RedStone™
EQUITY PARTNERS

April 21, 2014

Ms. Eva Erlich
Project Manager
Trinity Financial, Inc.
75 Federal Street, 4th Floor
Boston, MA 02110

Re: Washington Village Phase I
Norwalk, CT

Dear Eva:

Red Stone Equity Partners, LLC ("Red Stone") is pleased to be given an opportunity to submit a proposal on the Washington Village Phase I ("Project") in Norwalk, CT. This letter serves as an outline of the business terms regarding the acquisition of limited partnership interests in the Trinity Washington Village Phase One Limited Partnership (the "Partnership") that will own the Project. Red Stone or an assignee (provided that prior to full payment of all capital contributions, such successor or assignee has at least a BBB rating from a nationally recognized rating agency) (the "Limited Partner") will acquire a 99.99% limited partnership interest (the "LP Interest") and a special limited partnership interest (the "SLP Interest") in the Partnership. The terms of this proposal are subject to ratification by the Red Stone Board of Directors and include the following:

1. **Project Information**. The Project, known as Washington Village Phase I, will consist of 80 residential units for rent to families. The Project will consist of two residential buildings located in the City of Norwalk, Fairfield County, within the State of Connecticut. Within the Project, 58 of the units will be LIHTC compliant, 22 will be market-rate, and there will be no manager units.

2. **Project Ownership**. The "General Partner" will be Trinity Washington Village Phase One, Inc., a for-profit, single purpose taxable entity owned 100% by the Patrick Lee Revocable Trust and James Keefe Revocable Trust. Any change in the ownership of the General Partner shall be subject to Red Stone's approval. The "Developer" is Trinity Washington Village Development, LLC. The "Guarantors" are the Developer, General Partner and Trinity Financial, Inc., on a joint and several basis, and the Guarantors are subject to the review and approval of Red Stone.

3. **Purchase Price**. Red Stone will acquire its federal Limited Partner Interest in the Partnership for a total capital contribution of $20,276,484. This federal capital contribution amounts to a price of $1.07 for every $1.00 of federal low income housing tax credit. This pricing comprehends 100% of residential depreciation being taken over 27.5 years; 100% of depreciation on site improvements being taken over 15 years; and 100% of depreciation on personal property being taken over 5 years. The allocation of the depreciable line items is subject to Red Stone's review and approval.

4. **Capital Contributions**. (a) Red Stone will fund its capital contribution of $20,276,484 pursuant to the following schedule:

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Charlotte ▪ Chicago ▪ Cleveland ▪ Los Angeles ▪ New York

A. 10% ($2,027,648) shall be paid upon the later of (a) the execution of the Partnership Agreement, (b) receipt and approval of all due diligence items on Red Stone's due diligence checklist, (c) receipt by the Partnership of commitment for a non-recourse permanent loan acceptable to Red Stone, (d) receipt of commitments of the additional financing sources described in Paragraph 12, and (e) closing and initial funding of the construction loan and the soft loans.

B. 75% ($15,207,363) shall be paid upon the later of (a) satisfaction of the funding conditions described in (A) above, (b) receipt of final certificates of occupancy, (c) receipt of an architect's certificate of substantial completion, (d) receipt of a preliminary estimate of the cost certification, and (e) July 1, 2016.

C. 15% ($3,041,473) shall be paid upon the later of (a) satisfaction of the funding conditions described in (B) above, (b) achievement of 100% qualified occupancy, (c) repayment of the construction loan, which is anticipated to occur simultaneously with this equity installment, (d) satisfaction of all funding conditions required for the permanent mortgage, including without limitation, 3 consecutive months of a 1.15 Debt Service Coverage Ratio ("DSCR") and 90 days of 90% occupancy, (e) receipt of the final cost certification from an independent certified public accountant, (f) receipt of IRS Form 8609s and a recorded extended use agreement, and (g) October 1, 2016.

5. **Tax Credits.** The Project expects to receive an allocation of 9% federal low-income tax credits from Connecticut Housing and Finance Authority (the "Agency") in an amount not less than $1,895,188 annually. The total Federal LIHTC anticipated to be delivered to the Partnership is $18,951,880 (the "Projected Federal LIHTC"). The Projected Federal LIHTC will be available to the Partnership beginning in 2016, and it is expected that the Partnership will be allocated Federal LIHTC in the amounts of $1,372,378 in 2016, $1,895,188 annually in each of the years 2017 through 2025, and $522,810 in 2026. Any decision to delay the commencement date of the Federal LIHTC period beyond 2016 is subject to Red Stone's consent. In addition, any decision to commence the Federal LIHTC period prior to January 1, 2016 is subject to Red Stone's reasonable consent.

6. **Adjusters.**

A. Decrease in Credit. In the event that Actual Federal LIHTC are less than Projected Federal LIHTC as determined by the 8609's, Red Stone's capital contributions will be reduced by an amount equal to the product of (i) $1.07 multiplied by (ii) the difference between Projected Federal LIHTC and Actual Federal LIHTC ("Adjustment Amount"). If the Adjustment Amount exceeds the total of all unfunded capital contributions, then the General Partner will make a payment to the Partnership equal to the amount of such excess, and the Partnership will immediately distribute such amount to Red Stone as a return of its capital contribution.

B. Timing of Credit Delivery. In addition to the Adjustment Amount, Red Stone's capital contribution will be similarly reduced in the event that the actual amount of Federal LIHTC for calendar year 2016 is less than the amount shown in Paragraph 5. The amount (the "Late Delivery Adjustment") of this reduction will equal $0.65 multiplied by the difference in the projected Federal LIHTC and actual Federal LIHTC for such years are less than the amounts shown in Paragraph 5. Conversely, in the event that the amount of Federal LIHTC for calendar year 2016 is greater than the amount shown in Paragraph 5 (the "Early Delivery Adjustment"), Red Stone will pay an additional capital contribution equal to the product of (i) $0.55 multiplied by (ii) the difference between actual Federal LIHTC and projected Federal LIHTC. In the event that the amount of Federal LIHTC for calendar year 2016 is greater than the amount shown in Paragraph 5 due solely to applying excess basis to increase first year credits ("Excess Basis Early Delivery Adjustment"), Red Stone will pay an additional capital contribution equal to the product of (i) $0.40 multiplied by (ii) the difference between actual Federal LIHTC and projected Federal LIHTC. Red Stone will pay such additional capital contribution(s) at the funding of the last capital contribution.

In no event will the additional Capital Contribution to be paid by Red Stone in Paragraph 6B exceed 5% of the total original Capital Contribution amount, and Red Stone will pay such additional Capital Contribution at the funding of the Final Capital Contribution.

7. **Reserves**.

A. Operating Reserve. The Partnership will fund and maintain to the extent set forth below an Operating Reserve to be funded from the Final Capital Contribution in an amount of $436,285. Any release of funds from the Operating Reserve will be subject to Red Stone's reasonable consent. Upon expiration of the tax credit compliance period, any amounts remaining in this reserve account may be released to the Partnership, subject to the approval of any project lenders.

B. Affordability Reserve. It is anticipated that the Partnership will fund an Affordability Reserve of $294,528. The terms and conditions of this reserve will be governed by the Regulatory and Operating Agreement.

C. Replacement Reserves. No later than permanent loan conversion, the Project operating expenses will include the funding of a Replacement Reserve in the amount of $350 per unit increasing by 3% annually or such other amount specified by the project lenders. Any release of funds from the Replacement Reserve (other than those amounts in the Red Stone approved annual budget) will be subject to Red Stone's consent.

8. **General Partner Guarantees**. The General Partner and the Guarantors will be responsible for the following items.

A. Construction Completion Guarantee. The General Partner and Guarantors shall guarantee lien-free completion of the Project in accordance with the plans and specifications approved by Red Stone for the amount set forth in the approved project development budget. The Completion Guarantee will provide that the General Partners and Guarantors shall pay any amount in excess of the approved project development budget as well as any Project deficiency arising prior to Stabilized Operations (as defined in 8B below). Any payments made hereunder shall be treated as a loan, and shall be repayable from residual distributions as described in Paragraph 10C.

B. Operating Deficits. The General Partner will advance the amount necessary to operate and maintain the Project until the Project achieves "Stabilized Operations". Stabilized Operations is defined as rental income generated from the Project is sufficient to pay all operating expenses of the Project, including, without limitation, all actual or anticipated mandatory debt service; real estate taxes; insurance premiums; management fees; and replacement and operating reserve deposits and maintain a DSC ratio of not less than 1.15 to 1.00 for three consecutive months after funding and commencement of amortization of the Permanent Loan. The General Partners and Guarantors shall be obligated to loan ("Operating Deficit Loan") the Project all funds needed to cover operating deficits, up to a 1.0 DSC ratio, for a 3-year period after the achievement of Stabilized Operations to a maximum amount of $440,000, assuming that a) the Project has achieved a 1.15 DSC ratio for 4 most recent consecutive quarters at the end of such 3-year period, and b) the Operating Reserve has a balance of no less than $225,000. In the event either a) or b) from above have not been achieved, such guarantee will be extended beyond the 3-year period until both are achieved. Any such Operating Deficit Loan shall be unsecured, shall not bear interest and may be repaid out of cash flow or sale or refinance proceeds as provided below in Paragraphs 10B and C.

C. LIHTC Shortfall or Recapture Event. In addition to the Tax Credit and Timing Adjusters set forth in Sections 6A and 6B, respectively, if the actual amount of LIHTC for any year is less than Projected LIHTC, the General Partner and Guarantors will guarantee payment to the Limited Partner of an amount equal to the shortfall, or recapture amount, plus all applicable fees, penalties or other costs incurred by the Partnership and/or Red Stone as a result of such shortfall or recapture (provided such shortfall or recapture is not the result of a change in tax law).

D. Repurchase. The General Partner will repurchase Red Stone's interest upon the occurrence of certain events described in the Partnership Agreement.

E. Guarantors. The Guarantors will guarantee all of the General Partner's obligations defined in A-D, environmental, fraud and any other financial obligations (to the extent consistent with other Trinity/Red Stone transactions) mutually agreed upon in the Partnership Agreement. The Guarantors will maintain a minimum liquidity of $1,000,000 and a minimum net worth of $5,000,000 through Red Stone's final capital contribution and Stabilization; thereafter the liquidity and net worth covenants will be reduced to $500,000 and $2,000,000. The Guarantors will provide Red Stone with annual financial statements evidencing the liquidity and net worth requirements.

9. Fees. The following fees will be paid by the Partnership for services rendered in organizing, developing and managing the Partnership and the Project.

A. Developer Fee. The Developers will earn a total developer fee of $3,442,833. The developer fee will be paid as follows: 40% ($1,377,133) at Partnership Closing, 30% ($1,032,850) upon receipt of final certificates of occupancy, and 30% ($1,032,850) at Red Stone's Final Capital

Contribution. Red Stone acknowledges that of the developer fee amounts stated above, Trinity will earn 75% of the fee and the Norwalk Housing Authority will earn 25% and that there may be separate Development Agreements for each developer entity.

The portion of the developer fee that will not be paid out of the Capital Contribution, if any, will be deferred and payable to the development entity. The deferred amount will accrue interest at the rate of 0% per annum, or such other interest rate acceptable to tax counsel, in effect as of the placed-in-service date of the project. The deferred amount will be payable out of available cash flow and will mature on the 15th anniversary of the placed-in-service date ("Maturity Date"). If the Developer Note has not been repaid upon the Maturity Date, the General Partner will be required to advance the Partnership the amount equal to the unpaid balance of the deferred amount.

B. Property Management Fee. The property management fee shall be approximately 5% of gross collected rents. The appointment of and terms of the property management agreement are subject to the prior approval of Red Stone. It is anticipated that Trinity Management, LLC will be the initial property manager. Additionally, in accordance with the Master Development Agreement ("MDA") between the Norwalk Housing Authority and the Partnership, the Norwalk Housing Authority will have an option to assume the property manager role upon achievement of certain milestones outlined in the MDA, subject to Red Stone's review and approval.

C. Asset Management Fee. The Partnership will pay the Limited Partner an annual asset management fee in an amount equal to $5,000 per annum. The asset management fee will be paid annually and such fee shall accrue beginning on January 1, 2016, with the first payment due and payable on or before March 1, 2017, and each anniversary thereafter. The asset management fee will increase annually by 3%.

D. Incentive Management Fee. An incentive management fee may be payable to the General Partner on an annual basis in an amount equal to 90% of net cash flow (as more precisely described in Paragraph 10B), or such other amount as determined by and acceptable to tax counsel to Red Stone.

10. **Distribution of Tax and Cash Benefits.**

A. Tax Benefits. Tax profits, tax losses, and tax credits arising prior to the sale or other disposition of the Project will be allocated 99.99% to the Limited Partner, .001% to the Special Limited Partner and .009% to the General Partner.

B. Net Cash Flow Distributions. Distributions of net cash flow, as defined in the Partnership Agreement, but generally all cash receipts less cash expenditures (e.g., payment of debt service and property management fee), will be made as follows: (i) to the Limited Partner in proportion to any tax liability incurred by such partner; (ii) to the Limited Partner, to make any payment of any unpaid tax credit adjuster or any tax credit shortfall; (iii) to the Limited Partner as payment of any unpaid Asset Management Fee; (iv) to the replenishment of the Operating Reserve to a balance of $225,000 (at any point beyond the 8th anniversary of Stabilization, the replenishment will reduce to $150,000 provided the property has achieved a 1.15 DSC for the previous four quarters); (v) to the payment of any unpaid developer fee, until such fee has been paid in full; (vi) to the payment of any debts owed to the Partners; and (vii) the balance, 45% to the Norwalk Housing Authority as the CDBG-DR lender, 45% to Trinity as the payment of any incentive management fee, .009% to the General Partner, .001% to the Special Limited Partner, and 9.99% to the Limited Partner, or such other splits determined by and acceptable to tax counsel.

C. Distributions upon Sale or Refinance. Net proceeds resulting from any sale or refinance will be distributed as follows: (i) to payment in full of any Partnership debts; (ii) to the establishment of any required reserves for contingent liabilities or obligations of the Partnership; (iii) to the Limited Partner for any amounts owed to it, including without limitation for: any Adjuster Amount not previously paid, for any Limited Partner advances or for any excess or additional capital contributions made by it; (iv) to the Limited Partner in an amount equal to any projected federal income tax incurred as a result of the transaction giving rise to such proceeds; (v) to any unpaid asset management fee to the Limited Partner; (vi) to the payment of any debts owed to the General Partner or its affiliates including any unpaid developer fee; (vii) to each of the Limited Partner and the General Partner, 1% of such gross proceeds as a partnership distribution fee; (viii) the balance, 90% to the General Partner, 9.99% to the Limited Partner, and 0.01% to the Special Limited Partner or such other amount as determined by and acceptable to tax counsel.

11. **Construction**. The General Partner will arrange for a fixed or guaranteed maximum price construction contract in the approximate amount of $22,479,199, plus a construction contingency of at least 5% of the construction contract. The General Partner shall cause lien-free completion to occur and the contractor shall provide a payment and performance bond to secure the Contractor's obligations. Red Stone will engage a construction consultant to review plans and specifications and evaluate the construction progress by providing monthly reports to the Partnership. The cost of the consultant will be paid by the Partnership; however, Red Stone agrees to share reports with the construction lender.

12. **Debt Financing**. As a condition to funding our capital contribution, the General Partner will deliver the loan commitments described in subparagraphs A through D below. The terms of these loans

and/or financing sources are subject to Red Stone's consent and all loans will be made directly from the lenders to the Partnership.

A. Permanent Loan. The Partnership expects to receive non-recourse permanent loan commitment from TD Bank, N.A. in the approximate amount of $2,810,000 with terms and conditions no less favorable than a fixed interest rate of approximately 6%, a term of 15 years, a 30-year amortization, and a minimum Debt Service Coverage Ratio that is at least 1.15 to 1.00 (calculated utilizing a vacancy factor supported by the market study) on all must-pay debt.

B. CDBG Disaster Relief Funds Loan. Loan proceeds from the Norwalk Housing Authority (through the CDBG - DR Funds) in the amount of $9,855,588. This loan shall be non-recourse with a compounding interest rate of 3.25%, a term of 50 years, and payments as described in Paragraph 10B. It is anticipated that this loan will be available upon the start of construction.

C. ACC Contract. An ACC contract will be in place on 40 units with terms and conditions subject to Red Stone's review and consent.

D. Construction Loan. A construction loan in the approximate amount of $19,200,000 with a term of no less than 24 months. TD Bank, N.A. is anticipated to be the construction lender.

13. **Purchase Option and Right of First Refusal.** For a period of 2 years following the credit period, the Norwalk Housing Authority will be granted the first right and option to the acquire the property, replacement reserve and public housing reserve associated with an Owner's Entity funding commitments under the Regulatory and Operating Agreement, at the end of the tax credit Compliance Period at the lowest price that is permitted under Section 42(i)(7) of the Internal Revenue Code of 1986, as amended. Furthermore, such agreement will provide that if Section 42 of the Internal Revenue Code of 1986 is amended to permit the price under the right of first refusal, the purchase price under the option shall be the purchase price under the right of first refusal.

14. **Due Diligence, Opinions and Financial Projections**. The General Partners will satisfy all of Red Stone's due diligence requirements, including an acceptable local law opinion. The Limited Partner's tax counsel will provide the tax opinion. The Partnership will reimburse the Limited Partner an amount equal to $50,000 toward the costs incurred by the Limited Partner in conducting its due diligence review and for the costs and expenses of Red Stone's counsel and in connection with the preparation of the tax opinion, and for the costs of Red Stone's other third party reports, including without limitation, environmental and market study updates, if required.

The financial projections to be attached to the Partnership Agreement and that support the Tax Opinion will be prepared by Red Stone based on financial projections provided by the General Partner. The General Partner financial projections will include eligible basis calculations, sources and uses, and cash flow statements.

15. **Partnership Closing**. Final Partnership closing will be contingent upon Red Stone's receipt, review and approval in its sole discretion of all due diligence including the items set forth on its due

diligence checklist previously delivered to the General Partner. Final Partnership closing also is contingent upon (i) a satisfactory site visit conducted by Red Stone to determine overall market feasibility, including an analysis of proforma rents and expenses, (ii) Red Stone's review and approval of all third party reports, and (iii) Red Stone's review and approval of any cost sharing agreements and/or reciprocal easement agreements with the other phase(s). Red Stone's agreement to acquire the LP Interest on the pricing, terms and conditions contained in this letter are further based on the assumption that the Partnership closing will occur on or before October 31, 2014.

16. **Exclusivity**. Upon the execution of this Letter of Intent, the General Partner agrees to cease its efforts to obtain financing from other sources. This exclusive arrangement shall terminate should Red Stone notify the General Partner in writing that it does not intend to proceed with this investment any time prior to ratification by the Red Stone Board of Directors. This letter shall terminate with no liability to either party if Final Partnership closing does not occur by October 31, 2014 or extended to a date mutually agreed upon. However, if Red Stone performs all of its obligations and the General Partner chooses not to close this transaction, the $50,000 due diligence fee will be due and payable.

17. **Other Matters**. The Limited Partner has predicated this proposal on the financial projections it has prepared which are based upon the financial and other information furnished by the General Partner or its agents, as well as certain assumptions of the federal income tax consequences of this transaction. Changes in tax regulations or other assumptions could affect the financial projections and thus, the amount and terms of the Capital Contribution.

18. **Predevelopment Loan**. Red Stone has an existing $1,000,000 predevelopment loan outstanding to Trinity Financial, Inc., secured by net proceeds of Ashmont Homeownership Limited Partnership, with a fixed interest rate of 8% and a maturity date of May 1, 2014. Provided this Letter of Intent is executed and valid and Trinity remains actively involved in pursuing a closing of the transaction, Red Stone agrees to extend the maturity date of the above loan on the same terms from May 1, 2014 until the earlier to occur of a) the closing of the transaction, or b) October 31, 2014. It is further acknowledged that the collateral stated above will be replaced with an assignment of the General Partnership interests of the subject transaction and at the request of Red Stone, the Partnership will become the borrower with a guarantee from Trinity Financial, Inc. The previous predevelopment loan documents will be marked as satisfied concurrent with the execution of the new loan documentation described above.

Please confirm your acceptance of the terms described in this letter by signing the enclosed counterpart and returning to us at the address set forth on the first page of this letter. The terms of this letter are not binding until countersigned and accepted by an authorized officer of Red Stone.

Sincerely,

By: ______________________
Name: Robert A. Vest
Title: Managing Director

The undersigned approves and accepts the terms of this letter agreement and agrees to work with Red Stone.

GENERAL PARTNER:

By: ______________________
Its: ______________________
Date: 4/22/14

GUARANTOR:

By: ______________________
Its: ______________________
Date: 4/22/14

Red Stone acknowledges and accepts the above signature of the General Partner within the terms of this commitment letter. This letter of intent was countersigned by Red Stone on the __________ day of ____, 2014.

By: ______________________
Title: ______________________
Date: ______________