

OPERATING AGREEMENT
OF
RIDGECREST COMMONS GP, LLC

This Operating Agreement is dated as of the Effective Date and is agreed to by the Member of the Company and any Person that becomes a Member at any time after the effective date of this Agreement. Capitalized terms and phrases have the meanings assigned in Article 1.

ARTICLE 1. DEFINITIONS

For purposes of this Agreement and any document or instrument delivered incident to this Agreement or in accordance with this Agreement, unless otherwise expressly provided in this Agreement to the contrary, the capitalized terms shall have the following meanings:

“Act” means the Alabama Limited Liability Company Act, title 10A, chapter 5A *Code of Alabama* (1975), as in effect from time to time and any successor statute.

“Affiliate” means as to any Person (a) any other Person directly or indirectly controlling, controlled by or under common control with such initial Person, (b) any other Person controlling ten percent (10%) or more of the outstanding voting securities of such initial Person, (c) any officer, director, trustee, partner or Member of such initial Person and (d) if such initial Person is an officer, director, trustee, partner or Member of any company, any other company for which such Person acts in any such capacity.

“Capital Contribution” means any contribution to the capital of the Company in cash or property by a Member at any time.

“Certificate of Formation” means the certificate of formation of the Company, as filed with the Jefferson County Probate Office, as it may exist from time to time as amended or restated.

“Code” means the Internal Revenue Code of 1986, as in effect from time to time or corresponding provisions of subsequent superseding federal law.

“Company” means Ridgecrest Commons GP, LLC, an Alabama limited liability company.

“Effective Date” means the latter of May 1, 2026 or the date on which the Certificate of Formation for the Company is filed of record with the Alabama Secretary of State.

“Fiscal Year” means the Company’s fiscal year, the same as may be elected under the Code from time to time.

“Improvements” means all existing improvements and all improvements to be made on the Land in accordance with the Plans as provided in the Partnership Agreement in connection

with a Qualified Low-Income Housing Project apartment complex called Ridgecrest Commons Apartments.

“Initial Capital Contribution” means the Member’s initial Capital Contribution to the Company pursuant to this Agreement.

“Land” means the real property located in Conway, SC owned by the Partnership, together with all rights of the Partnership in and to all easements benefiting such real property.

“Member” means the Person executing this Agreement, any Transferee of a Member, and any new Member.

“Membership Interest” means a Member’s entire interest in the Company, including such Member’s financial rights in the Company and distributions granted pursuant to this Agreement and the Act.

“Partnership” means Ridgecrest Commons Housing, LLLP, an Alabama limited liability limited partnership.

“Partnership Agreement” means the Partnership Agreement of the Partnership, as from time to time amended and/or restated.

“Property” means all property, real and personal, including without limitation the Land and the Improvements, which is now, or hereafter, owned or leased by the Partnership.

“Person” means any individual, partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust, or business organization or other entity recognized by law as a legal person, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.

“Plans” means the final, signed plans and specifications for the design, rehabilitation and equipping of the Improvements.

“Qualified Low-Income Housing Project” has the meaning set forth in Section 42(g)(1) of the Code.

“Reserves” means, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in the amounts deemed sufficient by the Member for working capital and to pay taxes, insurance, debt service or other costs, or expenses incident to the ownership or operation of the Company’s business.

“Tax-Exempt Entity” has the meaning set forth in Section 168(h)(2)(A) of the Code.

“Transfer” means any sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as a security or encumbrance (including dispositions by operation of law) of a Membership Interest.

“Transferee” means the Person to whom a Membership Interest is to be or has been Transferred.

ARTICLE 2. FORMATION OF THE COMPANY

Section 2.1 Formation

The initial Member of the Company organized the Company in accordance with the Act on the effective date of this Agreement as an Alabama limited liability company by executing and filing the Certificate of Formation to the Alabama Secretary of State.

Section 2.2 Name

The name of the Company is Ridgecrest Commons GP, LLC. The Company’s business shall be conducted under that name or such other name or names as comply with applicable law and as the Company may from time to time select.

Section 2.3 Other Matters of Formation

The initial registered office and the initial registered agent are as stated in the Certificate of Formation. The registered office and registered agent may be changed by the Company from time to time by filing the address of the new registered office and/or the name of the new registered agent in the appropriate locations in accordance with the Act.

Section 2.4 Principal Place of Business

The principal place of business of the Company within the State of Alabama shall be 809 22nd Avenue, Tuscaloosa, AL 35401. The Company may locate its place of business in such other place or places as it may from time to time deem advisable.

ARTICLE 3. BUSINESS OF THE COMPANY

The purpose of the Company shall be as follows:

Section 3.1 Single Purpose Entity

Notwithstanding any other provision of this Agreement or the Certificate of Formation to the contrary, the following provisions shall apply:

(a) Capitalized terms used but not defined in this section shall have the meanings defined in the Partnership Agreement.

(b) The Company shall remain a Single Purpose Entity.

(c) A “Single Purpose Entity” means a corporation, limited partnership, or limited liability company which, at all times since its formation and thereafter:

(1) shall not engage in any business or activity, other than the ownership, operation and maintenance of the Property and activities incidental thereto, whether through an Affiliate or directly;

(2) shall not acquire, own, hold, lease, operate, manage, maintain, develop or improve any assets other than the Property and such personalty as may be necessary for the operation of the Property and shall conduct and operate its business as presently conducted and operated;

(3) shall preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the laws of the jurisdiction of its formation or organization and shall do all things necessary to observe organizational formalities;

(4) shall not merge or consolidate with any other Person;

(5) shall not take any action to dissolve, wind-up, terminate or liquidate in whole or in part; to sell, transfer or otherwise dispose of all or substantially all of its assets; to change its legal structure; transfer or permit the direct or indirect transfer of any membership or other equity interests, as applicable, other than Transfers permitted under the Partnership Agreement; issue additional membership or other equity interests, as applicable; or seek to accomplish any of the foregoing;

(6) shall not amend or restate its organizational documents if such change would modify the requirements set forth in the Partnership Agreement;

(7) shall not own any subsidiary or make any investment in, any other Person, except for its interest in the Partnership;

(8) shall not commingle its assets with the assets of any other Person and shall hold all of its assets in its own name;

(9) shall not incur any debt, secured or unsecured, direct or contingent (including, without limitation, guaranteeing any obligation), other than customary unsecured trade payables incurred in the ordinary course of owning and operating the Company,

(10) shall maintain its records, books of account, bank accounts, financial statements, accounting records and other entity documents separate and apart from those of any other Person and shall not list its assets as assets on the financial statement of any other Person; provided, however, that the Company's assets may be included in a consolidated financial statement of its Affiliate provided that (A) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of the Company from such Affiliate and to indicate that the Company'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 the Company's own separate balance sheet;

(11) except for capital contributions or capital distributions permitted under the terms and conditions of its organizational documents, shall only enter into any contract or agreement with any general partner, member, shareholder, principal or Affiliate of the Company

or any guarantor, or any general partner, member, principal or Affiliate thereof, upon terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm's-length basis with third parties;

(12) shall not maintain its assets in such a manner that will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;

(13) shall not assume or guaranty (excluding any guaranty that has been executed and delivered in connection with the Partnership Agreement) the debts or obligations of any other Person, hold itself out to be responsible for the debts of another Person, pledge its assets to secure the obligations of any other Person or otherwise pledge its assets for the benefit of any other Person, or hold out its credit as being available to satisfy the obligations of any other Person;

(14) shall not make or permit to remain outstanding any loans or advances to any other Person except for those investments permitted under the documents evidencing and/or permitted under the Partnership Agreement and shall not buy or hold evidence of indebtedness issued by any other Person (other than cash or investment-grade securities);

(15) shall file its own tax returns separate from those of any other Person, except to the extent that the Company is treated as a "disregarded entity" for tax purposes and is not required to file tax returns under applicable law, and shall pay any taxes required to be paid under applicable law;

(16) shall hold itself out to the public as a legal entity separate and distinct from any other Person and conduct its business solely in its own name, shall correct any known misunderstanding regarding its separate identity and shall not identify itself or any of its Affiliates as a division or department of any other Person;

(17) shall 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 and shall pay its debts and liabilities from its own assets as the same shall become due;

(18) shall allocate fairly and reasonably shared expenses with Affiliates (including, without limitation, shared office space) and use separate stationery, invoices and checks bearing its own name;

(19) shall pay its own liabilities (including, without limitation, salaries of its own employees) from its own funds;

(20) shall not acquire obligations or securities of its Member or Affiliates.

(21) shall not permit any Affiliate or constituent party independent access to its bank accounts;

(22) shall maintain a sufficient number of employees (if any) in light of its contemplated business operations and pay the salaries of its own employees, if any, only from its own funds;

(23) The provisions of this Section 3.1 shall govern and supersede any other provision of the Operating Agreement of the Company to the contrary.

ARTICLE 4. RIGHTS, POWERS AND DUTIES OF THE MEMBER

Section 4.1 Management

The business and affairs of the Company shall be managed by the Member. The Member shall direct, manage, and control the business of the Company to the best of his ability. The Member shall have full and complete authority, power, and discretion to manage and control the business, affairs, and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities reasonably necessary, appropriate, convenient, or helpful to the management of the Company's business.

Section 4.2 Certain Powers of the Member

Without limiting the generality of Section 4.1 above and except as limited by Section 3.1, the Member has all authority, rights and powers generally conferred by law, and has all authority, rights and powers which the Member deems necessary or appropriate to effect the purposes of the Company, including, by way of illustration but not by way of limitation, the following for itself or as General Partner of the Partnership:

(a) To acquire (including by fee or real estate contract), hold, sell, transfer, assign, lease or otherwise deal with any real, personal, or mixed property, interest therein or appurtenance thereto; including, specifically, the authority, right and power to acquire property not owned by the Company, with cash or other property.

(b) To borrow money or incur any purchase money mortgage or similar obligations and, if security is required therefore, to mortgage or subject to any other security device any portion of the assets of the Company, including any assets acquired with the proceeds of such borrowing, to obtain replacements of any mortgage or other security device, and to prepay, in whole or in part, refinance, increase, modify, consolidate or extend any mortgage or other security device.

(c) To purchase, at the Company's expense, liability and other insurance to protect the Company's business and Property.

(d) To employ, contract and deal with, from time to time, Persons, firms or corporations (including any Member or Affiliate of any Member) in connection with the management, operation, and disposition of the Company business and assets; including, without limitation, contractors, agents, brokers, accountants and attorneys, on such terms as the Member shall determine.

(e) To establish reserve funds from revenues of the Company to provide for future requirements for operations, maintenance, repairs, capital improvements, replacement, contingencies or any other purpose deemed necessary or appropriate by the Member.

(f) To bring or defend, pay, collect, compromise, arbitrate, resort to legal action or otherwise adjust claims or demands of or against the Company.

(g) To pay as a Company expense any and all expenses associated with the formation of the Company and the organization, development and operation of the Company's business.

(h) To deposit, withdraw, invest, pay, retain and distribute the Company's funds in a manner consistent with the provisions of this Agreement.

(i) To require in any or all Company contracts that the Member shall not have any personal liability thereon, but that the Person contracting with the Company shall look solely to the Company and its assets for satisfaction.

(j) To execute, acknowledge and deliver any and all instruments to effectuate the foregoing.

Notwithstanding the foregoing, Aletheia House Housing, Inc., an Alabama non-profit corporation ("Aletheia"), or its assignee, which shall be required to be an entity exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code of 1986, as amended, shall at all times (i) control at least a fifty percent (50%) membership interest in the Company, and (ii) control and maintain at least fifty percent (50%) of the management rights in the Company, whether this be a direct management right of maintaining a fifty percent (50%) membership interest in the Company or a right to appoint a manager (or managers) who control at least fifty percent (50%) of the management rights in the Company.

Section 4.3 Delegation

The Member may appoint such officers and other Company employees and officials as he may deem reasonably necessary, appropriate, convenient or helpful and may delegate to such officers, employees and officials such authority as he may consider appropriate but any such delegation shall be subject to the paramount authority of the Member.

Section 4.4 Bank Accounts

The Member may from time to time open bank accounts in the name of the Company and the Member or any one or more Persons designated by the Member may be signatories thereon.

Section 4.5 Indemnity of the Company

To the maximum extent permitted under the Act and the laws of the State of Alabama, the Company shall indemnify the Member.

Section 4.6 Dealings

Any Person dealing with the Company may rely on the authority of the Member in taking any action in the name of the Company without inquiry into the provisions of this Agreement or compliance with this Agreement regardless of whether that action actually is taken in accordance with the provisions of this Agreement.

Section 4.7 Titles

The Member may elect to give himself, employees or any other Person titles such as “chairman,” “president,” “vice-president,” “secretary,” “assistant secretary,” and such others as he may determine in his absolute discretion. Notwithstanding such titles, only the Member shall function as a member of the Company in accordance with the Act.

Section 4.8 Initial Members

The name, address, percentage interest, and Initial Capital Contribution of the Member is as follows:

MEMBER AND ADDRESS	INITIAL CAPITAL CONTRIBUTION	PERCENTAGE INTEREST
Hawkeye, Inc. 809 22 nd Avenue Tuscaloosa, AL 35401	\$1.00	100%

Section 4.9 Additional Members

After the date of the formation of the Company, any Person acceptable to the Member may become an additional Member in the Company, either by the Company’s issuance of a Membership Interest for such consideration as the Member shall determine or as a purchaser or Transferee of the Member’s Membership Interest or any portion thereof, after fully complying with the terms, conditions, and limitations of this Agreement. The Member may, at its option, at the time a new Member is admitted, close the Company’s books (as though the Company’s Fiscal Year had ended) and make pro rata allocations of losses, income, and deductions for that portion of the Company’s Fiscal Year in which such new Member was admitted.

ARTICLE 5. RIGHTS AND OBLIGATIONS OF THE MEMBER

Section 5.1 Company Liability

The Member will not be personally liable, for any of the debts, losses, obligations, or liabilities of the Company beyond any obligation under Section 4.8 to make Initial Capital Contributions except as agreed to by the Member in writing.

Section 5.2 Books of Account and Records

Proper and complete records and books of account shall be kept or shall be caused to be kept by the Member. In such records and books, full, and accurate descriptions of all transactions and other matters relating to the Company's business shall be entered in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. Such books and records shall be maintained at the principal business office of the Company, or at a reasonably secure place from which they can be retrieved within a reasonable time not to exceed two business days, and at all times and shall be open for reasonable inspection for any proper purpose and examination by the Member or his or her duly authorized representatives during reasonable business hours.

Section 5.3 Maintenance of Records, Audits, and Reports

At a minimum, the Company shall keep at its principal place of business or at a reasonably secure place from which they can be retrieved within a reasonable time not to exceed two business days the following records:

(a) A current list of the full name and last known business or residence street address of each Member, both past and present.

(b) A copy of the Certificate of Formation of the Company and all amendments to such Certificate of Formation.

(c) Copies of the Company's federal and state income tax returns and reports, if any, for the three most recent years.

(d) A copy of this Agreement and any amendments to this Agreement, copies of any writings permitted or required with respect to any Member's obligation to contribute cash, property, or services and copies of any financial statements of the Company for the three most recent Fiscal Years.

(e) Minutes of every annual, special, and court-ordered meeting of the Member.

(f) Any written consents obtained from the Member for actions taken by him without a meeting.

Section 5.4 List of Owners

Upon written request of any Member, the Company shall provide a list showing the names, addresses, and Membership Interests of all Members.

Section 5.5 Corporate Opportunity - Waiver

The Member may engage in or possess an interest in other business ventures of every kind and description, independently or with others, or serve as an officer, director, manager, employee, adviser, or agent of other limited liability companies, and other types of legal entities,

provided that he shall not engage in any activities that directly conflict with the interests of the Company.

ARTICLE 6. CONTRIBUTIONS TO THE COMPANY

Section 6.1 Member's Initial Capital Contribution

The Member shall contribute such amount as is set forth in Section 4.8 as his Initial Capital Contribution.

Section 6.2 Rights of Creditors and Third Parties

This Agreement is entered into between the Company and the Member for the exclusive benefit of the Company and its Member, and their heirs, next of kin, personal representatives, successors, and assigns. The Agreement shall not be deemed for the benefit of any Person other than the Member and the Company, and no third person or creditor shall under any circumstances have any rights under this Agreement.

ARTICLE 7. DISTRIBUTIONS, ELECTIONS, AND REPORTS

Section 7.1 Limitations on Distributions

No distribution shall be declared and paid unless, after the distribution is made, the assets of the Company, based on fair market value as determined in the good faith discretion of the Member, are in excess of all known liabilities of the Company.

Section 7.2 Interest on and Return of Capital Contributions

The Member shall not be entitled to interest on his Capital Contribution or to a return thereof, except as otherwise specifically provided for in this Agreement.

Section 7.3 Los to Company

Nothing in this Agreement shall prevent the Member from making secured or unsecured loans to the Company by agreement with the Company.

ARTICLE 8. TRANSFER OF MEMBERSHIP INTEREST

Section 8.1 Transfer

The Member's Membership Interest is transferable either voluntarily or by operation of law. The Member may Transfer all or a portion of the Member's Membership Interest. Upon Transfer of the Member's Membership Interest, the Transferee shall be admitted, upon the completion of the Transfer above. Upon the Transfer of a Member's entire Membership Interest (other than a Transfer as a pledge or security interest), the Member shall cease to be a Member and shall have no further rights or obligations under this Agreement except that the Member

shall have the right to such information as may be necessary for the computation and reporting of the Member's tax liability.

Section 8.2 Security Interest

The Member may pledge, hypothecate, grant a security interest in, or otherwise encumber his Membership Interest as collateral for loans to the Member or to the Company or to secure other obligations from time to time; provided, however, that any such pledge, hypothecation, or grant of a security interest or other encumbrance shall expressly be subject to the terms of this Agreement, none of which shall grant the pledgee or other secured Person any voting rights with respect to the Membership Interest before an occurrence of an event of default, foreclosure, or other realization on the pledge or security interest.

ARTICLE 9. DISSOLUTION AND TERMINATION OF THE COMPANY

Section 9.1 Dissolution

(a) The Company shall be dissolved upon the occurrence of any of the following events:

(1) The written consent of the Member.

(2) When there is no remaining Member, unless the holders of all the financial rights in the Company agree in writing, within 90 days after the cessation of his Membership Interest to continue the legal existence and business of the Company and to appoint one or more new members.

(3) When the Company is not the successor limited liability company in the merger or consolidation with one or more other Persons.

(4) The entry of a judicial decree of dissolution.

(b) If the Member who is an individual dies or a court of competent jurisdiction adjudges such Member to be incompetent to manage his or her person or property, such Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of such Member's rights for the purpose of settling such Member's estate or administering such Member's property.

Section 9.2 Termination of the Company

(a) Upon dissolution, the Member shall immediately proceed to wind up the affairs of the Company.

(b) If the Company is dissolved and its affairs are to be wound up, the Member shall do the following:

(1) Sell or otherwise liquidate all the Company's assets as promptly as reasonably practicable (except to the extent the Member elects to distribute any assets to himself in kind).

(2) Discharge all liabilities of the Company, including liabilities to the Member, if a creditor, to the extent otherwise permitted by law other than liabilities to the Member for distributions, and establish such Reserves as may be reasonably necessary to provide for any contingent liabilities of the Company.

(3) Distribute the remaining assets to the Member.

(c) Upon the completion of the liquidation of the Company and the distribution of its assets, the Company shall be deemed terminated.

(d) The Member shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

Section 9.3 Articles of Dissolution

When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefor and all the remaining property and assets of the Company have been distributed to the Member, all required documentation under the Act shall be executed and filed in accordance with the Act.

ARTICLE 10. MISCELLANEOUS

Section 10.1 Further Assurances

Each party shall execute such additional documents and instruments as may be reasonably required by counsel for another party to carry out the purpose and intent of this Agreement.

Section 10.2 Final Integration

This Agreement constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All prior understandings and agreements between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by a party that is not contained in this Agreement or expressly referred to in this Agreement has been relied on by another party in entering into this Agreement. Exhibits, addendums, and schedules attached to this Agreement constitute part of and are incorporated in this Agreement.

Section 10.3 Amendment in Writing

This Agreement may not be amended, modified, terminated, or waived in any respect whatsoever except by a further agreement in writing, properly executed by all the parties.

Section 10.4 Severability

All the terms, provisions, and conditions of this Agreement are severable. If for any reason the provisions of this Agreement are held to be invalid or unenforceable by a court of

competent jurisdiction, then to the extent that such provisions are valid and enforceable, such court shall construe and interpret this Agreement to provide for maximum validity and enforceability.

Section 10.5 Binding Effect

This Agreement shall inure to the benefit of and bind the parties and their respective personal representatives, heirs, next of kin, legatees, distributees, successors, and permitted assigns.

Section 10.6 Captions

The captions of this Agreement are for convenience and reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit the scope or intent of this Agreement.

Section 10.7 “Party,” Etc.

“Party” and “parties” refer to the parties to this Agreement, unless otherwise stated.

Section 10.8 Internal References

References to Sections, Articles, and Paragraphs are references to such sections of this Agreement, unless otherwise stated.

Section 10.9 Construction

This Agreement, having been negotiated by all parties, shall be construed in its entirety according to its plain meaning and shall not be construed against the party who provided or drafted it.

Section 10.10 Mandatory and Permissive

“Shall,” “will,” and “agrees” are mandatory; “may” is permissive.

Section 10.11 Gender and Number

All personal pronouns used in this Agreement shall include all genders, whether used in the masculine, feminine, or neuter gender. Singular nouns and pronouns shall include the plural, as may be appropriate, and vice versa.

Section 10.12 Time of the Essence

Time is of the essence as to each provision of this Agreement.

Section 10.13 Governing Laws

The laws of the State of Alabama shall govern the validity of this Agreement, the construction and enforcement of its terms, the interpretation of the rights and duties of the parties and all other matters relating to this Agreement.

Section 10.14 Jurisdiction and Venue

Regardless of any place to which any of the parties may move and maintain residence, legal domicile, or situs at any time, each agrees, to the maximum extent permitted by law, that any action against them based on this Agreement or any document or instrument delivered in accordance with this Agreement shall be instituted in the Circuit Court of Jefferson County, Alabama and, to the maximum extent permitted by law, each irrevocably consents to the exclusive jurisdiction of such court and waives any jurisdictional defenses that each may have to the institution of such an action in such court. This paragraph does not waive any agreement to arbitrate.

Section 10.15 Electronic Execution

This Agreement may be executed by electronic means through manual signatures transmitted to the other party (or the other party's attorney) via email or facsimile.

Section 10.16 Electronic Notices

All notices under this Agreement may be electronically transmitted, that is, via fax or email, and any signatures thereon may be electronic signatures.

IN WITNESS WHEREOF, the Company and the Member have caused this Agreement to be duly executed effective as of the Effective Date.

COMPANY:

RIDGECREST COMMONS GP, LLC

By: 
W. David Morrow
Its President

MEMBER:

HAWKEYE, INC.

By: 
W. David Morrow
Its President