever waives any such defense, except to the extent such defense relates to lack of authenticity.

8.9 Public Disclosure. Except for a press release approved by the Contributors Representative and Buyer at, prior to or after the Closing, and expect as required by applicable Law or the rules of any applicable securities exchange, none of the Parties shall make any disclosure or permit any of their respective Affiliates to make any public disclosure (whether or not in response to an inquiry) of the subject matter of this Agreement unless previously approved by Buyer and the Contributors Representative in writing.

8.10 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING IN WHOLE OR IN PART UNDER, RELATED TO, BASED ON, OR IN CONNECTION WITH, THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN TORT OR CONTRACT OR OTHERWISE. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 8.10 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

8.11 Jurisdiction. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE PARTIES HERETO AGREE THAT ANY SUIT, ACTION OR PROCEEDING SEEKING TO ENFORCE ANY PROVISION OF, OR BASED ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH, THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE BROUGHT IN THE STATE OR FEDERAL COURTS SITUATED IN COOK COUNTY, ILLINOIS, AND EACH OF THE PARTIES HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS (AND OF THE APPROPRIATE APPELLATE COURTS THEREFROM) IN ANY SUIT, ACTION OR PROCEEDING AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUIT, ACTION OR PROCEEDING IN ANY OF THOSE COURTS OR THAT ANY SUIT, ACTION OR PROCEEDING WHICH IS BROUGHT IN ANY OF THOSE COURTS HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. PROCESS IN ANY SUIT, ACTION OR PROCEEDING MAY BE SERVED ON ANY PARTY ANYWHERE IN THE WORLD, WHETHER WITHIN OR WITHOUT THE JURISDICTION OF ANY OF THE NAMED COURTS. WITHOUT LIMITING THE FOREGOING, EACH PARTY AGREES THAT SERVICE OF PROCESS ON IT BY NOTICE AS PROVIDED IN SECTION 8.2 SHALL BE DEEMED EFFECTIVE SERVICE OF PROCESS.

8.12 Governing Law. THIS AGREEMENT, AND ALL ACTIONS, CAUSES OF ACTION, QUESTIONS OR CLAIMS OF ANY KIND (WHETHER AT LAW, IN EQUITY, IN CONTRACT, IN TORT OR OTHERWISE) THAT MAY BE BASED UPON, ARISE OUT OF OR RELATE TO THIS AGREEMENT, OR THE NEGOTIATION, VALIDITY, EXECUTION, ENFORCEMENT OR PERFORMANCE OF THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

8.13 Attorneys' Fees. In any action or proceeding instituted by a Party arising in whole or in part under, related to, based on, or in connection with, this Agreement or the subject matter hereof, the prevailing Party shall be entitled to receive from the losing Party reasonable attorneys' fees, costs and expenses incurred in connection therewith, including any appeals therefrom.

8.14 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each Party hereto and its successors and permitted assigns. Nothing in this Agreement is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement except as expressly set forth herein. Notwithstanding the foregoing, from and after the Closing, Article VII is made for the benefit of the Buyer Indemnitees. All of the Persons identified in the immediately preceding sentence shall be entitled to enforce such provisions and to avail themselves of the benefits of any remedy for any breach of such provisions, all to the same extent as if such Persons were signatories to this Agreement.

8.15 Rules of Construction.

(a) Any rule of Law or any legal decision that would require interpretation of any ambiguities in this Agreement against any Party that drafted it is of no application and is hereby expressly waived.

(b) The inclusion of any information on the Disclosure Schedules shall not be deemed an admission or acknowledgment, in and of itself and solely by virtue of the inclusion of such information in the Disclosure Schedules, that such information is required to be listed in the Disclosure Schedules or that such items are material to the Company. The headings, if any, of the individual sections of the Disclosure Schedules are inserted for convenience only and shall not be deemed to constitute a part thereof or a part of this Agreement. The Disclosure Schedules are arranged in sections corresponding to those contained in Article IV merely for convenience, and the disclosure of an item in one section of the Disclosure Schedule as an exception to a particular representation or warranty shall be deemed adequately disclosed as an exception with respect to all other representations or warranties to the extent that the relevance of such item to such representations or warranties is reasonably apparent on the face of such item, notwithstanding the presence or absence of an appropriate section of the Disclosure Schedules with respect to such other representations or warranties or the presence or absence of a reference thereto in either the Disclosure Schedules or in the particular representation or warranty.

(c) The specification of any dollar amount in the representations and warranties or otherwise in this Agreement or in the Disclosure Schedules is not intended and shall not be deemed to be an admission or acknowledgment of the materiality of such amounts or items, nor shall the same be used in any dispute or controversy between the Parties to determine whether any obligation, item or matter (whether or not described herein or included in any schedule) is or is not material for purposes of this Agreement (other than with respect to any representation, warranty or provision of this Agreement in which such specification occurs).

8.16 Expenses. Except as otherwise expressly provided herein, the Company, Buyer and the Contributors shall each pay all of their own fees, costs and expenses (including fees, costs and expenses of legal counsel, investment bankers, advisors, accountants, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred by such Person in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Transaction Documents, the performance of their respective obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby and thereby.

8.17 Release and Covenant Not to Sue.

(a) Effective as of the Closing, each Contributor hereby fully and unconditionally releases, acquits and forever discharges the Company, Buyer and each of their Affiliates, and their respective past and present directors, managers, officers, equityholders, partners, stockholders, controlling persons, predecessors, employees, agents, successors and assigns (individually, a "releasee" and collectively, the "releasees"), in their capacity as such, from any and all Claims, hearings, Orders, liabilities, obligations, damages, costs, expenses, compensation or other relief whatsoever ("Released Claims"), whether known or unknown, suspected or unsuspected, contingent or otherwise, whether in Law or equity, of any kind, character or nature, which such Contributor now has or has ever had against the respective releasees, however arising and that relate in any way to such Contributor's ownership of any equity interests issued by the Company. The scope of this release and discharge shall include, without limitation, all Released Claims (i) relating to a breach of any fiduciary duty owed by the releasees to such Contributor and arising from any such equity interest or (ii) relating to any breach of the Company's Charter Documents, as such may be amended; provided, that the foregoing release and discharge shall not release (x) the Company, Buyer or any other releasee of their respective obligations or liabilities, if any, to such Contributor pursuant to this Agreement, (y) the Company of any indemnification obligations of the Company, as applicable, to such Contributor who is a current or former officer, manager, or employee of the Company, or (z) any obligations for employee benefits under any Benefit Plans of the Company disclosed to Buyer prior to the date of this Agreement. Each such Contributor understands and agrees that it is expressly waiving all claims against the releasees covered by this Agreement, including, but not limited to, those Released Claims that it may not know of or suspect to exist which, if known, may have materially affected the decision to provide this Agreement, and such Contributor expressly waives any rights under applicable Law that provide to the contrary. Notwithstanding anything contained herein to the contrary, nothing in this Section 8.17(a) shall be read to limit any Contributor's right to bring claims pursuant to this Agreement to enforce such Contributor's rights thereunder.

(b) Each Contributor hereby absolutely, unconditionally and irrevocably covenants and agrees with and in favor of each releasee that it will not sue (at Law, in equity, in any regulatory proceeding or otherwise) any releasee on the basis of any Released Claim released, acquitted and discharged by such Contributor pursuant to Section 8.17(a). If any such Contributor violates the foregoing covenant, such Contributor agrees to pay, in addition to such other damages as any releasee may sustain as a result of such violation, all attorneys' fees and costs incurred by any releasee as a result of such violation.

8.18 No Circular Recovery. Notwithstanding anything to the contrary herein, the Contributors hereby agree that the Contributors shall not make any claim for indemnification against Buyer or the Company by reason of the fact that a Contributor was a controlling person, officer or manager, of the Company or was serving as such for another Person at the request of the Company (whether such claim is for Damages of any kind or otherwise and whether such claim is pursuant to any Law, organizational or governance document, contract or otherwise) with respect to any claim brought by a Buyer Indemnitee under this Agreement or otherwise relating to this Agreement, any other Transaction Document or any of the transactions contemplated hereby or thereby. With respect to any claim brought by a Buyer Indemnitee under this Agreement or otherwise relating to this Agreement, any other Transaction Document or the transactions contemplated hereby or thereby, the Contributors expressly waive any right of

subrogation, contribution, advancement, indemnification or other claim against the Company with respect to any amounts owed by the Contributors hereunder.

8.19 Contributors Representative. In order to administer efficiently the transactions contemplated hereby and by the Transaction Documents, each Contributor hereby designates and appoints the Contributors Representative as its representative. Each Contributor hereby irrevocably grants the Contributors Representative full power and authority to act as agent and attorney-in-fact for such Contributor, with full power of substitution to do any and all things and execute any and all documents which may be necessary, convenient or appropriate to facilitate the consummation of the transactions contemplated by this Agreement, including without limitation: (a) to execute and deliver the Transaction Documents on behalf of such Contributor, (b) to give or agree to, on behalf of such Contributor, any and all consents, waivers, amendments or modifications deemed by the Contributors Representative, in its discretion, to be necessary or appropriate under this Agreement or the other Transaction Documents and the execution or delivery of any documents that may be necessary or appropriate in connection therewith, (c) to defend and/or settle any disputes with Buyer following the Closing and negotiate and compromise the same; provided, however, for the avoidance of doubt, each Contributor shall be responsible for their respective portion of any Damages due in connection with the settlement of such dispute, (d) to agree to the Final Purchase Price Adjustment Statement, (e) to engage attorneys, accountants, agents or consultants on behalf of such Contributor in connection with this Agreement or the other Transaction Documents and pay any fees related thereto, (f) prepare, execute and file the Partnership Returns, and otherwise take any actions relating to Tax matters as contemplated by Section 6.3, and (g) to take any and all additional action necessary or appropriate in the good faith judgment of the Contributors Representative for the accomplishment of the foregoing or as is contemplated to be taken by or on behalf of any Contributor, by the terms of this Agreement and the Transaction Documents. All decisions and actions by the Contributors Representative shall be conclusive and binding upon the Contributors, and no Contributor shall have the right to object, dissent, protest or otherwise contest the same. By execution of this Agreement, each such Contributor agrees that Buyer shall be able to rely exclusively and conclusively on the instructions and decisions of the Contributors Representative. The Contributors Representative may act on the opinion or advice of, or information obtained from, any attorney, banker, broker, accountant or other expert and shall not be responsible for any loss occasioned by so acting. The Contributors Representative shall not solely by reason of this agency arrangement have any fiduciary relationship in respect of any Contributor. In performing the functions specified in this Section 8.19, the Contributors Representative shall not be liable to any Contributor, Buyer or the Company in the absence of Fraud or willful misconduct on the part of the Contributors Representative, and each Contributor shall, and hereby does, indemnify and hold the Contributors Representative harmless from any losses arising out of it serving as agent hereunder in the absence of Fraud or willful misconduct on the part of the Contributors Representative. The provisions of this Section 8.19 shall be binding upon the executors, heirs, legal representatives, personal representatives, successor trustees and successors of each Contributor, and any references in this Agreement to such Persons shall mean and include the

successors to each Person's rights hereunder. All fees and expenses of the Contributors Representative in performing its duties pursuant to this Section 8.19 shall not be the personal obligation of the Contributors Representative but shall be payable at the Contributors Representative's election: (i) as a Transaction Cost if incurred and ascertainable prior to the Closing, (ii) out of distributions to the Contributors pursuant to this Agreement or (iii) by the Contributors. The Contributors Representative may from time to time submit invoices to the Contributors covering such expenses and, upon request of any Contributor, shall provide such Contributor with an accounting of all expenses paid.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

COMPANY:

VINEBROOK HOMES, LLC

By:___
Name: Ryan McGarry
Title: Manager

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CONTRIBUTORS:

VINEBROOK MANAGEMENT, LLC, a Delaware limited liability company

By: _____
Name: Ryan McGarry
Title: Manager

VINEBROOK DEVELOPMENT CORPORATION, a Delaware corporation

By: _____
Name: Dana W. Sprong
Title: President

VINEBROOK HOMES PROPERTY MANAGEMENT COMPANY, INC., an Ohio corporation

By: _____
Name: Dana W. Sprong
Title: President

VINEBROOK HOMES REALTY COMPANY, INC., an Ohio corporation

By: _____
Name: Dana W. Sprong
Title: President

VINEBROOK HOMES SERVICES COMPANY, INC., an Ohio corporation

By: _____
Name: Dana W. Sprong
Title: President

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CONTRIBUTORS REPRESENTATIVE:

_____
Dana W. Sprong

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

BUYER:

VINEBROOK HOMES OPERATING PARTNERSHIP, L.P., a Delaware limited partnership

By: _____
Name: Brian Mitts
Title: Authorized Signatory

EXHIBIT A

DEFINED TERMS

As used in the Agreement to which this Exhibit A is attached and incorporated by reference therein, the following terms will have the meanings specified:

"Accounting Arbitrator" has the meaning set forth in Section 1.6(c).

"Adjustment Amount" has the meaning set forth in Section 1.7(a).

"Affiliate" of a Person means a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned Person. Notwithstanding the foregoing, purposes of this Agreement, the REIT and its direct and indirect subsidiaries shall not be considered Affiliates of the Company.

"Allocation Percentage" means the allocation percentage set next to each Contributor's name on the Allocation Schedule.

"Allocation Schedule" means the calculation of how the Closing Consideration Amount is to be allocated, directly or indirectly, between each Contributor, as set forth on **Schedule A**; provided, that, Buyer and Buyer's Affiliates (including the Company from and after the Closing) shall be entitled to rely fully upon the Allocation Schedule for all purposes.

"Agreement" has the meaning set forth in the Introduction.

"ASC" means the Financial Accounting Standards Board Accounting Standards Codification.

"Base Purchase Price" has the meaning set forth in Section 1.2(a).

"Benefit Plan" means any written or unwritten pension plan, profit sharing plan, bonus plan, incentive compensation plan, deferred compensation plan, equity ownership plan, equity purchase plan, equity option plan, equity appreciation plan, retirement plan, retention plan, fringe benefit program, change-in-control plan, health, dental, life or disability plan, accident insurance plan, severance plan, sick leave plan, vacation plan, death benefit plan, supplemental unemployment plan, layoff or salary continuation plan, employee welfare plan or any other plan, program or policy, including without limitation any "employee benefit plan" as defined in Section 3(3) of ERISA, to provide income or benefits to active or former employees, managers, individual service providers or individual equityholders of any of the Company or any of their dependents.

"Business" means the business of buying, selling, owning and operating single-family rental assets, including, but not limited to, identifying and acquiring potential acquisition targets, managing the day-to-day affairs of the properties, renovating the homes, leasing the properties, managing tenant affairs, collecting rents, paying operating expenses, managing maintenance issues, accounting for each property using GAAP, and other responsibilities customary for the management of rental properties, and any other lines of business that the REIT, Buyer, their subsidiaries or the Company are participating in, or have taken substantive steps towards participating in, as of the Closing Date.

"Business Day" means any day other than: (a) a Saturday, Sunday or federal holiday or (b) a day on which commercial banks in Dallas, Texas are authorized or required to be closed.

"Buyer" has the meaning set forth in the Introduction.

"Buyer LP Agreement" means the Second Amended and Restated Limited Partnership Agreement of Parent Buyer, as amended or restated from time to time.

"Buyer Fundamental Representations" the representations and warranties in Section 5.1 (Organization), Section 5.2 (Authorization; Enforceability) and Section 5.4 (Brokers).

"Buyer Indemnitees" has the meaning set forth in Section 7.2(a).

"Buyer Prepared Returns" has the meaning set forth in Section 6.3(a)(ii).

"Call Right" has the meaning set forth in the Recitals.

"CARES Act" means the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116-36) and applicable rules, regulations and guidance thereunder, in each case as amended from time to time.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C.A. § 9601, et seq., and the rules, regulations and orders promulgated thereunder.

"Charter Documents" means (a) in the case of a Person that is a corporation, its articles or certificate of incorporation and its by-laws, regulations or similar governing instruments required by the Laws of its jurisdiction of formation or organization; (b) in the case of a Person that is a partnership, its articles or certificate of partnership, formation or association, and its partnership agreement (in each case, limited, limited liability, general or otherwise); (c) in the case of a Person that is a limited liability company, its articles or certificate of formation or organization, and its limited liability company agreement or operating agreement; and (d) in the case of a Person that is none of a corporation, partnership (limited, limited liability, general or otherwise), limited liability company or natural person, its governing instruments as required or contemplated by the Laws of its jurisdiction of organization.

"Claim" means any, action, cause of action, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at Law or in equity.

"Claim Notice" has the meaning set forth in Section 7.4(a).

"Class C Units" means Class C Common Units of Buyer.

"Closing" means the consummation of the transactions contemplated by this Agreement and the other Transaction Documents.

"Closing Books and Records" has the meaning set forth in Section 6.1.

"Closing Consideration Amount" has the meaning set forth in Section 1.2(b).

"Closing Date" has the meaning set forth in Section 2.1.

"Closing Date Cash" has the meaning set forth in Section 1.2(c).

"Closing Date Debt" has the meaning set forth in Section 1.2(d).

"Closing Date Statement" has the meaning set forth in Section 1.3.

"Closing Date Working Capital" has the meaning set forth in Section 1.2(e).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" has the meaning set forth in the Introduction.

"Company Cash" has the meaning set forth in Section 1.2(f).

"Company Fundamental Representations" means the representations and warranties in Section 4.1 (Organizational Matters), Section 4.2 (Authorization of Transactions), Section 4.3 (Capitalization) and Section 4.23 (Brokers).

"Company Proprietary Rights" has the meaning set forth in Section 4.14(a).

"Compensation Arrangements" has the meaning set forth in Section 2.2(a)(ii).

"Consent" means any consent, Order, approval, authorization or other action of, or any filing with or notice to or other action.

"Contracts" means those contracts, purchase orders, leases, agreements and commitments, whether oral or written, to which a Person is a party or by which such Person or any of its respective assets or properties are bound.

"Confidential Information" means the terms of this Agreement, any non-public financial information relating to the Company, expansion plans for the Business, or the terms of contracts with vendors and suppliers of the Business. "Confidential Information" does not include any data or information that (i) has been voluntarily disclosed to the public (except where such public disclosure has been made by the recipient without Buyer's written authorization), (ii) was or becomes available to the recipient from a source other than the Company or Buyer, provided that such source is not known by the recipient, after reasonable inquiry, to be in breach of a confidentiality agreement or other contractual, legal or fiduciary obligation of confidentiality with respect to such information, or (iii) that has been independently developed and disclosed by the recipient or others, or that otherwise enters the public domain through lawful means.

"Contributed Equity Interests" has the meaning set forth in the Recitals.

"Contributor Fundamental Representations" means the representations and warranties in Section 3.1 (Capacity), Section 3.2 (Authorization of Transactions), Section 3.4 (Ownership of the Contributed Equity Interests), and Section 3.7 (Liability for Brokers' Fees).

"Contributors Representative" has the meaning set forth in the Introduction.

"Contributor" and "Contributors" have the meanings set forth in the Introduction.

"Corporate Records" means Charter Documents, all accounting records and all equity record books owned or used by the Company.

"COVID-19 Legislation" means the CARES Act, the Families First Act and any other U.S. federal, state, local or non-U.S. law relating to COVID-19, including, for the avoidance of doubt, any administrative guidance or action implementing or interpreting any COVID-19 Legislation.

"Damages" has the meaning set forth in Section 7.2(a).

"Debt" has the meaning set forth in Section 1.2(g).

"Deductible" has the meaning set forth in Section 7.5(a).

"Disclosure Schedules" means the Disclosure Schedules delivered by the Contributors and the Company to Buyer concurrently with the execution and delivery of this Agreement.

"Direct Claim" has the meaning set forth in Section 7.4(c).

"Disputed Amounts" has the meaning set forth in Section 1.6(b).

"Effective Time" has the meaning set forth in Section 2.1.

"Electronic Delivery" has the meaning set forth in Section 8.8.

"Enterprise Guaranty" means the guaranty entered into by Buyer in support of the Master Equity Lease Agreement dated October 19, 2021, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor, and the Company, as lessee.

"Environmental Claim" means any and all administrative, regulatory, judicial, or third party actions, suits, demands, demand letters, directives, Claims, Liens, investigations, administrative or judicial proceedings or notices of noncompliance or violation (written or oral) by any Person alleging damage to property, personal or bodily injury, or damage, injury or other adverse effect on the environment, or potential liability (including potential liability for enforcement, investigatory costs, cleanup costs, governmental response costs, removal costs, remedial costs, injunctive relief, natural resources damages, property damages, personal injuries, contribution, penalties, fines or forfeitures), arising out of, based on or resulting from: (i) the presence, Environmental Release or threatened Environmental Release of any Hazardous Materials from or at any location, whether or not owned by the Company; or (ii) the transportation, storage, treatment or disposal of Hazardous Materials in connection with the operation of the business of the Company; or (iii) circumstances forming the basis of any violation or alleged violation of any Environmental Laws.

"Environmental Laws" means all Laws relating to the protection of human health the environment (including ambient air, surface water, ground water, land surface or subsurface strata), including Laws relating to Environmental Releases or threatened Environmental Releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, including: (i) the Resource Conservation and Recovery Act, 42 U.S.C.A. § 6901, *et seq.,* and the rules, regulations and orders promulgated thereunder; (ii) CERCLA; (iii) the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, and the rules and regulations promulgated thereunder; (iv) the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, and the rules and regulations promulgated thereunder; (v) the Toxic Substances Control Act, 15 U.S.C. § 2601, *et seq.*, and the rules and regulations promulgated thereunder; (vi) the Hazardous Materials Transportation Act, 49 U.S.C. § 5101, *et seq.*, and the rules and regulations promulgated thereunder; (vii) the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*, and the rules and regulations promulgated thereunder; and (viii) any other applicable U.S. federal, state, local or other Laws relating to pollution, human health, worker safety, or the environment.

"Environmental Permits" means any permit, license, authorization, registration, certification, or formal exemption required pursuant to Environmental Law.

"Environmental Release" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing of Hazardous Materials to escape or migrate into or through the environment (including, without limitation ambient air (indoor or outdoor), surface water, groundwater, land, surface, or subsurface strata.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means, with respect to any Person, any other Person that, together with such first Person, would be treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"Estimated Closing Cash Amount" has the meaning set forth in Section 1.3(c).

"Estimated Closing Date Working Capital" has the meaning set forth in Section 1.3(a).

"Estimated Closing Debt Amount" has the meaning set forth in Section 1.3(c).

"Estimated Transaction Costs" has the meaning set forth in Section 1.3(b).

"Estimated Working Capital Deficit" has the meaning set forth in Section 1.3(a).

"Estimated Working Capital Excess" has the meaning set forth in Section 1.3(a).

"Families First Act" means the Families First Coronavirus Response Act (H.R. 6201) and applicable rules, regulations and guidance thereunder, in each case as amended from time to time.

"Final Purchase Price Adjustment Statement" means, the Purchase Price Adjustment Statement as made final in accordance with Section 1.6.

"Financial Statements" has the meaning set forth in Section 4.7(a).

"Fixed Assets" means the equipment, furniture, fixtures, leasehold improvements, and all other tangible property owned by the Company.

"GAAP" means United States generally accepted accounting principles as in effect on the date hereof.

"General Partner" has the meaning set forth in the Recitals.

"General Survival Date" has the meaning set forth in Section 7.1.

"Governmental Authority" means (a) any government, agency, governmental department, commission, board, bureau, court, arbitration panel or instrumentality of the United States of America, any state or other political subdivision thereof (whether now or hereafter constituted and/or existing) or any foreign nation, any state or other political subdivision thereof (whether now or hereafter constituted and/or existing); or (b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Hazardous Materials" means any material, substance, chemical, waste, hazardous waste, pollutant, contaminant, or hazardous or toxic substance as to which liabilities, restrictions or standards of conduct are imposed pursuant to any Environmental Laws, including asbestos, formaldehyde, polychlorinated biphenyls, radioactive materials, waste oil and other petroleum products.

"Indemnified Party" has the meaning set forth in Section 7.4.

"Indemnified Taxes" means, without duplication, (a) all Taxes of any Contributor; (b) all Taxes of the Company for any Pre-Closing Tax Period (determined in the case of any Straddle Period pursuant to Section 6.3(b)); (c) all Taxes resulting from (i) a breach of a representation or warranty in Section 4.10 (Taxes) or, to the extent relating to Taxes, Section 4.18 (Employee Benefit Matters) (in each case, construed as if they were not qualified by "knowledge", "material", "material adverse effect" or similar language), (ii) a breach of a covenant or other agreement of any Contributor or the Contributors Representative contained in this Agreement, or (iii) a breach of a covenant or other agreement of the Company contained in this Agreement to be performed prior to the Closing; (d) the Contributors; share of any Transfer Taxes; (e) any Taxes of another Person (other than the Company) for which the Company is liable under Treasury Regulations Section 1.1502-6 or any similar provision of state, provincial, local or foreign income Tax Law, and (f) any Taxes of any Person (other than the Company) for which the Company is liable under any contract (other than any customary commercial contract entered into in the ordinary course of business, the primary purpose of which is not Taxes), as a transferee or successor or otherwise. Notwithstanding the foregoing, Indemnified Taxes shall exclude Taxes to the extent included in the computation of the Closing Date Working Capital or Closing Date Debt or included in Transaction Costs, in each case, as finally determined. "Indemnifying Party" has the meaning set forth in Section 7.4.

"Intended Tax Treatment" has the meaning set forth in Section 1.9(a).

"IRCA" has the meaning set forth in Section 4.19(e).

"IRS" means the Internal Revenue Service.

"Knowledge" (and any derivation thereof, whether or not capitalized) means the actual knowledge and awareness, after due inquiry, of Dana Sprong and Ryan McGarry.

"Latest Balance Sheet" has the meaning set forth in Section 4.7(a).

"Law" means any federal, state, local, foreign, or other law, rule, regulation, or governmental specification, authorization, requirement or restriction of any kind, including any rules, regulations and orders promulgated thereunder and any final orders, decrees or judgments of any regulatory agencies, courts or other Persons, or any similar provisions having the force or effect of law.

"Leased Real Estate" has the meaning set forth in Section 4.12(b).

"Liability" means any debt, liability or obligation (whether direct or indirect, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), and including all costs and expenses related thereto.

"Lien" means, with respect to any asset, any mortgage, pledge, lien, charge, Claim, restriction, reservation of title, condition, easement, lease, encroachment, title defect, imposition, security interest or other encumbrance of any kind whether imposed by Law, by Contract or otherwise, except for those arising by reason of federal securities laws and applicable state "blue sky" and comparable securities laws; and the interest of a vendor or lessor under any conditional sale agreement, financing lease or other title retention agreement relating to such asset.

"Malicious Code" means any (i) back door, time bomb, drop dead device, or other Software routine designed to disable a computer program automatically with the passage of time or under the positive control of a Person other than the user of the program; (ii) virus, Trojan horse, worm, or other Software routine or hardware component designed to permit unauthorized access, to disable, erase, or otherwise harm Software, hardware, or data; and (iii) programs with a similar function or purpose.

"Management Agreements" means all agreements pursuant to which the Company or its Affiliates are providing management, oversight or similar functions with respect to one or more properties owned by the OP or its subsidiaries.

"Material Adverse Effect" means any state of facts, effect, event, occurrence, development, or change that, when considered individually or in the aggregate with all other such effects, has had or would reasonably be expected to have a material adverse effect on the results of operations, assets, properties, prospects, or condition (financial or otherwise), of the Company, the Business, or the assets used in the Business, taken as a whole; provided, however, that the following (individually or in combination) shall not constitute (or be deemed to constitute), or be taken into account in determining whether there has been or would be, a "Material Adverse Effect": (a) the effect of any change in the United States or foreign economies or securities or financial markets in general so long as any such change does not adversely affect the Business in a materially disproportionate manner to other businesses in the industries in which the Business operates; (b) the effect of any change, including changes in technology, that generally affect the industries in which the Business operates, so long as any such change does not adversely affect the Business in a materially disproportionate manner to other businesses in the industry in which the Business operates; (c) the effect of any change arising in connection with earthquakes, epidemics or pandemics (including COVID-19), plagues, hostilities, acts of war, sabotage or terrorism or military actions or any material escalation or worsening of any such hostilities, acts of war, sabotage or terrorism or military actions existing or underway as of the date hereof, so long as any such change does not adversely affect the Business in a materially disproportionate manner to other businesses in which the Business operates; (d) the effect of any action taken by Buyer any of its Affiliates in express breach of the terms of this Agreement; (e) the effect of any changes or proposed changes in (i) applicable Laws so long as any such changes or proposed changes do not adversely affect the Business in a materially disproportionate manner to other businesses in the industries in which the Business operates or (ii) generally accepted accounting principles; (f) any effect resulting from the execution or permitted announcement of this Agreement, compliance with the terms of this Agreement or the consummation of the transactions described herein; and (g) the effect of any action taken by the Contributors or the Company at the express written instruction of, or with the express written consent of, the Buyer (e-mail being sufficient).

"Material Contracts" has the meaning set forth in Section 4.11(a).

"Mike Albert Guaranty" means the guaranty entered into by Buyer in support of (a) Commercial Motor Vehicle Master Lease Agreements # 107165, 107172, and 201296, each by and between Mike Albert, Ltd. Delaware statutory trust, as lessor, and VineBrook Homes Services Company, Inc., as lessee; and (b) Services Agreements #107169, 107176, and 201298, each by and between the Company and Mike Albert, Leasing, Inc., a Delaware corporation.

"OP Units" has the meaning set forth in Section 1.2(k).

"Order" means any decision, injunction, judgment, order, decree, ruling, or verdict entered or issued by any Governmental Authority.

"Owned Proprietary Rights" has the meaning set forth in Section 4.14(b).

"Parties" means each signatory to this Agreement.

"Partnership Return" has the meaning set forth in Section 6.3(a)(i).

"Permits" means all permits, licenses, certifications, endorsements, authorizations, grants, exemptions and approvals granted by a Governmental Authority required to operate the Company's business including, but not limited to, Environmental Permits.

"Permitted Liens" means (a) Liens for Taxes and other governmental charges and assessments that are not yet due and payable or are being contested in good faith by appropriate proceedings and for which there are adequate reserves on the Financial Statements; (b) mechanics, carriers', workmen's, repairmen's or other like Liens arising or incurred in the ordinary course of business consistent with past practice or amounts that are not delinquent and which are not, individually or in the aggregate, material to the business of the Company; (c) Liens arising from UCC financing statements regarding operating leases of personal property or fixtures; (d) Liens on leases of real property arising from the provisions of such leases; (e) pledges or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security; (f) the deposits to secure the performance of bids, contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; (g) zoning regulations and restrictive covenants and easements of record that do not detract in any material respect form the value of the property and do not materially and adversely affect, impair or interfere with the use of any property affected thereby; (h) Liens securing all or any portion of the Closing Date Debt to the extent released at Closing; (i) non-exclusive licenses of Proprietary Rights; and (j) mortgages, deeds of trust and other security instruments, and ground leases or underlying leases covering the title, interest or estate of landlords with respect to the leased real property and to which the leases with respect to the leased real property are subordinate.

"Person" means an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or any other legal entity, or any Governmental Authority.

"Personal Information" means any information that (a) relates to an identified or identifiable individual or device used by an individual; (b) is governed, regulated or protected by one or more Laws governing the collection, Processing, transfer, disclosure or other use or disposition of any personal information or personal data and any security breach notification requirements; (c) the Company receives from or on behalf of its individual customers of its business; (d) is covered by the PCI DSS; or (e) is subject to a confidentiality obligation or in which the Company has Proprietary rights.

"PNC" means PNC Bank, National Association.

"PNC Guaranties" means (1) the Guaranty Agreement dated March 26, 2020 by and among the Company, as Borrower, PNC, as Lender, and VineBrook Homes Realty Company, Inc., as Guarantor; (2) the Guaranty Agreement dated March 26, 2020 by and among the Company, as Borrower, PNC, as Lender, and VineBrook Development Corporation, as Guarantor; (3) the Guaranty Agreement dated March 26, 2020 by and among the Company, as Borrower, PNC, as Lender, and VineBrook Homes Property Management Company, LLC, as Guarantor; and (4) the Guaranty Agreement dated March 26, 2020 by and among the Company, as Borrower, PNC, as Lender, and VineBrook Homes Services Company, Inc., as Guarantor.

"Powers of Attorney" has the meaning set forth in Section 2.2(a)(ix).

"Pre-Closing Restructuring" means the restructuring of VineBrook Management, LLC substantially in the form of the reorganization steps document included in the Pre-Closing Restructuring Documents.

"Pre-Closing Restructuring Documents" means the documents and instruments attached hereto as Schedule C and necessary for the implementation of the Pre-Closing Restructuring.

"Pre-Closing Tax Period" means any Tax period ending on or prior to the Closing Date and the portion of any Straddle Period through and including the Closing Date.

"Process" or "Processing" means the creation, collection, use (including, without limitation, for the purposes of sending telephone calls, text messages and emails), storage, maintenance, processing, recording, distribution, transfer, transmission, receipt, import, export, protection, safeguarding, access, disposal or disclosure or other activity regarding data (whether electronically or in any other form or medium).

"Proprietary Rights" means all of the following items throughout the world: (a) patents, patent applications, patent disclosures and inventions (whether or not patentable and whether or not reduced to practice) and any reissue, continuation, continuation-in-part, division, revision, extension or reexamination thereof; (b) trademarks, service marks, trade dress, logos, domain names, trade names and corporate names, and other signifiers of source or origin, together with all common law rights in and goodwill associated therewith; (c) copyrights registered or unregistered and copyrightable works; mask works; and all registrations, applications and renewals for any of the foregoing; (d) trade secrets and Confidential Information (whether or not a trade secret under applicable Laws), including know-how, product development techniques or plans, research and development information, drawings, bill of materials, work instructions, specifications, designs, plans, proposals, technical data, financial data, business and marketing plans, pricing policies, operational methods, customer and supplier lists and related information, employee data and new personnel acquisition plans, and consultant arrangements; (e) Software; and (f) licenses or other agreements to or from third parties regarding the foregoing.

"Purchase Price Adjustment Statement" has the meaning set forth in Section 1.6(a).

"Purchase Price Allocation Schedule" has the meaning set forth in Section 1.9(b).

"Purchase Price Dispute Notice" has the meaning set forth in Section 1.6(b).

"Real Estate Lease" has the meaning set forth in Section 4.12(b).

"Records" means all books, documents and records owned or used by the Company, including personnel, medical and accounting records, Tax records, minute and equity record books, correspondence, governmentally required records, manuals, engineering data, designs, drawings, blueprints, plans, specifications, lists, customer lists, computer media, software and software documentation, sales literature, catalogues, promotional items, advertising materials and other written materials.

"Registered Proprietary Rights" has the meaning set forth in Section 4.14(a).

"Registration Rights Agreement" has the meaning set forth in Section 2.2(a)(xi).

"REIT" has the meaning set forth in the Recitals.

"Released Claims" has the meaning set forth in Section 8.17(a).

"releasee" and "releasees" have the meanings set forth in Section 8.17(a).

"Resolved Items" has the meaning set forth in Section 1.6(c).

"Revised Partnership Audit Provisions" means Code Sections 6221 through 6241 as originally enacted in P.L. 114-74, and as may be amended including any Treasury Regulations or other administrative guidance promulgated by the IRS or successor provisions and any comparable provision of non-U.S. or U.S. state or local Law.

"Securities Act" has the meaning set forth in Section 3.6.

"Side Letter" has the meaning set forth in the Recitals.

"Software" means software and firmware, including source code, object code, application programming interfaces, architecture, files, records, schematics, and all other related specifications and documentation, but excluding commercially available software products under standard, "shrink wrap" license agreements.

"Straddle Period" means any Tax period that includes, but does not end on, the Closing Date.

"Subsidiary" of a Person means any corporation or other legal entity of which such Person (either alone or through or together with any other Subsidiary or Subsidiaries) is the general partner or managing entity or of which at least a majority of the stock or other equity interests the holders of which are generally entitled to vote for the election of the board of directors or others performing similar functions of such corporation or other legal entity is directly or indirectly owned or controlled by such Person (either alone or through or together with any other Subsidiary or Subsidiaries).

"Target Working Capital" has the meaning set forth in Section 1.2(i).

"Tax" (and, with correlative meaning, "Taxes", "Taxable", "Taxation" and "Taxing") means all federal, provincial, territorial, state, municipal, local, domestic, foreign or other taxes, imposts, and assessments including ad valorem, alternative or add-on minimum, capital, capital stock, customs and import duties, disability, documentary stamp, employment, environmental (including taxes under Section 59A of the Code), escheat, estimated, excise, franchise, gains, goods and services, gross income, gross receipts, income, intangible, inventory, license, mortgage recording, net income, occupation, payroll, personal premium, property, production, profits, real property, recording, registration, rent, sales, severance, social security, stamp, transfer, transfer gains, unclaimed or abandoned property, unemployment, use, value added, windfall profits, and withholding or other taxes, together with any interest, additions, fines or penalties with respect thereto or in respect of any failure to comply with any requirement regarding Tax Returns and any interest in respect of such additions, fines or penalties, in each case whether disputed or not.

"Tax Contest" has the meaning set forth in Section 6.3(c).

"Tax Return" means any returns (including any information return or amended return), declaration, report, or Claim for refund or credit (including any related or supporting schedules, statements or information) filed or required to be filed in connection with the determination, assessment or collection of Taxes or the administration of any legal requirement relating to any Taxes.

"Territory" has the meaning set forth in Section 6.4(a).

"Third-Party Claim" has the meaning set forth in Section 7.4(a).

"Transaction" has the meaning set forth in Section 1.1.

"Transaction Costs" has the meaning set forth in Section 1.2(j).

"Transaction Documents" means this Agreement and each other agreement, document, certificate or instrument referred to herein or therein or delivered pursuant hereto or thereto.

"Transfer Taxes" has the meaning set forth in Section 6.3(e).

"Treasury" means the United States Department of the Treasury.

"Union" has the meaning set forth in Section 4.19(b).

"Withholdings" has the meaning set forth in Section 1.8.

SCHEDULE A

ALLOCATION SCHEDULE

SCHEDULE B

PURCHASE PRICE ALLOCATION METHODOLOGIES

SCHEDULE C

INDIVIDUAL CONTRIBUTORS

SCHEDULE D

PRE-CLOSING RESTRUCTURING DOCUMENTS

SCHEDULE E

WORKING CAPITAL CALCLUATION PRINCIPLES

Schedule E

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian Mitts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of VineBrook Homes Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2023

/s/ Brian Mitts

Brian Mitts

President and Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of VineBrook Homes Trust, Inc. (the "Company") for the period ending March 31, 2023, as filed with the Securities and Exchange Commission on May 12, 2023 (the "Report"), the undersigned, Brian Mitts, President and Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2023

/s/ Brian Mitts

Brian Mitts
President and Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)