

**PROMISSORY NOTE AND MORTGAGE
AFFORDABLE HOUSING ASSISTANCE**

This Promissory Note and Mortgage is made this 16 day of August, 2022, by ONE RED OAK, LLC, an Oklahoma limited liability company in good standing, and Harmony Affordable Housing Partners LP, an Oklahoma limited partnership, hereinafter jointly referred to as "Borrowers," in favor of The City of Oklahoma City, a Municipal Corporation as, "Lender."

WITNESSETH:

WHEREAS, Borrowers and Lender have entered into a certain Loan Agreement; specifically, The City of Oklahoma City HOME Investment Partnerships Program (HOME) Loan Agreement with One Red Oak, LLC and Harmony Affordable Housing Partners, LP; for Harmony School Apartments Multifamily Housing Development project, effective August 16, 2022; and

WHEREAS, Borrowers entered into the aforementioned Loan Agreement with Lender and obtained HOME funds for new construction and rehabilitation of a multifamily housing development at 1537 NE 24th Street in Oklahoma City, the ("Project"); and

WHEREAS, Lender has agreed to lend funds to Borrowers exclusively for the Project; and

WHEREAS, the loan from Lender to Borrowers allows Borrowers to provide quality, affordable housing exclusively to households with low and low- to -moderate incomes.

NOW, THEREFORE, in consideration of the terms of the Loan Agreement, and for the purpose of securing funds provided by Lender to Borrowers for the successful completion of the Project, the parties hereto further agree as follows:

1. Borrowers are justly indebted to Lender for an aggregate sum of Five Hundred Fifty Thousand and 00/100 Dollars (\$550,000.00) in HOME funds, set upon the real property having its legal description as described in Exhibit "A", attached hereto.
2. No further encumbrance for debt on said property shall be allowed except by written consent of Lender. This lien shall not subordinate to any other lien or encumbrance excluding the private construction loan, unless allowed by written consent of Lender.
3. Borrowers understand and agree that this Promissory Note and Mortgage shall be recorded in the office of the County Clerk, Oklahoma County, State of Oklahoma, and that this Promissory Note and Mortgage shall be an encumbrance upon the title to this property until released by Lender by document filed with the Oklahoma County Clerk.
4. The work performed on the property, described herein as the Project, shall be in conformance to the terms of the Loan Agreement and shall meet construction standards that comply with applicable statutes, codes, and ordinances of the State of Oklahoma and the City of Oklahoma City relating to the development, use, maintenance, and occupancy of the property.

5. Borrowers pledge the property as security for its indebtedness and agrees to release all claims on the property and convey the property under warranty deed to Lender if any of the provisions hereunder are not timely met.
6. Borrowers shall maintain, preserve and keep the property in good repair, and timely make all needed and proper repairs, replacements and additions thereto so that at all times the efficiency and habitability thereof shall be fully preserved and maintained.
7. Lender shall release this lien upon satisfactory completion of the following provision: The indebtedness of \$550,000.00 secured by this lien is repaid or otherwise satisfied under the terms of the Agreement, and all conditions of the Loan Agreement have been satisfactorily complied with, to include completion and lease-up of all affordable units. .

[Executions appear on separate signature page(s) attached hereto]

Time is of the essence hereof for all purposes.

Borrower: **ONE RED OAK, LLC,**
an Oklahoma limited liability company


BY: 
Norman Seaberg, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

This instrument was acknowledged before me on this 22nd day of July 2022 by Stephanie Robnett.




Notary Public

My Commission Expires: 12/20/23

Commission # 19012656

Time is of the essence hereof for all purposes.

Borrower: **HARMONY AFFORDABLE HOUSING PARTNERS, LP,**
an Oklahoma limited partnership

BY: *Norman Seaberg*
Norman Seaberg, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

This instrument was acknowledged before me on this 2nd day of July 2022 by

Stephanie Robnett



Stephanie Robnett
Notary Public

My Commission Expires: 12/20/23

Commission # 19012656

RETURN OR PROVIDE NOTICE TO:

The City of Oklahoma City
City Clerk
200 North Walker, Second Floor
Oklahoma City, OK 73102

And to: The City of Oklahoma City Planning Department
Community Development Division
420 West main Street, Suite 920
Oklahoma City, OK 73102

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF Oklahoma, STATE OF OK, AND IS DESCRIBED AS FOLLOWS:

Lot Fifteen (15), in RANEY'S ADDITION, to Oklahoma City, Oklahoma, according to the recorded plat thereof. LESS AND EXCEPT THE FOLLOWING TWO TRACTS:

A part of Block fifteen (15) of Raney's Addition, Oklahoma City, Oklahoma County, Oklahoma, more particularly described as follows;

Commencing at the Southeast Corner of said Block fifteen (15), Raney's Addition, Oklahoma City, Oklahoma County, Oklahoma; Thence N00°00'05"E along the East property line a distance of 149.57 feet; Thence N90°00'00"W a distance of 61.97 feet to the Point or Place of Beginning; Thence N00°00'00"W a distance of 79.52 feet; Thence N00°00'00"W a distance of 48.86 feet; Thence N90°00'00"E a distance of 22.85 feet; Thence S00°00'00"E a distance of 5.00 feet; Thence N90°00'00"E a distance of 16.82 feet; Thence N00°00'00"E a distance of 5.00 feet; Thence N90°00'00"E a distance of

39.85 feet; Thence S00°00'00"E a distance of 48.86 feet to the Point or Place of Beginning.

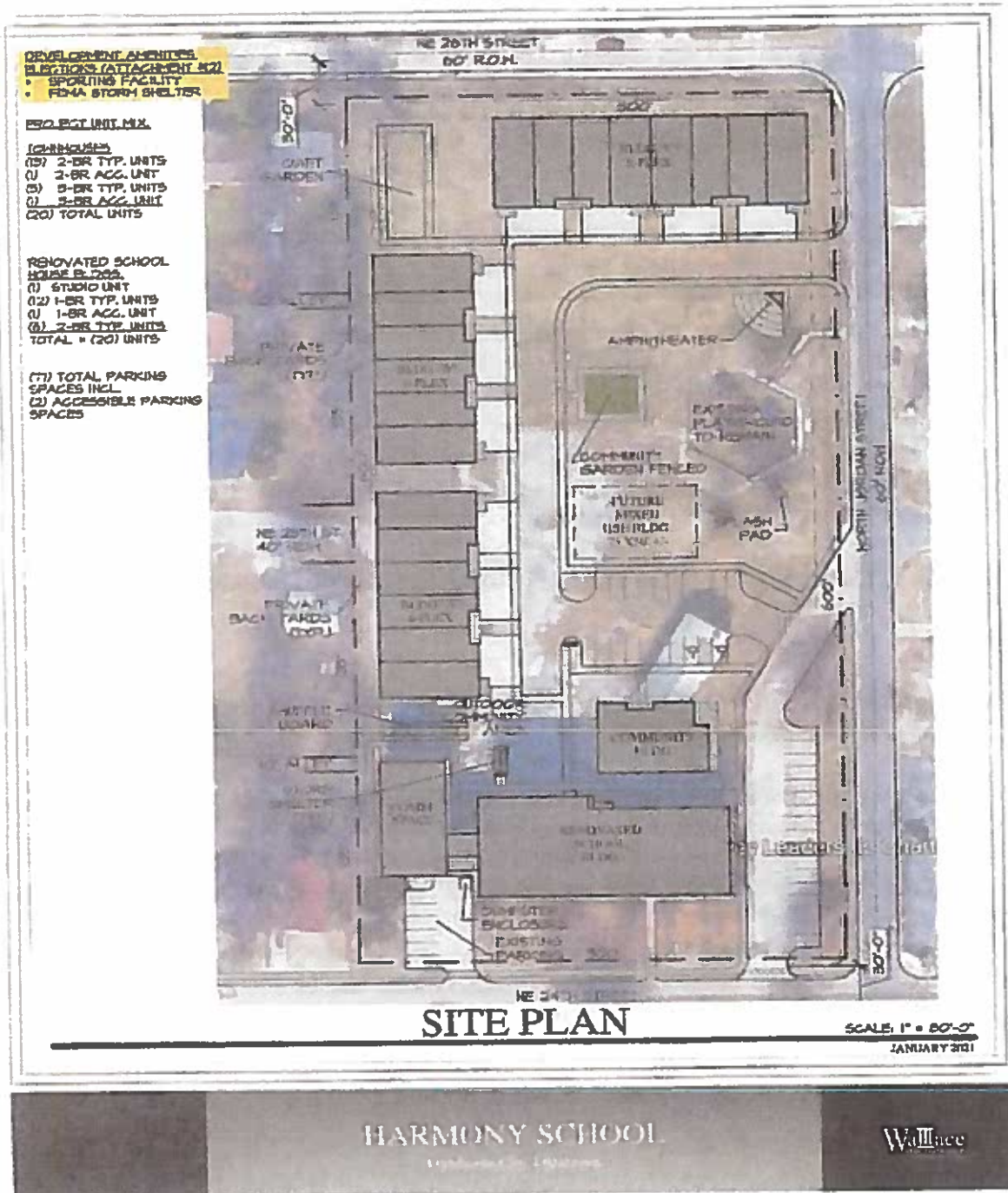
AND

A part of Block fifteen (15) of Raney's Addition, Oklahoma City, Oklahoma County, Oklahoma, more particularly described as follows:

Commencing at the Southeast Corner of said Block fifteen (15), Raney's Addition, Oklahoma City, Oklahoma County, Oklahoma; Thence N00°00'05"E along the East property line a distance of 198.43 feet; Thence N90°00'00"W a distance of 61.97 feet to the Point or Place of Beginning; Thence N90°00'00"W a distance of 39.85 feet; Thence S00°00'00"W a distance of 5.00 feet; Thence N90°00'00"W a distance of 16.82 feet; Thence N00°00'00"W a distance of 5.00 feet; Thence N90°00'00"W a distance of 47.52 feet; Thence N00°00'00"W a distance of 40.00 feet; Thence N90°00'00"E a distance of 104.19 feet; Thence S00°00'00"E a distance of 40.00 feet to the Point or Place of Beginning.

EXHIBIT B

SITE PLAN



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