

Affordable Housing Loan Agreement Signature Page

HOUSING AUTHORITY:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside

By: Marion Ashley
Marion Ashley, Chairman
Board of Commissioners

Date: NOV 17 2015

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: Kecia Harper-Ihem
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: Jhaila Brown
Jhaila Brown
Deputy County Counsel

BORROWER:

Jurupa Valley Vista Rio Partners, LP.
a California limited Partnership

By: PC Jurupa Valley Vista Rio Developers, LLC.
a California limited liability company,
its Administrative General Partner

By: Danavon L. Horn
Danavon L. Horn, President

Date: 10/28/15

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By: _____
Ronald H. Olson, President

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

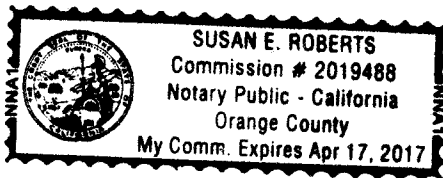
On October 28, 2015 before me, Susan E. Roberts, notary public,
Date Here Insert Name and Title of the Officer

personally appeared Danavon L. Horn
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Susan E. Roberts
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

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By: _____
Marion Ashley, Chairman
Board of Commissioners

Date: _____

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: _____
Jhaila Brown
Deputy County Counsel

BORROWER:

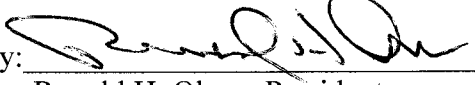
Jurupa Valley Vista Rio Partners, LP.
a California limited Partnership

By: PC Jurupa Valley Vista Rio Developers,
LLC.
a California limited liability company,
its Administrative General Partner

By: _____
Danavon Horn

Date: _____

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By:  _____
Ronald H. Olson, President

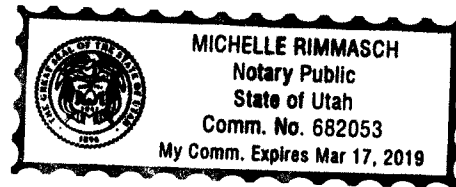
Date: _____

STATE OF UTAH)
) ss.
COUNTY OF Salt Lake)

On October 28, 2015, before me, Michelle Rimmasch, the undersigned, a Notary Public in and for said State, personally appeared Ronald H Olson, personally known to me to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/~~they~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~/~~their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Michelle Rimmasch



ATTACHMENTS

- | | | |
|--------------------|---|----------------------------------|
| EXHIBIT "A" | - | Scope of Development |
| EXHIBIT "B" | - | Legal Description |
| EXHIBIT "C" | - | Method of Financing |
| EXHIBIT "D" | - | Deed of Trust |
| EXHIBIT "E" | - | Covenant Agreement |
| EXHIBIT "F" | - | Promissory Note |
| EXHIBIT "G" | - | Assignment of Rents |
| EXHIBIT "H" | - | UCC-1 Financing Statement |
| EXHIBIT "I" | - | Payment Guaranty |
| EXHIBIT "J" | - | Tenant Checklist |
| EXHIBIT "K" | - | Notice of Affordability |

Exhibit “A”

Scope of Development

SCOPE OF DEVELOPMENT

BORROWER: Jurupa Valley Vista Rio Partners LP

Address: 15635 Alton Parkway, Suite 375

Project Title: Vista Rio Apartments

Location: 3901 Briggs Street, located in the City of Jurupa Valley between Mission Boulevard and Tilton Avenue, APN: 181-041-015-4

This is the Scope of Development attached to the Affordable Housing Loan Agreement Vista Rio Apartments in Jurupa Valley (Low and Moderate Income Housing Asset Fund) ("Loan Agreement") by and between the Housing Authority of the County of Riverside ("Authority") and Jurupa Valley Mission Village LP, a California limited partnership ("Borrower") pertaining to the Leasehold. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Loan Agreement.

Jurupa Valley Vista Rio Partners LP Obligations

1. General

Borrower will utilize \$1,898,214 in Authority Loan funds to pay the cost to develop and construct a 39-unit apartment complex. The project will consist of 27 two-bedroom units and 12 three-bedroom units. The two bedroom units shall be approximately 979 square feet and the three bedroom units shall be approximately 1257 square feet. One two-bedroom unit will be set-aside as a manager's unit. Forty-nine percent of the units shall be rented to eligible extremely low and very low income households.

BORROWER agrees to reserve a total of nineteen (19) assisted units for qualified low-income households ("Assisted Units"). Of the Assisted Units six (6) units shall be reserved for households whose incomes do not exceed thirty percent (30%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy (4-two bedroom units and 2-three bedroom units). Of the assisted units thirteen (13) units shall be reserved for households whose incomes do not exceed fifty percent (50%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy (7-two bedroom units and 6-three bedroom units). Units shall remain affordable in accordance with the rent limitations set forth in California Health and Safety Code sections 50053 b(1) and 50053 b(2), for a period of not less than fifty five (55) years.

2. Improvements

Tenant shall be responsible for providing all parking appropriate and necessary for the proposed development of the Leasehold along with appropriate landscaping, all in accordance with applicable City of Jurupa Valley ("City") requirements and codes. All improvements on the Leasehold ("Improvements") shall be of high architectural quality, well landscaped, and

effectively and aesthetically designed. The shape, scale, exterior design, and exterior finish of the Improvements must be consonant with, visually as well as physically related to, and an enhancement to the adjacent neighborhood.

Borrower's plans, drawings and proposals submitted to the Authority and City for approval shall describe in reasonable detail the architectural character intended for the Improvements.

Notwithstanding the generality of Section 1 above, Borrower shall construct, or cause to be constructed on the Leasehold two and three story buildings ("Structure"). The Structures will contain: (i) 39 Affordable Units and 1 Managers unit, comprised of 27 two-bedroom apartments, and 12 three-bedroom apartments; (ii) approximately 3,093 square feet of community space, and (iv) 80 parking spaces (2.0 spaces per unit).

The following is a summary of the scope of development for the Project:

Site Area	155,347 sq. ft.
Floor Area Ratio (FAR)	37.5%
FAR Bonuses Proposed	N
Stories	2-3 stories
Type of Housing	Affordable Rental Apartments
Total Number of Units / Total Residential Square Feet	49/54,388 sqft
Types of Units (sizes)	2BR/ 915-1004 sqft 3BR/ 999-1259 sqft
Type of Parking-	100 spaces for residential
Assessor's Parcel Nos.	181-041-015-4

3. Green Building

The Project shall achieve Silver LEED certification or other applicable green building standard required by TCA . The Project team includes LEED certified staff to assist with the design and selection of the Project's green building features and LEED strategy. Costs for the proposed green building features and LEED certification process are incorporated into the Project Budget

4. Amenities

The Project shall include approximately 3,093 square feet of community space. The ground floor shall include (swimming pool, courtyard, on-site computer training etc). All units will be equipped with energy star appliances. On-site services will include literacy classes, computer training, after school programs and nutrition and wellness programs.

5. Parking

The Surface parking shall include 39 covered and 38 uncovered parking spaces, 1 covered accessible and 2 accessible open parking spaces, totaling 80 spaces (2.0 space/unit) for the residents living in the development. All spaces shall be designed to City of Jurupa Valley Standards.

6. Required Permits/Compliance with Laws

The Leasehold shall be developed in accordance with Plot Plan No. 21201, and all applicable laws.

7. Design Development and 100% Construction Drawings

The Borrower shall submit for approval to the Authority 100% Construction Drawings which implement the design intent of the Basic Concept/Schematic Drawings and any requirements included in the Plot Plan No. 21201.

SCHEDULE OF PERFORMANCE

TASK/DOCUMENT	DUE DATE
1. Letter Confirmation of CTCAC award due to Housing Authority	No later than August 2015
2. Permanent Financing Commitment	No later than December 2015
3. Building Permit	No later than December 2015
4. Project Financing Contingency (Section 50)	No later than January 2016
5. Construction Start Deadline	No later than January 2016
6. Marketing & Affirmative Action	No later than February 2017
7. Lease Agreement, Proposed Rents, and Utilities	No later than April 2017
8. Certificate of Occupancy	No later than January 2018
9. Lease Deadline	No later than 12 months from Notice of Completion
10. Submission of Final actual project costs and Sources and Uses of Funds	No later than January 2018
11. Submission of income & ethnic characteristics report	No later than January 2018
12. Construction Activities Reporting	Monthly, due by the 5 th of each month
13. Liability and Certificate of Workers' Compensation Insurance for Borrower and General Contractor (GC)	BORROWER – At the execution of this Agreement. GC – Before start of construction. Copies of Certificates must be filed and up-to-date throughout the course of the Project with COUNTY additionally insured.
14. Section 504 Architect Certification	Beginning of Construction – initial letter End of Construction – final letter
15. Project Site Photos	Bimonthly, due by the 5 th of each month
16. The filing of the Notice of Completion	No later than End of Construction
17. Certificate of Occupancy	No later than End of Construction
18. Tenant Checklist Reporting	No later than Close of Project; and Semi-Annually–Sept 30th & March 31st
19. Conditional/Unconditional Release for Final from GC, and if applicable, Sub-contractors	No later than Close of Project
20. Project Completion Report	No later than Close of Project
21. Final Development Cost - Sources and Uses	No later than Close of Project
22. Final Cost Certification by CPA	No later than Close of Project and Audits Completed
23. Final 15/30 Year Cash Flow Projection	No later than Close of Project
24. Management Plan	No later than Marketing Stage
25. Tenant Selection Policy	No later than Marketing Stage
26. Copy of Lease Agreement	No later than Marketing Stage

27. Flyers, Community Contacts, Outreach, Press Releases, Grand Opening info	No later than Marketing Stage
28. Project Operating Budget	Annual submission
29. Audited Yearly Income Expense Report for the Project	Annual submission

Exhibit “B”

Legal Description

LEGAL DESCRIPTION OF PROPERTY

All that real property located in the County of Riverside, State of California legally described as follows:

PARCEL B

Those portions of Lots 5, 6 and 7, of T. M. Parson's Survey of a portion of the Jurupa Rancho, as shown by map on file in Book 1 of Maps at page 68 thereof, Records of San Bernardino County, California, **together with** portions of Lot "A". Lot "E" and Lot 1 and all of Lot "B" and Lot 2 of Mayfair Square Unit 1, as shown by map on file in Book 39 of Maps at pages 50 and 51, Records of Riverside County, California, said portions being more particularly described as follows:

COMMENCING at the most northerly corner of Lot "D" (Alley, 20.00 feet in width) of said Mayfair Square Unit 1, said corner being on the southeasterly line of said Lot 7 of T. M. Parson's Survey;

Thence North $33^{\circ}53'22''$ East along said southeasterly line, a distance of 177.36 feet to the most northerly corner of that certain parcel of land conveyed to the Redevelopment Agency for the County of Riverside by Grant Deed recorded May 15, 2007 as Document No. 2007-0322534, Official Records of Riverside County, California;

Thence South $56^{\circ}27'20''$ East along the northeasterly line of said parcel so conveyed, a distance of 50.85 feet more or less to a point 308.00 feet distant from the northeasterly corner of said parcel so conveyed, said point also being the **TRUE POINT OF BEGINNING**;

Thence leaving said northeasterly line North $33^{\circ}26'24''$ East, a distance of 142.02 feet to the beginning of a tangent curve, concave to the west, having a radius of 300.00 feet;

Thence northeasterly and northerly along said curve, to the left, through a central angle of $32^{\circ}44'43''$, an arc distance of 171.45 feet;

Thence South $89^{\circ}21'45''$ East, a distance of 37.00 feet;

Thence South $58^{\circ}54'06''$ East, a distance of 450.49 feet to the beginning of a non-tangent curve, concave to the south, having a radius of 52.00 feet, the radial line to said point bears North $20^{\circ}52'30''$ West;

Thence easterly along said curve, to the right, through a central angle of $27^{\circ}11'09''$, an arc distance of 24.67 feet more or less to a point on the northwesterly right of way line of Briggs Street (Lot "E", 36.00 feet in half width) of said Mayfair Square Unit 1;

Thence North $33^{\circ}46'10''$ East along said northwesterly right of way line, a distance of 5.61 feet to the northwesterly corner of said Lot "E";

Thence South $56^{\circ}27'10''$ East along the northeasterly line of said Lot "E", a distance of 36.00 feet to a point of intersection with the centerline of said Briggs Street;

Thence South $33^{\circ}46'10''$ West along said centerline, a distance of 373.03 feet to a point of intersection with the southeasterly prolongation of the southwesterly line of said Lot 2 of Mayfair Square Unit 1;

Thence North $56^{\circ}29'50''$ West along said southeasterly prolongation and along the southwesterly line of said Lot 2, a distance of 178.00 feet to the most westerly corner of said Lot 2, said corner being on the southeasterly line of said parcel so conveyed to the Redevelopment Agency for the County of Riverside;

Thence North $33^{\circ}46'10''$ East along the northwesterly line of said Lot 2 and along said southeasterly line of said parcel so conveyed, a distance of 8.03 feet to the northeasterly corner of parcel so conveyed;

Thence North $56^{\circ}27'20''$ West along the northeasterly line of said parcel so conveyed, a distance of 308.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 3.87 acres, more or less.

Exhibit “C”

Method of Financing

Exhibit "C"

METHOD OF FINANCING

This is the Method of Financing attached to the Affordable Housing Loan Agreement, Vista Rio Apartments in Jurupa Valley for the Use of Low-Moderate Income Housing Asset Funds ("Loan Agreement") by and between the Housing Authority of the County of Riverside ("Housing Authority") and Jurupa Valley Vista Rio Partners, LP, a California limited partnership ("Developer"), pertaining to the development of a 39-unit multi-family housing project located on Assessor Parcel Numbers 181-041-015-4 and, in the City of Jurupa Valley, which shall be operated as rental housing that is affordable to extremely-low, very-low, low-income, any other income households ("Project"), as more specifically described in the Loan Agreement. Loan Agreement as used herein shall mean, refer to and include the Loan Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments and attachments thereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Loan Agreement.

1. Development Costs. The parties estimate that the cost of developing the Property will be approximately \$11,788,744 during the construction financing period.. The sources of financing during the construction financing period are set forth in Section 2 of this Method of Financing.

2. Sources of Financing. The parties anticipate that the costs of developing and constructing the Improvements thereon (the "Development Costs") shall be financed with a combination of loans and equity, as set forth in the following chart and as described below, which chart shall be updated if the costs of developing and constructing the Improvements change, or if the financing changes, all subject to the approval of the Housing Authority (as updated, the "Sources of Financing"):

Source of Funds	Construction	Construction
Tax Credit Equity	\$1,492,244	\$7,046,146
JP Morgan Chase	\$7,046,146	\$0
County of Riverside HOME Loan	\$1,000,000	\$1,000,000
Low-Moderate Income Housing Asset Fund Loan	\$1,898,214	\$1,898,214
Deferred Developer Fee	\$352,140	\$352,140
TOTALS	\$11,788,744	\$11,788,744

2.1 Construction Period Financing

a. Construction Loan Financing. The financing derived from the proceeds of a construction loan in the approximate original principal amount of \$8,538,390 during the construction period (the "Construction Loan") shall be used

as part of the construction financing for the Project and shall be secured by one or more senior priority deeds of trust against the Leasehold (the "Senior Construction Lenders" and, together with the Senior Permanent Lenders described below, referred to as the "Senior Lenders").

- (1) Tenant shall not refinance the Senior Loan and/or the Permanent Loan for the Project or place any additional financing on the Leasehold Estate except as set forth in this Method of Financing and the GROUND LEASE without the advanced and express written consent of the Housing Authority Executive Director or designee.
- b. Tenant Equity. Equity from the Tenant (the "Tenant Equity") consisting of the following:
- (1) Approximately \$8,538,390, to be provided by the Tax Credit Equity Investor, derived from Low Income Housing Tax Credits, a portion of which shall be disbursed during construction period and a balance shall be disbursed to pay off the construction loan.
 - (2) A deferred portion of the Tenant Fee, in the amount of \$352,140 (the "Deferred Tenant Fee"), constituting that portion of the Tenant Fee to be paid to Tenant from operating revenues, before calculating residual receipts, with the balance of the Tenant Fee in the amount of \$ 985,977 payable to Tenant during construction of the Project, in accordance with the following schedule of disbursements:
 - i. 20% upon Closing;
 - ii. 30% upon C of O;
 - iii. 2.5% upon Perm Conversion; and
 - iv. 47.5% upon 8609.
 - (3) Tenant shall be responsible for providing any additional funds which may be needed to pay for cost overruns and contingencies not otherwise funded by the Sources of Financing described above.
 - (4) Tenant Equity described in this subsection (c) shall consist of funds provided by Tenant or borrowed funds, repayment of which shall not be secured by any deed of trust on the Leasehold and/or the Property.
 - (5) All cost savings from improved debt or equity pricing compared to the terms in this Method of Financing will be used to reduce the deferred portion of the Tenant Fee. If proceeds from debt or equity are lower than projected, Tenant shall be financially responsible for any differences.

- c. TUMF. Transportation Uniform Mitigation Fee Program waiver in the approximate amount of \$243,009.
- d. DIF. Development Impact Fee Program waiver in the approximate amount of \$149,838.
- e. Affordable Housing Loan-Housing Authority of the County of Riverside in the amount of \$1,898,214 which includes a pre-development loan from the Housing Authority of the County of Riverside in the approximate amount of \$398,214. The tenant acknowledges that the former Redevelopment Agency Pre-Development Loan in the amount of \$398,214 was paid to and received by Tenant in full and no further disbursements are due from the County in connection with such loan.
- f. County of Riverside HOME Loan in the amount of \$1,000,000
- 2.2 Permanent Sources of Financing

- a. The Affordable Housing Loan as described in subsection (e) of 2.1 above.
- b. The County of Riverside HOME Loan in the amount of \$1,000,000 as described in subsection (f) of 2.1 above.
- c. Tenant Equity, as described in subsection (b) of Section 2.1, above.
- d. TUMF financing sources, as described in subsection (c) of Section 2.1, above.
- e. DIF financing sources, as described in subsection (d) of Section 2.1, above.
- f. Land Value for TCAC application in the approximate amount of \$1,300,000.
- 3. Project Budget

The parties anticipate that all Development Costs shall be as set forth in the Project Budget as attached hereto titled "Permanent Sources and Uses of Funds incorporated herein by this reference. Any change order in excess of One Hundred Thousand Dollars (\$100,000) or any amendment to the total Project Budget in excess of One Hundred Thousand Dollars (\$100,000) (collectively referred to as a "Revision") shall require the written approval of the Executive Director or designee in addition to any approval required by any Senior Lender. Except as provided in the previous sentence, the Executive Director or designee shall not unreasonably withhold or delay approval of any requested Revision for which the Senior Lender's approval is not required, under the terms of the Senior Loan documents, or which has been approved by the Senior Lender if, within five (5) working days after receipt of the request, Housing Authority receives such explanation and/or back-up information as was received and relied upon by the Senior Lender in connection with its approval of the Revision, and if the following conditions are satisfied:

- a. to the extent the Revision is limited to a reallocation of budgeted funds among Project Budget line items without any increase in the total Project Budget , (i) the

funds in the line item(s) to be reduced remain sufficient for completion of the Project, and (ii) the requested increase in one or more line item(s) is to be used to pay approved costs; and

- b. to the extent the Revision involves an increase in the total Project Budget, (i) additional funds in an amount equal to the increase in the total Project Budget will be provided by Tenant, the Senior Lender or another funding source reasonably approved by the Housing Authority and (ii) the requested increase in the Project Budget is to be used to pay approved costs.

Upon written approval of any Revision, the Project Budget shall be replaced by the approved revised Project Budget.

4. Evidence of Financing

The sum of the Senior Sources of Financing described in Section 2 above shall be sufficient at all times to pay all Development Costs as set forth in the most recently approved Project Budget, and the sum of the permanent Senior Sources of Financing described in Section 2 above, shall be at least equal at all times to the sum of the construction Sources of Financing plus all other Development Costs. Within the time provided therefor in the Schedule of Performance as stated in Exhibit "A" of the Affordable Housing Loan, Tenant shall submit for approval by the Executive Director or designee, evidence of such financing, including all documents required by the Construction Lender relating to the Construction Loan the Project and all documents evidencing the availability of permanent financing for the Project upon Completion. The Executive Director or designee shall not unreasonably withhold his or her approval. Tenant shall provide written certification to the Housing Authority that such financing documents are correct copies of the actual documents to be executed by Tenant on or before the Closing Date. To the extent that the sum of the Sources of Financing described in Section 2, 2.1 and 2.2 above is insufficient to pay all Development Costs, Tenant shall demonstrate the availability prior to the Closing of increased Tenant's Equity equal to the shortfall.

5. No Subordination of Affordability Covenants

Notwithstanding anything to the contrary herein or in the GROUND LEASE, the affordability covenants in the Agreement Containing Covenants (Including Rental Restrictions) (Attachment No.E) shall be senior to the security instruments for all Senior Loans, including the Permanent Deed of Trust and shall be recorded against the fee interest in the Property

Permanent Sources and Uses of Fund:**Sources (Construction)**

County of Riverside HOME Loan	\$	1,000,000
Low-Moderate Income Housing Asset Fund Loan	\$	1,898,214
Tax Credit Equity	\$	1,492,244
Deferred Developer Fee	\$	352,140
JP Morgan Chase Loan	\$	<u>7,046,146</u>
Total Sources	\$	11,788,744

Sources (Permanent)

County of Riverside HOME Loan	\$	1,000,000
Low-Moderate Income Housing Asset Fund Loan	\$	1,898,214
Tax Credit Equity	\$	7,046,146
JP Morgan Chase	\$	0
Deferred Developer Fee	\$	<u>352,140</u>
Total Sources	\$	11,788,744

Uses:

Land & Acquisition	\$	23,000
Insurance	\$	170,210
Architecture and Engineering	\$	1,255,282
Permit and Impact Fees	\$	692,342
Furniture Fixtures and Equipment	\$	75,000
Construction Contract	\$	6,808,408
Soft Cost	\$	404,756
Loan Fees and Interest	\$	348,632
Legal Costs	\$	186,146
Operating Reserves	\$	54,795
Developer Fee	\$	96,782
Development Impact Fees	\$	1,338,117
Project Contingency	\$	<u>432,056</u>

Total Uses \$ 11,788,744

The BORROWER will obtain a reservation of Federal/State tax credit award from the California Tax Credit Allocation Committee.

Exhibit "D"

Deed of Trust

EXHIBIT "D"

**Leasehold Deed of Trust, Security Agreement
and Fixture Filing
(With Assignment of Rents)**

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

Order No.

Escrow No.

Loan No.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
ATTN: Stephanie Adams

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**LEASEHOLD DEED OF TRUST, SECURITY
AGREEMENT AND FIXTURE FILING
(WITH ASSIGNMENT OF RENTS)**

This LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING (WITH ASSIGNMENT OF RENTS) ("Deed of Trust") is made this _____ day of _____, 2015 by JURUPA VALLEY VISTA RIO PARTNERS LP, a California limited partnership, (hereinafter referred to as "Trustor"), whose address is 15635 Alton Parkway, Suite 375, Irvine, CA 92618, to CHICAGO TITLE COMPANY, (hereinafter called "Trustee"), for the benefit of the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity corporate and politic, in its capacity as housing successor to the Redevelopment Agency of the County of Riverside, (hereinafter called "Beneficiary"), whose address is 5555 Arlington Avenue, Riverside, CA 92504.

WITNESSETH: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, its successors and assigns, in Trust, with POWER OF SALE TOGETHER WITH RIGHT OF ENTRY AND POSSESSION the following property (the "Trust Estate"):

(A) That certain leasehold interest in the real property in the City of Jurupa Valley, County of Riverside, State of California more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (such interest in real property is hereafter referred to as the "Subject Property");

(B) All buildings, structures and other improvements now or in the future located or to be constructed on the Subject Property (the "Improvements");

(C) all tenements, hereditaments, appurtenances, privileges, franchises and other rights and interests now or in the future benefiting or otherwise relating to the Subject Property or the Improvements, including easements, rights-of-way and development rights (the "Appurtenances"). (The Appurtenances, together with the Subject Property and the Improvements, are hereafter referred to as the "Real Property");

(D) All rents, issues, income, revenues, royalties and profits now or in the future payable with respect to or otherwise derived from the Trust Estate or the ownership, use, management, operation leasing or occupancy of the Trust Estate, including those past due and unpaid (the "Rents");

(E) all present and future right, title and interest of Trustor in and to all inventory, equipment, fixtures and other goods (as those terms are defined in Division 9 of the California Uniform Commercial Code (the "UCC"), and whether existing now or in the future) now or in the future located at, upon or about, or affixed or attached to or installed in, the Real Property, or used or to be used in connection with or otherwise relating to the Real Property or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing or occupancy of the Real Property, including furniture, furnishings, theater equipment, seating, machinery, appliances, building materials and supplies, generators, boilers, furnaces, water tanks, heating ventilating and air conditioning equipment and all other types of tangible personal property of any kind or nature, and all accessories, additions, attachments, parts, proceeds, products, repairs, replacements and substitutions of or to any of such property, but not including personal property that is donated to Trustor (the "Goods," and together with the Real Property, the "Property"); and

(F) all present and future right, title and interest of Trustor in and to all accounts, general intangibles, chattel paper, deposit accounts, money, instruments and documents (as those terms are defined in the UCC) and all other agreements, obligations, rights and written material (in each case whether existing now or in the future) now or in the future relating to or otherwise arising in connection with or derived from the Property or any other part of the Trust Estate or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing, occupancy, sale or financing of the property or any other part of the Trust Estate, including (to the extent applicable to the Property or any other portion of the Trust Estate) (i) permits, approvals and other governmental authorizations, (ii) improvement plans and specifications and architectural drawings, (iii) agreements with contractors, subcontractors, suppliers, project managers, supervisors, designers, architects, engineers, sales agents, leasing agents, consultants and property managers, (iv) takeout, refinancing and permanent loan commitments, (v) warranties, guaranties, indemnities and insurance policies, together with insurance payments and unearned insurance premiums, (vi) claims, demands, awards, settlements, and other payments arising or resulting from or otherwise relating to any insurance or any loss or destruction of, injury or damage to, trespass on or taking, condemnation (or conveyance in lieu of condemnation) or public use of any of the Property, (vii) license agreements, service and maintenance agreements, purchase and sale agreements and purchase options, together with advance payments, security deposits and other amounts paid to or deposited with Trustor under any such agreements, (viii) reserves, deposits, bonds, deferred payments, refunds, rebates, discounts, cost savings, escrow proceeds, sale proceeds and other rights to the payment of money, trade names, trademarks, goodwill and all other types of intangible personal property of any kind or nature, and (ix) all supplements, modifications, amendments, renewals, extensions, proceeds, replacements and substitutions of or to any of such property (the "Intangibles").

Trustor further grants to Trustee and Beneficiary, pursuant to the UCC, a security interest in all present and future right, title and interest of Trustor in and to all Goods and Intangibles and all of the Trust Estates described above in which a security interest may be created under the UCC (collectively, the "Personal Property"). This Deed of Trust constitutes a security agreement under the UCC, conveying a security interest in the Personal Property to Trustee and

Beneficiary. Trustee and Beneficiary shall have, in addition to all rights and remedies provided herein, all the rights and remedies of a "secured party" under the UCC and other applicable California law. Trustor covenants and agrees that this Deed of Trust constitutes a fixture filing under Section 9334 and 9502(b) of the UCC.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may elect, the following:

1. due, prompt and complete observance, performance and discharge of each and every condition, obligation, covenant and agreement contained herein or contained in the following:

(a) that certain Promissory Note to the Housing Authority of the County of Riverside in favor of the Beneficiary ("Housing Authority" therein) executed by Trustor ("Borrower" therein) of even date herewith ("Note");

(b) that certain Affordable Housing Loan Agreement (Low and Moderate Income Housing Asset Fund) dated _____, 2015 between Beneficiary ("Housing Authority" therein) and Trustor ("Borrower" therein) recorded in the Official Records of the Recorder's Office for the County of Riverside ("Official Records") on or about the date hereof ("Loan Agreement");

(c) that certain Covenant Agreement dated _____, between Trustor ("Vista Rio LP" therein) and Beneficiary ("Housing Authority" therein) ("Covenant Agreement"), recorded in the Official Records on or about the date hereof ("Covenants"); and

2. payment of indebtedness of the Trustor to the Beneficiary in the amount of ONE MILLION EIGHT HUNDRED AND NINETY EIGHT THOUSAND TWO HUNDRED AND FOURTEEN DOLLARS AND NO CENTS (\$1,898,214.00) ("AH Loan") according to the terms of the Note.

Said Note, Affordable Housing Loan Agreement and Covenant Agreement (collectively, referred to as the "Secured Obligations") and all of their terms are incorporated herein by reference and this conveyance shall secure any and all extensions, amendments, modifications or renewals thereof however evidenced, and additional advances evidenced by any note reciting that it is secured hereby. The Note, Affordable Housing Loan Agreement and Covenant Agreement as used herein shall mean, refer to and include the Note, Affordable Housing Loan Agreement and Covenant Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments, or attachments thereto (which are hereby incorporated herein by this reference). Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Affordable Housing Loan Agreement.

**AND TO PROTECT THE SECURITY OF THIS LEASEHOLD DEED OF TRUST,
TRUSTOR COVENANTS AND AGREES:**

1. That Trustor shall pay the Note at the time and in the manner provided therein, and perform the obligations of the Trustor as set forth in the Affordable Housing Loan Agreement and Covenant Agreement at the time and in the manner respectively provided therein.

2. That Trustor shall not permit or suffer the use of any of the property for any purpose other than the uses set forth in the Affordable Housing Loan Agreement, Covenant Agreement, and that certain Ground Lease, including all amendments thereto, dated June 17, 2014 and recorded in the Official Records on February 23, 2015, 2015 as Document No. 2015-0069890 ("Ground Lease").

3. That the Secured Obligations are incorporated in and made a part of the Deed of Trust. Upon default of a Secured Obligation, and after the giving of notice and the expiration of any applicable cure period, the Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable.

4. That all rents, profits and income from the property covered by this Deed of Trust are hereby assigned to the Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no default exists hereunder after the giving of notice and the expiration of any applicable cure period, to collect such rents, profits and income for use in accordance with the provisions of the Affordable Housing Loan Agreement and the Covenant Agreement.

5. That upon default hereunder or under the aforementioned agreements, and after the giving of notice and the expiration of any applicable cure period, Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom.

6. That Trustor will keep the improvements now existing or hereafter erected on the property insured against loss by fire and such other hazards, casualties, and contingencies as may reasonably be required in writing from time to time by the Beneficiary, and all such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies. In no event shall the amounts of coverage be less than 100 percent of the insurable value of the Property. Such policies shall be endorsed with standard mortgage clause with loss payable to the Beneficiary and certificates thereof together with copies of original policies shall be deposited with the Beneficiary. Unless approved otherwise in writing by the Executive Director of the Beneficiary, or his or her designee, Trustor shall maintain insurance as required by Section 312 of the Affordable Housing Loan Agreement, which is incorporated herein by this reference.

7. To pay, at least 10 days before delinquency, any taxes and assessments affecting said Property, including assessments on appurtenant water stock; to pay, when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof which appear to be prior or superior hereto; and to pay all costs, fees, and expenses of this Trust. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be required to pay and discharge any such tax, assessment, charge or levy so long as Trustor is contesting the legality thereof in good faith and by appropriate proceedings, and Trustor has adequate funds to pay any liabilities contested pursuant to this Section 7.

8. To keep said property in good condition and repair, subject to ordinary wear and tear, casualty and condemnation, not to remove or demolish any buildings thereon; to complete or restore promptly and in good and workmanlike manner any building which may be

constructed, damaged, or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon (subject to Trustor's right to contest the validity or applicability of laws or regulations); not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law and/or covenants, conditions and/or restrictions affecting said property; not to permit or suffer any material alteration of or addition to the buildings or improvements hereafter constructed in or upon said property without the consent of the Beneficiary.

9. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and reasonable attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

10. Should Trustor fail, after the giving of notice and the expiration of any applicable cure period, to make any payment or do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Following default Beneficiary or Trustee being authorized to enter upon said property for such purposes, may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; may pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, may pay necessary expenses, employ counsel, and pay his reasonable fees.

11. Beneficiary shall have the right to pay fire and other property insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by the Beneficiary shall be added to the indebtedness and obligations secured hereby.

12. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, under permission given under this Deed of Trust, with interest from date of expenditure at the lesser of ten percent (10%) or the highest rate of interest permitted by law.

13. That upon the failure of Trustor, after the giving of notice and the expiration of any applicable cure period, to keep and perform all the covenants, conditions, and agreements of said Affordable Housing Loan Agreement and Covenant Agreement, the entire indebtedness evidenced by the Note shall at the option of the Beneficiary of this Deed of Trust become due and payable, anything contained herein to the contrary notwithstanding.

14. Trustor further covenants that it will not voluntarily create, suffer, or permit to be created against the property subject to this Deed of Trust any lien or liens except as authorized by Beneficiary and further that they will keep and maintain the property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be obligated to pay any claims for labor, materials or services which Trustor in good faith disputes and is diligently contesting, provided that Trustor shall, at Beneficiary's written request, within thirty (30) days after the filing of any claim or lien (but in any event, and without any requirement that Beneficiary must first provide a written request, prior to foreclosure) record in the Office of the Recorder of the County of Riverside, a surety bond in the amount of such claim item to protect against a claim of lien, or provide such other security reasonably satisfactory to Beneficiary.

15. That any and all improvements made or about to be made upon the premises covered by the Deed of Trust, and all plans and specifications, comply with all applicable municipal ordinances and regulations and all other applicable regulations made or promulgated, now or hereafter, by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire rating or inspection organization, bureau, association or office.

IT IS MUTUALLY AGREED THAT:

16. Should the property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, subject to the rights of any beneficiary of a deed of trust senior in priority to this Deed of Trust ("Senior Lender"), Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. Subject to the rights of any Senior Lender, all such compensation, awards, damages, rights of action and proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary. After deducting therefrom all its expenses, including reasonable attorneys' fees, the balance of the proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, shall be applied to the amount due under the secured hereby. No amount applied to the reduction of the principal shall relieve the Trustor from making regular payments as required by the Note.

17. Reserved.

18. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its Deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale. The Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this Trust including therein reasonable Trustee's fees or attorneys' fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the

rate specified in the Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto.

19. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

20. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

21. Upon written request of Beneficiary stating that all sums secured hereby have been paid and all obligations secured hereby have been satisfied, and upon surrender of this Deed of Trust to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder, provided, however, notwithstanding full repayment of the AH Loan amount, including outstanding principle and interest, and reconveyance of this Deed of Trust, the Covenant Agreement shall remain in effect for the duration of the term set forth therein. The recitals in such reconveyance of any matters or fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

22. The trust created hereby is irrevocable by Trustor.

23. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" shall include not only the original Beneficiary hereunder but also any future owner and holder including pledgees, of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Trustor hereunder are joint and several.

The Note or a partial interest in the Note (together with this Deed of Trust) may be sold one or more times without prior notice to Trustor. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Deed of Trust. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Trustor will be given written notice of the change in accordance with **Section 104** herein and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

24. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action of proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

25. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth in the first paragraph of this Deed of Trust, and to Trustor's Tax Credit Equity Investor Tax Credit Equity Investor at the following address:

Boston Capital Multifamily Tax Credit
Fund II, a limited partnership
c/o Boston Capital Partners
One Boston Place, Suite 2100
Boston, MA 02108
Attn: Vista Rio Asset Management

And

Holland & Knight LLP
10 St. James Avenue
Boston, MA 02116
Attn: Douglas W. Clapp, Esq.”

or at such address as provided by Trustor in writing to Beneficiary.

26. Trustor agrees at any time and from time to time upon receipt of a written request from Beneficiary, to furnish to Beneficiary detailed statements in writing of income, rents, profits, and operating expenses of the premises, and the names of the occupants and tenants in possession, together with the expiration dates of their leases and full information regarding all rental and occupancy agreements, and the rents provided for by such leases and rental and occupancy agreements, and such other information regarding the premises and their use as may be requested by Beneficiary.

27. Trustor agrees that the indebtedness secured by this Deed of Trust is made expressly for the purpose of financing the construction of improvements thereon as provided in the Affordable Housing Loan Agreement and Ground Lease and to be operated as provided in the Covenant Agreement.

28. Trustor agrees that, except as otherwise provided in the Note or the Affordable Housing Loan Agreement, upon sale or refinancing of the property, the entire indebtedness secured by this Deed of Trust shall at the option of Beneficiary be immediately due and payable.

29. Notwithstanding specific provisions of this Deed of Trust, non-monetary performance hereunder shall not be deemed to be in default where delays or defaults are due to: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor or supplier; acts of the other party; or acts or failure to act of the County of Riverside or any other public or governmental agency or entity (except that any act or failure to act of Beneficiary shall not excuse performance by Beneficiary). An extension of time for any such cause (a “Force Majeure Delay”) shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty (30) days after the commencement of the cause, the period shall commence to run only thirty (30) days prior to the giving of such notice. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure Delay unless and until Trustor delivers to Beneficiary written notice describing the event, its cause, when and how Trustor obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Trustor shall deliver such written notice within fifteen (15) days after it obtains actual knowledge of the event.

30. If the rights and liens created by this Deed of Trust shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the unsecured portion of such obligations shall be completely performed and paid prior to the performance and payment of the remaining and secured portion of the obligations, and all performance and payments made by Trustor shall be considered to have been performed and paid on and applied first to the complete payment of the unsecured portion of the obligations.

31. (a) Subject to the extensions of time set forth in Section 29, and subject to the notice and cure provisions of this Section 31, failure or delay by Trustor to perform any term or provision respectively required to be performed under the Affordable Housing Loan Agreement, the Note, the Covenant Agreement, the Ground Lease, this Deed of Trust, a Senior Loan, or under any deed of trust secured against the Property, constitutes a default under this Deed of Trust;

(b) Beneficiary shall give written notice of default to the party in default, specifying the default complained of by the Beneficiary. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Deed of Trust, any failures or delays by Beneficiary in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by Beneficiary in asserting any of its rights and remedies shall not deprive Beneficiary of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(c) If a monetary event of default occurs, prior to exercising any remedies hereunder, the Beneficiary shall give the Trustor written notice of such default. The Trustor shall have a period of ten (10) calendar days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the Beneficiary.

(d) If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the Beneficiary shall give the Trustor notice of such default. If the default is reasonably capable of being cured within thirty (30) calendar days after such notice is received or deemed received, the Trustor shall have such period to effect a cure prior to exercise of remedies by the Beneficiary. If the default is such that it is not reasonably capable of being cured within thirty (30) days after such notice is received, and the Trustor (1) initiates corrective action within said period, and (2) diligently, continually, and in good faith works to effect a cure as soon as possible, then the Trustor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in any event no more than ninety (90) days of receipt of such notice of default from the Beneficiary.

(e) If Trustor fails to take corrective action or cure the default within a reasonable time, the Beneficiary shall give the Senior Lender and, as provided in paragraph g., below, the Tax Credit Equity Investor notice thereof. The Tax Credit Equity Investor may take such action, including removing and replacing the general partner of Trustor with a substitute general partner, who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. The Beneficiary agrees to accept cures tendered by any Senior Lender or Tax Credit Equity Investor within the cure periods provided herein. Additionally, in the event the Senior Lender or Tax Credit Equity Investor is precluded from curing a non-monetary default due to a bankruptcy, injunction, or similar proceeding by or against Trustor or the General Partner of Trustor, the Beneficiary agrees to forbear from completing a foreclosure (judicial or nonjudicial) during the period during which the Senior Lender or Tax Credit Equity Investor is so precluded from acting, not to exceed 90 days from the date such notice of default is delivered

to Senior Lender and/or Tax Credit Equity Investor, provided such Tax Credit Equity Investor and Senior Lender are otherwise in compliance with the foregoing provisions. In no event shall the Beneficiary be precluded from exercising remedies if its rights become or are about to become materially jeopardized by any failure to cure a default or the default is not cured within ninety (90) days after the first notice of default is given.

(f) After Trustor gives written notice to Beneficiary of the admission to Trustor's limited partnership of the Tax Credit Equity Investor, Beneficiary shall send to the Tax Credit Equity Investor a copy of all notices of default and all other notices that Beneficiary sends to Trustor, at the address for the Tax Credit Equity Investor as provided in Section 25 above.

(g) Any notice of default that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice of default that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt by Trustor; and any notice of default that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof.

(h) After the giving the notice and cure specified in this Section 31, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the property to be sold, which notice Trustee shall cause to be duly filed for record and Beneficiary may foreclose this Deed of Trust. Beneficiary shall also deposit with Trustee this Deed, the Note and all documents evidencing expenditures secured hereby.

32. Subject to the provisions and limitations of this Section 32, the obligation to repay the AH Loan is a nonrecourse obligation of the Trustor. Trustor and any general or limited partner of Trustor⁸ shall not have any personal liability for repayment of the Agency Loan secured hereby, except as provided in this Section 32. The sole recourse of Beneficiary shall be the exercise of its rights against the Property and any related security for the AH Loan. Provided, however, that the foregoing shall not (a) constitute a waiver of any obligation evidenced by the Note or this Deed of Trust; (b) limit the right of the Beneficiary to name Trustor as a party defendant in any action or suit for judicial foreclosure and sale under the Note and this Deed of Trust or any action or proceeding hereunder so long as no judgment in the nature of a deficiency judgment shall be asked for or taken against Trustor; (c) release or impair the Note or this Deed of Trust; (d) prevent or in any way hinder Beneficiary from exercising, or constitute a defense, an affirmative defense, a counterclaim, or other basis for relief in respect of the exercise of, any other remedy against the mortgaged Property or any other instrument securing the Note or as prescribed by law or in equity in case of default; (e) prevent or in any way hinder Beneficiary from exercising, or constitute a defense, an affirmative defense, a counterclaim, or other basis for relief in respect of the exercise of, its remedies in respect of any deposits, insurance proceeds, condemnation awards or other monies or other collateral or letters of credit securing the Note; (f) relieve Trustor of any of its obligations under any indemnity delivered by Trustor to Beneficiary; or (g) affect in any way the validity of any guarantee or indemnity from any person of all or any of the obligations evidenced and secured by the Note and this Deed of Trust. The foregoing provisions of this paragraph are limited by the provision that in the event of the occurrence of a default, Trustor and its successors and assigns shall have personal liability hereunder for any deficiency judgment, but only if and to the extent Trustor, its principals, shareholders, partners or its successors and assigns received rentals, other revenues, or other payments or proceeds in respect of the mortgaged Property, which rentals, other revenues, or other payments or proceeds

have not been used for the payment of ordinary and reasonable operating expenses of the mortgaged Property after the occurrence of such default, ordinary and reasonable capital improvements to the mortgaged Property, debt service, real estate taxes in respect of the mortgaged Property and basic management fees, but not incentive fees, payable to an entity or person unaffiliated with Trustor in connection with the operation of the mortgaged Property, which are then due and payable. Notwithstanding the first sentence of this paragraph, Beneficiary may recover directly from Trustor or from any other party:

(a) any damages, costs and expenses incurred by Beneficiary as a result of fraud or any criminal act or acts of Trustor or any partner, shareholder, officer, director or employee of Trustor;

(b) any damages, costs and expenses incurred by Beneficiary as a result of any misappropriation of funds provided for the construction of the Project, as described in the Affordable Housing Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds;

(c) any and all amounts owing by Trustor pursuant to any indemnity under the Affordable Housing Loan Agreement or the indemnification regarding Hazardous Substances pursuant to the Environmental Indemnity as stated in Section 5.2, 5.3 and 5.4 of Ground Lease, dated 6/17/2014 and recorded in the Official Records on February 23, 2015 as Document No. 2015-0069888 and incorporated herein by this reference, and

(d) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions (provided that Beneficiary shall pay Trustor's reasonable court costs and attorneys' fees if Trustor is the prevailing party in any such enforcement or collection action).

33. This Deed of Trust shall be subordinate and junior to the Deed of Trust recorded concurrently herewith securing the Construction Loan made by [insert name] (the "Senior Lender"). The Executive Director or designee of Beneficiary shall have the right to execute any subordination agreement, substantially conforming in a form and substance approved by Beneficiary and Beneficiary's General Counsel, as may be reasonably necessary to subordinate this Deed of Trust to the lien of the deed of trust described in this Section 33, above, provided that any such subordination does not (i) adversely affect the receipt of any benefit or right of Beneficiary under the Affordable Housing Loan Agreement (including any attachments thereto), including without limitation causing or requiring the subordination of the affordability covenants in the Covenant Agreement, or (ii) increase any Beneficiary obligation or liability under the Affordable Housing Loan Agreement (including any attachments thereto). Subject to the terms of any subordination agreement between Beneficiary and Senior Lender, in the event of a default or breach by Trustor of any security instrument securing a senior obligation described in this Section 33, Beneficiary shall have the right to cure the default prior to completion of any foreclosure. In such event, Beneficiary shall be entitled to reimbursement by Trustor of all costs and expenses incurred by Beneficiary in curing the default. The amount of any such disbursements shall be a lien against the Subject Property and added to the obligation secured by this Deed of Trust until repaid, with interest at the highest rate permitted by law.

34. Extended Low-Income Housing Commitment. Notwithstanding anything to the contrary contained herein or in any documents secured by this Deed of Trust or contained in any subordination agreement, the Beneficiary acknowledges and agrees that in the event of a foreclosure or deed-in-lieu of foreclosure (collectively, "Foreclosure") with respect to the property encumbered by this Deed of Trust, the following rule contained in Section 42(h)(6)(E)(ii) of the Internal Revenue Code of 1986, as amended, shall apply: for a period of

three (3) years from the date of Foreclosure, with respect to any unit that had been regulated by the regulatory agreement with the California Tax Credit Allocation Committee ("Extended Use Agreement"), (i) none of the tenants occupying those units at the time of Foreclosure may be evicted or their tenancy terminated (other than for good cause), (ii) nor may any rent be increased except as otherwise permitted under Section 42 of the Code. Trustor acknowledges and agrees that any default, event of default, or breach (however such terms may be defined) under the Extended Use Agreement shall be an event of default under this Deed of Trust and that any costs, damages or other amounts, including reasonable attorneys' fees incurred by Beneficiary as a result of an event of default by Trustor, and any amounts paid by Beneficiary to cure any default under the Extended Use Agreement shall be an obligation of Trustor and become a part of the debt secured by this Deed of Trust.

35. In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, Trustor shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the AH Loan in balance and rebuild the Project in a manner that provides adequate security to Beneficiary for repayment of the Agency Loan or if such proceeds are insufficient then Trustor shall have funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the Affordable Housing Loan Agreement Documents. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the AH Loan in a manner that provides adequate security to Beneficiary for repayment of the remaining balance of the AH Loan.

36. Beneficiary or its agent may make reasonable entries upon and inspections of the Property. Beneficiary shall give Trustor at least forty-eight (48) hours advanced notice in connection with an inspection specifying reasonable cause for the inspection.

37. Except in connection with any successor in interest approved by Beneficiary in writing, extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Trustor shall not operate to release the liability of the original Trustor or Trustor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Trustor or Trustor's successors in interest.

38. This Deed of Trust shall be governed by federal law and the laws of the State of California. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision. To this end the provisions of this Deed of Trust and the Note are declared to be severable. Any action at law or in equity arising under this Deed of Trust or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Deed of Trust shall be filed in the Superior Courts of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

39. The Note and this Deed of Trust shall not be assigned by Trustor without the Beneficiary's prior written consent.

[Remainder of Page Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, Borrower has executed this Note as of the day and year set forth below.

BORROWER:

Jurupa Valley Vista Rio Partners, LP
a California limited partnership

By: PC Jurupa Valley Vista Rio Developers, LLC
a California limited liability corporation

By: 

Danavon L. Horn, President

Date: 10/28/15

By: Housing Corporation of America,
a California non-profit public benefit corporation,
its Managing General Partner

By: _____

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Orange)

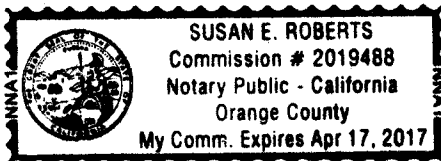
On October 28, 2015 before me, Susan E. Roberts, notary public,
Date Here Insert Name and Title of the Officer

personally appeared Danavon L. Horn
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Susan E. Roberts
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

IN WITNESS WHEREOF, Borrower has executed this Note as of the day and year set forth below.

BORROWER:

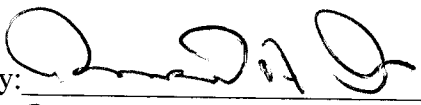
Jurupa Valley Vista Rio Partners, LP
a California limited partnership

By: PC Jurupa Valley Vista Rio Developers, LLC
a California limited liability corporation

By: _____
Danavon Horn, Executive Director

Date: _____

By: Housing Corporation of America,
a California non-profit public benefit corporation,
its Managing General Partner

By:  _____
Ronald H Olson, President

Date: _____

STATE OF UTAH)
) ss.
COUNTY OF Salt Lake)

On October 28, 2015, before me, Michelle Rimmasch, the undersigned, a Notary Public in and for said State, personally appeared Ronald H Olson, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Michelle Rimmasch

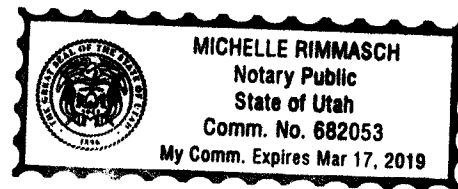


EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT "A" - LEGAL DESCRIPTION
LOT LINE ADJUSTMENT NO. 05411

PARCEL B

Those portions of Lots 5, 6 and 7, of T. M. Parson's Survey of a portion of the Jurupa Rancho, as shown by map on file in Book 1 of Maps at page 68 thereof, Records of San Bernardino County, California, **together with** portions of Lot "A". Lot "E" and Lot 1 and all of Lot "B" and Lot 2 of Mayfair Square Unit 1, as shown by map on file in Book 39 of Maps at pages 50 and 51, Records of Riverside County, California, said portions being more particularly described as follows:

COMMENCING at the most northerly corner of Lot "D" (Alley, 20.00 feet in width) of said Mayfair Square Unit 1, said corner being on the southeasterly line of said Lot 7 of T. M. Parson's Survey;

Thence North $33^{\circ}53'22''$ East along said southeasterly line, a distance of 177.36 feet to the most northerly corner of that certain parcel of land conveyed to the Redevelopment Agency for the County of Riverside by Grant Deed recorded May 15, 2007 as Document No. 2007-0322534, Official Records of Riverside County, California;

Thence South $56^{\circ}27'20''$ East along the northeasterly line of said parcel so conveyed, a distance of 50.85 feet more or less to a point 308.00 feet distant from the northeasterly corner of said parcel so conveyed, said point also being the **TRUE POINT OF BEGINNING**;

Thence leaving said northeasterly line North $33^{\circ}26'24''$ East, a distance of 142.02 feet to the beginning of a tangent curve, concave to the west, having a radius of 300.00 feet;

Thence northeasterly and northerly along said curve, to the left, through a central angle of $32^{\circ}44'43''$, an arc distance of 171.45 feet;

Thence South $89^{\circ}21'45''$ East, a distance of 37.00 feet;

Thence South $58^{\circ}54'06''$ East, a distance of 450.49 feet to the beginning of a non-tangent curve, concave to the south, having a radius of 52.00 feet, the radial line to said point bears North $20^{\circ}52'30''$ West;

Thence easterly along said curve, to the right, through a central angle of $27^{\circ}11'09''$, an arc distance of 24.67 feet more or less to a point on the northwesterly

right of way line of Briggs Street (Lot "E", 36.00 feet in half width) of said Mayfair Square Unit 1;

Thence North $33^{\circ}46'10''$ East along said northwesterly right of way line, a distance of 5.61 feet to the northwesterly corner of said Lot "E";

Thence South $56^{\circ}27'10''$ East along the northeasterly line of said Lot "E", a distance of 36.00 feet to a point of intersection with the centerline of said Briggs Street;

Thence South $33^{\circ}46'10''$ West along said centerline, a distance of 373.03 feet to a point of intersection with the southeasterly prolongation of the southwesterly line of said Lot 2 of Mayfair Square Unit 1;

Thence North $56^{\circ}29'50''$ West along said southeasterly prolongation and along the southwesterly line of said Lot 2, a distance of 178.00 feet to the most westerly corner of said Lot 2, said corner being on the southeasterly line of said parcel so conveyed to the Redevelopment Agency for the County of Riverside;

Thence North $33^{\circ}46'10''$ East along the northwesterly line of said Lot 2 and along said southeasterly line of said parcel so conveyed, a distance of 8.03 feet to the northeasterly corner of parcel so conveyed;

Thence North $56^{\circ}27'20''$ West along the northeasterly line of said parcel so conveyed, a distance of 308.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 3.87 acres, more or less.

Exhibit "E"

Covenant Agreement

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103
Order No.
Escrow No.
Loan No.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:
Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504

COVENANT AGREEMENT

(Vista Rio Apartments)

This Covenant Agreement (Vista Rio Apartments) ("Covenant") is made and entered into as of the day of _____, 2015 by and between the Housing Authority of the County of Riverside, a political subdivision of the State of California ("HOUSING AUTHORITY"), and Jurupa Valley Vista Rio Partners, L.P., a California Limited Partnership ("Vista Rio, L.P.") whose administrative general partner PC Jurupa Valley Vista Rio Developers, LLC ("Vista Rio, LLC"), a California limited liability corporation and managing general partner is Housing Corporation of America, a Utah nonprofit corporation.

RECITALS

WHEREAS, Vista Rio L.P. has entered into a ground lease with the Housing Authority of the County of Riverside on June 17, 2014 and as amended on February 10, 2015 to lease that certain real property located at 3901 Briggs Street, in the City of Jurupa Valley, between Mission Boulevard and Tilton Avenue, APN: 181-041-015-4, legally described in Exhibit A attached hereto and incorporated herein by this reference (the "Property");

WHEREAS, on _____, 2015, HOUSING AUTHORITY and Vista Rio, L.P. entered into that certain Affordable Housing Loan Agreement Vista Rio Apartments In Jurupa Valley (Low and Moderate Income Housing Asset Fund) recorded in the Official Records ("Official Records") of the County of Riverside concurrently herewith (the "LMIHAF Loan Agreement") which provides for, among other things, the development and construction on

the Property of an affordable multi-family housing complex identified as "Vista Rio Apartments." Capitalized terms not defined herein shall have the meaning ascribed to them in the LMIHAF Loan Agreement;

WHEREAS, pursuant to the LMIHAF Loan Agreement, HOUSING AUTHORITY loaned to Vista Rio, L.P., \$1,898,214 of LMIHAF funds ("LMIHAF Loan"), to provide financial assistance to Vista Rio, L.P., to pay a portion of the costs related to the Project (defined below), as more fully described in the LMIHAF Loan Agreement. The LMIHAF Loan is evidenced by a Promissory Note executed by Vista Rio, L.P., in favor of the HOUSING AUTHORITY dated on or about the date hereof ("LMIHAF Loan Note") and secured by that certain Deed of Trust executed by Vista Rio, L.P., for the benefit of HOUSING AUTHORITY and recorded in the Official Records concurrently herewith ("LMIHAF Loan Deed of Trust"); a

WHEREAS, pursuant to the LMIHAF Loan Agreement, Vista Rio, L.P. has agreed to develop and construct a 39-unit apartment complex on the Property, and reserve nineteen (19) units to be rented to and occupied by qualified low income households pursuant to California Community Redevelopment Law ("LMIHAF-Assisted Units") in accordance with California Health and Safety Code 50053, Qualification as affordable housing: Rental housing, and as set forth below;

WHEREAS, pursuant to Pursuant to the LMIHAF Agreement, Vista Rio, L.P. shall develop and construct on the Property a 39-unit multi-family housing project (including one manager's unit), and reserve nineteen (19) units to be rented to and occupied by qualified extremely-low and very-low income households pursuant to California Community Redevelopment Law ("LMIHAF-Assisted Units"), which shall be operated as rental housing that is affordable to Extremely Low, Very Low, Low, and Other Income households, a

community center and related parking ("Project"), as more specifically described in the LMIHAF Loan Agreement. LMIHAF Loan Agreement as used herein shall mean, refer to and include the LMIHAF Loan Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments and attachments thereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in the LMIHAF Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the LMIHAF Loan Agreement.

WHEREAS, pursuant to the LMIHAF Loan Agreement, the Project, including the LMIHAF Assisted Units, shall remain affordable to qualified extremely-low and very low-income tenants for a period consisting of the later of (i) fifty-five (55) years from the recordation of the Notice of Completion in the Official Records for the last building for which construction is complete for the Project, or (ii) July 1, 2073, without regard to the term of the LMIHAF Loan Agreement, repayment of the LMIHAF Loan, or the transfer of the Vista Rio, L.P., partnership; and

WHEREAS, the parties desire to memorialize Vista Rio, L.P.'s obligation to maintain the affordability of the LMIHAF assisted units pursuant to California Community Redevelopment Law, more specifically set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Covenant, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vista Rio, L.P., on behalf of itself and its successors, assigns, and each successor in interest to the Property or any part thereof, hereby declares as follows:

1. Development of the Property. Vista Rio, L.P. covenants and agrees for itself, its successors and assigns and every successor in Vista Rio Partners, L.P.'s interest in the Property

or any part thereof, that Vista Rio Partners, L.P., its successors and assigns, shall develop and construct, or cause the development and construction, of the Improvements on Property in accordance with the provisions of the Ground Lease, including, but not limited to the Scope of Development (Exhibit C to the Ground Lease).

2. Use of the Property. Vista Rio Partners, L.P., on behalf of itself and its successors, assigns, and each successor in interest to Vista Rio Partners, L.P.'s interest in the Property or any part thereof, hereby covenants and agrees as follows:

a. Vista Rio Partners, L.P. covenants and agrees for itself, its successors, its assigns and every successor in interest to the Leasehold Estate or any part thereof, that Vista Rio Partners, L.P., such successors and such assignees shall use the Property only for the uses specified in any development agreements entered into by and between the City of Jurupa Valley and Vista Rio Partners, L.P., the Ground Lease, and this Agreement. No change in the use of the Property shall be permitted without the prior written approval of the Housing Authority.

b. Notwithstanding the generality of subsection (a), above, Vista Rio, L.P., its successors and assigns, shall use the Property only for the uses permitted in this Agreement, specifically including the following: (i) residential rental uses, consisting of 39 Affordable Units comprised of 27 two-bedroom apartments, and 12 three-bedroom apartments (plus one manager's unit) (ii) the Community Space, and (iii) the Parking Garage.

1) c. Residential Uses. For a period of ninety-nine (99) years commencing on the date the City of Jurupa Valley issues the certificate of occupancy for the Affordable Units ("the Covenant Period"), Vista Rio, L.P. on behalf of itself and its successors, assigns, and each successor in interest to Vista Rio, L.P.'s interest in the Property or any part thereof, hereby covenants and agrees as follows:RESTRICTIONS. This Covenant shall continue in full force and effect until the later of (i) fifty-five (55) years from the recordation of the Notice of Completion for the last building for which construction is completed for the Project on the Property, or (ii) July 1, 2073 ("Term"), for itself and on behalf of its successors and assigns and acknowledges and agrees that for the duration of the term, the Property shall be held, sold and conveyed, subject to the following covenants, conditions, and restrictions:

a) **Rent restrictions:**

i. **Affordability Definitions:** Affordable housing cost as defined in Section 50053 of the California Health and Safety Code, which dictates that the rent or cost for housing (including a utility allowance) shall not exceed:

ii) For extremely low income households the product of 30 percent times 30 percent of the area median income adjusted for family size appropriate for the unit.

iii) For very low income households, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.

iv) For lower income households whose gross incomes exceed the maximum income for very low income households, the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those lower income households with gross incomes that exceed 60 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

v) For moderate-income households, the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those moderate-income households whose gross incomes exceed 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a

level not to exceed 30 percent of gross income of the household.

b) **Income Restrictions:** Vista Rio, L.P. agrees to reserve a total of nineteen (19) units for qualified low-income households ("Assisted Units"). Of the Assisted Units six (6) units shall be reserved for households whose incomes do not exceed thirty percent (30%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy (4-two bedroom units and 2-three bedroom units). Of the Assisted Units thirteen (13) units shall be reserved for households whose incomes do not exceed fifty percent (50%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy (7-two bedroom units and 6-three bedroom units)

c) **Affordability Period:** VISTA RIO PARTNERS, L.P. agrees that all Assisted Units in the Project will remain affordable, as defined in California Redevelopment Law for a period of not less than fifty-five (55) years. The fifty-five (55) year period shall be the later of (i) July 1, 2073 or (ii) fifty five (55) years from the recordation of the last Notice of Completion for Project.

d) Vista Rio, L.P., shall comply with the terms of the LMIHAF Loan Agreement, LMIHAF Loan Note, LMIHAF Loan Deed of Trust and any other instrument secured against the Property.

2) SENIOR POSITION OF COVENANT AGREEMENT. This Covenant Agreement shall be recorded in the first position senior to all liens and encumbrances against the Property including, but not limited to the construction loan documents from JPMorgan Chase, N.A, the construction lender, as more specifically set forth in the LMIHAF Agreement.

3) MAINTENANCE OF THE IMPROVEMENTS. Vista Rio, L.P., on behalf of itself and its successors, assigns, and each successor in interest to the Property and Project or any

part thereof hereby covenants to and shall protect, maintain, and preserve the Property in compliance with all applicable federal and state law and regulations and local ordinances. In addition, Vista Rio, L.P., its successors and assigns, shall maintain the improvements on the Property in the same aesthetic and sound condition (or better) as the condition of the Property at the time of the recordation of the Notice of Completion for the Project, reasonable wear and tear excepted. This standard for the quality of maintenance of the Property shall be met whether or not a specific item of maintenance is listed below. However, representative items of maintenance shall include frequent and regular inspection for graffiti or damage or deterioration or failure, and immediate repainting or repair or replacement of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and removal of litter; sweeping of public sidewalks adjacent to the Property, on-site walks and paved areas and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping in a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as necessary; cleaning windows on a regular basis; painting the buildings on a regular program and prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular basis and maintaining the roof in a leak-free and weather-tight condition; maintaining security devices in good working order. In the event Vista Rio, L.P., its successors or assigns fails to maintain the Property in accordance with the standard for the quality of maintenance, the HOUSING AUTHORITY or its designee shall have the right but not the obligation to enter the Property upon reasonable notice to Vista Rio, L.P., correct any violation, and hold Vista Rio, L.P., or such successors or assigns responsible for the cost thereof, and such cost, until paid, shall constitute a lien on the Property.

4) NONDISCRIMINATION. Vista Rio, L.P. shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation, selection, hiring or treatment of any contractors or consultants, to participate in subcontracting/subconsulting opportunities. Vista Rio, L.P. understands and agrees that violation of this clause shall be considered a material breach of this Covenant and may result in termination, debarment or other sanctions. This language shall be incorporated into all contracts between Vista Rio, L.P. and any contractor, consultant, subcontractor, subconsultants, vendors

and suppliers. Vista Rio, L.P. shall comply with the provisions of the California Fair Employment and Housing Act (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended, and all Administrative Rules and Regulations issued pursuant to said Acts and Orders with respect to its use of the Property.

Vista Rio, L.P. herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that this Covenant is made and accepted upon and subject to the following conditions: There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

Vista Rio, L.P., its successors and assigns, shall refrain from restricting the rental, sale, or lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and contract entered into with respect to the Property, or any portion thereof, after the date of this Agreement shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy,

tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

c) In contracts: “There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land.”

In addition to the obligations and duties of Vista Rio, L.P. set forth herein, Vista Rio, L.P. shall, upon notice from HOUSING AUTHORITY, promptly pay to HOUSING AUTHORITY all fees and costs, including administrative and attorneys' fees, incurred by HOUSING AUTHORITY in connection with responding to or defending any discrimination claim brought by any third party and/or local, state or federal government entity, arising out of or in connection with the Agreement or this Covenant.

5) INSURANCE. Without limiting or diminishing Vista Rio, L.P.'s obligation to indemnify or hold HOUSING AUTHORITY harmless, Vista Rio, L.P. shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Covenant.

- a. Worker's Compensation Insurance. If Vista Rio, L.P. has employees as defined by the State of California, Vista Rio, L.P. shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the Housing Authority of the County of Riverside, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.
- b. Commercial General Liability Insurance. Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Vista Rio, L.P.'s performance of its obligations hereunder. Policy shall name the Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

c. Vehicle Liability Insurance. If vehicles or mobile equipment are used in the performance of the obligations under this Covenant, then Vista Rio, L.P. shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured or provide similar evidence of coverage approved by County's Risk Manager ("Risk Manager").

d. General Insurance Provisions – All Lines.

i) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by Risk Manager. If Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

ii) Vista Rio, L.P.'s insurance carrier(s) must declare its insurance self-insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior written consent of Risk Manager. Upon notification of self-insured retention unacceptable to HOUSING AUTHORITY, and at the election of Risk Manager, Vista Rio, L.P.'s carriers shall either: (a) reduce or eliminate such self-insured retention, or (b) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

iii) Vista Rio, L.P. shall cause Vista Rio, L.P.'s insurance carrier(s) to furnish the Housing Authority of the County of Riverside copies of the Certificate(s) of Insurance and Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by Risk Manager, provide copies of

policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the HOUSING AUTHORITY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. Vista Rio, L.P. shall not continue operations until HOUSING AUTHORITY has been furnished Certificate(s) of Insurance and copies of endorsements and if requested, copies of policies of insurance including all endorsements and any and all other attachments as required herein. An individual authorized by the insurance carrier to do so, on its behalf, shall sign the original endorsements for each policy and the Certificate of Insurance.

- iv) It is understood and agreed to by the parties hereto that Vista Rio, L.P.'s insurance shall be construed as primary insurance, and HOUSING AUTHORITY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- v) If, during the term of this Covenant or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.), then HOUSING AUTHORITY reserves the right to adjust the types of insurance required under this Covenant and the monetary limits of liability for the insurance coverage's currently required herein, if, in Risk Manager's reasonable judgment, the amount or type of insurance carried by Vista Rio, L.P. has become inadequate.
- vi) Vista Rio, L.P. shall pass down the insurance obligations contained herein to all tiers of subcontractors.
- vii) Vista Rio, L.P. agrees to notify HOUSING AUTHORITY in writing of any claim by a third party or any incident or event that may give rise to a claim

arising from the performance of the Agreement.

6) HOLD HARMLESS/INDEMNIFICATION. Vista Rio, L.P. shall indemnify and hold harmless the HOUSING AUTHORITY, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of Vista Rio, L.P., its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Vista Rio, L.P., its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. Vista Rio, L.P. shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions. With respect to any action or claim subject to indemnification herein by Vista Rio, L.P., shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of HOUSING AUTHORITY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Vista Rio, L.P.'s indemnification to Indemnitees as set forth herein. Vista Rio, L.P.'s obligation hereunder shall be satisfied when Vista Rio, L.P. has provided to HOUSING AUTHORITY the appropriate form of dismissal relieving HOUSING AUTHORITY from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Vista Rio, L.P.'s obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Vista Rio, L.P. from indemnifying the Indemnitees to the fullest extent allowed by law.

7) NOTICES. All Notices provided for in this Covenant shall be deemed received

when personally delivered, or two (2) days following mailing by certified mail, return receipt requested. All mailing shall be addressed to the respective parties at their addresses set forth below, or at such other address as each party may designate in writing and give to the other party:

If to the Housing Authority: Housing Authority of the County of Riverside
c/o Executive Director
5555 Arlington Avenue
Riverside, CA 92504

If to Jurupa Valley, L.P.: Jurupa Valley Vista Rio Partners, L.P.
c/o Jurupa Valley Vista Rio Partners LLC
15635 Alton Parkway, Suite 375
Irvine, CA 92618
Attn: Danavon Horn

with a copy to:

Boston Capital Multifamily Tax Credit Fund II,
A Limited Partnership
c/o Boston Capital Partners
One Boston Place, Suite 2100
Boston, MA 02108
Attn: Vista Rio Asset Management

8) REMEDIES. HOUSING AUTHORITY shall have the right, in the event of any breach of any such agreement or covenant, to exercise all available rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

9) TERM. The non-discrimination covenants, conditions and restrictions contained in Section 4 of this Covenant shall remain in effect in perpetuity. Every other covenant, condition and restriction contained in this Covenant shall continue in full force and effect for the Term, as defined in Section 1 of this Covenant.

10) NOTICE AND CURE. Prior to exercising any remedies hereunder, the HOUSING AUTHORITY shall give Vista Rio, L.P. notice of such default pursuant to section 9

above. Any monetary default shall be cured within seven (7) days of delivery of written notice. Except as otherwise set forth herein, if a non-monetary default is reasonably capable of being cured within sixty (60) days of delivery of such notice of default, Vista Rio, L.P. shall have such period to effect a cure prior to exercise of remedies by HOUSING AUTHORITY. If the non-monetary default is such that it is not reasonably capable of being cured within sixty (60) days of delivery of such notice of default, and Vista Rio, L.P. (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Vista Rio, L.P. shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the HOUSING AUTHORITY; but in no event no later than ninety (90) days from delivery of such notice of default.

HOUSING AUTHORITY, upon providing Vista Rio, L.P. with any notice of default under this Covenant, shall, within a reasonable time, provide a copy of such default notice to the Tax Credit Equity Investor and a Permitted Lender who has given written notice to HOUSING AUTHORITY of its interest in the Property and Project. From and after such notice has been delivered to the Tax Credit Equity Investor, a Permitted Lender, and such Permitted Lender shall have the same period for remedying the default complained of as the cure period provided to Vista Rio Partners, L.P. pursuant to this section 10. HOUSING AUTHORITY shall accept performance by a the Tax Credit Equity Investor and/or Permitted Lender as if the same had been done by Vista Rio Partners, L.P.

If a violation of any of the covenants or provisions of this Covenant remains uncured after the respective time period set forth in this Section 10, HOUSING AUTHORITY and its successors and assigns, without regard to whether HOUSING AUTHORITY or its successors and assigns is an Vista Rio, L.P. of any land or interest therein to which these covenants relate, may institute and prosecute any proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted violation or to compel specific performance by Vista Rio, L.P. of its obligations hereunder. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violations

or any similar breach or violation hereof at any later time.

11) SALE, ASSIGNMENT OR TRANSFER OF THE PROJECT OR PROPERTY.

Except as provided in the LMIHAF Agreement, Vista Rio, L.P. hereby covenants and agrees not to sell, transfer, assign or otherwise dispose of the Project, the Property or any portion thereof, without obtaining the prior written consent of HOUSING AUTHORITY, in its sole discretion. Any sale, assignment, or transfer of the Project or Property, shall be memorialized an assignment and assumption agreement the form and substance of which have been first approved in writing by the HOUSING AUTHORITY in its sole discretion. Such assignment and assumption agreement shall, among other things, provide that the transferee has assumed in writing and in full, and is reasonably capable of performing and complying with Vista Rio, L.P.'s duties and obligations under the LMIHAF Agreement and this Covenant, provided, however Vista Rio, L.P. shall not be released of all obligations under the LMIHAF Loan Agreement and this Covenant.

12) AMENDMENTS OR MODIFICATIONS. This Covenant may be changed or modified only by a written amendment signed by authorized representatives of both parties.

13) GOVERNING LAW; VENUE; SEVERABILITY. This Covenant shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Covenant shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Covenant is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way

14) BINDING EFFECT. The rights and obligations of this Covenant shall bind and inure to the benefit of the respective heirs, successors and assigns of the parties.

15) PERMITTED MORTGAGES. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Covenant shall defeat or render invalid or in any way impair the lien or charge of any deed of trust or mortgage permitted by the Agreement or the lien or charge of a deed of trust made by the Vista Rio, L.P. for the benefit of any lender first approved in writing by the HOUSING AUTHORITY (each, a

“Permitted Lender”) and nothing herein or in the Agreement shall prohibit or otherwise limit the exercise of a Permitted Lender’s rights and remedies thereunder, including a foreclosure or deed-in-lieu of foreclosure and subsequent transfer thereafter.

16) SEVERABILITY. In any event that any provision, whether constituting a separate paragraph or whether contained in a paragraph with other provisions, is hereafter determined to be void and unenforceable, it shall be deemed separated and deleted from the agreement and the remaining provisions of this Agreement shall remain in full force and effect.

17) OPERATION OF PROJECT.

a. Project Monitoring And Evaluation. Tenant Checklist. Vista Rio, L.P. shall submit a Tenant Checklist Form to HOUSING AUTHORITY, as shown in **Exhibit G** which is attached hereto and incorporated herein by this reference, and may be revised by HOUSING AUTHORITY, summarizing the racial/ethnic composition, number and percentage of very low-income households who are tenants of the LMIHAF-assisted units. The Tenant Checklist Form shall be submitted upon completion of the construction and thereafter, on a semi-annual basis on or before March 31 and September 30. Vista Rio, L.P. shall provide written lease agreement for not less than one year, unless by mutual agreement between the tenant and Vista Rio, L.P. . HOUSING AUTHORITY shall review the initial form of the lease agreement prior to Vista Rio, L.P. executing any leases and, provided that Vista Rio, L.P. uses the approved lease form, Vista Rio, L.P. shall be permitted to enter into residential leases without HOUSING AUTHORITY’S prior written consent.

b. Prohibited Lease Terms. The rental agreement/lease may not contain any of the following provisions:

- (1) Agreement to be sued. Agreement by the tenant to be sued, to admit guilt or to a judgment in favor of Vista Rio, L.P. in a lawsuit brought in connection with the lease.

- (2) Treatment of property. Agreements by tenant that Vista Rio, L.P. may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. Vista Rio, L.P. may dispose of this personal property in accordance with State law.
- (3) Excusing Vista Rio, L.P. from responsibility. Agreement by the tenant not to hold Vista Rio, L.P. or Vista Rio, L.P.'s agents legally responsible for any action or failure to act, whether intentional or negligent.
- (4) Waiver of notice. Agreement of the tenant that Vista Rio, L.P. may institute a lawsuit without notice to the tenant.
- (5) Waiver of legal proceeding. Agreement by the tenant that the Vista Rio, L.P. may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
- (6) Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury.
- (7) Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.
- (8) Tenant chargeable with cost of legal actions regardless of

outcome. Agreement by the tenant to pay attorneys' fees or other legal costs even if the tenant wins in a court proceeding by Vista Rio, L.P. against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

- (9) Mandatory supportive services. Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

c. Written Selection Policies. Vista Rio, L.P. shall adopt written selection policies and criteria that meet the following requirements:

- (1) Are consistent with the purpose of providing housing for Low Income, Very Low, Extremely, and other Low Income households.
- (2) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease.
- (3) Provide for:
 - (A) The selection of tenants from a written waiting list in the chronological order of their satisfaction of all eligibility requirements, insofar as is practicable; and
 - (B) The prompt written notification to any rejected applicant of the grounds for any rejection;
- (4) To the extent permitted by law, provide first priority in the selection of otherwise eligible tenants to persons displaced by the Housing Authority (if any); and
- (5) Carry out the affirmative marketing procedures of the Housing Authority, to provide information and otherwise attract eligible persons from all racial, ethnic and gender groups in the housing market area. Vista Rio, L.P. and Housing Authority shall cooperate to effectuate this provision during the Vista Rio, L.P.'s initial lease-up of the Affordable Units and as vacancies occur.

18) ACCESS TO PROJECT SITE. Representatives of the HOUSING AUTHORITY shall have the right of access to the Property, upon 24 hours' written notice to Vista Rio, L.P. (except in the case of an emergency, in which HOUSING AUTHORITY shall provide such notice as may be practical under the circumstances), without charges or fees, during normal business hours to review the operation of the Project in accordance with this Covenant and the Agreement.

19). Management. Vista Rio, L.P. shall be responsible for the operation of the Improvements either by direct management or by contracting its managerial functions to a third party property manager reasonably acceptable to the Housing Authority which property manager will be charged with managing the Improvements on behalf of the Vista Rio, L.P.. The Housing Authority shall have the right to review and approve any such entity prior to its selection by the Vista Rio, L.P.. Such approval shall not be unreasonably withheld. Vista Rio, L.P. shall include in any such property management agreement a provision providing for the termination of the agreement in the event that the property manager violates any federal, state or local health and safety laws and regulations which are not cured within thirty (30) days following the giving of notice of such violations by the Housing Authority or any other governmental entity; provided, however, that in the case of a violation that cannot be cured within such thirty (30) day period, that such cure shall be commenced within thirty (30) days of notification and shall be diligently prosecuted to completion not later than sixty (60) days after notification. Vista Rio, L.P., its successors and assigns, upon notice from the Housing Authority, shall pay any costs and fees (including administrative and attorneys' fees) incurred by Housing Authority in connection with responding to or defending any discrimination claim brought by any third party and/or local, state or federal government entity, arising out of or in connection with the LMIHAF Agreement and/or this Covenant.

20) COUNTERPARTS. This Covenant may be signed by the different parties hereto in counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.

21) ENTIRE AGREEMENT. This Covenant and the LMIHAF Agreement set forth and contain the entire understanding and agreement of the parties hereto. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this Covenant, and the LMIHAF Agreement, including all amendments and modifications to the LMIHAF Agreement.

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(SIGNATURES ON THE NEXT PAGE)

Affordable Housing Loan Agreement (Covenant Agreement) Signature Page

HOUSING AUTHORITY:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside

By: Marion Ashley
Marion Ashley, Chairman
Board of Commissioners

Date: NOV 17 2015

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: Jane Brown
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: Jhaila Brown
Jhaila Brown
Deputy County Counsel

BORROWER:

Jurupa Valley Vista Rio Partners, LP.
a California limited Partnership

By: PC Jurupa Valley Vista Rio Developers,
LLC.

a California limited liability company,
its Administrative General Partner

By: Danavon L. Horn
Danavon L. Horn, President

Date: 10/28/15

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By: _____
Ronald H. Olson, President

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Orange)

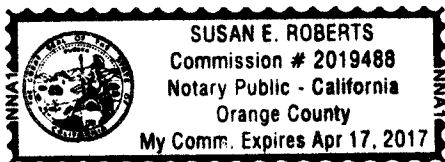
On October 28, 2015 before me, Susan E. Roberts, notary public,
Date Here Insert Name and Title of the Officer

personally appeared Danavon L. Horn
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Susan E. Roberts
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Affordable Housing Loan Agreement (Covenant Agreement) Signature Page

HOUSING AUTHORITY:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside

By: _____
Marion Ashley, Chairman
Board of Commissioners

Date: _____

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS, County Counsel

By: _____
Jhaila Brown
Deputy County Counsel

BORROWER:

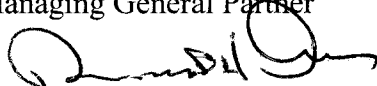
Jurupa Valley Vista Rio Partners, LP.
a California limited Partnership

By: PC Jurupa Valley Vista Rio Developers, LLC.
a California limited liability company,
its Administrative General Partner

By: _____
Danavon Horn

Date: _____

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By:  _____
Ronald H. Olson, President

Date: _____

STATE OF UTAH)
) ss.
COUNTY OF Salt Lake)

On October 28, 2015, before me, Michelle Rimmasch, the undersigned, a Notary Public in and for said State, personally appeared Ronald H Olson, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(~~ies~~), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Michelle Rimmasch

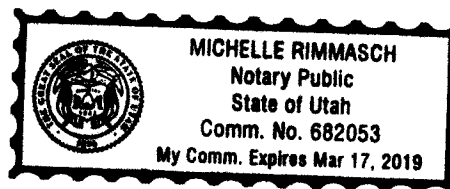


EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "A" - LEGAL DESCRIPTION LOT LINE ADJUSTMENT NO. 05411

PARCEL B

Those portions of Lots 5, 6 and 7, of T. M. Parson's Survey of a portion of the Jurupa Rancho, as shown by map on file in Book 1 of Maps at page 68 thereof, Records of San Bernardino County, California, **together with** portions of Lot "A". Lot "E" and Lot 1 and all of Lot "B" and Lot 2 of Mayfair Square Unit 1, as shown by map on file in Book 39 of Maps at pages 50 and 51, Records of Riverside County, California, said portions being more particularly described as follows:

COMMENCING at the most northerly corner of Lot "D" (Alley, 20.00 feet in width) of said Mayfair Square Unit 1, said corner being on the southeasterly line of said Lot 7 of T. M. Parson's Survey;

Thence North 33°53'22" East along said southeasterly line, a distance of 177.36 feet to the most northerly corner of that certain parcel of land conveyed to the Redevelopment Agency for the County of Riverside by Grant Deed recorded May 15, 2007 as Document No. 2007-0322534, Official Records of Riverside County, California;

Thence South 56°27'20" East along the northeasterly line of said parcel so conveyed, a distance of 50.85 feet more or less to a point 308.00 feet distant from the northeasterly corner of said parcel so conveyed, said point also being the **TRUE POINT OF BEGINNING**;

Thence leaving said northeasterly line North 33°26'24" East, a distance of 142.02 feet to the beginning of a tangent curve, concave to the west, having a radius of 300.00 feet;

Thence northeasterly and northerly along said curve, to the left, through a central angle of 32°44'43", an arc distance of 171.45 feet;

Thence South 89°21'45" East, a distance of 37.00 feet;

Thence South 58°54'06" East, a distance of 450.49 feet to the beginning of a non-tangent curve, concave to the south, having a radius of 52.00 feet, the radial line to said point bears North 20°52'30" West;

Thence easterly along said curve, to the right, through a central angle of $27^{\circ}11'09''$, an arc distance of 24.67 feet more or less to a point on the northwesterly right of way line of Briggs Street (Lot "E", 36.00 feet in half width) of said Mayfair Square Unit 1;

Thence North $33^{\circ}46'10''$ East along said northwesterly right of way line, a distance of 5.61 feet to the northwesterly corner of said Lot "E";

Thence South $56^{\circ}27'10''$ East along the northeasterly line of said Lot "E", a distance of 36.00 feet to a point of intersection with the centerline of said Briggs Street;

Thence South $33^{\circ}46'10''$ West along said centerline, a distance of 373.03 feet to a point of intersection with the southeasterly prolongation of the southwesterly line of said Lot 2 of Mayfair Square Unit 1;

Thence North $56^{\circ}29'50''$ West along said southeasterly prolongation and along the southwesterly line of said Lot 2, a distance of 178.00 feet to the most westerly corner of said Lot 2, said corner being on the southeasterly line of said parcel so conveyed to the Redevelopment Agency for the County of Riverside;

Thence North $33^{\circ}46'10''$ East along the northwesterly line of said Lot 2 and along said southeasterly line of said parcel so conveyed, a distance of 8.03 feet to the northeasterly corner of parcel so conveyed;

Thence North $56^{\circ}27'20''$ West along the northeasterly line of said parcel so conveyed, a distance of 308.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 3.87 acres, more or less.

Exhibit "F"

Promissory Note

RESIDUAL RECEIPTS PROMISSORY NOTE

Riverside, CA

3% Interest

\$1,898,214

_____, 2015

In installments as hereafter stated, for value received, Jurupa Valley Vista Rio Partners, a California Limited Partnership ("Borrower") promises to pay the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity corporate and politic, in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside ("HOUSING AUTHORITY"), the sum of One Million Eight Hundred and Ninety Eight Thousand and Two Hundred and Fourteen Dollars (U.S.\$1,898,214.00),), inclusive of the HOUSING AUTHORITY Predevelopment Loan proceeds disbursed to Borrower for eligible predevelopment costs pursuant to the ENA (defined below), (the "LMIHAF Loan" or "Note Amount") which at the time of payment is lawful for the payment of public and private debts.

This Promissory Note (the "Note") is given in accordance with that certain Affordable Housing Loan Agreement Vista Rio Apartments in Jurupa Valley (Low and Moderate Income Housing Asset Funds (LMIHAF)) executed by HOUSING AUTHORITY and Borrower, dated as of _____ and recorded in the Official Records ("Official Records") of the County of Riverside on _____ as Document Number _____ (the "LMIHAF Loan Agreement"). Except to the extent otherwise expressly defined in this Note, all capitalized terms not defined herein shall have the meanings established in the LMIHAF Loan Agreement. This Note is secured by that certain Leasehold Deed of Trust, Security Agreement and Fixture Filing (With Assignment of Rents) executed by Borrower for the benefit of the HOUSING AUTHORITY dated on or about the date hereof and recorded in the in the Official Records of the County of Riverside (the "Deed of Trust") on or about the date hereof, that certain Assignment of Rents executed by Borrower for the benefit of the HOUSING AUTHORITY dated on or about the date hereof and recorded in the in the Official Records on or about the date hereof, that certain Covenant Agreement executed by Borrower for the benefit of the HOUSING AUTHORITY dated on or about the date hereof and recorded in the in the Official Records on or about the date hereof, and that certain UCC-1 Fixture Filing (collectively, the "LMIHAF Loan Documents").

Pursuant to the ENA (as defined in the LMIHAF Loan Agreement) Borrower received a Predevelopment Loan (as defined in the LMIHAF Agreement) from the former Redevelopment Agency for the County of Riverside, predecessor in interest to the HOUSING AUTHORITY, in the total amount of \$398,214.00, to pay predevelopment expenses related to the Project. All Predevelopment Loan funds have been disbursed by HOUSING AUTHORITY to Borrower and as such no disbursement of the aforementioned amount shall be required under this Note. All Predevelopment Loan amounts owed by Borrower to the HOUSING AUTHORITY shall be included in the principal amount of this LMIHAF Loan. The rights and obligations of the Borrower and HOUSING AUTHORITY under this Note shall be governed by the LMIHAF Loan Agreement and the following terms:

- (1) The LMIHAF Loan evidenced by this Note and secured by the Deed of Trust is being made pursuant to Division 24 of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq., "CRL"). Borrower agrees for itself, its successors and assigns, that the use of the Property shall be subject to the restrictions on rent and occupancy set forth in the CRL, the LMIHAF Loan Agreement and that certain Covenant Agreement.
- (2) Only a portion of the Note Amount in the maximum amount of \$1,500,000 ("\$1,500,000 Portion of Authority Loan") shall be disbursed to Borrower pursuant to this Note as the remaining balance in the amount of \$398,214 has already been disbursed to Borrower as a Predevelopment Loan under the ENA and as more specifically described in the LMIHAF Loan Agreement .
- (3) That the LMIHAF Loan will accrue simple interest at a rate of three percent (3%) per annum, except in the case of default as hereinafter provided, and shall be repaid on an annual basis from the Project's Residual Receipts as defined herein. Interest will accrue 30 days from the date of recordation of the Notice of Completion in the Official Records.
- (4) This Note shall be repaid according to the following: Fifty percent (50%) of the Project's Residual Receipts shall be used towards the payment of the subordinate loans, including this Note Amount, secured by the Project, and the payment shall be prorated based on the percentage of each relative loan amount based upon the total amount of all such loans (as more particularly set forth in the LMIHAF Loan Agreement), until the LMIHAF Note is repaid in full; and fifty percent (50%) of the Project's Residual Receipts will be paid to BORROWER. Therefore, for residual receipts generated Borrower, HOUSING AUTHORITY's share shall be sixty five percent (65%) of the remaining fifty percent and the County of Riverside's share for the HOME loan shall be thirty five percent (35%) of the remaining fifty percent (50%). Any cost savings derived from the construction of the Project shall be paid to, or shall reduce, on a pro rata basis, the HOUSING AUTHORITY and the County of Riverside ("County") in connection with their respective loans. The allocation of cost savings described in this paragraph shall not apply in favor of the HOUSING AUTHORITY or the County or shall be adjusted as reasonably necessary, to the extent that such allocation is prohibited by any established federal or State law, regulation or policy governing the use of any sources of financing issued by federal or State agencies or will cause an adverse effect under any established federal or State law, regulation or policy with respect to the calculation of the "tiebreaker" score attributable to the application submitted by Borrower to TCAC (as defined in the LMIHAF Loan Agreement), seeking an allocation of Low Income Housing Tax Credits toward the Project.
- (5) The Project's Residual Receipts shall be determined based on an annual review of certified financial statements for the Project. Annual audited financial statements shall be submitted by BORROWER within one hundred twenty (120) days following the close of the project fiscal year commencing on April 1 of the first full calendar year following the recordation of the Notice of Completion. All outstanding principal along with accrued interest shall be due upon maturity of the LMIHAF Loan Agreement, which shall be the

first to occur of (i) July 1, 2073 or (ii) fifty-five (55) years from and after the recordation of the Notice of Completion (the "LMIHAF Loan Term"). The first payment shall be due on July 1st in the first full calendar year following the date of the recordation of the Notice of Completion for the Project, to the extent of available Residual Receipts, as set forth herein. Subsequent payments shall be made on July 1st thereafter to the extent of available Residual Receipts until sooner of full repayment of the LMIHAF Loan or the LMIHAF Loan maturity date as set forth above.

- (6) The Project's Residual Receipts are defined as gross rental receipts, security deposits until applied, casualty insurance proceeds, equity contributions and loan proceeds received, not including interest on required reserve accounts, less the following operating expenses: (i) auditing and accounting fees; (ii) a reasonable property management fee not to exceed \$55 per unit per month, increased annually by an amount equal to the increase in the Consumer Price Index (CPI), for the Los Angeles-Riverside-Orange County, CA Area; (iii) operating expenses (any expense reasonably and normally incurred in carrying out the Project's day-to-day activities, which shall include administration, on-site management, utilities, on-site staff payroll, payroll taxes and maintenance); (iv) replacement reserves, established in a separate account from operating reserves in an annual amount up to \$13,650; (v) deferred developer fee; (vi) operating reserves, in an annual amount up to \$84,795; (vii) a Managing General Partner partnership management fee which shall be in the initial amount of \$25,000 and increased annually by an amount equivalent to the rise in the CPI, for the Los Angeles-Riverside-Orange County, CA Area; (viii) a limited partner asset management fee not to exceed \$4,000 per year increased annually by an amount equivalent to the rise in CPI; (ix) payments of principal and interest on amortized loans and indebtedness senior to the HOUSING AUTHORITY Loan, which have been approved by HOUSING AUTHORITY (collectively, the "Senior Debt"); and (x) the Housing Authority of the County of Riverside's Annual Monitoring Fee, as stated in the Ground Lease effective June 17, 2014, in the amount of \$3,900, increased annually by an amount equal to the increase of the Consumer Price Index (CPI), provided, however, that in the event of a decrease in the CPI, the County's annual monitoring fee shall remain the same as the immediate preceding year.
- (7) The LMIHAF Loan evidenced by this Note is secured by the Deed of Trust.
- (8) This Note may be prepaid in whole or in part by the undersigned at any time without prepayment penalty or premium.
- (9) Subject to the provisions and limitations of this Paragraph 9, the obligation to repay the Note Amount is a nonrecourse obligation of Borrower and its partners. Neither Borrower nor its partners shall have any personal liability for repayment of the Note Amount, except as provided in this Paragraph 9. The sole recourse of the HOUSING AUTHORITY shall be the exercise of its rights against the Property (or any portion thereof) and any related security for the LMIHAF Loan; provided, however, that the foregoing shall not (i) constitute a waiver of any other obligation evidenced by this Note or the Deed of Trust; (ii) limit the right of the HOUSING AUTHORITY to name Borrower as a party defendant in any action or suit for judicial foreclosure and sale under

this Note and the Deed of Trust or any action or proceeding hereunder so long as no judgment in the nature of a deficiency judgment shall be asked for or taken against Borrower; (iii) release or impair either this Note or the Deed of Trust; (iv) prevent or in any way hinder the HOUSING AUTHORITY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, any other remedy against the mortgaged Property or any other instrument securing this Note or as prescribed by law or in equity in case of default; (v) prevent or in any way hinder the HOUSING AUTHORITY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, its remedies in respect of any deposits, insurance proceeds, condemnation awards or other monies or other collateral or letters of credit securing this Note; or (vi) affect in any way the validity of any guarantee or indemnity from any person of all or any of the obligations evidenced and secured by this Note and the Deed of Trust. Notwithstanding the first sentence of this Section 9, the HOUSING AUTHORITY may recover directly from Borrower or, unless otherwise prohibited by any applicable law, from any other party: (a) any damages, costs and expenses incurred by the HOUSING AUTHORITY as a result of fraud, misrepresentation or any criminal act or acts of Borrower or any general partner, shareholder, officer, director or employee of Borrower, or of any member or general partner of Borrower, or of any general partner of such member or general partner; (b) any damages, costs and expenses incurred by the HOUSING AUTHORITY as a result of any misappropriation of funds provided to pay costs as described in the LMIHAF Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds; (c) any misappropriation of rental proceeds resulting in the failure to pay taxes, assessments, or other charges that could create statutory liens on the Project and that are payable or applicable prior to any foreclosure under the Deed of Trust; (d) the fair market value of any personal property or fixtures removed or disposed of by the Borrower other than in accordance with the Deed of Trust; (e) any and all amounts owing by Borrower pursuant to any indemnity set forth in the LMIHAF Loan Agreement and/or Deed of Trust or the indemnification regarding Hazardous Substances pursuant to the LMIHAF Loan Agreement and/or Deed of Trust, and (f) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions.

- (10) The occurrence of any of the following events shall constitute an "Event of Default" under this Note after notice and opportunity to cure pursuant to the terms set forth in the LMIHAF Loan Agreement:

a. Monetary Default. (1) Borrower's failure to pay when due any sums payable under the LMIHAF Note or any advances made by HOUSING AUTHORITY under this Agreement, (2) Borrower's or any agent of Borrower's use of LMIHAF funds for costs other than costs or for uses inconsistent with terms and restrictions set forth in this Agreement, (3) Borrower's or any agent of Borrower's failure to make any other payment of any assessment or tax due under the LMIHAF Loan Agreement or any other LMIHAF Loan Document, and /or (4) default past any applicable notice and cure period under the terms of (i) that certain Deed of Trust executed by Borrower for the benefit of a construction lender securing a construction loan in a principal amount up to \$10,000,000; and/or (ii) that certain Deed of Trust executed by Borrower for the benefit of the County of Riverside's HOME Loan

securing a loan in an amount up to \$1,000,000; (collectively the "Permitted Deeds of Trust"); and/or (iv) any other instrument or document secured against the Property;

b. Non-Monetary Default - Operation. (1) Discrimination by Borrower or Borrower's agent on the basis of characteristics prohibited by this Agreement or applicable law, (2) the imposition of any encumbrances or liens on the Project without HOUSING AUTHORITY's prior written approval, including, but not limited to those liens or encumbrances expressly prohibited under the LMIHAF Loan Agreement or that have the effect of reducing the priority or invalidating the Deed of Trust, (3) Borrower's failure to obtain and maintain the insurance coverage required under the LMIHAF Loan Agreement, (4) any material default under the LMIHAF Loan Agreement or any other or any other LMIHAF Loan Document, and/or (4) default past any applicable notice and cure period under the terms of (i) that certain Deed of Trust executed by Borrower for the benefit of a construction lender securing a construction loan in a principal amount up to \$10,000,000; and/or (ii) that certain Deed of Trust executed by Borrower for the benefit of the County of Riverside's HOME Loan securing a loan in an amount up to \$1,000,000; and/or (iii) any other instrument or document secured against the Property;

c. General Performance of Loan Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on Borrower imposed in the LMIHAF Loan Agreement or any other LMIHAF Loan Document; and

d. General Performance of Other Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on the Project imposed by any other agreement with respect to the financing, development, or operation of the Project; whether or not HOUSING AUTHORITY is a party to such agreement.

- (11) HOUSING AUTHORITY shall give written notice of default to Borrower, specifying the default complained of by the HOUSING AUTHORITY. Borrower shall have ten (10) calendar days from the mailing of the notice for a monetary default, by which such action to cure must be taken and thirty (30) days to cure non-monetary defaults. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.
- (12) Any failures or delays by HOUSING AUTHORITY in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by HOUSING AUTHORITY in asserting any of its rights and remedies shall not deprive HOUSING AUTHORITY of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.
- (13) If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations shall be completely performed and paid. In the event that any provision or clause of this Note conflicts with applicable law, such conflict will not affect other

provisions of this Note which can be given effect without the conflicting provision, and to this end the provisions of the Note are declared to be severable.

- (14) Borrower hereby waives diligence, presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Borrower hereunder, the HOUSING AUTHORITY may extend any maturity date or the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note. Borrower further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any deed of trust, security agreement, guaranty or other agreement now or hereafter securing this Note.
- (15) Should default be made in payment of principal and interest when due and such default shall continue beyond the applicable notice and cure period provided in the LMIHAF Loan Agreement, the whole sum of principal and interest shall become immediately due at the option of the holder of this Note. Principal and interest are payable in lawful money of the United States. If action be instituted on this Note, the undersigned promises to pay such sums as the Court may fix as attorney's fees.
- (16) This Note has been negotiated and entered in the State of California, and shall be governed by, construed and enforced in accordance with the internal laws of the State of California, applied to contracts made in California by California domiciliaries to be wholly performed in California. Any action at law or in equity arising under this Note or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Note shall be filed in the Superior Courts of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.
- (17) No modification, rescission, waiver, release or amendment of any provision of this Note shall be made except by a written agreement executed by Borrower and the duly authorized representative of the HOUSING AUTHORITY.
- (18) The HOUSING AUTHORITY may, in its sole and absolute discretion, assign its rights under this Note and its right to receive repayment of the Note Amount without obtaining the consent of Borrower.
- (19) In no event shall Borrower assign or transfer any portion of this Note or any rights herein without the prior express written consent of the HOUSING AUTHORITY, which consent the HOUSING AUTHORITY may give or withhold in its sole and absolute discretion. In the absence of specific written agreement by the HOUSING AUTHORITY, no unauthorized assignment or transfer, or approval thereof by the HOUSING AUTHORITY, shall be deemed to relieve Borrower or any other party from any obligations under the LMIHAF Loan Agreement or this Note. This provision shall not affect or diminish the HOUSING AUTHORITY's assignment rights under this Note.

- (20) Except as to the Permitted Deeds of Trust identified herein, Borrower shall not encumber the Property for the purpose of securing financing either senior or junior in priority or subordinated to the Deed of Trust without the prior written approval of the COUNTY in its sole and absolute discretion.
- (21) The relationship of Borrower and the HOUSING AUTHORITY pursuant to this Note is that of debtor and creditor and shall not be, or be construed to be, a joint venture, equity venture, partnership or other relationship.
- (22) (a) Formal notices, demands and communications between the HOUSING AUTHORITY and Borrower shall be deemed sufficiently given if made in writing and dispatched by any of the following methods to the addresses of the HOUSING AUTHORITY and Borrower as set forth below: (i) registered or certified mail, postage prepaid, return receipt requested (in which event, the notice shall be deemed delivered on the date of receipt thereof); (ii) electronic facsimile transmission, followed on the same day by delivery of a "hard" copy via first-class mail, postage prepaid (in which event, the notice shall be deemed delivered on the date of its successful facsimile transmission as evidenced by a facsimile confirmation or "kick-out" sheet); or (iii) personal delivery, including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service (in which event, the notice shall be deemed delivered on the documented date of receipt). Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.
- (b) The address of the HOUSING AUTHORITY for purposes of receiving notices pursuant to this Note shall be 5555 Arlington Avenue, Riverside, California 92504, Attention: Assistant Director of Housing. The facsimile number for the HOUSING AUTHORITY's receipt of notices is (951) 352-4852.
- (c) The address of Borrower for purposes of receiving notices pursuant to this Note is 15635 Alton Parkway, Suite 375, Irvine, CA 92618, Attention: Danavon Horn, with a copy to Boston Capital Multifamily Tax Credit Fund II, a limited partnership, c/o Boston Capital Partners, One Boston Place, Suite 2100, Boston, MA 02108, Attn: Vista Rio Asset Management.
- (23) The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.
- (24) The undersigned, if comprising more than one person or entity, shall be jointly and severally liable hereunder.
- (25) This Note shall be binding upon Borrower and its heirs, successors and assigns, and shall benefit the HOUSING AUTHORITY and its successors and assigns.

Jurupa Valley Vista Rio Partners, LP.
a California limited partnership

By: PC Jurupa Valley Vista Rio Developers, LLC.
a California limited liability company,
its Administrative General Partner

By: 

Danavon L. Horn, President

Date: 10/28/15

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By: _____
Ronald H. Olson, President

Date: _____


Jurupa Valley Vista Rio Partners, LP.
a California limited partnership

By: PC Jurupa Valley Vista Rio Developers, LLC.
a California limited liability company,
its Administrative General Partner

By: _____
Danavon L. Horn, President

Date: _____

By: Housing Corporation of America,
a Utah non-profit corporation,
its Managing General Partner

By:  _____
Ronald H. Olson, President

Date: _____

Exhibit "G"

Assignment of Rents