TERM SHEET FOR THE DEVELOPMENT OF

THE WAYPOINT BOERNE DEVELOPMENT

IN THE CITY OF BOERNE, TEXAS

September ~~8~~15, 2020

This Term Sheet addresses the terms for the development and financing of the Project (hereafter defined). This Term Sheet is not meant to be an exhaustive document and will be replaced and superseded by definitive documentation. No legally binding obligations on either party will be created, implied or inferred until documents in final form are executed and delivered by all parties in a form acceptable to each party, in each party's sole and absolute discretion. This Term Sheet replaces all previous understandings and agreements, written or oral, with respect to the Project.

The Project will be owned by Boerne Public Facility Corporation ("BPFC"). WP BoerneMC MF-TX Owner, LLC, a Delaware limited liability company ("Contract Purchaser") an affiliate of Waypoint Residential, LLC, a Delaware limited liability company ("Waypoint") is under contract to acquire the Land and intends to assign that contract at Closing to BPFC. Boerne Public Facility Corporation will at Closing pay for the Land and simultaneously enter into a lease with the Tenant, who will make a prepaid rent prepayment to BPFC of an equal amount to the purchase price for the Land. Tenant will be responsible for the costs of the Improvements. The Land and Improvements will be owned by BPFC and leased to Tenant on a long term lease. BPFC and Equity Partner (as defined herein) will be limited partners of the Joint Venture, which will directly own 100% of the membership interest of Tenant.

Assumed Debt Service: The hypothetical equal monthly payments of principal and interest that would be owed by the Tenant to a lender, assuming (irrespective of whether the Tenant has actually incurred any indebtedness and the actual terms of any such indebtedness) that Tenant borrowed sixty-five percent (65%) of the Assumed Value, at a rate of interest equal to the greater of (a) five percent (5%) or (b) the Ten Year Treasury Rate plus three hundred (300) basis points, determined on the date of transfer or refinance and with a thirty (30) year level debt service amortization.

Assumed Value: Upon the Initial Capital Event, either (a) the purchase price for the direct or indirect transfer of the entire Lease to a party that is not an affiliate of the Tenant (including any indirect transfer of the Lease effected by means of the direct or indirect sale of all of the equity interest in the Tenant) in the event of a sale, or (b) the most recent appraised value of the Lease in the event the Initial Capital Event is a refinance.

Available Cash: For the applicable period, all cash proceeds realized and received by Tenant from operations (other than (i) receipts of capital contributions to Tenant, (ii) proceeds from loans to or refinancing by Tenant, or (iii) proceeds from any direct or indirect sale or assignment of the Lease occurring after an election to effect a PFC Withdrawal, as hereafter defined) and all funds released from reserves which will otherwise be distributed to Tenant's investors less (a) all operating costs and expenses of Tenant (and its affiliates to the extent relating to the Project), including the Asset Management Fee (as defined below), the Property Management Fee (as defined below), other than any expense not involving a cash expenditure (such as any amount charged for amortization or depreciation) or expenses paid to a related party (other than annual partnership expense reimbursements for items such as legal, accounting, tax preparation, etc., which in the aggregate shall not exceed $60,000 annually); (b) the Assumed Debt Service; (c) all sums expended by Tenant (and its affiliates to the extent relating to the Project) for capital expenditures for the Project; and (d) commercially reasonable cash reserves for working capital, capital expenditures, expenses, liabilities and other purposes as determined by Tenant after consideration of Tenant's financial position. Any of the costs, expenses and reserves contemplated in the foregoing clauses (a) through (d) may at the election of Tenant (and in such manner as Tenant shall reasonably approve) be carried forward and applied against future periods to the extent in excess of the aggregate amount of Available Cash for any current period. Available Cash must be calculated and accounted for consistently with the calculations of and accounting for distributions to Tenant's partners or owners. Tenant will provide BPFC with financial information and reports it provides to its partners or owners. Notwithstanding the above, the following fees may be paid to a related party without the consent of BPFC: a property management fee of less than 3.5% of gross revenues (the "Property Management Fee"), and a 5% fee for managing a rehabilitation project. This Available Cash definition is only to be used to calculate Net Cash Flow Rent. Notwithstanding, the foregoing, prior to a PFC Withdrawal Election, when using the defined term Available Cash for Distributions, actual debt service shall be deducted from cash proceeds in lieu of the Assumed Debt Service.

Capital Event: Any refinancing of the entire Project or the sale of the entire Project (including any assignment of the entire Lease) to a third party for consideration or the sale or conveyance of all of the interests in the Tenant to a third party for consideration, excluding a refinance that does not result in Tenant receiving any cash proceeds.

City:	City of Boerne, Texas.
Closing Date:	The date of closing for all financing for the Project. The parties anticipate a Closing Date of ____, 2020.
Construction:	Tenant will contract with a joint venture between BPFC and a general contractor ("Contractor") to construct the Improvements. Contractor will receive a Contractor Fee of 6%, and any construction contract with Contractor will also include a contingency of 1.5% solely for the use of Contractor. Contractor will provide construction completion guarantees necessary to satisfy any lenders and Equity Contribution Partners for the Project on terms acceptable to Contractor in its sole discretion.
Developer:	Waypoint or its affiliate
Development Agreement:	Developer, BPFC and Tenant will enter into a Development Agreement in a form acceptable to the parties of the contract, in accordance with the terms set forth herein.
Development Fee:	Pursuant to the Development Agreement, Waypoint or its affiliate is to receive a Developer Fee in connection with the development of the Project in an amount equal to three percent (3%) of the total development costs of the Project. It is anticipated thirty-three and one third percent (33.3%) of the Developer Fee will be earned and paid at the construction loan closing. thirty-three and one third percent (33.3%) of the Developer Fee will be earned and paid monthly out of the construction loan proceeds as part of the monthly construction loan process and the final thirty-three and one third percent (33.3%) will be earned and paid upon issuance of the final certificate of occupancy for the Project.
Equity Contribution Partners:	Accredited Investors who contribute equity (cash or property) to the Equity Partner and to be admitted as a limited partner to the Equity Partner. Such interest may receive a preferred return for all or a portion of its equity contribution.
Equity Partner:	A Delaware limited partnership, the sole general partner of which will be a Delaware limited liability company affiliate of Waypoint,

and whose limited partners will be the Equity Contribution Partners.

Governing Law: State of Texas for Project contracts, documents and agreements and the State of Delaware for organizational documents.

Guarantees: Waypoint shall provide or cause an affiliate to provide any completion guaranties, payment guaranties, non-recourse carve-out guaranties, and/or environmental indemnifications required by the construction lender. Notwithstanding anything to the contrary set forth herein, in the event that a Waypoint entity is required to provide any portion of the required guaranties, such entity shall be entitled to receive a Guaranty Fee equal to 1% of the principal balance of the loan guaranteed which shall be due and payable at the loan closing. BPFC will not be required to provide any financial guarantees with respect to financing or construction of the Project.

Improvements: Approximately ~~270~~288 units of multifamily residential housing, together with all onsite infrastructure improvements for the Project, pursuant to Plans and Specifications developed by Equity Partner, and may include a pool, fitness center, clubhouse, internet café, and other Class-A multifamily amenities. The Improvements shall be comparable in quality to the Estraya Westover Hills Apartments in San Antonio, in terms of the exterior and interior materials used and tenant amenities included.

Lease: Lease between BPFC, as landlord, and Tenant, pursuant to which BPFC leases the Project to the Tenant for a term of 75 years (the "Lease"). So long as Tenant is not in default under the Lease, Tenant will be permitted under the Lease to assign its interest in the Lease without the requirement of any consent from BPFC. Landlord will not be permitted to assign its interests under the Lease in any manner which jeopardizes the availability of exemption of the Project from ad valorem taxation or to the extent as may prohibited in any loan documents with the lenders or any agreement between the Tenant and the Equity Partner. The rent will be (1) prepaid rent at closing equivalent to the amount paid by BPFC for the Land and (2) the PFC Administrative Rent (as defined below), in the absence of a foreclosure or PFC Withdrawal. BPFC agrees that the Lease (and BPFC's leasehold interest) will be subordinate to Tenant's first lienholder, and BPFC agrees to execute and acknowledge such instruments and documents as Tenant's lender may require regarding such subordination.

The Lease will provide that for any year the Tenant wishes to obtain a property tax exemption, it will set aside or rent 50% of the units (the "Affordable Units") to tenants whose income is 80% of the area median income (AMI). The Affordable Units shall include efficiency, one-bedroom ~~and~~, two-bedroom and three-bedroom apartment units in the same proportion as the market rate units in the Project as set forth on Schedule 1 attached hereto, and such Affordable Units shall be located throughout the Project in the same manner as the market-rate units. At the time each Affordable Unit is rented, the annual rent charged for each such Affordable Unit (taking into consideration any concessions, discounts and/or incentives) shall be at least 15% less than the annual market rent being charged for units of the same unit type on the day the relevant Affordable Unit is leased. Tenant will endeavor to lease such Affordable Units at a rate of 30% rent to income, but in no event shall such Affordable Units be rented at a rate that is greater than 35% rent to income based on 80% of AMI.

Regulatory Agreement: The parties shall enter into a regulatory agreement to be recorded in the Official Public Records of Kendall County to ensure compliance with the income restrictions regarding the Affordable Units.

Ad Valorem Tax Exception: BPFC shall be responsible for obtaining a 100% property tax exemption for the Project and Lease. BPFC shall apply for, and use good faith efforts to obtain prior to closing, a predetermination letter from the appraisal district indicating that the Project will be exempt. Upon Closing, BPFC will apply for the formal tax exemption. Pursuant to the Lease, if the ad valorem tax exemption with respect to the Project is lost ("Loss of Tax Status Event") (i) for any reason within the first 5 years or (ii) at any time during the Term of the Lease due to the fraud, willful misconduct or action or willful inaction of BPFC or its affiliate, then as liquidated damages BPFC, as landlord, will convey the Project to Tenant (fee ownership of the Project, free and clear) and the Lease will terminate and BPFC will assign the Tenant its interest in the Tenant. In the event of a Loss of Tax Status Event, prior to the transfers discussed in the prior sentence, BPFC and the Tenant shall use reasonable efforts to modify the structure to allow the ad valorem tax exemption to continue.

Management: A third-party property manager ("Manager") will be designated the property manager for the Project and will manage the leasing and operations of the Project. Manager will receive a base Management Fee as follows:

Commencing with substantial completion of the first residential building, 3.5% multiplied by the effective gross income of the Project as outlined in the Management Agreement.

Miscellaneous Expenses: Tenant will be responsible for and will include in the Project Budget and paid at Closing, all reasonable legal fees of BPFC actually incurred in connection with the preparation, negotiation and execution of the Organization Documents, all reasonable out-of-pocket expenses, including, without limitation, all business, financial, collateral due diligence expenses, and, to the extent provided herein, all appraisal fees and all examination fees.

Joint Venture Agreement: Joint Venture's organization documents will be on a form provided by Waypoint and contain such usual and customary terms for a Delaware limited liability company formed for the acquisition, financing, ownership, development, management, leasing and sale of the Project, including, without limitation, provisions for limitation on transfer of membership interests, delivery of periodic financial and other reports necessary for securities laws disclaimers, accredited investor representations and compliance under the Equity Partner's organization documents.

Distributions: Cash flow will be distributed by the Joint Venture in the following order and priority:

First to the payment of then any priority capital advance(s) (to fund required cash not otherwise available), pro rata in accordance with the then outstanding principal balance of such priority capital advances, if more than one, in each case, first to the payment of then current interest set at 10%, then to the payment of accrued and unpaid interest, and then to the return of then outstanding principal balance;

Second to the Equity Partner, the unpaid Preferred Returns until such time as the Equity Partner's unpaid Preferred Return is reduced to zero;

Third, if from proceeds of a Capital Event, to the Equity Partner until such time as the Equity Partner's unreturned common contribution (that is a return of capital, as defined in the Joint Venture agreement) is reduced to zero;

Fourth BPFC will receive the greater of (a) twenty percent (20%) of the remaining cash flow or (b) twenty percent (20%) of the Annual Tax Savings, as defined below, for the year in which such distribution is being made, and

Fifth, the Equity Partner will receive the balance.

<u>Distributions from Capital Events:</u>

First, in order and pursuant to the distributions set forth in First - Second above;

Second, one hundred percent (100%) to the Equity Partner until such time as the Equity Partner's unreturned common contribution (that is a return of capital, as defined in the Joint Venture agreement) is reduced to zero;

Third, any Accumulated Tax Savings, as defined below, to BPFC;

Fourth, twenty percent (20%) of any remaining cash to BPFC;

Fifth, any remaining cash going to the Equity.

"Annual Tax Savings" shall be the Appraised Value of the project times the effective tax rate for the year of calculation.

The "Appraised Value" of the project shall be set by the Kendall County Appraisal District ("KCAD") and may be contested according to the policies and procedures of KCAD.

In the event there is insufficient cash flow to pay to BPFC an amount equal to or greater than 20% of the Annual Tax Savings in a given year, the difference between such 20% amount and the amount paid to BPFC in distributions in such year shall accrue as "Accumulated Tax Savings." Such Accumulated Tax Savings will be reduced by the amount of any distributions made in other years that exceed 20% of the Annual Tax Savings. However, Tenant shall not be required to pay, in any given year, more than 20% of that year's Annual Tax Saving to BPFC unless Tenant so chooses in its sole and absolute discretion. Any outstanding Accumulated Tax Savings shall be paid in full upon the earlier of (a) any Capital Event or (b) the 10 year anniversary of the date of Stabilization.

PFC Administrative Rent: BPFC will receive rent in an amount of $25,000.00 per year, payable in equal monthly installments, commencing on the earlier of (i) the date of Stabilization (the point at which the Project has achieved not less than ninety percent (90%) occupancy for ninety (90) consecutive days) or (ii) the date that is thirty six (36) months after the Closing.

PFC Structuring Fee: BPFC, or one of its affiliates, will receive a structuring fee equal to $250,000 at the Closing of the Project in return for providing the organizational structure described in this Term Sheet, which allows the Project to be sales tax exempt during the construction of the Project, and to be and remain 100% property tax exempt (including the Land and the Improvements) throughout the duration of the Lease.

Plans and Specifications: BPFC will have the right to review and approve the Plans and Specifications for Project once they are materially completed, the approval of which will not be unreasonably withheld or delayed. Once BPFC has approved the conceptual and/or schematic design for the Project, BPFC may not object to the final Plans and Specifications, unless such Plans and Specifications materially and adversely affects the design character or value of the Project.

Preferred Return: Seven and one-half percent (7.5%) per annum on the then unreturned balance of capital contributions of the Equity Partner.

Project: The Project will be the Land and Improvements, to be developed by Tenant.

Project Budget: An initial Project Budget is attached hereto as Exhibit B. The Project Budget will be finalized and approved by all parties to the transaction prior to Closing, and will include the proposed sources of funds that will be needed to develop, construct and operate the Project, and the uses on which the funds will be spent. Sources of revenue include, without limitation, rental income, capital contributions and other revenues. Project uses include all reasonable and necessary direct and hard costs incurred in connection with the Project.

Project Financing: BPFC will provide the leasehold estate for the Project to the Joint Venture pursuant to a Lease Agreement. The Lease Agreement will be prepared once the lenders are identified and will include commercially reasonable provisions required by the lenders, which may include a requirement BPFC subordinate its interests in the Project, including the leasehold and fee interests in the Project.

Loans

For the Project, Equity Partner will obtain a senior loan from a senior lender to the Tenant for approximately the amount shown in the Project Budget for development of the Project to be secured by a first-lien deed of trust on the Tenant's leasehold interest in the Project, and if required, a lien on BPFC's fee interest in the Project. Equity Partner may also obtain subordinated loans (which may be structured as mezzanine financing) from a subordinate lender for approximately the amount shown in the Project Budget which may be secured by a second-lien deed of trust on Tenant's leasehold interest, a lien on BPFC's fee interest in the Project or the membership interest in the Tenant or Equity Contribution Partner.

All financings and guarantees must be acceptable to BPFC, Equity Partner and the Joint Venture in their sole and absolute discretion. BPFC and Equity Partner will be provided with a right of notice and the right to cure Tenant's defaults for all financings.

Waypoint (or an affiliated entity) shall be entitled to receive a debt placement fee ("Debt Placement Fee") in an amount equal to the product of twenty five (25) basis points multiplied times the full principal amount of such loan, which shall be due and payable at the loan closing. The Debt Placement Fee shall be capitalized into the approved development budget.

Equity

Waypoint or its affiliates will obtain one or more Equity Contribution Partners who will invest approximately the amount shown in the Project Budget. Contributions from the Equity Contribution Partners will be contributed to the Equity Partner (which will be contributed by the Equity Partner to the Joint Venture and then to the Tenant for approximately the amounts shown in the Project Budget). The Equity Partner will be paid from cash flow and will at all times be subordinate to the Loans. The Equity Partner will receive a Preferred Return of 7.5% on its contribution and will be repaid its investment from a Capital Event before any "Promote". Accordingly, cash flow splits will adjust after the payment of the Preferred Returns.

Land: Approximately 16.03 +/- acres for the Project to be built and operated as proposed by this Term Sheet and shown on the parcel map attached as Exhibit A hereto.

Representations and Warranties: Those customarily found in credit agreements for asset-based lending transaction of this type and others appropriate to this transaction in the reasonable credit judgment of BPFC and Equity Partner, subject to limitations and exceptions to be agreed upon.

BPFC: Boerne Public Facility Corporation, a Texas Public Facility Corporation.

Sale/PFC Election: Upon the initial Capital Event, BPFC shall have the option, but not the obligation, to waive and forgo all rights it may have to any distribution of available cash or payment of any purchase price arising out of such Capital Event other than the Accumulated Tax Savings accrued prior to the date of the initial Capital Event (*i.e.*, to forfeit its entire interest in the Joint Venture and all rights under the Joint Venture Agreement, including the right to receive the PFC Administrative Rent) (a "PFC Withdrawal"), and in lieu thereof exercise the right to begin receiving Net Cash Flow Rent.

Net Cash Flow Rent None, unless lender forecloses on the leasehold estate or there is a PFC Withdrawal, then in an amount equal to 20% multiplied by the Available Cash for such period.

Joint Venture: A Delaware limited liability company, with an affiliate of Waypoint acting as Manager and the initial members consisting of Equity Partner and an affiliate of BPFC.

Tenant: A Delaware limited liability company that is the tenant under the Lease, with its sole member being the Joint Venture.

Major Decision Rights: Equity Partner shall have all major decision rights, including approval of any sale, financing or refinancing of the Project, approval of the plans and specifications, construction contract, development budget, construction schedule, and all operating budgets, approval of all unbudgeted expenditures, changes to the construction contract, changes to the plans and specifications, approval of contracts with subcontractor or vendors, changes in the Management Agreement , appointment of a new Manager, approval of tax returns, adjustments to reserve amounts and approval of insurance coverages together with any changes thereto.

Acquisition Fee: The Equity Partner will earn an Acquisition Fee of 1% of the approved Project Budget (without regard to the Acquisition Fee and the Equity Admin Fee), which will be paid at the Closing of the Project. The Acquisition Fee shall be capitalized into the approved Project Budget.

Disposition Fee: The Equity Partner will earn a Disposition Fee of 1% of the gross sales price, which will be paid at the closing of the sale of the Project.

Construction Management Fee: The Equity Partner will earn a Construction Management Fee of 1% of the hard costs in the approved Project Budget (without regard to the Construction Management Fee), which will be paid in equal monthly installments during the construction of the Project.

Equity Admin Fee: An affiliate of Waypoint will earn an Equity Admin Fee of 3% of the equity contributed to the Project by the Equity Partner which will be paid at the Closing of the Project. The Equity Admin Fee shall be capitalized into the approved Project Budget.

Asset Management Fee: Commencing upon receipt of all required Certificates of Occupancy for the Project, the Equity Partner shall receive an annual Asset Management Fee equal to 1% of the total equity contributions in the Joint Venture (paid monthly). In addition to the Asset Management Fee, Equity Partner or its affiliates shall be entitled to reimbursement of costs and expenses associated with the administration of the Tenant, and Joint Venture, including without limitation, costs of audits, tax returns, general accounting.

Confidentiality: The terms and conditions of this Term Sheet are confidential and are not to be disclosed by either party other than to legal counsel and other professional advisors, financing sources and consultants who need to know such information in connection with the transactions contemplated herein. Subject to the requirements of applicable law, neither party shall make any news releases or any public disclosure with respect to the transactions contemplated herein without the prior consent of the other party, which consent shall not be unreasonably withheld; provided, however, the parties shall be permitted to make any disclosure required by law, including, but not limited to, those required by the United States Securities and Exchange Commission and/or securities laws. If any U.S. federal or state tax analyses or materials are provided to any party, such party is free to disclose any such analyses or materials without limitation. The provisions of this Section shall survive the termination of this Term Sheet for any reason and shall be binding on the parties hereto.

This instrument may be executed in several counterparts, each of which will be deemed an original and all of which will constitute one and the same instrument, and will become effective when counterparts have been signed by each of the parties and delivered to the other party; it being understood that all parties need not sign the same counterpart. The exchange of copies hereof and of signature pages by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, will constitute effective execution and delivery hereof as to the parties and may be used in lieu of the original document for all purposes. Signatures of the parties transmitted by any of the foregoing methods will be deemed to be their original signatures for all purposes.

Signature Pages Follow

CONTRACT PURCHASER: WP BoerneMC MF-TX Owner, LLC, a Delaware limited liability company

By: ____________________________________

Name: ______________________________

Title: Authorized Signatory

BPFC: Boerne Public Facility Corporation

By: ____________________________________

Name: ____________________

Title: ____________________

EXHIBIT A

Property

EXHIBIT B

Project Budget

SCHEDULE 1

Document comparison by Workshare 10.0 on Friday, September 11, 2020 8:28:19 AM

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