

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
AFFORDABLE HOUSING FUND  
LOAN AGREEMENT**

THIS LOAN AGREEMENT ("Agreement") is made and entered into this 12<sup>th</sup> day of May, 2025, by and between **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government created pursuant to KRS Chapter 67A, whose principal address is 200 East Main Street, Lexington, Kentucky 40507 (hereinafter referred to as "LFUCG") through its **OFFICE OF AFFORDABLE HOUSING**, and **BIG BROTHER ENTERPRISE LLC**, a Kentucky limited liability company (hereinafter referred to as the "Borrower").

**WITNESSETH:**

**WHEREAS**, pursuant to Chapter 2, Article XXXXV, Section 2-482 of the Lexington-Fayette Urban County Code of Ordinances ("the Code"), the Affordable Housing Fund ("the Fund") was created to preserve, produce, and provide safe, quality, and affordable housing; and

**WHEREAS**, pursuant to Chapter 2, Article XXXXV, Section 2-479 of the Code, the Affordable Housing Governing Board oversees and manages the administration of the Fund; and

**WHEREAS**, Borrower by application dated January 21, 2025 (hereinafter referred to as the "Application"), attached hereto and incorporated herein as **Exhibit A**, has applied for and has received approval for funds for a specific housing related project described below (hereinafter referred to as the "Eligible Activity"); and

**WHEREAS**, in order to assist Borrower in the funding of the Eligible Activity, LFUCG is willing to make funds available to Borrower from the Fund under the terms and conditions of this Agreement and the terms of its Commitment Letter, dated March 25, 2025 (hereinafter referred to as the "Commitment") attached hereto and incorporated herein as **Exhibit B**; and

**WHEREAS**, the project for which Borrower has been approved includes rehabilitation of property.

**NOW, THEREFORE**, the parties do hereby agree as follows:

**ARTICLE 1 – COMMITMENT**

- 1.1 LFUCG'S COMMITMENT.** Pursuant to the Application and this Agreement, LFUCG will make available an amount not to exceed **THIRTY NINE THOUSAND THREE HUNDRED NINETY DOLLARS AND 00/100 CENTS (\$39,390.00)** ("AHF Loan") to Borrower from the Fund. Affordable Housing Funds will be disbursed by LFUCG to Borrower in accordance with the requirements set forth in this Agreement and in the Commitment, conditioned upon Borrower's continued satisfactory performance under the terms of this Agreement. The AHF Loan will be made available in the form of a fifteen (15) year loan, which shall accrue interest at the rate of zero percent (0%) per annum. The AHF Loan will be evidenced by one or more promissory notes ("Notes") in form and substance satisfactory

to LFUCG payable to LFUCG and signed by Borrower. Principal and interest (if any) of the AHF Loan shall be amortized in equal, consecutive installments of principal and accrued but unpaid interest, commencing as set forth in the Notes and continuing until principal and interest have been paid in full. All unpaid principal and accrued interest shall be due **May 1, 2040 ("Maturity Date")**. In the event of any inconsistency between the Application and this Agreement, this Agreement will control. The AHF Loan will be expended only for the purpose of new construction on the Property (defined below) described in the mortgage(s) executed pursuant to Section 1.2 below and in conformity with the other provisions of this Agreement, the Commitment and the Application. Further, LFUCG will not be required to advance any amount under this Agreement if an Event of Default (as hereinafter defined) has occurred and is continuing.

- 1.2 MORTGAGE; OTHER SECURITY.** The performance of the Borrower's obligations under this Agreement shall be secured by a mortgage lien, or mortgage liens, in favor of LFUCG in the total principal amount of the AHF Loan in form and substance satisfactory to LFUCG. In the sole discretion of LFUCG, the performance of Borrower's obligations under this Agreement may also be secured by an Assignment of Leases and Rents, Security Agreement, UCC-1 Financing Statement, Fixture Filing, and such other documents as LFUCG may in its sole discretion require (collectively, the mortgage(s) and the other security documents described in this subsection are referred to as the "Security Documents," the terms and conditions of which are incorporated herein).
- 1.3 ELIGIBLE ACTIVITY.** The AHF Loan has been made available based upon the information provided by Borrower in the Application. The sole purpose of this allocation is to rehabilitate a single-family house on the property located at **139 Eddie Street, Lexington, Kentucky 40508** ("Project" or "Property").
- 1.4 SITES.** In the event the Project includes new construction activities, Borrower must identify specific units (the "Units") to be assisted. Once identified, Units may not be changed, removed or substituted without prior written approval of LFUCG.

## **ARTICLE 2 - REPRESENTATIONS AND WARRANTIES OF BORROWER**

- 2.1** Borrower represents and warrants that:
- A. The Property will be free and clear of all encumbrances, except for a mortgage lien executed as security for the AHF Loan, and clear of easements, restrictions, stipulations and rights-of-way of record, applicable zoning rules and regulations and taxes which may be due and payable or which have been assessed and become a lien against the property whether or not yet due and payable.
  - B. All funds disbursed hereunder will be used only for acquisition or development expenses, as applicable, of the Property, as approved by LFUCG, and said funds will not be used in any other manner or for any other purpose; and
  - C. The acquisition or construction work has been approved by the appropriate local,

regional and state agencies, including those concerned with planning and zoning, public works and health.

- 2.2** Borrower understands and acknowledges that projects assisted with LFUCG Funds must, at a minimum, meet the requirements set out in this Agreement. Borrower will supply, at LFUCG's request, all necessary documentation to substantiate compliance with this paragraph.
- 2.3** Borrower represents and warrants that, at the time any advances are made by LFUCG as provided herein, the Property will contain no substance known to be hazardous such as hazardous waste, lead-based paint (in violation of Federal or State law), asbestos, methane gas, urea formaldehyde, insulation, oil, toxic substances, polychlorinated biphenyls (PCBs) or radon, and Borrower shall take all action necessary to insure that the Property contains no such substances. Further, the Property will not be affected by the presence of oil, toxic substances or other pollutants that could be a detriment to the Property, nor is Borrower or the Property in violation of any local, state or federal environmental law or regulation and no violation of the Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, Toxic Substance Control Act, Safe Drinking Water Control Act, Comprehensive Environmental Resource Compensation and Liability Act or Occupational Safety and Health Act has occurred or is continuing. Borrower will take all actions within its control necessary to ensure that no such violation occurs. Borrower will immediately deliver to LFUCG any notice it may receive about the existence of any of the foregoing hazardous conditions on the Property or about a violation of any such local, state or federal law or regulation with respect to the Property.
- 2.4** Borrower is duly organized and validly existing and in good standing under the laws of the Commonwealth of Kentucky; has the power and authority, corporate or otherwise, to own its properties and carry on its business as being conducted; and is duly qualified to do business wherever qualification is required. Borrower has been organized pursuant to state law for the primary purpose of providing housing to persons and families of lower and moderate income. Borrower is not presently under any cease or desist order or other orders of a similar nature, temporary or permanent, of any federal or state authority which would have the effect of preventing or hindering the performance of its duties under this Agreement, nor are there any proceedings presently in progress or to its knowledge contemplated which would, if successful, lead to the issuance of any cease or desist order.
- 2.5** Plans and specifications for the Project are satisfactory to Borrower and, to the extent required by applicable law, have been approved by all governmental agencies and authorities having jurisdiction thereof, and the use of the Project site(s) contemplated hereby will comply with all local zoning requirements.
- 2.6** There are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting it or the Project or involving the validity or enforceability of any mortgage or the priority of the mortgage lien granted by or to Borrower, at law or in equity, on or before or by any governmental authority or any other matters which would substantially impair the ability of Borrower to pay when due any amounts which may

become payable in respect to the Notes, and to the Borrower's knowledge, it is not in default with respect to any order, writ, judgment, injunction, decree or demand of any court of any governmental authority.

- 2.7 The consummation of the transaction contemplated hereby and the performance of this Agreement and any Mortgage, if so required, will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, bank loan or other loan, credit agreement, corporate charter, bylaw or any other instrument to which the Borrower is a party or by which it may be bound or affected.

### **ARTICLE 3 – REQUIREMENTS FOR DISBURSEMENT**

- 3.1 **DISBURSEMENT OF AFFORDABLE HOUSING FUNDS.** The AHF Loan will be disbursed to Borrower upon receipt by LFUCG of the following:

- A. an executed original of the Authorized Signature form; and
- B. evidence that the Project will remain affordable as provided below;
- C. an executed LFUCG Construction Start-Up Form;
- D. proof of costs in adherence to LFUCG's requirements for draws and inspections for the Program activity under this Agreement (construction draws);
- E. execution of the Notes, recordation of a valid mortgage lien against the Property securing repayment of the AHF Loan, recordation of a Declaration of Covenants and Restrictions, and execution of any and all other Security Documents which may be required by LFUCG.

LFUCG will not be required to advance any amount hereunder if an Event of Default (hereinafter defined) has occurred and is continuing.

- 3.2 **DISBURSEMENT OF DEVELOPER FEE.** The Developer fee shall be paid with the AHF Loan proceeds, and it will be disbursed upon completion of the rehabilitation work.

Developer fee shall be used to cover all funding shortfalls before additional funds can be requested. LFUCG will continue to hold the ten percent (10%) retainage until all project completion and closeout documents are received.

- 3.3 **AFFORDABILITY PERIOD.** The Property must remain affordable to persons at or below sixty percent (60%) of the area median income pursuant to the guidelines of the United States Department of Housing and Urban Development (HUD) for a minimum of fifteen (15) years from the date the AHF Loan proceeds are first expended on the Project. Affordability must be ensured by recorded deed restrictions for all properties receiving Affordable Housing Funds. Only LFUCG, or its successors and assigns, has the right to release the deed restrictions prior to the date on which the restrictions expire.

- 3.4 **SECTION 8 RENTAL ASSISTANCE.** If AHF Loan proceeds are used to construct rental property, Borrower will not refuse to lease any Unit assisted with Affordable Housing Funds to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, as amended, solely because of the status of the prospective tenant as a holder of a certificate or voucher. Provided, however, if the rent required for the Unit is based upon a percentage of the prospective tenant's income through project design, or the assisted housing unit(s) utilize project-based rental housing assistance through another source, this section will not apply. This section does not apply to homeowner-occupied units of housing assisted with Affordable Housing Funds.
- 3.5 **INSURANCE.** For all properties assisted with Affordable Housing Funds, the Borrower or Property Owner must maintain all risk, fire and extended coverage, in form and with companies acceptable to LFUCG, for the single-family home and any improvements to be constructed thereon in an amount of not less than the Affordable Housing Funds made available to Borrower for each Unit of the Project. Each policy must include appropriate loss payable clauses in favor of LFUCG or Borrower, as applicable, as beneficiary and without right of cancellation or change except upon thirty (30) days' written notice to LFUCG. Borrower will deliver proof of all insurance to LFUCG upon request.
- 3.6 **CLOSING COSTS.** All costs associated with funding under this Agreement will be borne by the Borrower, including but not limited to the cost of attorneys' fees, documentation, recording fees, and costs associated with disbursement.
- 3.7 **REPAYMENT.** In the event that repayment of the Affordable Housing Funds is required, Borrower agrees to repay funds to the Fund through LFUCG on a timely basis.
- 3.8 **LEGAL MATTERS.** All legal matters incident to the contemplated transaction will be concluded to the satisfaction of LFUCG's Department of Law.
- 3.9 **PROOF OF CORPORATE ACTION.** Prior to execution of this Agreement, LFUCG shall have received (i) copies of Borrower's organizational documents; (ii) confirmation from the Secretary of State of Borrower's organizational jurisdiction that Borrower is a validly existing entity in good standing, and (iii) a resolution from the Borrower's Board of Directors, member, manager or general partner, as appropriate, authorizing the execution of the legal documents evidencing the funding received under this Agreement. If Borrower is a foreign entity, it shall, in addition to jurisdictional organizational documents provide evidence of its authority to conduct business in the Commonwealth of Kentucky.

#### **ARTICLE 4 - CONSTRUCTION LOAN TERMS**

- 4.1 **PLANS AND SPECIFICATIONS.** Borrower will develop the Property in accordance with plans and specifications which have been approved by LFUCG, or by any other agency approved by LFUCG, which plans and specifications, upon such approval, will be incorporated herein by reference. Said plans and specifications will include and specifically identify all roads, sewer lines and water lines and will provide for the

development of the Property in conformance with applicable Affordable Housing Program requirements. Said plans and specifications may be subject to minor changes as required to comply with state and local building codes and to conform to the Property, provided such changes are approved by LFUCG. In addition to said plans and specifications, Borrower will prepare or cause to be prepared from time to time such additional plans and drawings, including working drawings, shop drawings and supplemental specifications, as may be necessary or desirable to facilitate expeditious construction of the improvements in accordance with the approved plans and specifications and will cause copies of all such additional items to be delivered to LFUCG. All of said plans and specifications and any such additional items so approved are hereinafter collectively referred to as the "Plans and Specifications." Borrower will not deviate nor permit any such deviation from the Plans and Specifications without the prior written consent of LFUCG.

- 4.2 **NO LIENS.** Borrower will cause all work to be performed, including all labor, materials, supervision, supplies, equipment, architectural, and engineering services necessary to complete the improvements, in accordance with the Plans and Specifications. The Borrower will complete the improvements free from all materialmen's liens and all mechanic's liens and claims. All contracts with subcontractors and materialmen will contain, upon the request of LFUCG, a provision for not less than ten percent (10%) retainage to ensure adequate and complete performance in connection with interim or progress payments hereunder. Advances of the Affordable Housing Funds by LFUCG will not be made until a representative of LFUCG has inspected the improvements, certified their completion and received from the general contractor and all subcontractors affidavits, in form and substance satisfactory to LFUCG, stating that payment will constitute payment in full of all amounts due and owing to them and their suppliers.
- 4.3 **DEADLINE ON PROPERTY DEVELOPMENT.** Borrower will begin development of the Property within 30 days after an advance is made hereunder for the Property and will cause all development work to be pursued with diligence and without delay. Borrower will cause the improvements to be constructed in a good and workmanlike manner in substantial compliance with the Plans and Specifications and in all respects in full compliance with all laws, rules, permits, requirements and regulations of any governmental agency or authorities having jurisdiction over the Property.
- 4.4 **USE OF FUNDS.** Borrower will cause all Affordable Housing Funds borrowed or advanced pursuant hereto to be applied entirely and exclusively for the acquisition or development, as applicable, of the Property and payment of labor and materials in the completion of development work in substantial compliance with the Plans and Specifications and for the payment of such other costs incidental thereto as may be specifically approved in writing by LFUCG.
- 4.5 **RIGHT OF INSPECTION.** Borrower will permit access by LFUCG to the books and records of Borrower and to the Property and all improvements at reasonable times. In the event LFUCG determines that any work or materials are not substantially in conformance with the Plans and Specifications, or are not in conformance with any applicable laws, regulations, permits, requirements or rules of any governmental authority having or

exercising jurisdiction thereover or are not otherwise in conformity with sound building practices, LFUCG may stop the work and order replacement or correction of any such work or materials. Such inspection will not be construed as a representation or warranty by LFUCG to any third party that the improvements are, or will be, free of faulty materials or workmanship.

- 4.6 **UNDERTAKING.** If required by LFUCG prior to disbursement of Affordable Housing Funds hereunder and thereafter as LFUCG may require, Borrower will deliver to LFUCG (a) an agreement between Borrower and the architect who has prepared the Plans and Specifications whereby such architect agrees that the agreement is assignable to LFUCG upon the same terms and conditions as exist in said agreement; (b) an agreement between Borrower and Borrower's contractor whereby Borrower's contractor agrees that the agreement is assignable to LFUCG upon the same terms and conditions as exist in said agreement; (c) copies of all subcontracts and material purchase orders between Borrower's contractor and any persons, firms, or corporations with whom it has contracted to provide labor, materials or services with respect to the construction of the improvements, where any such contract exceeds a minimum price of Five Thousand Dollars (\$5,000.00); and (d) if requested in writing by LFUCG, a list of all persons, firms and corporations who have provided or proposed to provide labor, materials or services in connection with construction of the improvements.

- 4.7 **NONLIABILITY OF LFUCG.** This Agreement will not be construed to make LFUCG liable to materialmen, contractors, craftsmen, laborers or others for goods and services delivered by them to or upon the Property or for debts or claims accruing to said parties against the Borrower. There are no contractual relationships, either express or implied, between LFUCG and any materialman, contractors, craftsmen, laborers or any other persons supplying work, labor or materials on the job, nor will any third person or persons, individual or corporate, be deemed to be beneficiaries of this Agreement or any term, condition or provisions hereof or on account of any actions taken or omitted by LFUCG pursuant hereto.

#### **ARTICLE 5 – BREACH OR DEFAULT**

- 5.1 **RECAPTURE OF FUNDS; BREACH OF AGREEMENT.** In the event of a breach, LFUCG may suspend Borrower's authority to draw Affordable Housing Funds at any time by giving notice to Borrower. LFUCG has the right, in its sole discretion, to terminate disbursement of funds and/or recapture any remaining portion of Affordable Housing Funds and/or require repayment of Affordable Housing Funds already disbursed or the amount including and up to an amount which has not been forgiven upon the occurrence of one or more of the following events ("Breach"):

- A. Borrower does not diligently pursue the activity detailed in Borrower's Application and for which Affordable Housing Funds have been awarded;
- B. Borrower violates of any of the terms of this Agreement, the Affordable Housing Program ordinances, the Notes evidencing the Affordable Housing Funds under

this Agreement, the Declaration of Covenants and Restrictions, or any other Security Document entered into pursuant to this Agreement;

- C. Borrower does not submit reports or submits inadequate reports pursuant to Article 6 below;
- D. Borrower defaults under any of the terms of this Agreement or any other document executed in conjunction with funding under this Agreement, and such default is not cured within any applicable cure period;
- E. Borrower is unable to draw all Affordable Housing Funds, as set forth in the closing documents, in no instance later than twenty-four (24) months from the date of this Agreement;
- F. Borrower is unable to document its participation in the project throughout the compliance period as required of nonprofit material participation per IRC Section 42;
- G. the information submitted to LFUCG by Borrower, upon which LFUCG relied in its decision to allocate funds to Borrower, proves to be untrue or incorrect in any material respect; or
- H. LFUCG determines in its sole discretion that it would be inadvisable to disburse Affordable Housing Funds to Borrower because of a material and adverse change in Borrower's condition.

**5.2 EVENTS OF DEFAULT.** Occurrence of one or more of the following events will, in the sole discretion of LFUCG, constitute an event of default:

- A. Any installment of principal or interest required by the Notes remains unpaid for more than ten (10) days after the due date thereof;
- B. Any representation or warranty made herein, or in any certificate, report or statement furnished to LFUCG in connection the Affordable Housing Funds or the Notes proves to have been untrue or misleading in any material respect when made;
- C. Failure of Borrower to perform any of the provisions of the Notes, Mortgage, this Agreement or any other document executed in connection with this Agreement;
- D. Borrowers violation of the affordability requirements, whether evidenced by recorded deed restriction or owner certification of continued compliance;
- E. The entry of any lien or encumbrance against the Project site(s), (other than liens or encumbrances evidencing loan proceeds for the Permitted Encumbrances), except for ad valorem taxes which are not yet due and payable and liens incurred in the ordinary course of business with respect to amounts which are not yet due



and payable without penalty or interest;

- F. Borrower fails to prosecute Project site development work with diligence so that construction thereof will be completed in a timely manner;
- G. Any party obtains or seeks an order or decree in any court of competent jurisdiction seeking to enjoin the construction of the improvements or to delay construction of the same or to enjoin or prohibit Borrower or LFUCG from carrying out the terms and conditions hereof, and such proceedings are not discontinued or such decree is not vacated within thirty (30) days after LFUCG has given Borrower notice under the provisions hereof;
- H. Borrower discontinues the rehabilitation work and abandonment continues for a period of ten (10) days;
- I. Borrower permits cancellation or termination of any insurance policy required under this Agreement or fails, if required, to obtain any renewal or replacement thereof satisfactory to LFUCG;
- J. Borrower (A) becomes bankrupt, or ceases, becomes unable, or admits in writing its inability to pay its debts as they mature, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, creditors; (B) applies for, or consents (by admission of material allegations of a petition or otherwise) to the appointment of a trustee, receiver or liquidator of the Borrower or of a substantial portion of its assets, or authorizes such application or consent, or proceedings seeking such appointment are commenced without such authorization, consent or application against it and continue un-dismissed and unstayed for a period of fifteen (15) days; (C) authorizes or files a voluntary petition in bankruptcy, reorganization, readjustment of debt, insolvency, dissolution, liquidation or other similar law of any jurisdiction; or authorizes such application or consent; or proceedings to such end are instituted against the Borrower without such authorization, application or consent and are approved as properly instituted, remain undismissed for fifteen (15) days, or result in adjudication of bankruptcy or insolvency; or
- K. Borrower is found to have violated any law or regulation, whether federal or state.
- L. A proceeding is filed to foreclose the Property.

**5.3 CURE OF BREACH OR DEFAULT; PENALTIES.** If any breach or default is not cured within thirty (30) days from the date LFUCG notifies Borrower and Borrower's general partner of the breach or default in writing, LFUCG may continue suspension of disbursements. However, any general partner of the Borrower shall have the right, but not the obligation, to cure any default on the same terms and conditions as Borrower, and such cure shall be accepted or rejected by LFUCG, as if such cure was made by Borrower. Additionally, LFUCG may declare the loan and/or grant immediately due and payable and may institute

proceedings for its collection. LFUCG may terminate this Agreement by giving written notice to Borrower. In the event of a termination, Borrower's authority to draw Affordable Housing Funds will terminate as of the date of the notice of termination and Borrower will have no right, title or interest in or to any remaining Affordable Housing Funds.

**5.4 MISAPPROPRIATION OF FUNDS.** Borrower will be liable for any and all misappropriation of Affordable Housing Funds, audit exceptions by state or federal agencies, and violations of the terms of this Agreement. LFUCG also has the right to require Borrower to repay to LFUCG a portion of or all Affordable Housing Funds drawn by Borrower in cases of breach involving a material misrepresentation in any document furnished to LFUCG in connection with the Borrower's Application for Funds, misappropriation of funds, or fraudulent uses of funds.

**5.5 RIGHTS UPON DEFAULT.** If one or more of the events of default described above occur, LFUCG may declare Borrower to be in default under this Agreement by giving not less than then (10) days prior written notice (or other notice required by applicable default provisions in other LFUCG loan documents) to Borrower, except for a default in payment, in which case no notice is required, and thereafter, LFUCG may exercise any one or more of the following remedies:

- A. Terminate the credit hereby extended, declare the entire unpaid balance and all accrued but unpaid interest under the Notes due and payable and institute proceedings for collection thereof; provided, however, LFUCG may make advances under the occurrence of an event of default without waiving any of its rights hereunder;
- B. Exercise its rights under the Notes or any other Security Document;
- C. Enter upon the Project site(s), expel and eject Borrower and all persons claiming through or under Borrower and collect the rents and profits therefrom;
- D. Complete the Project site development work at the cost and expense of Borrower and add such cost to the debt evidenced by the AHF Loan and/or grant and this Agreement and secured by the Security Documents;
- E. Have discharged of record any mechanic's and materialmen's lien or other lien against the Project site(s);
- F. Institute such legal proceedings or other proceedings in the name of Borrower or LFUCG as LFUCG may deem appropriate for the purpose of protecting the Project site(s) and LFUCG's interests therein; or
- G. Do and perform all acts and deeds in the name of Borrower or LFUCG as LFUCG deems necessary or desirable to protect the Project site(s) and LFUCG's interests therein.

- H. All of the rights and remedies of LFUCG under this Agreement shall be cumulative and to the fullest extent permitted by law and shall be in addition to all those rights and remedies afforded LFUCG at law or in equity or in bankruptcy.
- 5.6 **PAYMENTS DUE TO DEFAULT.** Borrower shall reimburse and fully compensate LFUCG upon demand for all loss, damage and expense, including without limitation reasonable attorney's fees and court costs, together with interest on the amount thereof from the date the same accrues at the rate of twelve percent (12%) per annum, incurred by LFUCG (a) by reason of any default or defaults hereunder or under this Agreement, the Notes, or the Security Documents or any other loan document executed by Borrower, (b) by reason of the neglect by Borrower of any duty or undertaking hereunder or under the Security Documents and (c) in the exercise of any right or remedy hereunder or under the Security Documents.
- 5.7 **TRANSFERS OF INTERESTS.** Notwithstanding anything to the contrary herein, any transfers of partnership interests in the Borrower (including the removal of the general partner) are expressly permitted and shall not constitute a default hereunder.

#### **ARTICLE 6 – RECORDS; REPORTING**

- 6.1 **RECORDS; ACCESS.** Borrower agrees to keep adequate records pertaining to the Project and the uses of Affordable Housing Funds. Borrower agrees to provide LFUCG or its designee access to all of its books and records, including fiscal records, for the purpose of program assessment reviews, and to retain all books and records until the later of three (3) years from the termination of this Agreement, or until all audits of performance during the term of this Agreement have been completed, or until any pending litigation involving this grant or related books and records is settled. Borrower agrees to maintain its books and records in accordance with generally accepted accounting principles. Nothing in this Agreement will be construed to limit the ability of LFUCG to monitor implementation of the project funded by this Agreement.
- 6.2 **REPORTING REQUIREMENTS.** In the event project activity reports are required, reports must be submitted as requested by LFUCG, on the forms provided by LFUCG, beginning the first calendar quarter after Borrower receives a disbursement of Affordable Housing Funds.
- 6.3 **ANNUAL FINANCIAL REPORTING.** Borrower agrees to provide LFUCG or its designee audited financials and/or Financial Compilation Reports on an annual basis during the term of this Agreement.
- 6.4 **WARRANTY AS TO INFORMATION.** Borrower acknowledges that its award of Affordable Housing Funds has been based upon information received from Borrower. Borrower warrants that the financial and other information furnished by Borrower to LFUCG was, at the time of application, and continues to be, true and accurate.
- 6.5 **PROGRAM COMPLIANCE.** Borrower agrees to comply with the LFUCG Affordable

Housing Program guidelines and criteria relating to the Fund.

**ARTICLE 7 - MISCELLANEOUS**

- 7.1 **NOTICES.** Any notice required or permitted to be given pursuant to this Agreement will be deemed to have been duly given when properly addressed and hand-delivered, or mailed by registered or certified mail with postage prepaid, to Borrower, Senior Lender, or LFUCG, as the case may be, at the following addresses or to such other place as any of the parties may for themselves designate in writing from time to time for the purpose of receiving notices pursuant hereto:

**Borrower:** Big Brother Enterprise LLC  
250 North Upper Street  
Lexington, KY 40507  
Attn: Damon Edwards and/or D. Sean Edwards

**LFUCG:** Lexington-Fayette Urban County Government  
200 East Main Street, 12<sup>th</sup> Floor  
Lexington, Kentucky 40507  
ATTN: Affordable Housing Manager

- 7.2 **COSTS TO BE PAID BY BORROWER.** All items which Borrower agrees to furnish under this Agreement will be furnished at Borrower's sole cost and expense.

- 7.3 **NON-DISCRIMINATION AND FAIR HOUSING RULES.** The Project and all contractors and major subcontractors engaged in connection therewith shall comply with all fair housing and non-discrimination statutes and regulations as they are amended from time to time, which include but are not limited to the following, each of which is hereby incorporated by reference into this Agreement:

- Fair Housing Act (Title VIII of the Civil Rights Act of 1968);
- 24 CFR § 5.105, which prohibits discrimination on the basis of actual or perceived sexual orientation or gender identity, and marital status
- Title VI of the Civil Rights Act of 1964;
- Section 504 of the Rehabilitation Act of 1973;
- Section 109 of Title I of the Housing and Community Development Act of 1974;
- Title II of the Americans with Disabilities Act of 1990;
- Architectural Barriers Act of 1968;
- Age Discrimination Act of 1975;
- Title IX of the Education Amendments Act of 1972; and
- Presidential Executive Orders 11063, 11246, 12892, 12898, 13166, 13217.
- Nondiscrimination and Equal Opportunity requirements [24 CFR §5.105(a)]
- Chapter 2, Article 2, §§2-26 – 2-46 of the Code

- 7.4 **SUSPENSION AND DEBARMENT.** Borrower certifies by submission of its application and execution of this Agreement that to the best of its knowledge and belief after reasonable investigation, that it and/or its principals are not presently debarred, suspended, proposed

for debarment, declared ineligible or voluntarily excluded from participation in any transaction under this Agreement by any federal department or agency, or under LFUCG's Suspension and Debarment Policy. Borrower further agrees that any future principal will meet the requirements of this section.

- 7.5 INDEMNIFICATION.** Borrower shall indemnify, defend and hold LFUCG harmless from and against any and all liabilities, claims, demands, losses, damages, costs and expenses (including without limitation, reasonable attorney's fees and litigation expenses), actions or causes of actions, arising out of or relating to any breach of any covenant or agreement or the incorrectness or inaccuracy of any representation and warranty of Borrower contained in this Agreement or in any document delivered to LFUCG or by Borrower, or any other person on behalf of Borrower pursuant to the terms of this Agreement, except for that which occurs as a result of LFUCG's gross negligence or willful misconduct.
- 7.6 GOVERNING LAW.** This Agreement and the loan referred to herein will be governed by the laws of the Commonwealth of Kentucky.
- 7.7 ASSIGNABILITY.** Borrower may not assign this Agreement nor any part hereof without the prior written consent of LFUCG. Subject to the foregoing restriction, this Agreement will inure to the benefit of LFUCG, its successors and assigns and will bind Borrower, Borrower's successors, assigns and representatives.
- 7.8 MODIFICATION.** No variance or modification of this Agreement will be valid and enforceable except by supplemental agreement in writing, executed and approved in the same manner as this Agreement.
- 7.9 EXHIBITS.** Any exhibits attached to this Agreement and the matters contained therein are incorporated herein and deemed to be a part hereof as if fully recited in this Agreement prior to the date of execution hereof.
- 7.10 WAIVER.** LFUCG may waive Borrower's performance of any of the terms of this Agreement or Borrower's default hereunder; provided, however, such waiver must be in writing, signed by LFUCG, and any such written waiver hereunder will not be construed as a waiver of any other term or condition of this Agreement or of any act of continuing default.
- 7.11 INVALID PROVISIONS.** The invalidity or unenforceability of a particular provision of this Agreement will not affect the other provisions hereof, and this Agreement will be construed in all respects as if such invalid or unenforceable provisions were omitted.
- 7.12 COUNTERPARTS.** This Agreement may be executed by the parties in any number of counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument.

WITNESS the signatures of the parties hereto as of the date and year first above written.

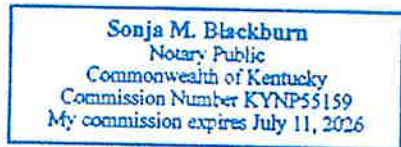
**SIGNATURE PAGE - LFUCG****LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**

By: Linda Gorton  
Its: Mayor

By: Linda Gorton  
Linda Gorton, Mayor

COMMONWEALTH OF KENTUCKY                 )  
  )SCT  
COUNTY OF FAYETTE                         )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the 1st day of May, 2025, by Linda Gorton, as Mayor of the Lexington-Fayette Urban County Government.



Dennis M Blackburn  
Notary Public, State At Large, Kentucky  
My Commission Expires: July 11, 2024  
Commission Number: KYNPD55159

ATTEST:

Deputy MarVenzie Stock  
Clerk, Urban County Council

**SIGNATURE PAGE - BORROWER**

**BIG BROTHER ENTERPRISE LLC**

By: Damon Edwards

Its: Member

By: Damon Edwards, Member

COMMONWEALTH OF KENTUCKY )  
 ) SCT  
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the 12th day of May, 2025, by Damon Edwards, as Member of Big Brother Enterprise LLC.

Alquia Fern  
Notary Public, State At Large, Kentucky  
My Commission Expires: 06/17/2028  
Commission Number: KYNP 90829

**BIG BROTHER ENTERPRISE LLC**

By: D. Sean Edwards

Its: Member

By: D. Sean Edwards, Member

COMMONWEALTH OF KENTUCKY )  
 ) SCT  
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the 12<sup>th</sup> day of May, 2025, by D. Sean Edwards, as Member of Big Brother Enterprise LLC.

Alayna Lee  
Notary Public, State At Large, Kentucky  
My Commission Expires: 06/17/2028  
Commission Number: KYNP 90829

**EXHIBIT A**

**Application**



## Program Overview

Completed by seanedwards89@gmail.com on 12/17/2024 2:25 PM

**Case Id:** 12149

**Name:** Edwards, Sean - 2024

**Address:** 139 Eddie Street, , Lexington, KY 40508

---

### Program Overview

---

Please provide the following information.



**LEXINGTON**

Lexington, Fayette  
County, KY

The Lexington, Fayette County, KY

859-221-7406, 859-893-3264

[rmcquady@lexingtonky.gov](mailto:rmcquady@lexingtonky.gov)

[pruddick2@lexingtonky.gov](mailto:pruddick2@lexingtonky.gov)

Select this option if you want to apply for the Affordable Housing Fund, which provides loans and grants to preserve and produce safe, quality, affordable housing.

## A. General Information

Completed by seanedwards89@gmail.com on 1/28/2025 9:17 AM

**Case Id:** 12149

**Name:** Edwards, Sean - 2024

**Address:** 139 Eddie Street, , Lexington, KY 40508

---

## A. General Information

---

Please provide the following information.



**LEXINGTON**

Lexington, Fayette  
County, KY

The Lexington, Fayette County, KY  
859-221-7406, 859-893-3264  
[rmcquady@lexingtonky.gov](mailto:rmcquady@lexingtonky.gov)  
[pruddick2@lexingtonky.gov](mailto:pruddick2@lexingtonky.gov)

**A.1. Legal Name of Applicant Requesting Funds:**

D. Sean Edwards

**A.2. Doing Business As (if applicable):**

Big Brother Enterprise

**A.3. Type of Applicant:**

Limited Liability Company

**A.4. Active Unique Entity ID (UED) (if applicable):**

33-1882603

**A.5. Applicant Primary Contact Name and Title:**

Sean Edwards, Partner

**A.6. Applicant Primary Contact Phone #:**

(859) 494-4647

**A.7. Applicant Primary Contact Email:**

Seanedwards89@gmail.com

**A.8. Applicant Legal Authority Name and Title:**

Same

**A.9. Applicant Legal Authority Phone #:**

(859) 494-4647

**A.10. Applicant Legal Authority Email:**

Printed By: Rick McQuady on 4/29/2025

seanedwards89@gmail.com

**A.11. What is the applicant's mission statement or principal business?**

Empowering communities by providing affordable, quality housing solutions, inspired by our founders' journey from public housing to prosperity, to ensure everyone has a place to call home.

## B. Project Information

Completed by seanedwards89@gmail.com on 1/29/2025 4:25 PM

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

---

### B. Project Information

---

Please provide the following information.

**B.1. Project Name:**

139 Eddie Street

**B.2. Project Address(es): (Must be located within Fayette County)**

139 Eddie Street Lexington, KY 40508

**B.3. Council District:**

1

**B.4. Neighborhood:**

North Limestone Street

**B.5. Census Tract(s):**

3

**B.6. Has the Councilmember been contacted regarding the proposed project?**

No

**B.7. Project Summary Project Summary:**

We will be remodeling the house to offer affordable housing to members of the community and to the youth at Arbor Youth Services. -Servicing individuals that need access to affordable housing close to the bus lines. -Servicing individuals moving out of the youth homeless shelter into their own place.

**B.8. Target Population:**

Other

**B.9. Will this be a Group Home?**

No

**B.10. Project Construction Type:**

Acquisition

**B.11. Is this Single or Multifamily development?**

Single

**B.12. New or Existing:**

Currently, non-existing low-income rental units

Printed By: Rick McQuady on 4/29/2025

**B.13. Project Start Date:**

12/23/2024

**B.14. Project Estimated Completion Date:**

01/31/2025

**B.15. Project Milestone or Benchmarking Dates and Why?**

Purchase the Property - 12/05/2024 Obtain Financing to renovate the property 12/23/2024 Renovate the property 12/05/2024-01/31/2025 Apply for Affordable housing funds to assistance with renovations 12/23/2024 Move in a new tenant 02/01/2025

**B.16. Is this a Low-Income Housing Tax Credit Project?**

No

**B.17. Development and Draw Schedule (timeline):**

	Month/Year	Will you draw Affordable Housing Funds?	If yes, how much?
Site Control and Predevelopment: Option	12/24	No	
Site Control and Predevelopment: Contract	12/24	No	
Site Control and Predevelopment: Closing	12/24	NO	
Site Control and Predevelopment: Zoning	12/24	NO	
Site Control and Predevelopment: Site Analysis Construction Drawings	1/25	No	
Construction Loan Closing	12/24	NO	
Construction Start	12/24	NO	
Construction ½ Completed	01/25	Yes	\$25000
Marketing Start-up	01/25	No	
Construction Complete (Certificate of Occupancy)	01/25	Yes	\$25000
Permanent Loan Closing	02/25	NO	
All Units Leased	02/25	No	
Total Development Schedule:	12/24-02/25	Yes	\$50000

**B.18. Provide a detailed description of any target populations and the income range to be served.**

We will be working with Arbor Youth services to see if they have individuals that could qualify to lease the unit. We will also be working with individuals that are making under \$50000 household income.

**B.19. How will you ensure lease-up to eligible tenants within 18 months?**

We will be working with agencies and community partners to refer us people that fit the criteria.

**B.20. Provide a detailed description of how this project is a solution for at least one identified need in the Lexington-Fayette Urban County Government's Consolidated Plan, HOME Allocation Plans, or Affordable Housing Fund Needs Analysis.**

**B.21. Provide any project details and descriptions of known barriers and solutions.**

We will be helping individuals who have lived downtown their whole lives, stay inside the city.

## C. Unit Information

Case Id: 12149

Name: Edwards, Sean - 2024

Completed by seanedwards89@gmail.com on 1/29/2025 4:25 PM

Address: 139 Eddie Street, , Lexington, KY 40508

---

### C. Unit Information

---

Please provide the following information.

**C.1. Total number of Units in the whole development:**

1

**C.2. Total number of Funded with HOME dollars:**

1

**C.3. Will these be Fixed or Floating HOME Units?**

Fixed

**C.4. Total number of Units Funded with Affordable Housing Fund dollars:**

1

**C.5. Total number of Units with No Income Restrictions or Other Funding:**

0

**C.6. Primary Unit Type:**

Single-Family Detached

**C.7. Additional Unit Type:**

Walk-up

**C.8. Total Residential Square Feet:**

	Total Number of Units	Average Square Footage
1 Bedroom		
2 Bedrooms	1	600
3 Bedrooms		
4 Bedrooms		
5 Bedrooms		
	1	

**C.9. Equipment included with the income-restricted units (check all that apply):**

- ☒ Microwave
- ☒ Range & Oven
- ☒ Garbage Disposal

- ☐ Dishwasher
- ☒ Refrigerator
- ☐ Ceiling Fans
- ☐ Fireplace
- ☒ Blinds/Drapes
- ☒ Kitchen Exhaust Duct
- ☐ Common On-Site Laundry
- ☐ Security alarm
- ☒ Laundry Equipment in Unit

Other:

**C.10. Explain how you arrived at the projected rents as listed in your 15-year proforma attachment:**

We based rent on our conversations with people in the neighborhood. And our own experience growing up in this area of town. We believe that creating a rent structure that allows individuals to afford to live in a nice place for a longer period of time.

**C.11. Total number of Buildings:**

1

**C.12. Oldest Existing Building Constructed (year):**

1900

**C.13. Structural System (check all that apply):**

- ☒ Frame
- ☐ Brick
- ☐ Steel
- ☐ Concrete

Other:

**C.14. Exterior (check all that apply):**

- ☒ Vinyl
- ☐ Brick



- ☐ Brick and Vinyl
- ☐ Wood Plank
- ☐ Cement Board
- ☐ Stucco

Other:

**C.15. Basement (check all that apply):**

- ☐ Full
- ☐ Partial
- ☐ Crawlspace
- ☐ Slab

**C.16. Parking:**

- ☐ Detached Garage
- ☐ Attached Garage
- ☐ Carport
- ☐ Parking Pad/Driveway
- ☒ No Parking

**C.17. Heating System, and is it Energy Star:**

- ☐ Electric – Forced Air/Heat Pump
- ☒ Gas – Forced Air/Heat Pump
- ☐ Propane – Forced Air/Heat Pump

Other:

**C.18. Air Conditioning System, and is it Energy Star:**

- ☒ Central Forced Air
- ☐ Window Units
- ☐ None Provided

Other:

**C.19. Water, and is it Energy Star:**

- ☐ Electric – Forced Air/Heat Pump
- ☒ Gas – Forced Air/Heat Pump
- ☐ Propane – Forced Air/Heat Pump

**Other:**

**C.20. Other Green Certifications?**

## D. Site Information

Case Id: 12149

Name: Edwards, Sean - 2024

Completed by seanedwards89@gmail.com on 1/29/2025 4:26 PM

Address: 139 Eddie Street, , Lexington, KY 40508

---

### D. Site Information

---

Please provide the following information.

#### D.1. Project Site Area:

Existing Housing unit with on street parking.

#### D.2. Does the project include any renovations or demolition of historic buildings?

No

#### D.3. Are there any known environmental remediation requirements/brownfield agreements associated with the property?

No

#### D.4. Have you already acquired the project property?

Yes

#### D.5. Was the property occupied at the time you obtained ownership or will obtain ownership?

No

#### D.6. Did or will you acquire the property with a clear title and no debt?

No

#### D.7. Is this an "Arms-Length" transaction, meaning the buyer and seller are acting independently and have no relationship to one another?

Yes

#### D.8. Current Zoning:

Single Family

#### D.9. If the project requires a zone change/waiver/conditional use, explain where you are in this process.

#### D.10. Will the current site(s) require lots to be subdivided?

No

#### D.11. Are the utilities currently on the site?

Yes

If yes, check all that apply:

- ☒ Public Water Supply
- ☒ Public Sewer System
- ☒ Natural Gas Distribution System
- ☒ Electric Power System

**D.12. Are the following conditions present at the proposed development site (check all that apply)?**

- ☐ All or part in a 100-year floodplain
- ☐ Railroad tracks within 300 feet
- ☐ High tension wires
- ☐ High noise levels
- ☐ Hazardous waste sites
- ☐ Proximity to an airport
- ☐ Standing water
- ☐ Creek, lake, river footage
- ☐ Ravens or steep grades
- ☐ Industrial sites
- ☐ Commercial sites

**D.13. Describe any unusual site conditions.**

## E. Neighborhood and Market Information

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

Completed by seanedwards89@gmail.com on 1/29/2025 4:26 PM

---

### E. Neighborhood and Market Information

---

Please provide the following information.

#### E.1. Provide a neighborhood narrative description and describe how the project supports/will support the surrounding community, including contact with Neighborhood Organizations, HOAs, etc.

Our 139 Eddie Street Affordable housing development will have a significant and positive impact on the surrounding community in numerous ways: We will have an Economic Benefits through Job Creation: The construction and ongoing maintenance of affordable housing create jobs for local residents, boosting the local economy. Increased Spending Power: Residents have more disposable income to spend on local goods and services, stimulating economic growth. Property Value Stabilization: By reducing the number of vacant or dilapidated properties, affordable housing can help stabilize or even increase nearby property values. We will also have many Social Benefits like: Diverse Communities: Affordable housing promotes diversity by enabling people from various income levels and backgrounds to live in the community. Enhanced Quality of Life: Access to stable, affordable housing can improve residents' health, education, and overall quality of life, contributing to a more vibrant community. Crime Reduction: Stable housing can lead to reduced crime rates by fostering a sense of community and belonging among residents. Last but not least we will have a Community Development benefit through: Revitalization of Areas: Affordable housing can revitalize underdeveloped or declining areas, turning them into thriving, attractive neighborhoods. Improved Infrastructure: The development often brings improved infrastructure, such as better roads, schools, and public services. Community Involvement: Residents of affordable housing developments tend to become more engaged in their community, participating in local events and organizations.

#### E.2. Explain the need/market demand for the proposed project that ensures units will lease up within program deadlines.

As the city of Lexington grows the need for affordable housing in our downtown area has been well documented. We believe people are wanted to live closer to areas where they work and unlike other cities in the country, Lexington still has a thriving downtown.

#### E.3. Describe how this project builds on existing and emerging neighborhood anchors and proximity to essential amenities (medical, university, grocery, transportation, park, school, retail amenities, etc.).

This project will help the continuation and revitalization of the north Limestone Street area. With the growth and proximity of the University of Kentucky and major bus routes we are helping individuals maintain access to these amenities without having to be wealthy. Furthermore the project will be done by individuals that grew up in the area, so we have a special assignment to make sure that it's the best possible development.

#### E.4. Describe how this project has been coordinated with other neighborhood projects, investments, or redevelopment initiatives.

## F. Applicant and Development Team Information

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

Completed by seanedwards89@gmail.com on 1/29/2025 4:26 PM

---

### F. Applicant and Development Team Information

---

Please include all persons with a role and responsibility in this project, including developers, attorneys, general contractors, property management companies, architects, etc.

**F.1. Has this applicant administered a federal, state, or city-funded project or program in the last five years?**

No

**F.2. Has any team member ever had ANY violations that resulted in the issuance of an 8823 or other citation by a state housing finance agency?**

No

**F.3. Have any development team members been informed of any current or ongoing investigation of the applicant regarding possible violations of state and federal laws?**

No

**F.4. Is any development team member or the applicant currently debarred, suspended, or disqualified from contracting with any federal, state, or municipal agency?**

No

**F.5. Please describe the status of the applicant's or development team's most recently funded federal, state, or city-funded project, if applicable.**

N/A

**F.6. Has the developer completed other residential development projects?**

No

**F.7. How many housing development projects has the developer completed?**

5

**F.8. Total # of New Construction Units:**

1

**F.9. Total # of Rehab Units:**

10

**F.10. How many full-time (FTE) staff does the developer employ?**

7

**F.11. Are there any identities of interest between development team members?**

Printed By: Rick McQuady on 4/29/2025

14 of 21

No

**F.12. Is a development team member related to a Lexington-Fayette Urban County Government elected official or employee?**

No

**F.13. Is any development team member, including any of their owners, partners, or board members, CURRENTLY or EVER debarred from Federal contracting opportunities by any agency of the Federal Government? (search at [www.sam.gov](http://www.sam.gov)).**

No

**F.14. If the development will be held by an entity other than the applicant, provide the organization name, describe the project's ownership structure, and explain the role of any non-profits in the project.**

N/A

**F.15. Who will perform ongoing property management (can list self)?**

Self

**F.16. Name of the management company?**

N/A

**F.17. How many units is the management company currently managing?**

0

**F.18. How many HUD income-restricted units is the property management company currently managing?**

0

**F.19. Provide up to five properties currently managed by the property management company.**

Property Name	Address	Total Units	HUD Income-Restricted Units	Target Population/Income, if applicable
N/A	N/A			

**F.20. Has the property management company had any property default in the last 10 years?**

No

**F.21. Describe how property management, asset management, and ongoing compliance roles will be delegated. If known, please list the names/titles of those responsible.**

N/A

## G. Supportive Services (if applicable)

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

Completed by seanedwards89@gmail.com on 1/29/2025 4:26 PM

---

### G. Supportive Services (if applicable)

---

This section is ONLY for projects that will or have CDBG-funded supportive services included in the development. If the development will offer supportive service, but they are not funded with CDBG, please do not complete.

**G.1. Total # of Beneficiaries:**

**G.2. Have these services been funded by CDBG in the past or currently?**

**G.3. Are these new services for the residents and community?**

**G.4. Provide project outcomes and performance measures.**

**G.5. If resident-level supportive services will be provided, please describe who will receive them, what services will be provided, when they will be provided, and how they will be supported.**

**G.6. Will participation in supportive services be mandatory?**



## H. Required Application Attachments

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

Completed by seanedwards89@gmail.com on 1/29/2025 4:49 PM

---

### H. Required Application Attachments

---

#### APPLICANT INFORMATION

All attachments for this section should begin with the following label:

Applicant information\_(corresponding attachment label letter)\_applicant name

☐ A. Organization Chart for Applicant

*\*\*No files uploaded*

☐ B. List of Board of Directors, if applicable for Applicant

*\*\*No files uploaded*

☐ C. IRS documentation, example: 501c(3) letter for Applicant

*\*\*No files uploaded*

☐ D. Most recent audit for Applicant

*\*\*No files uploaded*

☐ E. Most recent compliance review, if applicable, for Applicant

*\*\*No files uploaded*

☒ F. Most recent financial statements for Applicant

P and L 21 22 23.pdf

☐ G. Registered and in Good Standing with Kentucky Secretary of State documentation for Applicant

*\*\*No files uploaded*

☐ H. Signed CHDO Board Member Certifications, if applicable, for Applicant

*\*\*No files uploaded*

☐ I. W-9 for Applicant

Printed By: Rick McQuady on 4/29/2025

***\*\*No files uploaded***



**J. Articles of Incorporation for Applicant**

Big Brother Enterprises Articles of Incorporation.pdf



**K. By-Laws, if applicable for Applicant**

***\*\*No files uploaded***

**PROJECT INFORMATION**

**All attachments for this section should begin with the following label:**

**Project information\_(corresponding attachment label letter)\_applicant name**



**A. Reports from Code Enforcement, Engineers, and/or architects that demonstrate code violations/structural damage/mechanical failures**

***\*\*No files uploaded***



**B. Physical Needs Assessment that provides a detailed list of major systems' estimated remaining useful life, including structural support, roofing, cladding, windows, doors, siding, gutters, plumbing, electrical, heating, ventilation, and air conditioning.**

***\*\*No files uploaded***



**C. A detailed description of rehabilitation plans.**

Eddie Street Remodel Estimate.pdf



**D. A statement describing the results of your meeting(s) with the neighborhood groups in the community of the proposed development (who, when, feedback). If you haven't yet reached out to the neighborhood group, please provide your plans for doing so.**

***\*\*No files uploaded***



**E. Commitment Letters from all sources of funding**

***\*\*No files uploaded***



**F. PCNA for 12 or more units or \$500,000 or more total cost**

***\*\*No files uploaded***



**G. Marketing Plan for tenant recruitment, including collaboration and referral plans for services**

**\*\*No files uploaded**

☐ **H. Tenant Selection Plans (Preferences must be stated in the plan and match the current LFUCG Consolidated Plan. New preferences will not be accepted.)**

**\*\*No files uploaded**

☐ **I. Market Analysis/Study**

**\*\*No files uploaded**

☐ **J. Relocation Plan and statement of proposed relocation assistance, if applicable.**

**\*\*No files uploaded**

☐ **K. Photos (Site and Unit)**

**\*\*No files uploaded**

☐ **L. Evidence and Documentation of Site Control Plan and acquisition of property**

**\*\*No files uploaded**

☒ **M. Proforma**

LFUCG Rental Proforma\_Required Attachment 139 Eddie Street Project.xlsx

#### **DEVELOPMENT TEAM INFORMATION**

**All attachments for this section should begin with the following label:**

**Development Team Information\_(corresponding attachment label letter)\_applicant name**

☒ **A. List/chart of Development Team, Consultants, and Property Management Firm, including Contact Information and a detailed description of services/scope of work provided. ??**

Capability Statements revised 043022.pdf

☐ **B. Track record - statement documenting your experience. List all projects similar to the one proposed and any federally funded projects in the last five years: address, activities, total cost, date completed, #of units, list of sources and amounts, and project status.**

**\*\*No files uploaded**

☐ **C. Resumes for each development team member.**

**\*\*No files uploaded**



## Applicant Certification and Submit

Completed by seanedwards89@gmail.com on 1/29/2025 4:49 PM

Case Id: 12149

Name: Edwards, Sean - 2024

Address: 139 Eddie Street, , Lexington, KY 40508

---

### Applicant Certification and Submit

---

Please provide the following information.

☒ I certify that the submission of this application has been duly authorized by the governing body of the applicant and that all information contained in this application and its attachments is complete, true, and accurate to the best of my knowledge.

☒ I understand that awards will be made on a competitive basis, and LFUCG may award an amount less than requested. I understand that LFUCG has no obligation to make a grant or loan to the applicant. I am aware that incomplete or late applications may not be accepted or considered for funding.

☒ I further understand that submitting this application makes it a public document subject to the Freedom of Information Act.

**Printed Name**

D Sean Edwards

**Title**

Partner

**Date**

01/21/2025

**Signature**

D Sean Edwards

Electronically signed by seanedwards89@gmail.com on 1/21/2025 5:23 PM

**EXHIBIT B**

**Commitment Letter**

4904-1291-2956, v. 1

MAYOR LINDA GORTON



**LEXINGTON**

RICHARD MCQUADY  
DIRECTOR  
AFFORDABLE HOUSING

March 25, 2025

Mr. Sean Edwards, President  
Big Brother Enterprise LLC  
250 North Upper Street  
Lexington, KY. 40507

Dear Mr. Edwards,

The Board of Directors of the Lexington-Fayette County Affordable Housing Fund has approved an allocation of a \$39,390 first mortgage, 15-year, forgivable loan at 0% rate of interest. One fifteenth (1/15) of the loan will be forgiven each year if the unit remains in compliance with Affordable Housing Fund Guidelines. The property will also be secured by a 15-year Deed Restriction requiring that residents' household income is at or below 60% of area median income.

This commitment is contingent upon the following:

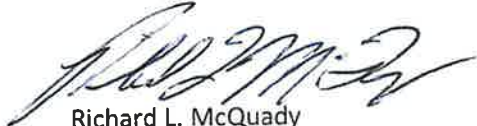
1. Your acceptance of the 15-year Deed Restriction requiring the units to be leased to households whose incomes at initial leasing of the units are at or below 60% of Fayette County Kentucky's area median income.
2. Your acceptance of the requirement that rents charged to lease the units will remain affordable for households whose incomes are at or below 60% of area median income in Fayette County Kentucky. The area median income numbers change annually and the Office of Affordable Housing will post the incomes and affordable housing costs on their web site.

Please know that if you sell the property within five (5) years of the closing date, the forgivable loan shall be repaid at its original principal amount (\$39,390) plus 5 % interest calculated from the closing date.



Please indicate your acceptance of this commitment letter by signing below. I look forward to working with you on this development.

Sincerely,



Richard L. McQuady  
Affordable Housing Manager

Accepted:

D. Sean Edwards

Big Brother Enterprises LLC.

