SUBMITTAL TO THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ITEM: 13.1
(ID # 29134)
MEETING DATE:
Tuesday, February 03, 2026

FROM : HOUSING AUTHORITY

SUBJECT: HOUSING AUTHORITY: Ratify and Approve the Second Extension of Disposition, Development and Loan Agreement, Approve the Amended and Restated Disposition Development and Loan Agreement for the Use of Low-Moderate Income Housing Asset Funds, Between 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 City of Coachella ("Housing Authority" or "HACR"), and Villa Verde I L.P., and Villa Verde II L.P., both are California limited partnerships ("Borrower"), for Villa Verde Apartments Affordable Housing Project and relating to Assessor's Parcel Numbers 768-350-002 and 768-400-001, Located in the City of Coachella ("Project"), District 4; [$4,454,640] Low-Moderate Income Housing Asset Funds 100%, CEQA Exempt

RECOMMENDED MOTION: That the Board of Commissioners:

1. Ratify and Approve the Second Extension of Disposition and Loan Agreement (Second Amendment) executed by HACR Executive Director, effective December 31, 2025, and extending the Outside Closing Date to December 31, 2026;

Continued on Page 2

ACTION:Policy

Heidi Marshall, Director of Housing, Homelessness Prevention 11/4/2025

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Commissioner Washington, seconded by Commissioner Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:	Medina, Spiegel, Washington, Perez, and Gutierrez
Nays:	None
Absent:	None
Date:	February 3, 2026
xc:	HA

Kimberly A. Rector
Clerk of the Board
By: _____
Deputy

RECOMMENDED MOTION: That the Board of Commissioners:

2. Find that the Amended and Restated Disposition, Development and Loan Agreement for Villa Verde Apartments in the City of Coachella (Low and Moderate Income Housing Asset Funds), including all exhibits, are exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3) and Section 15301;

3. Approve the attached Amended and Restated Disposition, Development and Loan Agreement, including all exhibits, between the Housing Authority of the County of Riverside and Villa Verde I, L.P., and Villa Verde II, L.P., both California Limited Partnerships (each, individually, are "Developer" and collectively, the "Developers");

4. Approve the allocation of $50,000 in Low and Moderate Housing Asset Funds (LMHF) to Housing and Workforce Solutions (HWS) for direct staff costs associated with project management and program compliance related to the Project;

5. Authorize the Executive Director, or designee, to execute the Amended and Restated Disposition, Development, and Loan Agreement, subject to approval by County Counsel;

6. Authorize the Executive Director, or designee, to take all necessary steps to implement the Amended and Restated Disposition, Development and Loan Agreement, including, but not limited to, signing subsequent necessary and relevant documents, subject to approval by County Counsel; and

7. Authorize the Executive Director of the HACR, or designee, to negotiate and execute a Subordination Agreement to benefit of the following lenders in a not-to-exceed amount as follows: Chase Bank Tax-Exempt Construction Loan $43,000,000 and LIIF Taxable Deed of Trust $13,500,000 in favor of CMFA as Governmental Lender, HCD Homekey+ $9,000,000, City of Coachella Loan (capitalized CFD Fees) $20,500,000 for the construction finance of the Villa Verde I project and subordinating Deeds of Trust for HACR HASA Funds, HACR Land Contribution, and HACR Taxable Housing Bond (HACR Loan Agreements and Deeds of Trust), subject to approval as to form by County Counsel;

8. Authorize the Executive Director of the HACR, or designee, to negotiate and execute a Subordination Agreement for the conversion from construction to permanent finance and for the benefit of the following lenders in a not-to-exceed amount as follows: KeyBank Tax Exempt Permanent Loan $17,000,000, HCD Homekey+ $10,000,000, City of Coachella Capitalized CFD Fees $20,500,000, subordinating the HACR Loan Agreements and Deeds of Trust to secure permanent finance of Villa Verde I Project subject to approval as to form by County Counsel;

9. Authorize the Executive Director of the HACR, or designee, to negotiate and execute a Subordination Agreement to benefit of the following lenders in a not-to-exceed amount

as follows: Chase Taxable Construction Loan $21,500,000, City of Coachella capitalized CFD Fees $6,500,000, subordinating the HACR Loan Agreements and Deeds of Trust to secure construction finance for Villa Verde II Project subject to approval as to form by County Counsel;

10. Authorize the Executive Director of the HACR, or designee, to negotiate and execute a Subordination Agreement for the conversion from construction to permanent finance and for the benefit of the following lenders, in a not-to-exceed amount as follows: KeyBank Tax-Exempt Permanent Loan $2,500,000, City of Coachella Capitalized CFD Fees $6,500,000, securing permanent finance of Villa Verde II Project subject to approval as to form by County Counsel;

11. Authorize the Executive Director of the HACR, or designee, to take all necessary steps to implement the Villa Verde I and Villa Verde II HACR Loan Agreements, HACR Covenant Agreements and Subordination Agreements, including but not limited to, signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel; and

12. Direct Housing Authority staff to file the Notice of Exemption with the County Clerk within five working days.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	$4,454,640	$ 0	$ 4,454,640	$ 0
NET COUNTY COST	$ 0	$ 0	$ 0	$ 0
SOURCE OF FUNDS: Low-and-Moderate Income Housing Asset Funds 100%			**Budget Adjustment:**	No
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside ("HACR") owns that certain real property located at 84679 and 84824 Calle Verde, and bordered by Calle Techa and Calle Zamora, in the City of Coachella, County of Riverside, State of California, identified with Assessor's Parcel Numbers 768-350-002 and 768-400-001 ("Property").

HACR staff issued a Request for Proposals No. 2016-005 for a collaborative developer partner to develop affordable housing on the Property. Abode Communities, a California nonprofit corporation ("Abode"), was selected from this competitive process. The selection was due to, among other things, Abode's extensive experience in the development of affordable housing, sustained history of leveraging multiple funding sources and excellent references.

On May 1, 2018 (M.O. 10.1), the HACR Board of Commissioners approved an Exclusive Negotiation Agreement (ENA) with Abode that included a predevelopment loan of $450,000 to help cover planning and entitlement costs for the proposed affordable housing project.

Subsequently, on January 11, 2021 (M.O. 10.2), the HACR Board of Commissioners approved a Disposition Development and Loan Agreement with Villa Verde I, L.P., ("DDLA") for the purpose of development of 152 units of affordable housing, to be occupied by, and rented to low-and-moderate income households ("Project"). The DDLA restricts occupancy of 49% of the units for low-income household is one whose gross income does not exceed 60% of area median income. Effective on October 17, 2024, the Executive Director of HACR authorized an Extension of DDLA which revised the Outside Closing Date to December 31, 2025. On December 31, 2025, the Executive Director of HACR authorized a Second Extension of Disposition and Loan Agreement (Second Amendment), thereby extending the Outside Closing Date to December 31, 2026; The Second Extension is subject to ratification and approval by the Board of Commissioners.

On February 25, 2025 (MO 13.3), the HACR Board of Commissioners approved a funding resolution of up to $2,104,640.22 in the form of a Housing Successor loan to support the Developer's application for low-income housing tax credits. In addition to the $450,000 predevelopment loan and the $2,104,640.22 Housing Successor loan, HACR committed the land contribution with a fair market value of $1,850,000.

The project has received commitments from County of Riverside Permanent Local Housing Allocation Program in the amount of $6,115,252 and Housing Authority Project Based Vouchers for 87 apartment homes.

The Developer has successfully secured both 9% and 4% Low-Income Housing Tax Credits to enable the Project to be constructed in a single phase. However, this financing structure requires the Project to be developed under two separate ownership entities. As a result, the DDLA must be amended to reflect this arrangement. Abode has formed Villa Verde I, L.P., and Villa Verde II, L.P., both California limited partnerships (each, individually, are "Developer" and collectively, the "Developers"), for the development of the affordable housing project to be constructed on the Property. The Amended and Restated DDLA permits, among other provisions, an extension of the term of the DDLA to allow time to close construction financing, allows the Project to be developed and owned by two distinct limited partnerships: Villa Verde II, L.P. will own and develop the 9% Phase, while Villa Verde I, L.P. will own and develop the 4% Phase. Each phase will operate with its own ownership structure, financing sources, and regulatory agreements in accordance with California Tax Credit Allocation Committee (TCAC) requirements. Together, these two phases comprise the "Project" as defined in the DDLA.

The Project is anticipated to close on construction financing, as early as February 2026, with construction expected to commence immediately thereafter. The construction is expected to take approximately 18 months.

The Amended and Restated DDLA does not constitute a project pursuant to the California Environmental Quality Act and State CEQA Guidelines (CEQA). Pursuant to CEQA Guidelines Section 15004(b), approval of the Amendment to Agreement provides for the sale of property and financing subject to specific conditions. Approval by the HACR of the Amendment Agreement does not vest any development rights and will not result in any physical change to

the environment. The Amended and Restated DDLA requires the Developer to obtain all necessary land use approvals and entitlements from the City of Coachella including compliance with CEQA. As the jurisdiction that is exercising land use control over the Property, the City of Coachella is the lead agency for purposes of CEQA. The Agreement does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA review.

County Counsel has reviewed and approved as to form the attached Amended and Restated Disposition Development Agreement. Staff is recommending that the Board approve as submitted, and all attachments thereto.

Staff is also recommending approval of loan documents for all the previously authorized funds including the $2,104,640.22 in Low and Moderate Housing Asset Funds for a portion of the development and construction costs for the Project. An additional allocation is requested in the amount of $50,000 in Low and Moderate Housing Asset Funds for direct staff costs associated with project management and program compliance as follows:

RDA Predevelopment loan	$ 450,000	
Land Value	$1,850,000	
RDA Development loan	$2,104,640	LMHF Project Funding
Direct Staffing	$ 50,000	LMHF Direct Staffing
Total	$4,454,640	

Impact on Residents and Businesses

The proposed project will create temporary construction jobs and bring much needed quality housing for low- and moderate-income households to the Coachella area.

Additional Fiscal Information

Low-and-Moderate Income Housing Asset Funds 100% in amount of $2,104,640. No general funds will be used for this agreement. Developer will bear its own costs and expenses incurred, or to be incurred, in connection with the development, construction and operation of the proposed project.

Attachments:

- Second Extension of Disposition, Development and Loan Agreement
- Amended and Restated Disposition, Development and Loan Agreement, including all attachments
- Notice of Exemption

Stacey Pena
Stacey Pena, EO Management Analyst 1/28/2026

Aaron Gettis
Aaron Gettis, Chief Deputy County Counsel 1/26/2026

NO FEE FOR RECORDING
PURSUANT TO GOVERNMENT
CODE SECTION 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Housing Authority of the
County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh, Assistant Executive Director

SPACE ABOVE THIS LINE FOR RECORDERS USE

AMENDED AND RESTATED
DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT

By and Between

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

and

VILLA VERDE I, L.P.

and

VILLA VERDE II, L.P.

for

VILLA VERDE APARTMENTS AFFORDABLE HOUSING PROJECT

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AMENDED AND RESTATED
DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT
(Villa Verde Apartments)

THIS AMENDED AND RESTATED DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT (this "**DDLA**" or this "**Agreement**") is entered into as of this ___ day of _____, 2026, by and between the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic ("**HACR**"), and VILLA VERDE I, L.P., a California limited partnership, and VILLA VERDE II, L.P., a California limited partnership (each, individually, a "**Developer**" and collectively, the "**Developers**").

HACR and the Developers are collectively referred to herein as the "**Parties**" and individually as a "Party." Each Developer shall be responsible solely for the obligations, covenants, and liabilities under this Agreement as they relate to the parcel of land and improvements owned or to be owned by such Developer (its respective "**Phase Parcel**"), and no Developer shall have any obligation or liability for the performance of the other Developer's obligations or liabilities hereunder, except as expressly and mutually agreed in writing.

RECITALS

The following Recitals are a substantive part of this DDLA. Capitalized terms used in these Recitals and not otherwise defined shall have the meaning set forth in Section 1.2.

A. HACR was established by action of the Board of Supervisors of the County of Riverside on November 23, 1942, pursuant to the California Housing Authority Law (Health and Safety Code §§ 34200, et seq., the "**Housing Authority Law**"), and constitutes a corporate and politic public body, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out the purposes and provisions of the Housing Authority Law.

B. The Coachella Redevelopment Agency ("**RDA**") located in the County of Riverside ("**County**"), was duly created pursuant to California Redevelopment Law (Health and Safety Code Section 33000 et seq. the "**CRL**").

C. Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484 (collectively the "**Dissolution Act**"), added Parts 1.8 and 1.85 to Division 24 of the CRL. Pursuant to the Dissolution Act, the RDA was dissolved on February 1, 2012, such that the RDA is now deemed a former redevelopment agency under Health and Safety Code section 34173.

D. Pursuant to Health and Safety Code 34176, on January 25, 2012, the City of Coachella adopted Resolution No. 2012-10 electing not to retain responsibility for the housing assets and functions of the former RDA.

E. Pursuant to Health and Safety Code Section 34176, on June 4, 2013, the HACR Board of Commissioners approved that certain Memorandum of Understanding accepting the transfer of housing assets and functions previously performed by the former RDA, excluding any

enforceable obligations retained by the successor agency ("**Asset Transfer**"), making HACR the "**Housing Successor**" to the RDA under the Dissolution Act.

F. The Asset Transfer included, among other things, the transfer of a fee interest in that certain real property consisting of approximately 9.44 acres of land located at 84679 and 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, 92236, currently identified with Assessor's Parcel Numbers 768-350-002 and 768-400-001, and subject to Lot Line adjustment Document No. 2025-0367790 recorded on November 24, 2025 and as further described in the Legal Description and depicted on the Site Map attached hereto as Attachments 1 and 2, respectively, and each incorporated herein by this reference ("**Property**"). The Property was acquired by the former RDA using 2006 Series A Taxable Housing Bonds.

G. The HACR procured proposals to develop the Property through a Request for Proposals ("**RFP**") and selected Developer's predecessor-in-interest, Abode Communities, a California nonprofit public benefit corporation ("**Abode**"), due to, among other things, Abode's extensive experience in the development of affordable housing, sustained history of leveraging multiple funding sources, excellent references, and distinguished property management team.

H. In conjunction with the RFP, HACR and Abode entered into that certain Exclusive Negotiation Agreement with Predevelopment Loan dated May 1, 2018 (the "**ENA**"), pursuant to which Abode received a loan in the amount of up to $450,000 (the "**Predevelopment Loan**") to pay the costs of preparing engineering and architecture plans and specifications for the Proposed Project (as defined below) ("**Eligible Predevelopment Costs**"). The Predevelopment Loan funds were disbursed from the proceeds of the former RDA's 2006 Series A Taxable Housing Bonds.

I. Subsequent to entry into the ENA, Abode transferred all rights and obligations under the ENA and the Predevelopment Loan to Villa Verde I, L.P ("Villa Verde I"). The Assignment and Assumption Agreement was effective November 14, 2019, and HACR Consent of same was effective December 31, 2019. The terms and conditions of the Predevelopment Loan will be amended and restated in accordance herewith.

J. On January 12, 2021, MO 10.2 the Board of Commissioners adopted Resolution 2021-001 and approved the Disposition Development and Loan Agreement between the HACR of the County of Riverside and Villa Verde I for the Sale and Development of the Property for Affordable Housing Purposes.

K. On October 17, 2024, Villa Verde I and HACR agreed to an extension of the Disposition Development and Loan Agreement until December 31, 2025.

L. On December 16, 2025, Villa Verde I and HACR agreed to an extension of the Disposition Development and Loan Agreement until December 31, 2026, subject to Ratification and Approval of same by Board of Commissioners.

M. As a result of continued negotiations under the ENA, HACR and Developers desire to amend and restate the original agreement and enter into this Agreement, pursuant to which HACR will convey fee title in the Property to each Developer for the development and construction on each Phase Parcel of affordable housing consisting of an aggregate of one hundred and fifty two (152) two-story units consisting of 1-bedroom, 2-bedroom, and 3-bedroom apartment units, with a

property management and resident service office, a community room, laundry facilities, parking and common open spaces (collectively, the "**Proposed Project**").

N. The Developers have determined, for reasons of financial feasibility, that the Proposed Project will be implemented in two separate but coordinated phases—a 9% Phase to be owned and developed by Villa Verde II, L.P. ("Villa Verde II"), and a 4% Phase to be owned and developed by Villa Verde I—each with separate ownership entities, financing sources, and regulatory agreements pursuant to TCAC regulations (collectively, the "**Phases**"), which together constitute the "**Project**" or "**Development**" for purposes of this Agreement.

O. The County and Developers desire to maintain this single Agreement governing both Phases while permitting separate conveyances of the Phase 9 Parcel and the Phase 4 Parcel to the applicable ownership entities for each Phase and the separate construction, financing, management and operation of each Phase.

P. Forty-nine percent (49%) of the total units in the Proposed Project not identified for occupancy by a property manager shall be restricted to occupancy by Low Income Households as set forth herein (collectively, the "**Restricted Units**").

Q. On February 25, 2025, in Minute Order 13.3, the Board of Commissioners adopted Resolution No. 2025-001, approving a funding allocation of up to $2,104,640.22 from the former RDA using Taxable Housing Bonds (ROPS lines 26, 31, 32, and 34) to Abode, to be loaned to Villa Verde I and used to pay a portion of the costs to develop and construct the Proposed Project.

R. HACR now desires to provide a loan to each Developer as take-back financing for the purchase of the applicable Phase Parcel equal to the Purchase Price paid by such Developer, supported by a current appraisal as defined in Attachment No. 3 Method of Financing, of no less than $1,850,000, equal to $1,411,842 to Villa Verde I and $438,158 to Villa Verde II (each, a "**Seller Loan**"), and Predevelopment Loan to Villa Verde I in the amount of $450,000. HACR now desires to provide a loan in the amount of $2,104,640.22 to Villa Verde I derived from the Taxable Housing Bonds (ROPS lines 26, 31, 32, and 34) ("**Development Loan**"), for an approximate total loan amount of $4,404,640.

S. HACR desires to facilitate the development of the Proposed Project on the Property, which will serve to preserve, protect, improve and increase the affordable housing stock and help eliminate blight within the County of Riverside.

T. Facilitating the development of the Property for affordable multi-family rental housing through the conveyance of the Property will also assist the County and the State of California in achieving its goals of assisting families of low-income, including low-income farmworkers and their families.

U. In furtherance of the housing functions transferred to the HACR pursuant to the Dissolution Law and public purposes set forth in the Housing Authority Law, and in order to facilitate the Proposed Project, HACR desires to convey the Property to Developers for the development and construction thereon of the Proposed Project, as more specifically described herein, and provide for the HACR Loan in connection therewith.

V. The Parties intend, in this DDLA, following and contingent upon Developers obtaining the necessary Project-related financing, discretionary entitlements, permits and full compliance with the California Environmental Quality Act, to provide for HACR's disposition of the Property to Developers, the provision of the HACR Loan, and Developers' construction of the Improvements and operation of an affordable housing project on the Property consisting of two separately owned Phases.

NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual covenants and conditions hereinafter set forth, HACR and Developers hereby do agree as follows:

ARTICLE 1 SUBJECT OF AGREEMENT

Section 1.1 Recitals The Recitals set forth above are true and correct and incorporated herein by this reference.

Section 1.2 Definitions

For purposes of this DDLA, the following capitalized terms shall have the following meanings:

"4% Phase" means the portion of the Development consisting of approximately 116 units (including one manager's unit) to be financed with 4% Low-Income Housing Tax Credits and tax-exempt bonds and located on Assessor's Parcel 768-400-001 with address of 84824 Calle Verde, Coachella.

"9% Phase" means the portion of the Development consisting of approximately 36 units (including one manager's unit) to be financed with 9% Low-Income Housing Tax Credits and located on Assessor's Parcel 168-350-002 with address of 84679 Calle Verde, Coachella.

"Adjusted for Family Size Appropriate to the Unit" shall mean the number of bedrooms in the Unit plus one; or, if permitted in accordance with the HSC, the number of bedrooms in the Unit multiplied by 1.5.

"Affiliate" means (1) any Person directly or indirectly controlling, controlled by or under common control with another Person; (2) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such other Person; or (3) if that other Person is an officer, director, member or partner, any company for which such Person acts in any such capacity. The term "control" as used in the immediately preceding sentence, means the power to direct the management or the power to control election of the board of directors. It shall be a presumption that control with respect to a corporation or limited liability company is the right to exercise or control, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the controlled corporation or limited liability company, and, with respect to any individual, partnership, trust, other entity or association, control is the possession, indirectly or directly, of the power to direct or cause the direction of the management or policies of the controlled entity. It shall also be a presumption that the managing General Partner of a limited partnership controls the limited partnership.

"Affordability Period" means a period of fifty-five (55) years, commencing from the issuance of a Certificate of Occupancy for the last building for which construction is completed for

the applicable Phase, in compliance with the Housing Authority Law and applicable laws governing the housing functions transferred to HACR pursuant to the Dissolution Law.

"Affordable Rent" means the amount of monthly rent, including a reasonable utility allowance, that does not exceed the lesser of the maximum allowable rent to be charged by Developers and paid by Low Income Households, Adjusted for Family Size Appropriate to the Unit, as applicable, occupying the Restricted Units as determined pursuant to (i) the Agreement Containing Covenants and applicable provisions of the CRL; (ii) any effective, applicable Tax Credit regulatory agreement; and (iii) applicable regulations pursuant to any other source of financing secured for, and continued to be secured by, the Project, including, if applicable, any effective Section 8 Program regulations as to any Restricted Unit designated as a project-based Section 8 unit or otherwise occupied by a holder of a Rental Voucher or Rental Certificate evidencing participation in the Section 8 Program.

Notwithstanding the foregoing, in the event that Developers receives project based Section 8 financing, Developers shall be entitled (during such time as such Rental Voucher and/or project based Section 8 rental assistance is received) to receive up to fair market rent as determined in accordance with the Section 8 Program, provided that the tenant of the Affordable Unit does not pay an amount in excess of the amount determined in accordance with the immediately preceding paragraph. Affordable Rent shall be calculated annually by Developers in accordance with this definition. The tenant utility allowance shall be determined by HACR.

"Agreement Containing Covenants" means a regulatory agreement to be executed by Developers in favor of HACR pursuant to the requirements of the CRL. The Agreement Containing Covenants shall be substantially in the form attached hereto as **Attachment No. 11** and incorporated herein by this reference.

"Approved Financing" means the construction and permanent financing set forth in an updated Project Budget approved by HACR in connection with Construction Closing.

"Approved Annual Operating Budget" shall have the meaning set forth in the Method of Financing attached hereto as **Attachment No. 3**.

"Area Median Income" or "AMI" means the median family income (adjusted for family size) for the Riverside County area promulgated and published annually by HCD pursuant to Title 25, § 6932 of the California Code of Regulations. If HCD ceases annually to publish median incomes, the Parties will agree upon an adequate substitute manner for determining Area Median Income.

"Board of Commissioners" means the governing, legislative body of the Housing Authority of County of Riverside.

"Building Permit" means the building permit(s) issued by the City of Coachella required for the development of a Phase (as hereinafter defined).

"City" means the City of Coachella, California.

"Closing," "Close of Escrow" or "Construction Closing" means the point in time when all conditions precedent to the conveyance and acquisition of the Property have been satisfied in accordance with this DDLA and the applicable Grant Deeds are recorded in the Official Records.

"Closing Date" means the date on which the Closing has occurred.

"Completion" means the point in time at which all of the following have been satisfied: (a) issuance of a certificate of occupancy by the City for all the buildings constituting the applicable Phase, (b) recordation of a Notice of Completion pursuant to Civil Code section 8182, (c) submission to HACR of unconditional lien releases or waivers obtained by Developers or Developer's agent, (d) payment, settlement or other extinguishment, discharge, release, waiver, bonding or insuring against any mechanic's liens that have been recorded or stop notices that have been delivered; and (e) the applicable Phase has been developed in accordance with this DDLA, the Scope of Development and plans approved by HACR and any other Governmental Authority with jurisdiction over the Phase Parcel or the Phase.

"Construction Closing Date" means the date on which the Construction Closing has occurred.

"Construction Lender" means an institutional or governmental lender which provides a Construction Loan to finance a portion or all of the costs to develop and construct the Project.

"Construction Loan" means the construction loans to be made by a Construction Lender to each Developer.

"Construction Loan Deed of Trust" means the deeds of trust securing the Construction Loan.

"Conversion Date" means the date that construction of the Phase has been completed and all of the other conditions precedent in order for a Permanent Lender to fund the Permanent Loan for the Phase have been satisfied.

"Conveyance" means the transfer of title to the Property from HACR to each Developer evidenced by recordation in the Official Records of a Grant Deed in the form attached hereto as **Attachment No. 5**.

"County" means the County of Riverside.

"DDLA" or "Agreement" means this Amended and Restated Disposition, Development and Loan Agreement by and between HACR and Developers which shall be recorded in the Official Records on title to the Property upon Closing.

"Debt Service" means required debt service payments for a Construction Loan and/or a Permanent Loan including the funding obligations in respect of all reserves or escrows required thereunder.

"Deed of Trust" means a deed of trust substantially in the form of **Attachment No. 15** to be executed by a Developer and recorded against the Phase Parcel securing the HACR Loan to the Developer upon the Closing.

"Developer" means with respect to Phase 1 (4%) Phase, Villa Verde I, L.P. (the owner and developer of the 4% Phase) and with respect to Phase II (9% Phase), Villa Verde II, L.P. (the owner and developer of the 9% Phase). Each Phase owner shall be responsible for all obligations and liabilities under this Agreement solely as they relate to its respective Phase, and no cross-default or cross-liability shall apply between the two Phases.

"Development Costs" means all costs which are actually incurred by Developer for the acquisition of the Property and the financing, design, development and construction of the Project.

"Effective Date" means the date the Chairman of the Board of Commissioners executes this DDLA after approval by the Board of Commissioners.

"ENA" is defined in Recital H.

"Entitlements" means any and all general plan amendments, zoning approvals or changes, required approvals and certifications under the California Environmental Quality Act (including and subject to all mitigation measures), tentative and final tract maps, variances, site plans, conditional use permits, demolition permits, excavation/foundation permits, grading permits, building permits, inspection reports and approvals, certificates of occupancy, and other approvals, permits, certificates, authorizations, consents, orders, entitlements, filings or registrations, and actions of any nature whatsoever required from any governmental entity in order to commence and complete the construction of the Improvements and occupancy and operation of the Project.

"Environmental Indemnity" means an Environmental Indemnity substantially in the form of the Environmental Indemnity attached hereto as **Attachment No. 9** and incorporated herein by this reference.

"Escrow Instructions" or "Escrow Agreement" means escrow instructions prepared on behalf of HACR relating to the sale of the Phase Parcel to a Developer and funding of the HACR Loan to such Developer, in such form as reasonably required by HACR.

"Evidence of Financing" is defined in Section 2.17 of this DDLA.

"Evidence of Insurance" is defined in Section 3.12 of this DDLA.

"Executive Director" means the executive director of HACR, or his or her designee.

"Final Plans" is defined in Section 3.4.

"Force Majeure" or "Force Majeure Event" means any of the following events, provided that it actually delays and interferes with the timely performance of the matter to which it applies and despite the exercise of diligence and good business practices is or would be beyond the reasonable control of the party claiming such interference: 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 including litigation challenging the validity of this transaction or any element thereof; unusually severe weather; inability to secure necessary labor, materials or tools; acts of the other party; acts or failure to act of any Governmental Authority (except acts or failure to act of HACR shall not excuse performance by HACR); the imposition of any applicable moratorium by

a Governmental Authority; or any other causes which despite the exercise of diligence and good business practices are or would be beyond the reasonable control of the party claiming such delay and interference.

The lack of funding to complete the development of the Project shall not constitute grounds for Force Majeure delay pursuant to this DDLA. Developer expressly assumes the risk of real estate market conditions, construction costs, interest rates, and other similar general economic circumstances that may make funding and/or construction of the Project difficult, more expensive, or infeasible, whether or not such events or causes are foreseeable as of the date of this DDLA. Developer acknowledges and agrees that Force Majeure shall not operate to excuse Developer from prompt payment when due under any Promissory Note or any other HACR Loan Document.

"Force Majeure Delay" means any delay in taking any action required by this DDLA, proximately caused by the occurrence of any Force Majeure Event. An extension of time for any Force Majeure Event shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) calendar days of the commencement of the cause. Times of performance under this DDLA may also be extended in writing by mutual agreement between HACR and the Developer. That notwithstanding, if said prevention or delay extends for one hundred and eighty (180) calendar days (or such longer period as may be permitted in a writing or by policy of TCAC in the event of a natural disaster, provided that the Developer has obtained Tax Credits and the Tax Credits remain allocated to the Project and the Developer is not otherwise in material breach of the Construction Loan, Permanent Loan, HACR Loan Documents, any other agreements for financing for the Project or any TCAC agreements or requirements), the Parties shall meet and confer to discuss whether to grant additional time as a result of the delay or consider terminating the DDLA.

"Governmental Approvals" means and includes any and all general plan amendments, zoning approvals or changes, required approvals and certifications under the California Environmental Quality Act, variances, conditional use permits, demolition permits, excavation/foundation permits, grading permits, building permits, inspection reports and approvals, certificates of occupancy, and other approvals, permits, certificates, authorizations, consents, orders, entitlements, filings or registrations, and actions of any nature whatsoever required by any Governmental Authority in order to commence and complete the construction of the Project.

"Governmental Authority(ies)" means the United States, the State of California, the City, the County of Riverside or any other political subdivision in which the Property is located, and any court or political subdivision, agency or instrumentality having jurisdiction over the Property, the Developer or the Project.

"Governmental Requirements" means all laws, ordinances, statutes, codes, rules, resolutions, regulations, policy statements, orders, and decrees (including, without limitation, those relating to land use, subdivision, zoning, environmental, labor relations, prevailing wage, and building and fire codes) of the United States, the State of California, the County, the City or any other political subdivision in which the Property is located or which exercises jurisdiction over the Developer or the construction, maintenance, management, use, or operation of the Project.

"Grant Deed" means the instrument by which HACR will convey title to the Property to each Developer, substantially in the form attached hereto as **Attachment No. 5** and incorporated herein by this reference.

"Gross Income" shall be calculated in accordance with Title 25, § 6914 of the California Code of Regulations.

"HACR Indemnitees" is defined in Section 2.11 of this DDLA.

"HACR Loan" means a loan made by HACR to a Developer at Closing in an amount equal to the total of the Seller Loan to such Developer plus, with respect to Villa Verde I, L.P. all principal amounts under the Predevelopment Loan and the Development Loan. Each HACR Loan shall be evidenced by a Promissory Note and secured by a Deed of Trust.

"HACR Loan Documents" shall refer to this DDLA, the Promissory Note, the Deed of Trust, the Agreement Containing Covenants, the Notice of Affordability Restrictions, the Attachments hereto, any agreement entered into substantially in the form of an Attachment hereto or in connection herewith, and any extensions, modifications or amendments thereto.

"Hazardous Substances" and "Hazardous Materials" shall have the meaning set forth in Section 2.10.1 of this DDLA.

"HCD" means the California Department of Housing and Community Development.

"Household" means one or more individuals occupying or applying to occupy a Unit.

"Housing Authority Law" is defined in Recital A.

"Housing Successor" is defined in Recital E.

"HSC" means the California Health and Safety Code.

"Improvements" means all the improvements to be constructed on the Property as specifically described in the Scope of Development and any plans and/or specifications approved by the City or other Governmental Authorities in connection with the Project, including, but not limited to, an approximately one hundred fifty two (152) unit affordable housing complex and related amenities.

"Lender" means a lender of a Loan.

"Loan" means a source of financing in the form of a Construction Loan, a Permanent Loan or any other loan, credit enhancement or construction period guaranty facility secured by a deed of trust or other instrument recorded against the Property. The definition of Loan shall include, but not be limited to, any Construction Loan, any Permanent Loan and the HACR Loan.

"Losses and Liabilities" means and includes all claims, suits, causes of action, arbitration proceedings, administrative proceedings, regulatory proceedings, expenses, liabilities, losses, damages (including, without limitation, penalties, fines and monetary sanctions), injuries, expenses,

charges, penalties or costs of whatsoever character, nature and kind, including reasonable attorney's fees and costs, expert witness fees, court costs, interest and defense costs, consultant fees, investigation and laboratory fees, and remedial and response costs incurred by the indemnified party with respect to counsel of its choice, whether to property or to person, whether by direct or derivative action, and whether known or unknown, suspected or unsuspected, latent or patent, actual alleged or threatened.

"Low Income Household" shall mean a Household whose Gross Income does not exceed sixty percent (60%) of AMI, adjusted for family size. For purposes of this definition, "adjusted for family size" means the actual number of persons in the applicable household.

"Manager Unit (s)" means both or either of two 2-bedroom units in the Project to be occupied by an on-site property manager.

"Method of Financing" shall mean the document attached to this DDLA as **Attachment No. 3** incorporated herein by this reference.

"Moderate Income Household" shall mean a Household whose Gross Income does not exceed the requirements set forth in HSC § 50093, adjusted for family size. For purposes of this definition, "adjusted for family size" means the actual number of persons in the applicable household.

"Monitoring Fee" means an annual fee in the amount of One Hundred Dollars ($100) per Unit (as increased by three percent (3%) per annum) constructed on the Property, payable on April 1 of each year during the Affordability Period commencing on the first April 1 after the Completion of the Project.

"Notice of Affordability Restrictions" means that certain Notice of Affordability Restrictions substantially in the form of **Attachment No. 10** to be recorded in the Official Records at Closing.

"Official Records" means the Official Records of the Office of the County Recorder for the County of Riverside, California.

"Operating Expenses" with respect to the Project, includes the aggregate of the expenses directly incurred, paid and attributable to the following:

i. Cost of utilities supplied to and used for the Project and payable by Developer;

ii. Cost of all insurance required for the Project by this DDLA, Developer's partnership agreement, the Senior Financing documents, or any ancillary documents concerning the operation of the Project;

iii. Real property taxes, if any, and assessment payments;

iv. Expenses and costs of any social services programs and compliance/monitoring reporting for the Project;

v. The deposits for the replacement reserves or operating reserves for the Project, in the amount provided by the Senior Financing or required by Developer's partnership agreement or any junior lender, if a greater requirement;

vi. On-site administrative costs (including payroll and payroll taxes and expenses, employee benefits);

vii. Operating, maintenance and repair expenses and services, and necessary capital expenditures for the upkeep and repair of the Project and any expenditures required based upon a physical needs assessment by the Developer's limited partner or Senior Financing lender (including materials and labor) not funded from reserves required for the Project, such as charges for public services such as sewer charges, license and permit fees, goods, commodities, materials, equipment, furniture, furnishings, installation of appliances, fixtures, painting, cleaning, pest control, gardening, rubbish removal, security services, advertising and promotion, leasing commissions, accounting, and legal expenses attributable to the Project which are directly attributable and customarily incurred in the operation of real estate projects similar to the Project, including property management fees, expenses and costs payable to the property management agent;

viii. Any post-Closing legal fees or other expenses, fees, and costs incurred by Developer in connection with administering this DDLA or a Loan in connection with the Project;

ix. All scheduled, or otherwise due, payments of principal and/or interest required by any loans to Developer provided by HCD and/or on the Senior Financing, together with all financing fees and related charges payable by Developer under the terms of the Senior Financing, including without limitation, issuer fees, trustee fees, remarketing fees, and rebate analyst fees, interest rate cap deposits and credit enhancer charges;

x. All other fees and expenses which may be provided in Developer's Approved Annual Operating Budget, including, without limitation, the Monitoring Fee; and

xi. Repayments of loans from a partner or affiliate of a partner of Developer in accordance with Developer's partnership agreement for construction cost deficits, operating deficits or similar operating shortfalls; and

xii. Repayments of any amounts owing to a general partner, or an affiliate of Developer in accordance with the partnership agreement due to an adjustment in the tax credit equity caused by an adjustment to tax credits available to the Project.

"Operating Expenses" shall not include the following: (a) repairs or replacements paid out of insurance proceeds received by or reserves held by the Developer; (b) book depreciation of buildings or other similar non-cash items of expense; (c) principal and interest payments on all financing payable from residual receipts; (d) any deferred developer fee; and (e) any asset management or limited or general partner partnership management fees; (f) salaries of employees of Developer's general overhead expenses, or expenses, costs and fees paid to an affiliate of Developer, to the extent any of the foregoing exceed the expenses, costs or fees that would be

payable in a bona fide arms' length transaction between unrelated parties in the Riverside County area for the same work or services; (g) any amounts paid directly by a tenant of the Project to a third party in connection with expenses which, if incurred by Developer, would be Operating Expenses; and (h) optional or elective payments with respect to debt secured by a lien senior to the HACR Loan (unless made with the consent of HACR in its reasonable discretion).

(a) "Outside Closing Date" means December 31, 2026. The DDLA, according to its terms, extended the Outside Closing Date by the Executive Director, on behalf of HACR, and without referring such matter to the Board of Commissioners through December 31, 2025. The Amended and Restated DDLA, upon approval by Board of Commissioners, will establish a new Outside Closing Date of December 31, 2026.

"Parcel" means a legal parcel or parcels of land located within the boundaries of the Property upon which Developer will develop the Project.

"Permanent Lender" means the institutional lender who at the Completion of the Project takes out or reduces a Construction Loan and provides permanent financing for the Project.

"Permanent Loan" means a loan made by the Permanent Lender on the Conversion Date.

"Permitted Exceptions" means those encumbrances, liens, taxes, assessments, easements, rights of way, leases, covenants, agreements or other exceptions affecting title to the Property as of the date of recordation of the Grant Deed which are approved in Section 2.5 below or otherwise in writing by the Developer as set forth in the Preliminary Title Report. The Parties will use Commonwealth Land Title Insurance Company to close these transactions.

"Permitted Transfer" means assignment of all or any part of this DDLA or any right therein, or the sale, agreement to sell, transfer, encumbrance, conveyance or assignment of the Property or any portion thereof or interest therein to any of the following:

(1) A conveyance of a security interest in any portion of the Property in connection with any Approved Financing and any transfer of title by foreclosure, deed or other conveyance in lieu of foreclosure in connection therewith;
(2) A conveyance of any portion of the Property to an Affiliate;
(3) A partnership or limited liability company in which Developer, or an entity controlled by Developer, is a general partner or managing member and is in control thereof;
(4) The admission of additional new general or limited partners or members, or the substitution or deletion of partners or members to a Developer, so long as Abode or an entity controlled by Abode continues to exercise managerial control of such entity;
(5) The removal of the entity controlled by Abode from Developer, by the limited partner in accordance with the terms of the partnership agreement and replacement of such entity with an entity controlled by the limited partner;
(6) A corporation that is wholly owned and that is controlled by Developer or an entity controlled by Developer;
(7) The lease for occupancy of any Unit within the Property in accordance herewith; and
(8) The granting of easements, licenses or permits to facilitate the development of the Project in accordance with this DDLA.

Any transfer described in clauses (1) through (8) shall not require the consent of HACR.

"Permitted Transferee" means an entity which is the transferee in connection with a Permitted Transfer.

"Person" means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, domestic or foreign.

"Phase I (4% Phase)" means the portion of the Project to be owned and developed by Villa Verde I, L.P., consisting of approximately 116 rental units (including 1 manger's unit) in 20 buildings financed in part with tax-exempt bonds and 4% Low Income Housing Tax Credits (LIHTCs) and located on Assessor's Parcel Number 768-400-001 with address of 84824 Calle Verde, Coachella.

"Phase II (9% Phase)" means the portion of the Project to be owned and developed by Villa Verde II, L.P., consisting of approximately 36 rental units (including 1 manger's unit) in 7 buildings financed in part with 9% Low Income Housing Tax Credits (LIHTCs) and located upon Assessor's Parcel Number 768-350-002 with address of 84679 Calle Verde, Coachella.

"Phase" or "Phases" means either or both Phases I and II, as applicable.

"Phase Parcel" means the separate legal parcel on which the respective Phase will be constructed.

"Plans" means any architectural and construction plans and drawings prepared on behalf of Developer for the Project in accordance with this DDLA.

"Predevelopment Loan" is defined in Recital H.

"Predevelopment Loan Promissory Note" means an Amended and Restated Predevelopment Promissory Note in substantially the form set forth in Attachment 13 evidencing the Predevelopment Loan. Said Predevelopment Loan Promissory Note was made by HACR to Abode Communities, and which was subsequently assigned to Villa Verde I, L.P in the amount of $450,000. The Amended and Restated Predevelopment Promissory Note will be executed by parties and the Predevelopment Loan will be part of Villa Verde I permanent finance structure.

"Preliminary Title Report" means that certain Developer approved Preliminary Title Report for the Property issued by Commonwealth Land and Title dated within sixty (60) days before or after approval by the Board of Commissioners and attached hereto as **Attachment No. 8** and incorporated herein by this reference.

"Project" means Developer's development, construction and operation on the Property of the Improvements constituting the Proposed Project, in such form as is ultimately depicted in the Final Plans and subject to conditions of approval and mitigation measures as approved by the City of Coachella, HACR and any other entity having jurisdiction over the Property, which shall be performed in accordance with this DDLA, including, but not limited to the Scope of Development attached hereto as **Attachment No. 6**. The Project shall be constructed and operated in two Phases, together comprising approximately 152 residential units. Each Phase shall be separately financed

and owned by a distinct Developer, but developed and operated in coordination to ensure a cohesive community consistent with the approved plans.

"Project Budget" means a schedule of construction and permanent sources and uses of funds necessary to pay Development Costs and operations for each Phase including a projected cash flow for at least the first fifteen (15) years of operation, with such other information as may be reasonably requested by HACR. The Project Budget for each Phase as of the date hereof is attached as Attachment No. 7 hereto. Prior to Construction Closing, Developer shall provide to HACR for its approval an updated Project Budget substantially the form attached hereto as **Attachment No. 7** reflecting the sources and used of financing and other financial terms of the final Project, which shall constitute the Project Budget as approved by HACR in connection with Section 2.18 and the Method of Financing.

"Promissory Note" means a promissory note evidencing the HACR Loan for each Phase substantially in the form of **Attachment No. 14** to be given by the applicable Developer for the benefit of HACR at Closing.

"Property" means that certain real property consisting of approximately 9.44 acres of land commonly located at the corner of Calle Verde and Calle Techa, in the City of Coachella, County of Riverside, State of California, 92236, currently identified with Assessor's Parcel Numbers 768-350-002; and 768-400-001, as further described in the Legal Description attached hereto as **Attachment No. 1** and as depicted on the Site Map attached hereto as **Attachment No. 2**. The Property may be divided or reconfigured by Developer. The terms of such division or reconfiguration including, without limitation, designation of Parcel boundaries, shall be determined by Developer, subject to the prior written approval of HACR, which shall not be unreasonably withheld or delayed, and subject to the subdivision requirements of the City. HACR agrees to assist Developer at no cost to HACR in processing any such approved division or reconfiguration, whether through a lot line adjustment, recordation of a parcel map or transfer via a metes and bounds description using the authority of HACR to create parcels that are exempt from certain provisions of the Subdivision Map Act.

"Proposed Project" is defined in Recital I.

"Purchase Price" shall have the meaning set forth in **Attachment No. 3**, the Method of Financing.

"Restricted Unit(s)" means the fifty-six (56) Units not reserved as Manager Units within Phase I and the seventeen (17) units in Phase II not reserved as Manager Units within Phase I that shall be exclusively rented to and occupied at an Affordable Rent by Low Income Households in accordance with Section 4.1.

"Schedule of Performance" means the schedules for each Phase attached hereto as **Attachment No. 4** and incorporated herein by this reference, as may be amended from time to time upon the written agreement of the Parties.

"Scope of Development" means the Scope of Development with respect to each Phase attached hereto as **Attachment No. 6** and incorporated herein by this reference, as may be amended from time to time upon the written agreement of the Parties.

"Seller Loan" shall refer to the portion of each loan to be made by HACR to a Developer in the amount of the Purchase Price applicable to the applicable Phase Parcel.

"Senior Financing" and terms related to it with respect to each Phase, shall refer to a Construction Loan and a Permanent Loan and any other Loan which is required by its Lender to be senior in lien priority to the HACR Loan. The HACR Loan shall be subordinate to the Senior Financing, provided that HACR and the holder of the Senior Financing enter into a subordination agreement in such form as is acceptable to HACR in its reasonable discretion. Senior Financing shall also include such financing and instruments, if any, recorded upon the Property in conjunction with low income housing tax credits. Any subordination agreement required to be executed by HACR as a subordinate lender shall be delivered to HACR for review no less than fifteen (15) days prior to the date upon which such agreement must be executed, provided, however, such condition may be waived by HACR.

"Shared Improvements**"** means utilities, access drives, landscaping, common open space, and other site improvements serving both Phases.

"Successor Agency" is defined in Recital J.

"Tax Credit Investor" shall mean a limited partner entity admitted to each Developer.

"TCAC" shall mean the California Tax Credit Allocation Committee.

"Term" means the term of this DDLA, which shall be the period of fifty-five (55) years from the date of issuance of the Certificate of Occupancy by the City of Coachella for the last building constructed within the applicable Phase.

"Title Company" means Commonwealth Land Title Insurance Company, or another title insurance company mutually agreed upon by HACR and Developer.

"Unit" means each of the approximately one hundred fifty two (152) apartment dwelling units required to be developed by the Developer on the Property in accordance with this DDLA. Any Unit not reserved as a Manager Unit and that does not constitute a Restricted Unit shall be exclusively rented to and occupied by Households whose Gross Income does not exceed the income set forth herein for a Moderate Income Household.

Section 1.3 Purpose of Agreement

The purpose of this DDLA is to effectuate HACR's requirement that the Property be used to provide affordable housing in furtherance of HACR's public purpose and its role as Housing Successor. The Restricted Units located on the Property shall be rented to and occupied by Low Income Households at an Affordable Rent during the Affordability Period. The development and use of the Property pursuant to this DDLA, and the fulfillment of this DDLA, are in the vital and best interests of the HACR and the County and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable Governmental Requirements.

Section 1.4 HACR

(a) HACR is a public body corporate and politic. The principal office of HACR is located at 5555 Arlington Avenue, Riverside, California 92504.

(b) "HACR" as used in this DDLA includes the Housing Authority of the County of Riverside and any assignee of or successor to its rights, powers and responsibilities.

Section 1.5 Developer

"Developer" means with respect to Phase 1 (4%) Phase, Villa Verde I, L.P a California limited partnership. (the owner and developer of the 4% Phase) and with respect to Phase II (9% Phase), Villa Verde II, L.P., a California limited partnership (the owner and developer of the 9% Phase). Each Phase owner shall be responsible for all obligations and liabilities under this Agreement solely as they relate to its respective Phase, and no cross-default or cross-liability shall apply between the two Phases.

The principal address of Developer for purposes of this DDLA is Villa Verde I, L.P., c/o Abode Communities, 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033 and Villa Verde II, L.P., c/o Abode Communities, 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033. Whenever the term "Developer" is used herein, it shall mean and include any assignee of or successor to the rights, powers and responsibilities of Developer permitted by this DDLA, and any assignee of or successor to all or a portion of the Property.

Section 1.6 Assignments and Transfers

(a) Developer represents and agrees that its undertakings pursuant to this DDLA are for the purpose of developing the Project on the Property and providing affordable rental housing for Low Income Households, and not for speculation in land holding. Developer further recognizes that the qualifications and identity of Developer are of particular concern to HACR, in light of the following: (1) the importance of the development of the Property to the general welfare of the community; (2) the public assistance that has been made available by law and by the government for the purpose of making such development possible; and (3) the fact that a change in ownership or control of Developer or any other act or transaction involving or resulting in a significant change in ownership or control of Developer, is for practical purposes a transfer or disposition of the property then owned by Developer. Developer further recognizes that it is because of such qualifications and identity that HACR is entering into the DDLA with Developer. Therefore, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this DDLA except as expressly permitted herein.

(b) Except for a Permitted Transfer, Developer shall not assign all or any part of this DDLA, the Property or any interest herein without the prior written approval of HACR.

(c) For the reasons cited above, Developer represents and agrees for itself and any successor in interest that, without the prior written approval of HACR, there shall be no significant change in the ownership of Developer by any method or means, except Permitted Transfers.

(d) Any assignment or transfer of this DDLA or the Property or any interest herein or significant change in ownership of Developer, other than Permitted Transfers or as permitted below

in subsection (g), shall require the prior written approval of HACR, which shall not be unreasonably withheld. To the extent HACR approval of an assignment or transfer is required by this DDLA, in granting or withholding its approval, HACR shall base its decision upon the relevant experience, financial capability and reputation of the proposed assignee or transferee and the effect, if any, of such proposed transfer on the public purposes of this DDLA.

(e) Developer shall promptly notify HACR of any and all changes whatsoever in the identity of the parties in control of Developer or the role thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Except for Permitted Transfers, this DDLA may be terminated by HACR if there is any significant change, (voluntary or involuntary) in membership, management or control, of Developer (other than such changes occasioned by the death or incapacity of any individual) prior to Closing.

(f) Any assignments or transfers approved by HACR shall be evidenced by the assignor's, assignee's, and HACR's execution of an assignment and assumption agreement substantially approved as to form and substance by HACR and its counsel.

(g) Except for Permitted Transfers, Developer shall promptly reimburse HACR for its reasonable attorneys' fees and costs for any transfer or proposed transfer of all or any portion of the Property or the rights and obligations set forth herein.

ARTICLE 2 DISPOSITION OF THE PROPERTY; HACR LOAN; CLOSING

Section 2.1 ENA and Predevelopment Loan

Upon the Effective Date, the ENA shall terminate and all rights and obligations of the Parties shall be as set forth herein. Further, the Predevelopment Loan shall be evidenced by a Predevelopment Promissory Note executed Villa Verde I, L.P. substantially in the form of Attachment 13 hereto, which shall amend and restate the note evidencing the Predevelopment Loan attached to the ENA in its entirety. Unless required to be paid prior thereto, upon the Closing, the Predevelopment Promissory Note shall be deemed repaid by proceeds of the Promissory Note evidencing the Predevelopment Loan.

Section 2.2 Conveyance of the Property; Purchase Price

At such time as all conditions precedent to the conveyance of each applicable Phase Parcel have been satisfied, in consideration for the covenants, representations, and warranties provided herein by Developer and upon receipt by HACR of the applicable Purchase Price for such Phase Parcel, HACR shall convey fee title to the applicable Phase Parcel to the corresponding Developer. Each conveyance shall occur in accordance with the terms and conditions set forth herein and for the purposes set forth herein.

The Board of Commissioners has approved this Agreement and the sale of the entire Property for development in multiple Phases, and no further action shall be required by the Board of Commissioners in order to convey either Phase Parcel, provided that each conveyance is made in accordance with this Agreement. The HACR Executive Director is hereby authorized to execute and deliver any and all documents necessary to transfer each Phase Parcel to Developer without further Board action.

The Purchase Price for each Phase Parcel shall be paid by a Developer through a separate Seller Loan in an amount equal to the fair market value allocated to that Phase Parcel, which shall be supported by appraisal to be conducted no later than January 31, 2026, but shall not be less than $1,411,842.00 for the Phase Parcel to be conveyed to Villa Verde I, L.P. and $438,158.00 for the Phase Parcel to be conveyed to Villa Verde II, L.P. as set forth in the Pro Forma attached hereto [**Attachment No. 7** Project Budget] At each Closing, the applicable Developer shall execute and deliver to HACR a Promissory Note in the amount of the applicable HACR Loan, which will include the amount of the applicable Seller Loan and for Villa Verde I will include any outstanding principal under the Predevelopment Promissory Note, and the Development Loan secured by a Deed of Trust recorded solely against the applicable Phase Parcel, and evidencing the HACR Loan made for that Phase in accordance herewith.

For avoidance of doubt, (i) each Phase shall close independently, (ii) a delay or failure to close one Phase shall not constitute a default with respect to the other Phase, and (iii) the Seller Loan, HACR Loan and related security for each Phase shall not be cross-defaulted or cross-collateralized with the other Phase.

Section 2.2.1 Termination of Agreement

Subject to the notice and cure provisions set forth in Section 5.1 and to the enforced delay provisions set forth in Section 6.4 of this DDLA, HACR at its option may terminate this DDLA pursuant to Sections 5.8 and 5.9 as to the applicable Phase Parcel only if any of the conditions precedent to the conveyance of that Phase Parcel are not satisfied by Developer or waived in writing by HACR by the applicable Outside Closing Date for that Phase. Failure to close one Phase shall not, in and of itself, constitute grounds for termination of this DDLA with respect to the other Phase.

Section 2.3 Escrow

Developer agrees to open a separate escrow for each Phase Parcel with the Title Company or other licensed escrow company approved by HACR and Developer (each, an "**Escrow Agent**"). No later than the dates established in the Schedule of Performance, HACR shall cause to be prepared and delivered the applicable escrow instructions for each Phase Parcel. HACR and Developer shall provide such additional or amended escrow instructions as may be necessary to close each escrow independently, consistent with this DDLA.

Section 2.4 Possession of Property Upon Close of Escrow

(a) Conveyance of each Phase Parcel shall occur on or before the applicable Outside Closing Date for such Phase, or such later date as may be mutually agreed to in writing by HACR and Developer and communicated to the Escrow Agent. HACR and Developer agree to use commercially reasonable best efforts to perform all acts necessary to convey title for each Phase Parcel in sufficient time to allow escrow to close in accordance with this Agreement.

(b) Possession of each Phase Parcel shall be delivered to Developer immediately following the Close of Escrow for that Phase, except that access and entry may be granted before the Close of Escrow pursuant to Section 2.12 of this DDLA.

Section 2.5 Form of Deed

HACR shall convey title to each Phase Parcel to Developer by a separate Grant Deed substantially in the form of Attachment No. 5, with conforming revisions to identify the Phase Parcel and legal description.

Section 2.6 Condition of Title

HACR shall convey to Developer good and marketable fee title to each Phase Parcel free and clear of all liens, encumbrances, covenants, restrictions, easements, leases, taxes and other defects except those set forth in this DDLA, included in the Grant Deed and Agreement Containing Covenants for such Phase, and those exceptions to title set forth in the Preliminary Title Report for the applicable Phase Parcel.

Subject to any mutually agreed-upon extension of time, the Parties shall use commercially reasonable best efforts to satisfy all conditions precedent to the Closing prior to the Outside Closing Date.

Section 2.7 Title Insurance

(a) Concurrently with recordation of the Grant Deed for each Phase Parcel, Title Company shall provide and deliver to Developer an Owner's Title Insurance Policy insuring that the fee interest to be conveyed is vested in such entity, in the condition required by Section 2.5 of this DDLA ("**Owner's Title Policy**"). The Title Company shall provide HACR with a copy of the Owner's Title Policy for each Phase. Each Owner's Title Policy shall be in the amount specified by Developer.

(b) If Developer elects to secure an A.L.T.A. owner's policy or to secure an A.L.T.A. lender's policy for the benefit of any lender for which a mortgage will or is intended to be granted covering the Property as permitted by the terms of this DDLA, HACR shall cooperate with Developer, at no cost to HACR, to obtain such policies by providing surveys and engineering studies in its possession which relate to or affect a condition of title or a geological condition. In providing such surveys and engineering studies, HACR does not warrant the accuracy or sufficiency of such material. The responsibility of HACR assumed by this paragraph is limited to cooperating in good faith with Developer. HACR shall have no obligation to incur any cost or to take any action necessary to obtain an A.L.T.A. policy.

(c) At each Phase Closing, HACR, at Developer's cost, shall receive an A.L.T.A. lender's policy of title insurance in the amount of the HACR Loan for that Phase, together with such endorsements as are reasonably requested by HACR insuring the HACR Loan subject only to permitted exceptions. ("**HACR Lender's Policy**").

(d) Developer shall pay all premiums for all title insurance policies and coverage and special endorsements with respect to the Property. HACR shall not be responsible for paying any title insurance costs or premiums.

Section 2.8 Taxes and Assessments

Ad valorem taxes imposed on each Phase Parcel as to any period prior to the applicable Closing shall be borne by HACR. All ad valorem taxes imposed on each Phase Parcel as to any period after the applicable Closing shall be the sole responsibility of and paid by Developer.

Developer acknowledges and agrees that HACR is relieved of any responsibility for payment of any and all assessments (but not ad valorem taxes) levied against each Phase Parcel after the applicable Closing. HACR shall pay any and all past due or current Assessments due and owing in connection with that Phase Parcel as of its Closing.

Section 2.9 Occupants of the Property

HACR warrants and agrees that t title to each Phase Parcel shall be conveyed free of any possession and any right of possession, except as expressly waived in writing by Developer in writing, and the Permitted Exceptions.

Section 2.10 Condition of the Property

For purposes of this Agreement, references to "Property" in this Article shall mean the Phase Parcel being conveyed at the applicable Phase closing, except where the context expressly concerns Shared Preconditions.

(a) "**Hazardous Materials**" or "**Hazardous Substances**" shall include, but not be limited to, oil, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials, including, without limitation, any substances defined as "extremely hazardous substances," "hazardous substances," "hazardous materials," "hazardous waste" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, including the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. §§ 6901, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. §§ 2601 et seq.; the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. §§ 651; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. §§ 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. §§ 300f et seq.; and those substances defined as "hazardous waste" in § 25117 of the California Health and Safety Code, as "infectious waste" in § 25117.5 of the California Health and Safety Code, or as "hazardous substances" in § 25316 of the California Health and Safety Code, or "hazardous materials" as defined in § 353 of the California Vehicle Code; waste that exhibits the characteristics set forth in § 25141 (b) of the California Health and Safety Code; and in the regulations adopted and orders and publications promulgated pursuant to said laws. Hazardous Materials shall expressly exclude substances typically used in the construction, development, operation and maintenance of an apartment complex provided such substances are used in accordance with all applicable laws.

(b) Developer represents and warrants that the development, construction and uses of the applicable Phase Parcel (and any Shared Improvements affecting both Phases) (i) will comply with all applicable environmental laws; and (ii) do not require the intentional introduction or

maintenance of any Hazardous Substance on the applicable Phase Parcel other than customary products used in accordance with law.

(c) Within seven (7) business days of written request by Developer, HACR shall deliver to Developer, if not previously delivered, all documents relevant to the condition of the Site (including both Phase Parcels) within HACR's or the County's possession, including environmental reports, studies, surveys, and all other relevant documents ("Documents"). HACR shall reasonably cooperate to obtain copies of third-party reports in its files to the extent assignable. Neither HACR nor the County warrants the accuracy or completeness of the Documents. Developer shall conduct its own inquiry.

(d) Developer shall execute and deliver to HACR an Environmental Indemnity substantially conforming in form and substance to **Attachment No. 9** for the applicable Phase, as a condition precedent to HACR's conveyance of the applicable Phase Parcel.

Section 2.11 Suitability of the Property

(a) Prior to Closing for each Phase, Developer shall have the right to engage, at its sole cost and expense, its own environmental consultant **("Developer's Environmental Consultant**"), to make such investigations as Developer deems necessary, including without limitation any "Phase 1" and/or "Phase 2" investigations of the Phase Parcel or any portion thereof (and, as applicable, Shared Improvements), and to perform or cause any other consultants to perform any other desired due diligence investigations, and HACR shall promptly be provided a copy of all reports and test results provided by Developer's Environmental Consultant (the "**Environmental Reports**").

(b) The applicable Phase Parcel shall be accepted by Developer in an "as is" physical condition, with no warranty, express or implied by HACR as to the presence of Hazardous Substances, or the condition of the soil, its geology or the presence of known or unknown faults. Notwithstanding the foregoing, if prior to the Close of Escrow for a Phase, the condition of the Phase Parcel scheduled to close is not in all respects entirely suitable for the use or uses to which such Phase Parcel will be put, then HACR and Developer shall meet and confer in order to determine which party shall be responsible for the costs to place such Phase Parcel in all respects in a condition entirely suitable for the development thereof (taking into account any site-wide or shared conditions). If the Parties are unable to agree on responsibility for mitigation with respect to the Phase then scheduled to close, then Developer shall have the right to terminate this DDLA solely as to such Phase, in which event this DDLA shall remain in full force and effect as to the other Phase.

(c) Effective upon each Closing, Developer shall indemnify, defend and hold harmless HACR, the County of Riverside, and their respective agencies, districts, special districts and departments, directors, officers, governing Boards, elected and appointed officials, employees, agents and representatives (collectively, the "**HACR Indemnitees**"), by executing and delivering an Environmental Indemnity (Attachment No. 9) for the Phase closing.

(d) On and after each Closing, Developer hereby waives, releases and discharges the HACR Indemnitees, from any and all present and future claims, demands, suits, legal and administrative proceedings, and from all liability for damages, losses, costs, liabilities, fees and expenses (including, without limitation, attorneys' fees) arising out of or in any way connected with HACR's or Developer's use, maintenance, ownership or operation of the Phase Parcel conveyed at

such Closing, any Hazardous Substances on such Phase Parcel, or the existence of Hazardous Substances contamination in any state on such Phase Parcel, however the Hazardous Substances came to be placed there, except that arising out of the gross negligence or willful misconduct of HACR, its directors, officers, elected and appointed officials, employees, agents and representatives. Developer acknowledges that it is aware of and familiar with the provisions of § 1542 of the California Civil Code which provides as follows:

"**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY**."

To the extent of the release set forth in this Section 2.11, Developer hereby waives and relinquishes all rights and benefits which it may have under § 1542 of the California Civil Code. This release is Phase-specific and does not waive claims relating solely to the other Phase Parcel prior to its Closing.

Section 2.12 Property Access Prior to Close of Escrow

Beginning on the Effective Date of this DDLA and ending at each Closing, Developer and representatives of Developer shall have the right of access to and entry upon both Phase Parcels, subject to execution of a License Agreement in a form provided by HACR for the purpose of performing customary due diligence on the Phase Parcel scheduled to close and any Shared Improvements serving such Phase.

Section 2.13 Method of Financing

Development of each Phase shall be financed with a combination of sources of financing, as further detailed in the Project Budget and Method of Financing for such Phase, attached hereto as **Attachment No. 3** and incorporated herein by this reference. Developer shall pay all costs to obtain such financing, develop, construct and operate the Project as required by this DDLA and any Governmental Authority. Within the time period set forth in the Schedule of Performance, Developer shall submit to HACR an updated Phase-specific Project Budget and supporting documentation evidencing the Method of Financing for the Phase scheduled for Construction Closing.

Section 2.14 Representations and Warranties

(a) As an inducement to HACR to enter into this DDLA and consummate the transactions described herein, Developer hereby represents and warrants to HACR, which representations and warranties are true and correct as of the date of this DDLA and remade as of each Closing and which shall survive the Close of Escrow:

(1) Developer is duly organized, validly existing and in good standing under the laws of the State of California and has the power and authority to own property and carry on its business as now being conducted and as contemplated hereby. The copies of the documents evidencing the organization of Developer delivered to HACR are true and correct copies of the

originals as of the Effective Date and Closing. Developer has the legal power, right and authority to enter into this DDLA and the instruments referenced herein, and to satisfy all obligations of the Developer in this DDLA or in any instrument or document referred to herein to the extent applicable to the Phase Parcel and Phase owned by such Developer (referred to collectively as the "**Developer's Obligations**");

(2) This DDLA and all documents required hereby to be executed by Developer are, and shall be, valid, legally binding obligations of and enforceable against Developer in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium laws or similar laws or equitable principles affecting or limiting the rights of contracting parties generally. Upon each Closing, the applicable Developer will hold fee title to the applicable Phase Parcel conveyed at such Closing. The parties who have executed this DDLA and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this DDLA are authorized to execute and deliver the same on behalf of Developer and all actions required under Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this DDLA and all other documents or instruments executed and delivered, or to be executed and delivered pursuant hereto, have been duly taken;

(3) There is no charter, bylaw, or capital stock provision of Developer, and no provision of any indenture, instrument, or agreement, written or oral, to which Developer is a party or which governs the actions of Developer or which is otherwise binding upon Developer or Developer's property, nor is there any statute, rule or regulation, or any judgment, decree, or order of any court or governmental entity binding on Developer or Developer's property which would be contravened by the execution, delivery or performance of any of Developer's Obligations;

(4) There is no action, suit, or proceeding at law or in equity or by or before any governmental instrumentality or other county now pending, or, to the knowledge of Developer, threatened against or affecting Developer, or any properties or rights or ability of Developer, which, if adversely determined, would materially impair the right of Developer to execute or perform any of the Developer's Obligations, or would materially adversely affect the financial condition of Developer;

(5) Developer does not have any contingent obligations or any contractual agreements which could adversely affect the ability of Developer to carry out its obligations hereunder. Neither the execution and delivery of this DDLA, including any attachments hereto or documents related to this DDLA, nor the incurrence of the Developer's Obligations, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this DDLA and the documents referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments to which Developer is a party;

(6) No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending or threatened against Developer, nor are any of such proceedings contemplated by Developer;

(7) All reports, documents, instruments, information and forms of evidence delivered to HACR concerning or required by this DDLA are accurate, correct and sufficiently

complete to give HACR true and accurate knowledge of their subject matter, and do not contain any misrepresentation or omission; and

(8) No representation, warranty or statement of Developer in this DDLA or any Project Budget submitted to HACR pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading. No representation, warranty or statement contained in materials submitted to HACR pursuant hereto, which materials were drafted, generated or authored by a third party will, to Developer's actual knowledge, contain or will contain any untrue statement of a material fact or omit or will omit to state a material fact necessary to make the statements or facts contained therein not misleading

Developer's representations and warranties made in this Section 2.14 shall be continuing and shall be true and correct as of the date of the Close of Escrow with the same force and effect as if remade in a separate certificate at that time. The truth and accuracy of the Developer's representations and warranties made herein shall constitute a condition precedent for the benefit of HACR to the performance of HACR's obligations hereunder. Developer's representations and warranties made in this Section 2.14 shall be continuing and shall be true and correct as of the date of each Close of Escrow with the same force and effect as if remade in a separate certificate at that time. The truth and accuracy of the Developer's representations and warranties made herein shall constitute a condition precedent for the benefit of HACR to the performance of HACR's obligations hereunder for the Phase scheduled to close, and shall not condition the Closing for the other Phase. Each Developer is providing the above representations and warranties only with respect to itself and the Phase Parcel and Phase owned by such Developer and provides no representations and warranties with respect to the other Developer and the Phase Parcel and Phase owned by the other Developer.

Section 2.15 Conditions Precedent to the Close of Escrow

The conditions set forth in this Section 2.16 apply independently to each Phase Closing. The Phases are not required to close concurrently. Satisfaction or waiver of conditions for one Phase shall not be a condition to Closing for the other Phase, except for conditions expressly identified as site-wide or shared.

A. Conditions for the benefit of HACR

The Close of Escrow for each Phase shall occur no later than the Outside Closing Date and is conditioned upon the occurrence of each of the following conditions on or prior to the date set forth in the Schedule of Performance (**Attachment No. 4**), unless otherwise waived in writing by HACR's Executive Director. Closing shall deem all conditions precedent satisfied:

1. This DDLA shall be in full force and effect.

2. Developer shall have timely (unless such timely performance has been waived by the Executive Director) and duly performed each and every obligation to be performed by Developer hereunder prior to the Close of Escrow.

3. Developer's representations, warranties and covenants set forth in this DDLA shall be true and correct as of the date of the Close of Escrow;

4. Developer shall not be in default under this DDLA;

5. The Title Company shall be irrevocably committed to issue a standard A.L.T.A. form Lender's Title Insurance Policy to the lender of any Loan for such Phase, including, without limitation, to HACR for the HACR Loan for such Phase, or such other title insurance as the Parties may request pursuant to Section 2.7 of this DDLA;

6. Developer shall have submitted to HACR Evidence of Insurance as required by this DDLA;

7. Developer shall have timely (unless such timely performance has been waived by the Executive Director) submitted to HACR, and HACR shall have approved, an updated Phase Project Budget, Evidence of Financing for such Phase and related financing documents, as well as any preliminary marketing or management plans as may be reasonably required by HACR.

8. Developer shall have delivered documentation relating to the corporate, partnership, limited liability or other similar status of Developer, and, if applicable, the ownership entity for such Phase, including, without limitation and as applicable: limited partnership agreements and any amendments thereto; articles of incorporation; Limited Liability Company Articles of Incorporation (LLC-1); Statement of Information and Operating Agreement (including any amendments thereto); copies of all resolutions or other necessary actions taken by such entity to authorize the execution of this DDLA and related documents; a certificate of status issued by the California Secretary of State; and a copy of any Fictitious Business Name Statement, if any, as published and filed with the Clerk of the County of Riverside;

9. Developer shall have obtained and delivered to HACR (i) payment and performance bonds from responsible sureties admitted in the State of California in the amount of 100% of the construction costs for such Phase and naming HACR as co-obligee, and (ii) such other evidence satisfactory to HACR in such form as reasonably required by HACR insuring the lien-free completion of the Phase in accordance with and subject to the terms and conditions of this DDLA;

10. Escrow Agent shall have approved such supplemental recording instructions as may have been prepared on behalf of HACR;

11. The Construction Contract for such Phase for the Project shall be fully executed.

12. HACR, Developer and/or other parties, as appropriate, shall have executed and delivered to the Escrow Agent, and be in a position to file or record, as appropriate, the following documents with respect to such Phase:

    a. **Agreement Containing Covenants** (substantially in the form of **Attachment No. 11**, to be signed and acknowledged by Developer and HACR);

b. **Notice of Affordability Restrictions** (substantially in the form of **Attachment No. 10** to be signed and acknowledged by the Developer and HACR);

c. **Environmental Indemnity** (substantially in the form of **Attachment No. 9**, to be signed by the Developer);

d. **Escrow Instructions** (to be signed by HACR and the Developer);

e. **Promissory Note** (substantially in the form of **Attachment No. 14**, to be signed by applicable Developer) in the amount of the HACR Loan;

f. **Deed of Trust** (substantially in the form of **Attachment No. 15**, to be signed by HACR and the applicable Developer) securing the HACR Loan;

g. Subordination agreements and assignments of the management agreement, any operating subsidy or such other assignments as may be reasonably requested by HACR in such form as is required by HACR; provided, however, HACR acknowledges that any such assignments must be subordinate to any agreements or assignments required by a senior Lender or tax credit investor.

h. Any other document or amendment to this DDLA or any attachment hereto reasonably required by HACR; and

i. All documents by any other party providing financing for the Project, including, without limitation, Loan documents, deeds of trust, regulatory agreements and subordination agreements.

13. Developer shall have obtained all Entitlements and a Building Permit for such Phase and satisfied the requirements of Sections 3.1 and 3.2 hereof applicable to such Phase.

When all conditions precedent have been satisfied, Executive Director shall execute and submit to the Escrow Agent a written statement or other form of written authorization stating that all conditions precedent to the Close of Escrow and recording of the documents have been satisfied or waived, if such be the case.

B. Conditions for the benefit of Developer

Developer's obligation to affect a Close of Escrow for a Phase hereunder is conditioned upon the satisfaction of all of the conditions set forth in this Section 2.15B., which conditions are for the benefit of Developer, in addition to the other conditions to Developer's obligations provided for elsewhere in this DDLA. Developer may waive any or all of such conditions in whole or in part, but any such waiver shall be effective only if made in writing. Closing shall deem all conditions satisfied.

1. HACR shall have duly performed each and every obligation to be performed by HACR hereunder prior to the Close of Escrow and HACR's representations, warranties and covenants set forth in this DDLA shall be true and correct as of the date of the Close of Escrow;

2. HACR shall not be in default under this DDLA;

3. The Title Company shall be committed to issue a standard A.L.T.A. form Owner's Title Insurance Policy to Developer (or the ownership entity for such Phase) or such other title insurance as the Parties may request pursuant to Section 2.7 of this DDLA;

4. HACR, Developer and/or other parties, as appropriate shall have executed and delivered to Escrow Agent, and be in a position to file or record, as appropriate, the following documents with respect to such Phase:

    a. **Agreement Containing Covenants** (substantially in the form of **Attachment No. 11**, to be signed and acknowledged by Developer and HACR);

    b. **Notice of Affordability Restrictions** (substantially in the form of **Attachment No. 10** to be signed and acknowledged by Developer and HACR);

    c. Escrow Instructions (to be signed by HACR and Developer); and

    d. **Grant Deed** (substantially in the form of **Attachment No. 5**).

5. Developer shall have obtained adequate financing for the construction of the Project on terms and conditions acceptable to Developer in its sole discretion.

6. Developer shall have determined in its sole discretion that the Property is in an acceptable environmental condition with respect to the presence of any Hazardous Materials.

Section 2.16 Failure of Conditions to Close of Escrow

In the event any of the conditions precedent to the Close of Escrow are not timely satisfied in accordance with the Schedule of Performance and/or waived by the party for whose benefit the condition was made for any reason other than a default by the party for whose benefit the condition was made, the following shall occur:

(a) The party for whose benefit the condition was made shall, subject to applicable notice and cure periods provide in Section 5.1, have the right to terminate this DDLA, the Escrow and the rights and obligations of HACR and Developer hereunder, except as otherwise provided herein; and

(b) In the event of termination, the Escrow Agent is hereby instructed to promptly return to the applicable Developer and HACR all funds, if any, and documents deposited by them, respectively, into Escrow which are held by Escrow Agent on the date of said termination (less, in the case of the party otherwise entitled to such funds, the amount of any cancellation charges required to be paid by such party hereunder); and

(c) Neither party shall have any further rights or obligations hereunder except as otherwise provided herein.

Any termination pursuant to this Section may be effected solely with respect to the Phase scheduled to close, in which case this DDLA shall remain in full force and effect as to the other

Phase, except as otherwise provided herein. A failure of a condition for one Phase shall not constitute a failure of conditions for the other Phase. In the event the Close of Escrow terminates because of the non-satisfaction of any condition or the default of HACR or Developer under this DDLA, the cancellation charges, if any, required to be paid by and to Escrow Agent and the Title Company, shall be borne by the party in default.

Section 2.17 Evidence of Financing

Within the time frame set forth in the Schedule of Performance and prior to the Close of Escrow for a Phase, Developer shall deliver to HACR an updated Phase Project Budget (i) accompanied by evidence satisfactory to HACR that Developer has obtained the financing necessary to pay all Development Costs and operations for such Phase to be developed and constructed in accordance with this DDLA and (ii) that demonstrates to HACR, in its reasonable discretion, that such development and ongoing operation of such Phase are financially feasible (collectively, the **"Evidence of Financing**"). The financing sources for the Phase shall be approved in accordance with the terms of the Method of Financing. Such Evidence of Financing shall include the following:

1. A copy of all draft loan or other financing documents, including any Tax Credit and other award letters, a final Project Budget approved by HACR, Construction Lender and Permanent Lender, certified by Developer to be a true and correct copy or copies thereof;
2. A copy of the draft contract between Developer and the general contractor for the construction of the Improvements, certified by Developer to be a true and correct copy thereof; and
3. A copy of any amendments to the partnership agreement of Developer.

ARTICLE 3 DEVELOPMENT OF THE PROPERTY

Section 3.1 Land Use Approvals

Notwithstanding anything to the contrary herein, each Phase shall independently obtain all permits and approvals required for its scope and Developer shall have no obligations with respect to the Phase or Phase Parcel owned by the other Developer, provided that site-wide approvals may be obtained once and utilized for both Phases.

It is the responsibility of Developer, without any cost to HACR, to ensure that zoning of the Property and all applicable County and City land use requirements will permit development and construction of the Improvements on the Property and the use, operation and maintenance of such Improvements in accordance with the provisions of this DDLA. Nothing contained herein shall be deemed to entitle Developer to any City or County permit or other City or County approval necessary for the development of the Project on the Property, or waive any applicable City or County requirements relating thereto. This DDLA does not (a) grant any land use Entitlement to Developer, (b) supersede, nullify or amend any condition which may be imposed by the City or the County in connection with approval of the development described herein, (c) guarantee to Developer or any other party any profits from the development of the Property, or (d) amend any City or County laws, codes or rules. Developer acknowledges that this DDLA does not vest any

development rights and that this is not a Development Agreement as provided in Government Code § 65864.

Section 3.2 Compliance with CEQA and Other Laws as Condition Precedent to Closing

Prior to the Closing for a Phase, Developer shall have performed all necessary final actions and obtained the final approvals for the development and construction of the Improvements for such Phase on the Phase Parcel within the time frames set forth herein Such final actions and approvals may include, but are not limited to the following: (i) completing requisite activities to comply with California Environmental Quality Act ("**CEQA**"), (ii) all final action and approvals for environmental and land use permits by Governmental Authorities having jurisdiction over the Property, and (iii) resolution or final adjudication of any legal challenges, including such challenges based on CEQA. This DDLA does not restrict the lead agency from considering any feasible mitigation measures and alternatives, including the "no project" alternative and does not bind the lead agency to any definite course of action prior to CEQA compliance.

Developer represents and warrants that after Close of Escrow, the Improvements located thereon, including any portion thereof, shall comply with all applicable Governmental Requirements and all covenants or restrictions of record ("**Applicable Requirements**"). If the Property does not comply with said Applicable Requirements, the applicable Developer shall promptly rectify the same at Developer's expense.

Developer represents and warrants that the Project will be developed in full compliance with all applicable CEQA requirements for new construction in the City. The commencement of any development and construction identified herein is contingent upon Developer obtaining all required environmental and land use permits, including CEQA compliance with any applicable public agencies. In the event any action is brought challenging the legality of compliance with CEQA or any other law applicable to the Project, including any actions related to any of the proposed uses of the Property or the DDLA, Developer shall indemnify, defend (with counsel reasonably acceptable to HACR), and hold harmless HACR, its divisions, and departments, their respective directors, officers, elected and appointed officials, employees, agents, and representatives at its sole cost and expense (including but not limited to, reasonable attorney fees, cost of investigation, defense and settlements or awards), for, from and against any and all claims, actions, proceedings, demands, liabilities, costs, expenses, including reasonable attorney's fees and costs, damages and losses, cause or causes or action and suit or suits ("**Claims**") arising from or in connection with the failure to comply with such applicable law, or any action to attack, set aside, void, or annul any approvals of City, any Governmental Authority with jurisdiction over the Project or the Property, or HACR, its advisory agencies, or legislative body concerning this DDLA, including CEQA compliance

Section 3.3 Scope of Development

The Property shall be developed in accordance with and within the limitations established in the Scope of Development attached hereto as **Attachment No. 6** and incorporated herein by reference, and any and all permits issued by the City and other Governmental Authorities. Developer shall be solely responsible to pay all costs to develop and construct the Project on the Property pursuant to this DDLA, any Entitlements, and any requirements of a Governmental Authority. Except as set forth herein, HACR shall not be obligated to provide any funds for the development of the Project, provided, however, HACR acknowledges that Developer intends to

request funding from the County of Riverside for development costs of some or all of the Project, though the County of Riverside shall have no obligation to provide such funding.

Section 3.4 Basic Concept, Schematic Drawings and Related Documents

(a) Developer shall prepare and submit to HACR and City for approval and review (including, but not limited to, architectural review) the following documents within the time frame set forth in the Schedule of Performance: (i) schematic drawings and related documents for the development of the Project, and (ii) construction plans for the development of the Project, (collectively called "**Plans**").

(b) The Project shall be developed as established in the basic concept and schematic drawings and related documents.

(c) Final drawings, Plans, and specifications are hereby defined as those in sufficient detail to obtain a Building Permit ("**Final Plans**"). Final Plans will be delivered to HACR within the time frame set forth in the Schedule of Performance.

Section 3.5 Landscaping and Grading Plans

The landscaping plans for the Project shall be prepared by a professional landscape architect and the grading plans shall be prepared by a licensed civil engineer. Such landscape architect and/or civil engineer may be the same firm as Developer's architect.

Section 3.6 Architects

Developer shall employ a licensed architect in connection with the design and construction of the Project.

Section 3.7 Cost of Construction

The cost of developing and constructing the Improvements on the Property, including any offsite or onsite improvements required by any Governmental Authority in connection therewith, shall be the responsibility of Developer without any cost to HACR. Developer shall be responsible for paying all Development Costs. If the Construction Lender for a Phase requires issuance of payment and performance bonds, Developer shall take commercially reasonable steps to cause HACR to be named as an additional obligee on such bonds for that Phase.

Section 3.8 Schedule of Performance

(a) Developer and HACR shall perform all acts respectively required of such party in this DDLA within the times provided in the Schedule of Performance. The Schedule of Performance for the Project is attached hereto as Attachment No. 4, and is divided into Exhibit C-1 (9% Phase) and Exhibit C-2 (4% Phase) (together, the "**Phase Schedules**").

(b) The DDLA, according to its terms, extended the Outside Closing Date by the authority of the Executive Director, on behalf of HACR, and without referring such matter to the Board of Commissioners, through December 31, 2025. The Amended and Restated DDLA, upon

approval by Board of Commissioners, will establish a new Outside Closing Date of December 31, 2026.

(c) Each party to this DDLA shall perform the obligations to be performed by such party pursuant to this DDLA within the respective times provided in the applicable Phase Schedule and if no such time is provided, within a reasonable time. The Schedule of Performance may be amended from time to time in writing upon the mutual agreement of HACR and Developer. The Executive Director, on behalf of HACR, and without referring such matter to the Board of Commissioners, may extend all pending deadlines in the applicable Phase Schedule up to four (4) occasions for a total of no more than twelve (12) months for an individual line item within such Phase Schedule. The Executive Director, on behalf of HACR, and without referring such matter to the Board of Commissioners, may extend the Outside Closing Date for a Phase for up to one (1) year; provided, however, that any additional extensions and any extension of an Outside Closing Date past December 31, 2027 shall be subject to review and shall require approval by the Board of Commissioners.

(c) After the Closing for a Phase, the applicable Developer shall promptly begin and thereafter diligently prosecute to Completion or cause diligent Completion of the construction of the Improvements for such Phase as provided herein and in the Scope of Development.

(d) During periods of construction for a Phase, Developer shall submit to HACR a written report of the progress of construction for such Phase when reasonably requested by HACR. The report shall be in such form and detail as may be reasonably required by HACR and shall include a reasonable number of construction photographs (if requested) taken since the last report by Developer.

(e) Shared Preconditions. Notwithstanding the independence of the Phase Schedules and Closings, the Parties acknowledge that the following site-wide prerequisites (collectively, the "**Shared Preconditions**") must be satisfied or waived by HACR and Developer before the first Phase Closing and shall be deemed conditions precedent to each Phase Closing: (i) completion of parcelization/subdivision or other legal parcel creation necessary to convey each Phase Parcel; (ii) CEQA compliance for the overall Project, together with the expiration of any applicable limitation period, or final resolution of any CEQA challenge(s); (iii) approval by HACR of the Shared Infrastructure Plan and recordation of a reciprocal easement and shared-use/maintenance agreement in a form approved by HACR, benefiting both Phase Parcels; and (iv) any Governmental Authority approvals that, by their terms, must be obtained on a site-wide basis prior to issuance of building permits for either Phase. Each Phase shall also satisfy all Phase-specific conditions precedent applicable to such Phase.

(f) Non-Concurrence; No Cross-Default Between Phases. The Phases are not required to close concurrently. Notwithstanding anything to the contrary in this DDLA, a default, breach of any obligation or requirement or failure to perform with respect to one Phase or by a Developer (including failure to meet Phase-specific conditions or milestones) under any provision of this DDLA shall not constitute a default, breach of any obligation or requirement or failure to perform with respect to the other Phase or Developer under this DDLA, and shall not delay or prevent the Closing of the other Phase so long as the Shared Preconditions and such other Phase's Phase-specific conditions have been satisfied or waived in accordance with this DDLA.

(g) Day-for-Day Extensions for Inter-Phase Interference. If HACR, a Governmental Authority, or activities reasonably necessary to advance the other Phase cause delay to milestones on the Phase Schedule for a Phase, such affected milestones shall be extended on a day-for-day basis for the duration of the delay, subject to reasonable documentation provided by Developer.

Section 3.9 Local, State, and Federal Laws

(a) Developer shall carry out development and construction (as defined by applicable law) or cause the development and construction (as defined by applicable law) of the Improvements on the Property, including, without limitation, any and all public works, (as defined by applicable law), if any, in conformity with all applicable Governmental Requirements. Compliance shall be demonstrated on a Phase basis for Phase-specific permits, and on a site-wide basis for any approvals identified as Shared Preconditions under Section 3.8(f).

(b) Prevailing wages are required for work done that falls within the definition of "public works" under California Labor Code §1720. "Public works" are defined as "construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds…" For those projects which are "public works" pursuant to Labor Code § 1720.2, the following applies:

Developer shall require that any contractor performing work on the Improvements, shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code, as may be amended from time to time, which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts. Developer shall require that the general contractor shall furnish all subcontractors and employees a copy of the Department of Industrial Relations prevailing wage rates which Developer will post at the job site. All prevailing wage rates shall be obtained from:

Department of Industrial Relations, Divisions of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102

Developer shall require that any contractor performing work on the Improvements shall comply with the payroll record keeping and availability requirement of §1776 of the Labor Code. Developer shall require that each contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with §1773.8 of the Labor Code. Prior to commencement of work, Developer shall require that each contractor shall contact the Division of Apprenticeship Standards and comply with §1777.5, §1777.6 and §1777.7 of the Labor Code and applicable regulations. Developer shall indemnify, hold harmless, and defend and shall be responsible for any fine, penalty or fee levied against the Property arising out of any violations by Developer of this Section. Developer shall comply and stay current with all applicable local, state and federal building codes and laws as from time to time amended, including, but not limited to, the Americans with Disabilities Act requirements. Developer shall cause all improvements to be completed at Developer's cost in a workmanlike manner and in compliance with all applicable law.

(c) Developer shall be responsible for obtaining all Permits and land use approvals required by the City for each Phase, ensuring that the use of the applicable Phase Parcel for the purposes described in this DDLA complies with the zoning and other City land use regulations

(including any applicable exemptions and/or exceptions) applicable to the Property at the time of Closing.

(d) Before commencement of demolition, construction or development of any buildings, structures or other work of improvement upon any portion of the Property, Developer shall, at its own expense, secure or cause to be secured, any and all permits which may be required by the City or any other Governmental Authority affected by such construction, development or work.

Section 3.10 Notice of Non-Responsibility

HACR shall, at any and all times during the term of this DDLA, have the right to post and maintain on the Property, and record against the Property, as required by law, any notice or notices of non-responsibility provided for by the mechanics' lien laws of the State of California; provided, however, that Developer shall, on behalf of HACR, post and maintain on the Property, and record against the Property, all notices of non-responsibility provided for by the mechanics' lien laws of the State of California. Notices may be posted and recorded per Phase and, if required by law, for any Shared Improvements.

Section 3.11 Nondiscrimination During Construction

Developer agrees that during the construction of the Improvements provided for in the DDLA, Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Section 3.12 Indemnification and Insurance

Developer shall indemnify and hold harmless HACR, its directors, officers, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "**Indemnitees**") from any damages, costs or liability whatsoever, based or asserted upon any actions, failure to act, or services of Developer, its officers, employees, subcontractors, agents or representatives, in connection with, arising out of or in any way relating to its ownership of the Property, development of the Property, or any other activity engaged in in furtherance of this DDLA, including but not limited to property damage, bodily injury, or death or any other claim or damage of any kind or nature whatsoever. Developer shall defend the Indemnitees, at its sole expense, including payment of all costs and fees relating to such defense, including, but not limited, to attorneys' fees, cost of investigation, defense and settlements or awards, in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Developer, Developer shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of HACR; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Developer's indemnification obligations to the Indemnitees as set forth herein.

Developer's obligation hereunder shall be satisfied when Developer has provided to HACR the appropriate form of dismissal relieving HACR and the other Indemnitees from any liability for the action or claim involved.

The specified insurance limits required in this DDLA shall in no way limit or circumscribe Developer's obligations to indemnify and hold harmless 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 Developer from indemnifying HACR to the fullest extent allowed by law.

The foregoing indemnity shall continue to remain in effect in the event this DDLA is terminated and after the Completion.

Without limiting or diminishing Developer's obligation to indemnify or hold HACR and the Indemnitees harmless, the Developer shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages commencing upon the Close of Escrow for the relevant Phase. Notwithstanding anything to the contrary in this DDLA, a Developer shall have no indemnity obligation or other obligation to fund or make a payment or incur costs with respect to a Phase and Phase Parcel not owned by such Developer with respect to any provision of this DDLA.

a) **Worker's Compensation Insurance**. Developer 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 HACR, 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 Developer's performance of its obligations hereunder. Developer may hire a general Contractor to comply with Completed Operations line with the Commercial General Liability requirements of this paragraph, provided that HACR is given a copy of such policy demonstrating compliance with this section. Policy shall name the HACR, County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Commissioners, 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 DDLA 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 DDLA, then Developer 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 DDLA or be no less than two (2) times the occurrence limit. Policy shall name the HACR, County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Commissioners, 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) **Property (Physical Damage)**. Developer shall provide a policy of all-risk property insurance coverage for the full replacement value of all Developer's equipment, improvements/alterations, temporary structures, and systems, including without limitation, items owned by others in the Developer's care, custody or control, used on the Property or other HACR-owned property, or used in any way connected with the performance of the work required pursuant to this DDLA.

e) **Builder's All Risk (Course of Construction) Insurance**. Developer shall provide a policy of Builder's All Risk (Course of Construction) insurance coverage including (if the work is located in an earthquake or flood zone or if required on financed or bond financing arrangements) coverage for earthquake and flood, covering the HACR, Developer and every subcontractor, of every tier, for the entire Project, including property to be used in the construction of the work while such property is at off-site storage locations or while in transit or temporary off-site storage. Such policy shall include, but not be limited to, coverage for fire, collapse, debris removal, expediting expense, fire department service charges, valuable papers and records, trees, grass, shrubbery and plants. If scaffolding, falsework and temporary buildings are insured separately by Developer or others, evidence of such separate coverage shall be provided to HACR prior to the start of the work. Such policy shall be written on a completed value form. Such policy shall also provide coverage for temporary structures (on-site offices, etc.), fixtures, machinery and equipment being installed as part of the work. Developer shall be responsible for any and all deductibles under such policy. Upon request by HACR, Developer shall declare all terms, conditions, coverages and limits of such policy. If the HACR so provides, in its sole discretion, the All Risk (Course of Construction) insurance for the Project, then Developer shall assume the cost of any and all applicable policy deductibles (currently, $50,000 per occurrence) and shall insure its own machinery, equipment, tools, etc. from any loss of any nature whatsoever.

f) **General Insurance Provisions – All Lines**.

1. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California, or be approved to transact insurance by the California Insurance Commissioner, 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.

2. Developer'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 HACR, and at the election of Risk Manager, Developer'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.

3. Developer shall cause Developer's insurance carrier(s) to furnish the HACR with 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 an endorsement providing thirty (30) days written notice shall be given to the HACR prior to any cancellation of such insurance. Developer shall not continue operations until HACR 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.

4. It is understood and agreed to by the parties hereto that Developer's insurance shall be construed as primary insurance, and HACR 's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5. If, during the term of this DDLA 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 HACR reserves the right to adjust the types of insurance required under this DDLA 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 the applicable Developer has become inadequate.

6. Developer shall pass down the insurance obligations contained herein to all tiers of subcontractors.

Developer agrees to notify HACR of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this DDLA.

Section 3.13 Disclaimer of Responsibility by HACR

HACR neither undertakes nor assumes nor will have any responsibility or duty to Developer or to any third party to review, inspect, supervise, pass judgment upon or inform Developer or any third party of any matter in connection with the development or construction of the Improvements, whether regarding the quality, adequacy or suitability of the plans, any labor, service, equipment or material furnished to the Property, any person furnishing the same, or otherwise. Developer and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Developer or to any third party by HACR in connection with such matter is for the public purpose of redeveloping the Property, and neither Developer (except for the purposes set forth in this DDLA) nor any third party is entitled to rely thereon. HACR shall not be responsible for any of the work of construction, improvement or development of the Property.

Section 3.14 Rights of Access

Commencing upon the Closing for a Phase and prior to Completion of such Phase, representatives of HACR shall have the reasonable right of access to the applicable Phase Parcel, upon 24 hours' written notice to Developer (except in the case of an emergency, in which case HACR shall provide such notice as may be practical under the circumstances), without charges or fees, at normal construction hours during the period of construction for the purposes of this DDLA, including, but not limited to, the inspection of the work being performed in constructing the

Improvements. Such representatives of HACR shall be those who are so identified in writing by the Executive Director.

Section 3.15 Taxes, Assessments, Encumbrances and Liens

Commencing upon the Closing for a Phase, Developer shall pay when due all real estate taxes and assessments on or against the applicable Phase Parcel. Developer shall not place any encumbrance or lien other than for the Approved Financing for such Phase or as otherwise authorized by this DDLA. HACR hereby approves the encumbrances reflected in each lender's title policy delivered to HACR in connection with the HACR Loan with respect to a Phase ("Lender's Title Policy"). Developer shall remove, or shall have removed, any levy or attachment made on the Property (or any portion thereof), or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit Developer from contesting the validity or amount of any tax, assessment, encumbrance or lien, or to limit the remedies available to Developer in respect thereto. The covenants of Developer set forth in this Section 3.15 relating to the placement of any unauthorized loan, trust deed, encumbrance or lien, shall remain in effect for the term of this DDLA.

Section 3.16 Prohibition Against Transfer

The qualifications and identity of Developer are of particular concern to HACR. It is because of those qualifications and identity that HACR has entered into this DDLA with Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this DDLA, nor shall Developer make any total or partial sale, transfer, conveyance, assignment, subdivision, refinancing or lease of the whole or any part of the Property or the Improvements thereon (excepting the rental of Units in conformity with this DDLA) without prior written approval of HACR, except for Permitted Transfers as otherwise allowed under this DDLA, including, without limitation, Section 1.5. Transfers may be evaluated and approved per Phase, and any approval related to one Phase shall not be deemed approval for the other Phase.

Section 3.17 No Encumbrances Except Approved Financing

(a) Notwithstanding Section 3.16 (Prohibition Against Transfer), upon and after the Closing for a Phase, Developer shall have the right to encumber the applicable Phase Parcel with one or more deeds of trust, but only for the purpose of securing a Loan of funds to be used for financing the Development Costs and other expenditures necessary and appropriate to develop the Phase which were included in the Project Budget for such Phase approved by HACR ("**Approved Financing Purposes**"). Prior to Closing, Developer shall submit an updated Project Budget for each Phase along with Evidence of Financing for HACR's approval. Once approved, the financing set forth in the Project Budget for such Phase shall constitute the "**Approved Financing**" for such Phase. Prior to Completion: (1) Developer shall not have any authority to encumber the applicable Phase for any purpose other than Approved Financing Purposes or as reflected in the Lender's Title Policy; (2) Developer shall obtain the consent of HACR, in writing, in advance of any proposed financing other than financing included in the Approved Financing; and (3) Developer shall not enter into any agreements for non-Approved Financing Purposes requiring a conveyance of security interests in the Property without the prior written approval of HACR.

(b) In any event, Developer shall promptly notify HACR of any security interest created or attached to the Project whether by voluntary act of Developer or otherwise.

(c) The words "security interest" and "deed of trust" as used herein include all other appropriate modes of financing real estate acquisition, construction and land development.

(d) The Executive Director shall have the authority to make reasonable modifications to Sections 3.16 through 3.18 that may be requested by a Lender, provided such modification does not adversely affect the receipt of any material benefit by HACR hereunder. Upon the reasonable request of a Lender, the Executive Director shall execute from time-to-time such reasonable estoppel certificates to the extent they are consistent with the terms of this DDLA.

(e) Notwithstanding the foregoing, Developer shall have a one-time right to refinance the Permanent Loan upon written notice to HACR in accordance with this DDLA if all net proceeds from such refinance are applied against the unpaid balance of the Permanent Loan, loan closing costs, and payment of deferred developer fee, and the debt service arising from such refinance does not materially reduce the residual receipts available for payment on the HACR Loan.

Section 3.18 Lender Not Obligated to Construct Improvements

No lender shall be obligated by the provisions of this DDLA to construct or complete the Improvements or to guarantee such construction or completion. Nothing in this DDLA shall be deemed or construed to permit or authorize any such lender to devote the Property to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this DDLA. References to the 'Lender' and 'Improvements' herein may be applied per Phase.

Section 3.19 Notice of Default to Lenders and Tax Credit Investor; Right of Lender and Tax Credit Investor to Cure Defaults

Whenever HACR shall deliver any notice or demand to Developer with respect to any breach or default by Developer hereunder, HACR shall at the same time deliver to each Lender of record for either Phase and the applicable Tax Credit Investor a copy of such notice or demand. Each such Lender shall (insofar as the rights of HACR are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy, or commence to cure or remedy, any such default relating to the Phase for which such Lender holds a security interest, and to add the cost thereof to the security interest debt and the lien of its security interest. If such default shall be a default which can only be remedied or cured by such Lender upon obtaining possession of the applicable Phase Parcel, such Lender shall seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default within ninety (90) days after obtaining possession; provided that in the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced within such ninety (90) day period, such Lender shall have such additional time as reasonably necessary to remedy or cure such default with diligence and continuity not to exceed one hundred and twenty (120) days. Any Lender who forecloses on its Loan, or is assigned or otherwise succeeds to Developer's rights under this DDLA, shall have the right to undertake or continue the construction or Completion of the Improvements for the applicable Phase upon execution of a written agreement with HACR by which such Lender expressly assumes Developer's rights and obligations under this DDLA with respect to such Phase of the Project, approval of which agreement shall not be unreasonably withheld by HACR. The Tax Credit Investor shall have the right to cure a default by Developer hereunder on the same terms and conditions as Developer with respect to the Phase in which such

Tax Credit Investor participates. Any cure by a Lender or Tax Credit Investor with respect to one Phase shall not constitute a cure with respect to the other Phase.].

Section 3.20 Failure of Lender to Complete Improvements

In any case where, one hundred and twenty (120) days after default by Developer to complete the Improvements for a Phase within the time frame required by the Schedule of Performance, subject to all applicable notice and cure periods and Force Majeure, if the Lender for such Phase has elected not to complete construction of the Improvements for such Phase, HACR has the right, but not the obligation, to purchase the deed of trust or other security interest encumbering the applicable Phase Parcel by payment to the holder of the full amount of the unpaid principal debt, plus any accrued and unpaid interest and other charges secured by the loan instrument approved in writing by HACR.

Section 3.21 Right of HACR to Cure Defaults

In the event of a default or breach by Developer, subject to all applicable notice and cure periods, of the documents evidencing or governing a Loan encumbering a Phase Parcel, HACR may cure the default at any time prior to completion by a Lender of any foreclosure under its deed of trust. In such event, HACR shall be entitled to prompt reimbursement from Developer of all costs and expenses incurred by HACR in curing the default. HACR shall also be entitled to increase the balance due under its Promissory Note for the applicable Phase to the extent of such costs and disbursements.

Section 3.22 Right of HACR to Satisfy Other Liens on the Property

Prior to Completion and after Developer has had a reasonable time of no less than ninety (90) days to challenge, cure or satisfy any liens or encumbrances on its interest in the applicable Phase Parcel that are not otherwise approved or permitted pursuant to this DDLA, HACR shall have the right, but not the obligation, to satisfy any such liens or encumbrances; provided, however, that nothing in this DDLA shall require Developer to pay or make provisions for the payment of any tax, assessment, lien or charge so long as Developer in good faith contests the validity or amount thereof, and so long as such delay in payment shall not subject the applicable Phase Parcel to forfeiture or sale. In such event, HACR shall be entitled to prompt reimbursement from Developer of all costs and expenses incurred by HACR in satisfying any such liens or encumbrances. Any such lien shall be subordinate and subject to any Loan encumbering the applicable Phase Parcel.

ARTICLE 4 USE OF THE PROPERTY

Section 4.1 Uses

(a) Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to each Phase of the Property that for the duration of the Affordability Period, the applicable Phase shall be used only for the development and operation of a portion of the Project and related uses specified in the HACR Loan Documents (including, without limitation, the Scope of Development, the Agreement Containing Covenants, and all Governmental Approvals). No change in the use of any Phase shall be permitted without the prior written approval of HACR.

(b) Notwithstanding the generality of Section 4.1(a), Developer, its successors and assigns, shall use the Property only for the uses permitted in this DDLA, specifically including the following: (i) residential rental use of the Restricted Units affordable to Low Income households, (ii) a community room, (iii) laundry facilities, (iv) property management and resident service office, and (v) parking and common open spaces.

(c) Each Phase shall remain in compliance with all applicable Governmental Requirements for the duration of the Affordability Period.

(d) Residential Uses. For a period of fifty-five (55) years from the recordation by the City of Coachella of the Certificate of Occupancy for the last building constructed within the applicable Phase, Developer covenants and agrees as follows:

(1) All of the Restricted Units within the Phase shall be continuously occupied or held vacant and made available solely to Low Income Households at an Affordable Rent, in accordance with the Distribution of Affordable Rents attached to Exhibit "C" to the Agreement Containing Covenants and the rent limitations set forth herein and in the Agreement Containing Covenants;

(2) The maximum incomes of all tenants eligible to rent a Restricted Unit shall be determined in accordance herewith;

(3) No officer, employee, agent, official or consultant of Developer may occupy any of the Restricted Units; and

(4) The Restricted Units shall remain continually affordable to Low Income Households, for fifty-five (55) years from the issuance of a Certificate of Occupancy for the Project, pursuant to the Agreement Containing Covenants. The Agreement Containing Covenants shall contain a provision making the covenants and conditions of the agreement binding upon successors in interest of Developer. The Agreement Containing Covenants shall be recorded in the Official Records against each Phase. The Agreement Containing Covenants shall be recorded in the grantor-grantee index to the name of the property owner as grantee and to the name of HACR as grantor.

(5) Notwithstanding anything to the contrary herein, the affordability covenants (rent and income restrictions) contained in the Agreement Containing Covenants shall be senior to all security instruments for all loans secured against each Phase. Upon the request of any Senior Lender for any Phase, all other provisions of the Agreement Containing Covenants may be subordinated to the Senior Financing pursuant to a subordination agreement in a form to be approved in the Executive Director's reasonable discretion.

(e) Restricted Units. Developer covenants and agrees that forty-nine percent (49%) of the Units not consisting of Manager Units (seventy three (73) units) shall constitute Units restricted to occupancy by Low Income Households.

Due to the number of units and rounding, it may be that fewer than 49% of Units will constitute Restricted Units. In such event, Developer and HACR agree that they will restrict the maximum number of Units not in excess of 49% as Restricted Units. Notwithstanding the foregoing, the Developer that owns the 4% Phase shall not be in default hereunder as long as 56

Units in the 4% Phase are restricted to occupancy by Low Income Households and the Developer that owns the 9% Phase shall not be in default hereunder as long as 17 Units in the 9% Phase are restricted to occupancy by Low Income Households.

(f) Parking. Developer on behalf of itself and its successors, assigns, and each successor in interest to Developer's interest in the Property or any part thereof, hereby covenants and agrees that the Affordable Rent for each of the Restricted Units shall include one non-tandem parking space located on the Parcel on which such Restricted Unit is located at no extra charge to the occupants or tenants.

(g) Non-restricted Units. All Units except the Restricted Units and those reserved as Manager Units shall be available for occupancy and leased exclusively to Moderate Income Households at a rent that complies with HSC § 50053.

(h) Notwithstanding the foregoing, noncompliance by a Developer or Phase with the provisions above shall not be deemed to be noncompliance by the other Developer or Phase.

Section 4.2 Maintenance of the Property

In addition to the property maintenance requirements set forth in the Agreement Containing Covenants, Developer covenants and agrees that after Close of Escrow but prior to the commencement of construction of the Improvements, Developer shall maintain and secure the applicable Parcel in accordance with reasonable vacant property management practices, and upon and after completion of construction, Developer, its successors and assigns, shall maintain the Property and any improvements thereon and the landscaping thereon in a manner consistent with community standards which will uphold the value of the Property, in accordance with this DDLA, and applicable provisions of the City of Coachella Municipal Code and the County of Riverside Ordinances (the "**Codes**"), as follows:

(a) Exterior Maintenance. All exterior, painted surfaces of any structures located on the Property shall be maintained at all times in a clean and presentable manner. Any defacing marks shall be cleaned or removed within a reasonable time.

(b) Front and Side Exteriors. Developer shall, at all times, maintain the front exterior and any visible side exteriors and yards, if any, in a clean, safe and presentable manner.

(c) Graffiti Removal. All graffiti, and defacement of any type, including marks, words and pictures, must be removed from the Property and any necessary painting or repair completed within a reasonable time, but in no event more than one (1) week after notice to Developer from HACR.

(d) Landscaping. All landscaping shall be maintained in a manner consistent with the Codes and any rules, regulations and standards adopted pursuant to the Codes.

(e) Maintenance by Developer. Developer shall, at its sole cost and expense, maintain and repair the Property and the Improvements thereon, keeping the same in good condition, subject to wear and tear, and making all repairs as may be required by this DDLA and the Code.

(f) Damage and Destruction Affecting Property -- Duty to Rebuild. If all or any portion of the Property and the Improvements thereon is damaged or destroyed by fire or other casualty, if and to the extent insurance proceeds are available, it shall be the duty of Developer to rebuild, repair or reconstruct the Property in a timely manner to restore it to Code compliance condition or the condition required by the City. Developer shall have no obligation to rebuild, repair or reconstruct the Property in excess of available insurance proceeds.

(g) Variance in Exterior Appearance and Design. If the Property is damaged or destroyed by casualty, Developer may not, without the prior written consent of HACR, reconstruct, rebuild or repair the Property in a manner which will provide substantially different exterior appearance design from that which existed prior to the date of the casualty.

(h) Time Limitation. In the event of damage or destruction due to casualty, to the extent Developer is obligated to rebuild under subsection (f) above, Developer shall be obligated to proceed with all due diligence to commence reconstruction within one (1) year after the damage occurs and to complete reconstruction within a reasonable time after damage occurs, unless prevented by causes beyond the reasonable control of Developer as reasonably determined by HACR.

(i) Inspection. In the event HACR, in the sole discretion of the Executive Director, determines that the Developer has failed to maintain the Property in accordance with the requirements of this Section 4.2, HACR, or its designee, on two (2) weeks' prior written notice of any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), shall have the right, but not the obligation, to enter the Property, correct any Deficiency, and hold Developer responsible for the cost thereof. Any cost incurred by HACR to cure any such Deficiency, until paid by Developer, shall constitute a lien on the Phase Parcel with respect to which there are Deficiencies pursuant to Civil Code § 2881.

Section 4.3 Monitoring and Monitoring Fee

Developer covenants and agrees to pay the Monitoring Fee for each Phase on an annual basis in compliance herewith, and to prepare and submit all reports required by the Agreement Containing Covenants no later than April 1 of each year during the Affordability Period, commencing on the first April 1 following the Completion of construction.

Section 4.4 Obligation to Refrain from Discrimination

Developer covenants and agrees for itself, its successors, its assigns and every successor in interest for each Parcel, or any part thereof or interest therein, there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, sexual orientation, marital status, race, color, creed, religion, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall Developer, itself or any person claiming under or through it, 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, subtenants, sublessees, or vendees of the Property. All deeds, leases or contracts 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 § 12955 of the Government Code, as those bases are defined in §§ 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of § 12955, and § 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 § 12955 of the Government Code, as those bases are defined in §§ 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of § 12955, and § 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 § 12955 of the Government Code, as those bases are defined in §§ 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of § 12955, and § 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 Developer set forth herein, Developer shall, upon notice from HACR, promptly pay to HACR all fees and costs, including administrative and attorneys' fees, incurred by HACR in connection with responding to or defending any discrimination claim brought by any third party and/or Governmental Authority, arising out of or in connection with this DDLA, the Agreement Containing Covenants, and the Grant Deed other than discrimination claims arising from the direct or indirect actions or inactions of HACR.

Section 4.5 Effect and Duration of Covenants

The covenants established in this DDLA shall, without regard to technical classification and designation, be binding on Developer and any successor in interest to the Property for the benefit and in favor of HACR, its successors and assigns. The covenants established in this DDLA shall be binding on Developer and any successor in interest to each Phase Parcel. The covenants against discrimination shall remain in effect in perpetuity, and the remainder of the covenants shall remain

in effect for fifty-five (55) years from the issuance of the Certificate of Occupancy for the last building constructed within the applicable Phase.

Section 4.6 Effect of Violation of the Terms and Provisions of this Agreement

HACR is deemed beneficiary of the terms and provisions of this DDLA and the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this DDLA and the covenants running with the land have been provided. Subject to the notice and cure provisions of Section 5.1, HACR shall have the right if the covenants contained in this DDLA are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this DDLA and covenants are entitled. Any breach or default of any obligation, financial or otherwise, requirement, representation or warranty that relates to one Developer, one Phase or its Phase Parcel shall not, by itself, constitute a breach or default with respect to the other Developer, Phase or its Phase Parcel.

Section 4.7 Hazardous Substances

At the Closing for the applicable Phase, Developer shall execute and deliver to HACR an Environmental Indemnity substantially conforming in form and substance to the Environmental Indemnity attached hereto as **Attachment No. 9**.

ARTICLE 5 DEFAULTS, REMEDIES AND TERMINATION

Section 5.1 Defaults - General

. For purposes of this Article 5, references to the "Property," "Project," "Construction Closing," "Construction Loan," "Permanent Loan," HACR Loan, and defaults or remedies shall be applied on a Phase-by-Phase basis. A default with respect to one Phase (or its Phase Parcel or financing) shall not constitute a default with respect to the other Phase, unless such default expressly relates to a Shared Precondition.

Subject to extensions of time approved in writing by the Parties, failure or delay by either party to timely perform, comply with or observe any of the conditions, provisions, terms, covenants or representations of this DDLA, including any of the Attachments or agreements entered into the form of an Attachment, shall constitute a default under this DDLA. In addition to the foregoing, the following shall constitute a default hereunder with respect to the applicable Phase:

i. After the Construction Closing for a Phase, and subject to applicable notice and cure periods, the occurrence of any default by Developer under the Construction Contract for such Phase, Construction Loan Agreement for such Phase, Permanent Loan for such Phase, or any other financing secured by an interest in the applicable Phase Parcel which is not waived by the General Contractor or applicable lender; or

ii. After the Construction Closing for a Phase, a court of competent jurisdiction enters an order enjoining construction of the Improvements for such Phase, or such a court or an authorized governmental agency orders that leasing of the applicable Phase be suspended or halted,

or any required approval, license or permit for such Phase is withdrawn or suspended, and the order, withdrawal or suspension remains in effect for a period of thirty (30) days; or

iii. After the Construction Closing for a Phase, and subject to applicable notice and cure periods, the occurrence of any material default by the Developer under any architectural contract for such Phase, any engineering contract for such Phase, or any other contract for or pertaining to the construction of the Improvements for such Phase; or

iv. After the Construction Closing for a Phase, any surety obligated for the Developer or any Improvements for such Phase is called upon to perform its obligations; or

v. After the Construction Closing for a Phase, and subject to applicable notice and cure periods, the occurrence of any material default by Developer under (i) any applicable Tax Credit Rules for such Phase, or rules imposed by any other financing for such Phase, or (ii) the Agreement of Limited Partnership or similar or related agreement entered into in connection with the syndication of the Tax Credits for such Phase after the expiration of all notice and cure periods therein which is not waived by the counterparty; or

vi. After the Construction Closing for a Phase, and subject to applicable notice and cure periods, the occurrence of any default by Developer under any of the HACR Loan Documents for such Phase; or

vii. Developer fails to perform an act by the time set forth therefor in the Schedule of Performance as applicable to such Phase, or, if no time is set forth, within a reasonable time, subject to Force Majeure which qualifies for a delay; or

viii. A petition is filed in bankruptcy, or other bankruptcy or similar proceeding is commenced by or against Developer or any partner of Developer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect which is not released within ninety (90) days; or

ix. After the Construction Closing for a Phase, the failure of Developer to consummate the funding of the Construction Loan or Permanent Loan for such Phase, or any other financing approved by HACR for such Phase within the time period required by such financing documents, subject to a Force Majeure which qualifies for a delay; or

x. After the Construction Closing for a Phase, and subject to applicable notice and cure periods, the failure of Developer to receive the installments of capital contributions for such Phase in accordance with the terms and conditions of the First Amended and Restated Agreement of Limited Partnership of the applicable Developer for such Phase.

As provided hereinbelow, the party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with diligence. The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the date of default.

Except as required to protect against further damages, the injured party may not institute legal proceedings against the party in default until an "Event of Default" (as such term is hereinafter defined) has occurred. For purposes of this DDLA, an "Event of Default" for purposes of instituting legal proceedings by a non-defaulting party against the defaulting party shall mean that

a default as described above has occurred, and such default has continued uncured for thirty (30) calendar days after notice thereof is mailed, or, if the default cannot reasonably be cured in thirty (30) calendar days, without the defaulting party commencing to diligently cure for thirty (30) calendar days after notice thereof in writing is mailed by the injured party to the defaulting party; provided, however, that if a different period or notice requirement is specified for any particular default under any other provision of this DDLA, including any of the Attachments, or any agreement referred to herein under which the default has occurred, the specific provision shall control; and provided further, that if such failure is not reasonably capable of being cured within such thirty (30) day or different period, despite the defaulting party's good faith and timely efforts, such time as is reasonably necessary to complete such cure but in no event shall such time exceed ninety (90) calendar days after notice thereof is mailed to the defaulting party.

The occurrence of an "Event of Default" hereunder shall entitle HACR to declare all amounts outstanding under the Predevelopment Note or Promissory Note for the applicable Phase, as applicable, immediately due and payable and pursue any other remedies permitted by law. Prepayment of the HACR Loan, whether a result of a default or due to another occurrence, shall not result in a termination of the Developer's obligations under the Agreement Containing Covenants.

Any cure of a default hereunder that is made or tendered by the Tax Credit Investor for the applicable Phase shall be accepted or rejected on the same basis as if made by the Developer.

Section 5.2 Termination

(a) Termination by Developer Prior to the Closing

In the event that Developer fails, after diligent best efforts but prior to the Outside Closing Date for a Phase, to obtain Entitlements necessary for the development of the applicable Phase, or to secure financing necessary to construct the Improvements for such Phase and operate the Project thereon, then this DDLA may, at the option of the Developer, be terminated as to such Phase by written notice thereof to HACR. In the event of the Developer's exercise of such termination, the right of termination provided in this Section shall be Developer's sole and exclusive remedy with respect to such Phase.

(b) No Limitation

The foregoing right to terminate shall not in any way limit Developer or HACR's right to terminate this DDLA in an Event of Default.

(c) Automatic Termination

This DDLA shall automatically terminate upon the Outside Closing Date in the event the Closing has not occurred by such date, unless such Outside Closing Date has been extended in accordance with the terms of this DDLA.

(d) Survival of Terms After Termination

Except as otherwise expressly provided herein, following any termination, neither HACR nor the Developer shall have any further rights against or liability to the other under this DDLA or otherwise with respect to the subject matter of this DDLA. Developer's

indemnification obligations under this DDLA shall remain in force following such termination with respect to any Losses and Liabilities that arose or were incurred prior the date of termination.

Section 5.3 Remedies of the Parties for Default

(a) Acceleration of HACR Loan

Upon the occurrence of an Event of Default, at the option of HACR and in addition to any other remedies available to HACR at law or in equity, and subject to any applicable terms of any subordination agreement to which HACR is a party, HACR may declare all amounts outstanding under the Predevelopment Note or Promissory Note for the applicable Phase, as applicable, immediately due and payable. For purposes of this DDLA, repayment of any or all amounts outstanding under the Predevelopment Note or Promissory Note for the applicable Phase, as applicable, shall not constitute a cure for any default hereunder other than a default resulting from a failure to pay any sums when due under such note for that Phase. The covenants set forth in the Agreement Containing Covenants shall remain in effect throughout the Affordability Period and survive any termination of this DDLA or payment or prepayment of the HACR Loan prior to the expiration of the Affordability Period.

(b) Survival

Developer's indemnification obligations under this DDLA shall survive any termination of this DDLA and/or any repayment of the HACR Loan, as applicable, for any Losses and Liabilities that arose or were incurred prior to the date of termination or repayment, as applicable.

(c) Limitation on Liability

Notwithstanding anything to the contrary contained herein, neither Developer nor HACR shall in any event be entitled to, and each hereby waives, any right to seek loss of profits, or any special, incidental or consequential damages of any kind or nature, however caused, from the other Party arising out of or in connection with this DDLA, even if the other Party has been advised of the possibility of the damages, and in connection with such waiver each Party is familiar with and hereby waives the provision of § 1542 of the California Civil Code which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

(d) Inaction Not a Waiver of Default

Any failures or delays by either party 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, or deprive either such party 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.

Section 5.4 Attorneys' Fees

In any action between the Parties to interpret, enforce, reform, modify, rescind or otherwise in connection with any of the terms or provisions of this DDLA, the prevailing Party in the action

or other proceeding shall be entitled, in addition to damages, injunctive relief or any other relief to which it might be entitled under this DDLA, reasonable costs and expenses including, without limitation, litigation costs, expert witness fees and reasonable attorneys' fees.

(a) As used herein, the terms "attorneys' fees" or "attorneys' fees and costs" means the fees and expenses of counsel to the Parties hereto (including, without limitation, in-house or other counsel employed by HACR or Developer) which may include printing, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and others not admitted to the bar but performing services under the supervision of an attorney and fees and costs for expert witnesses. The terms "attorneys' fees" or "attorneys' fees and costs" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, arbitrations and bankruptcy proceedings, and whether or not any action or proceeding is brought with respect to the matter for which said fees and expenses were incurred.

Section 5.5 Institution of Legal Actions

Subject to the notice and cure provisions of Section 5.1, in addition to any other rights or remedies (and except as otherwise provided in this DDLA), either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this DDLA. Such legal actions must be instituted in the Superior Court of the County of Riverside, State of California.

Section 5.6 Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this DDLA.

Section 5.7 Acceptance of Service of Process

(a) In the event that any legal action is commenced by Developer against HACR, service of process shall be made by personal service upon Executive Director and shall be valid whether made within or outside the State of California, or in such manner as may be provided by law.

(b) In the event that any legal action is commenced by HACR against Developer, service of process on Developer shall be made by personal service upon Developer (or upon an officer of Developer) and shall be valid whether made within or outside the State of California, or in such manner as may be provided by law.

Section 5.8 Rights and Remedies Are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this DDLA, the rights and remedies of the Parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

Section 5.9 Damages

Subject to the limitations set forth in Section 5.3(c) above, if either party defaults with regard to any of the provisions of this DDLA, subject to the notice and cure provisions of Section 5.1, the

defaulting party shall be liable to the non-defaulting party for any damages caused by such default, and the non-defaulting party may, after such notice and opportunity to cure (but not before) commence an action for damages against the defaulting party with respect to such default.

Section 5.10 Termination

Prior to the Close of Escrow, either party shall have the right to terminate this DDLA in the event the other party is in default of any material term or provision of this DDLA, and, following notice, fails to cure such default within the time provided in Section 5.1.

Section 5.11 Specific Performance

If either party defaults with regard to any of the provisions of this DDLA, subject to the notice and cure provisions of Section 5.1, the non-defaulting party, at its option, may, after such notice and opportunity to cure (but not before) commence an action for specific performance of the terms of this DDLA pertaining to such default.

(a) In the event Developer fails to complete the development and construction of the Project for a Phase within the time frame set forth in the Schedule of Performance, or any extension of time which is permitted under this DDLA, after expiration of applicable notice and cure periods, HACR may commence an action for specific performance of the terms of this DDLA pertaining to such failure for such Phase.

(b) In addition to HACR's rights set forth in paragraph (a) of this Section, before Completion in accordance with this DDLA, HACR shall have the additional right to seek a specific performance under this DDLA in the event any of the following defaults shall occur with respect to a Phase:

(1) Developer fails to cause the maintenance of the applicable Phase Parcel, or fails to cause the commencement of construction of the Improvements for such Phase as required by this DDLA, for a period of thirty (30) days after written notice from HACR, provided that Developer shall not have obtained an extension or postponement to which Developer may be entitled pursuant to Section 6.4 hereof; or

(2) Subject to Force Majeure, Developer abandons a portion of the applicable Phase Parcel or substantially suspends construction of the Improvements for such Phase for a period of thirty (30) days and fails to commence construction within thirty (30) days after written notice has been given by HACR to Developer, provided Developer has not obtained an extension or postponement to which Developer may be entitled pursuant to Section 6.4 hereof; or

(3) Except as otherwise permitted by the terms of the DDLA, including, without limitation, Permitted Transfers, Developer assigns or attempts to assign this DDLA, or any rights herein, or transfers, or suffers any involuntary transfer of the applicable Phase Parcel, or any part thereof, in violation of this DDLA,

and such breach is not cured within thirty (30) days after the date of written notice there; or

(4) Developer otherwise materially breaches this DDLA, and such breach is not cured within the respective times provided in Section 5.1 of this DDLA.

(c) The cure periods established in paragraphs a. and b. shall run concurrently with one another and with any other rights to cure set forth in this DDLA or any other instrument.

(d) Notwithstanding anything to the contrary contained herein, after the Closing for a Phase HACR shall have the right to seek specific performance with respect to such Phase for which such default has occurred.

ARTICLE 6 GENERAL PROVISIONS

Section 6.1 Notices, Demands and Communications between the Parties

Formal notices, demands and communications between HACR and Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of HACR and Developer, as designated in Sections 1.4 and 1.5 hereof. Such written notices, demands and communications to HACR shall be addressed to the Executive Director with a copy to Riverside County Counsel and shall be sent in the same manner to such other addresses as either Party may from time to time designate by mail as provided in this Section 6.1. Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice 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 the recipient; and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof. The notice address for the Tax Credit Investor is: Wincopin Circle LLLP, c/o Enterprise Community Asset Management, Inc., 11000 Broken Land Parkway, Suite 800, Columbia, Maryland 21044, Attention: General Counsel, with a copy to: Gallagher LLP, 218 North Charles Street, Suite 400, Baltimore, Maryland 21201, Attention: Jessica Weston, Esq.

Section 6.2 Conflicts of Interest

(a) No member, official or employee of HACR shall have any personal interest, direct or indirect, in this DDLA nor shall any such member, official or employee participate in any decision relating to the DDLA which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

(b) Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this DDLA.

Section 6.3 Nonliability of HACR Officials and Employees

No member, official, employee or consultant of HACR shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by HACR or for any

amount which may become due to Developer or to its successor, or on any obligations under the terms of this DDLA.

Section 6.4 Force Majeure

In addition to specific provisions of this DDLA, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to Force Majeure Events.

Section 6.5 Inspection of Books and Records

Developer shall maintain complete, accurate, and current records, accounts, documentation and other material pertaining to the Property and the Project and its financing for a period of five (5) years after the Affordability Period of this DDLA expires, and shall permit any duly authorized representative, designee or invitee of HACR, upon reasonable advance notice, to inspect and copy records, including records pertaining to income and household size of tenants, during regular business hours. Records must be kept accurate and current.

Section 6.6 Approvals; Non-Substantive Amendments

(a) Except as otherwise expressly provided in this DDLA, approvals required of HACR or Developer in this DDLA, including the attachments hereto, shall not be unreasonably withheld or delayed. All approvals shall be in writing. Failure by either party to approve a matter within the time provided for approval of the matter shall not be deemed disapproval, and failure by either party to disapprove a matter within the time provided for approval of the matter shall not be deemed an approval.

(b) Except as otherwise expressly provided in this DDLA, approvals required of HACR shall be deemed granted by the written approval of the Executive Director. Notwithstanding the foregoing, the Executive Director may, in his or her sole discretion, refer to the governing body of HACR any item requiring HACR approval; otherwise, "HACR approval" means and refers to approval by the Executive Director or designee.

(c) The Executive Director shall have the authority to make non-substantive changes to the attachments to this DDLA in order to ensure that all such attachments are consistent with the terms and provisions of this DDLA.

Section 6.7 Real Estate Commissions

Neither HACR nor Developer shall be liable for any real estate commissions, brokerage fees or finder's fees which may arise from the sale of any portion of the Property to Developer. HACR and Developer each represent to the other that it has employed no broker, agent, or finder in connection with this transaction.

Section 6.8 Further Assurances

Developer shall execute any further documents consistent with the terms of this DDLA, including documents in recordable form, as HACR may from time to time find necessary or appropriate to effectuate its purposes in entering into this DDLA.

Section 6.9 Construction and Interpretation of Agreement

(a) The language in all parts of this DDLA shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any party. The Parties hereto acknowledge and agree that this DDLA has been prepared jointly by the Parties and has been the subject of arm's length and careful negotiation over a considerable period of time, that each party has been given the opportunity to independently review this DDLA with legal counsel, and that each party has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this DDLA, this DDLA shall not be interpreted or construed against the party preparing it, and instead other rules of interpretation and construction shall be utilized.

(b) If any term or provision of this DDLA, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this DDLA shall not be affected thereby and each other term and provision of this DDLA shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the Parties hereto that in lieu of each clause or provision of this DDLA that is illegal, invalid, or unenforceable, there be added as a part of this DDLA an enforceable clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible.

(c) The captions of the articles, sections, and subsections herein are inserted solely for convenience and under no circumstances are they or any of them to be treated or construed as part of this instrument.

(d) References in this instrument to this "DDLA" or this "Agreement" mean, refer to and include this instrument as well as any riders, exhibits, addenda and attachments hereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in this instrument. Any references to any covenant, condition, obligation, and/or undertaking "herein," "hereunder," or "pursuant hereto" (or language of like import) means, refer to, and include the covenants, obligations, and undertakings existing pursuant to this instrument and any riders, exhibits, addenda, and attachments or other documents affixed to or expressly incorporated by reference in this instrument.

(e) As used in this DDLA, and as the context may require, the singular includes the plural and vice versa, and the masculine gender includes the feminine and vice versa.

Section 6.10 Time of Essence

Time is of the essence with respect to the performance of each of the covenants and agreements contained in this DDLA.

Section 6.11 No Partnership

Nothing contained in this DDLA shall be deemed or construed to create a lending partnership, other partnership, joint venture, or any other relationship between the Parties hereto other than purchaser and seller and lender and borrower according to the provisions contained

herein, or cause HACR to be responsible in any way for the debts or obligations of Developer, or any other party.

Section 6.12 Compliance with Law

Developer agrees to comply with all the Governmental Requirements now in force, or which may hereafter be in force, of all Governmental Authorities, pertaining to the Property, and the Improvements, as well as operations conducted thereon. The judgment of any court of competent jurisdiction, or the admission of Developer or any lessee, tenant or permittee in any action or proceeding against them, or any of them, whether HACR be a party thereto or not, that Developer, tenant, lessee or permittee has violated any such ordinance or statute in the use of the premises shall be conclusive of that fact as between HACR and Developer.

Section 6.13 Binding Effect

This DDLA, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors and assigns.

Section 6.14 No Third Party Beneficiaries

The Parties to this DDLA acknowledge and agree that the provisions of this DDLA are for the sole benefit of HACR and Developer, and not for the benefit, directly or indirectly, of any other person or entity, except as otherwise expressly provided herein.

Section 6.15 Authority to Sign

Developer hereby represents that the persons executing this DDLA on behalf of Developer have full authority to do so and to bind Developer to perform pursuant to the terms and conditions of this DDLA.

Section 6.16 Incorporation by Reference

Each of the attachments and exhibits attached hereto is incorporated herein by this reference.

Section 6.17 Counterparts

This DDLA and any attachment to be executed by the Parties may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

ARTICLE 7 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

(a) This DDLA shall be executed in three duplicate originals each of which is deemed to be an original. This DDLA, including all attachments hereto and exhibits appended to such attachments shall constitute the entire understanding and agreement of the Parties.

(b) This DDLA integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the Property.

(c) All waivers of the provisions of this DDLA must be in writing and signed by the appropriate authorities of HACR or Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of HACR and Developer. This DDLA and any provisions hereof may be amended by mutual written agreement by Developer and HACR with the prior consent of the Tax Credit Investor.

ARTICLE 8 EFFECTIVE DATE OF AGREEMENT

This DDLA shall be dated for reference purposes as of the date set forth in the introductory paragraph hereof, but shall not be effective until approved by the Board of Commissioners and executed by Executive Director and Developer.

[signature page follows]

IN WITNESS WHEREOF, the Parties have executed this DDLA as of the dates written below.

HACR:	**DEVELOPER:**
HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE, a public body corporate and politic By: _____ Heidi Marshall, Executive Director Date: _____ APPROVED AS TO FORM: Minh C. Tran, County Counsel _____ Amrit P. Dhillon, Deputy County Counsel	VILLA VERDE I, L.P., A California limited partnership Villa Verde I GP, LLC, a California limited company By: Abode Communities, a California nonprofit corporation, its sole member By: _____ Lara Regus, Senior Vice President, Development Date: _____ VILLA VERDE II, L.P., A California limited partnership Villa Verde II GP, LLC, a California limited company By: Abode Communities, a California nonprofit corporation, its sole member By: _____ Lara Regus, Senior Vice President, Development Date:

(HACR and Developer SIGNATURES MUST BE NOTARIZED)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

ATTACHMENT NO. 1

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL A OF CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 2025-07, RECORDED NOVEMBER 24, 2025, AS INSTRUMENT NO. 2025-0367790, OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THAT PORTION OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, ON FILE IN BOOK 4, OF MAPS, PAGE 53, TOGETHER WITH THAT PORTION OF GRANT DEED RECORDED MAY 22, 2014, AS DOCUMENT NO. 2014-0186966, OFFICIAL RECORDS OF SAID COUNTY, LOCATED IN THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 89°51'42" EAST ALONG THE NORTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE NORTHEAST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF CALLE VERDE AND CALLE EMPALME; THENCE NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 109.68 FEET TO THE **TRUE POINT OF BEGINNING;** THENCE CONTINUING NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 163.87 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF CALLE TECHA, AS SHOWN IN BOOK 245, OF MAPS, PAGES 84-86, INCLUSIVE; THENCE ALONG SAID WESTERLY RIGHTOF-WAY LINE OF CALLE TECHA THE FOLLOWING (5) COURSES:

1) SOUTH 00°05'14" EAST, A DISTANCE OF 30.81 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 20.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 00°05'14" WEST;

2) SOUTHEASTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 31.42 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 538.88 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 89°54'46" WEST;

3) SOUTHERLY ALONG THE ARC OF SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 06°22'52", AN ARC DISTANCE OF 60.02 FEET;

4) SOUTH 06°28'06" EAST, A DISTANCE OF 368.46 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 478.88 FEET;

5) SOUTHERLY ALONG THE ARC OF SAID TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 06°23'04", AN ARC DISTANCE OF 53.36 FEET TO THE NORTHEAST CORNER OF GRANT DEED Order No: 09195208-917-CG8-KRE RECORDED DECEMBER 11, 1998, AS DOCUMENT NO. 1998-538889, OFFICIAL RECORDS OF SAID COUNTY, A RADIAL LINE TO SAID POINT BEARS NORTH 89°54'58" EAST;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY- LINE SOUTH 89°54'49" WEST ALONG THE NORTHERLY LINE OF SAID DOCUMENT NO. 1998-538889, A DISTANCE OF 150.00 FEET TO THE NORTHWEST CORNER OF SAID DOCUMENT NO. 1998-538889; THENCE SOUTH 00°05'02" EAST ALONG THE WESTERLY LINE OF SAID DOCUMENT NO. 1998-538889, A DISTANCE OF 99.93 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 1998-538889, SAID POINT ALSO BEING THE NORTHEAST CORNER OF GRANT DEED RECORDED DECEMBER 01, 2008, AS DOCUMENT NO 2008-0632058, OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH 89°54'49" WEST ALONG THE NORTHERLY LINE OF SAID DOCUMENT NO. 2008-0632058, A DISTANCE OF 190.62 FEET TO THE NORTHWEST CORNER OF SAID DOCUMENT NO 2008-0632058; THENCE SOUTH 00°06'11" EAST ALONG THE WESTERLY LINE OF SAID DOCUMENT NO. 2008-0632058, SAID LINE ALSO BEING THE EASTERLY LINE OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 30.00 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 2008-0632058, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE SOUTH 89°51'42" WEST ALONG THE SOUTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE SOUTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 00°06'11" WEST ALONG THE WESTERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 290.29 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 90°00'00" EAST, A DISTANCE OF 136.46 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.50 FEET; THENCE NORTH 90°00'00" EAST, A DISTANCE OF 94.97 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.71 FEET; THENCE NORTH 90°00'00" EAST, A DISTANCE OF 207.58 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.63 FEET, TO THE **TRUE POINT OF BEGINNING.**

APN: 768-400-001-8 (PORTION AND 768-350-002-5 (PORTION)

PARCEL B OF CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 2025-07, RECORDED NOVEMBER 24, 2025, AS INSTRUMENT NO. 2025-0367790, OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THAT PORTION OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, ON FILE IN BOOK 4, OF MAPS, PAGE 53, TOGETHER WITH THAT PORTION OF GRANT DEED RECORDED MAY 22, 2014, AS DOCUMENT NO. 2014-0186966, OFFICIAL RECORDS OF SAID COUNTY, LOCATED IN THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 89°51'42" EAST ALONG THE NORTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE NORTHEAST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF CALLE VERDE AND CALLE EMPALME; THENCE NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 109.68 FEET; THENCE LEAVING SAID CENTERLINE SOUTH 00°00'00" WEST, A DISTANCE OF 123.63 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 207.58 FEET; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 123.71 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 94.97 FEET; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 123.50 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 136.46 FEET TO THE WESTERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 00°06'11" WEST ALONG SAID WESTERLY LINE, A DISTANCE OF 369.95 FEET, TO THE POINT OF BEGINNING.

APN: 768-400-001-8 (PORTION), 768-350-002-5 (PORTION)

Parcel A: Assessor's Parcel Number 768-400-001 and 84824 Calle Verde, Coachella
Parcel B: Assessor's Parcel Number 768-350-002 and 84679 Calle Verde, Coachella

CONTAINING 99,713 SQUARE FEET OR 2.289 ACRES MORE OR LESS.

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

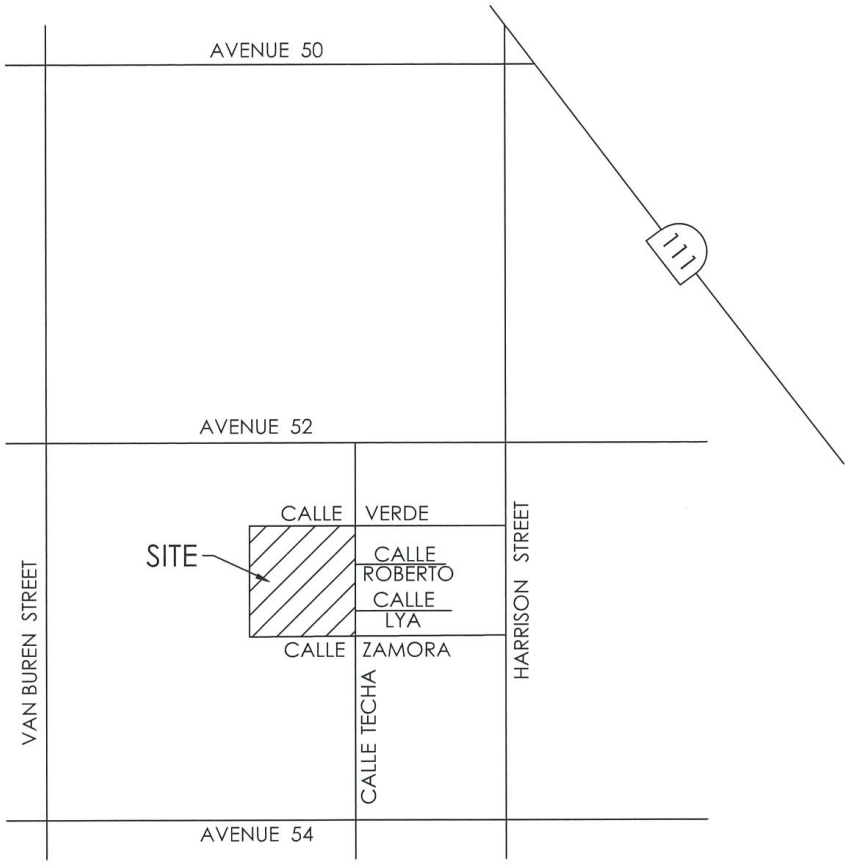
PREPARED BY OR UNDER THE DIRECTION OF:

LUKE R. BEVERLY P.L.S. 8223

DATED: 9/17/2025

EXHIBIT "B"

LOT LINE ADJUSTMENT NO. 2025-07



PROFESSIONAL LAND SURVEYOR
LUKE R. BEVERLY
No. 8223
STATE OF CALIFORNIA

DATED: 9/17/2025

NORTH

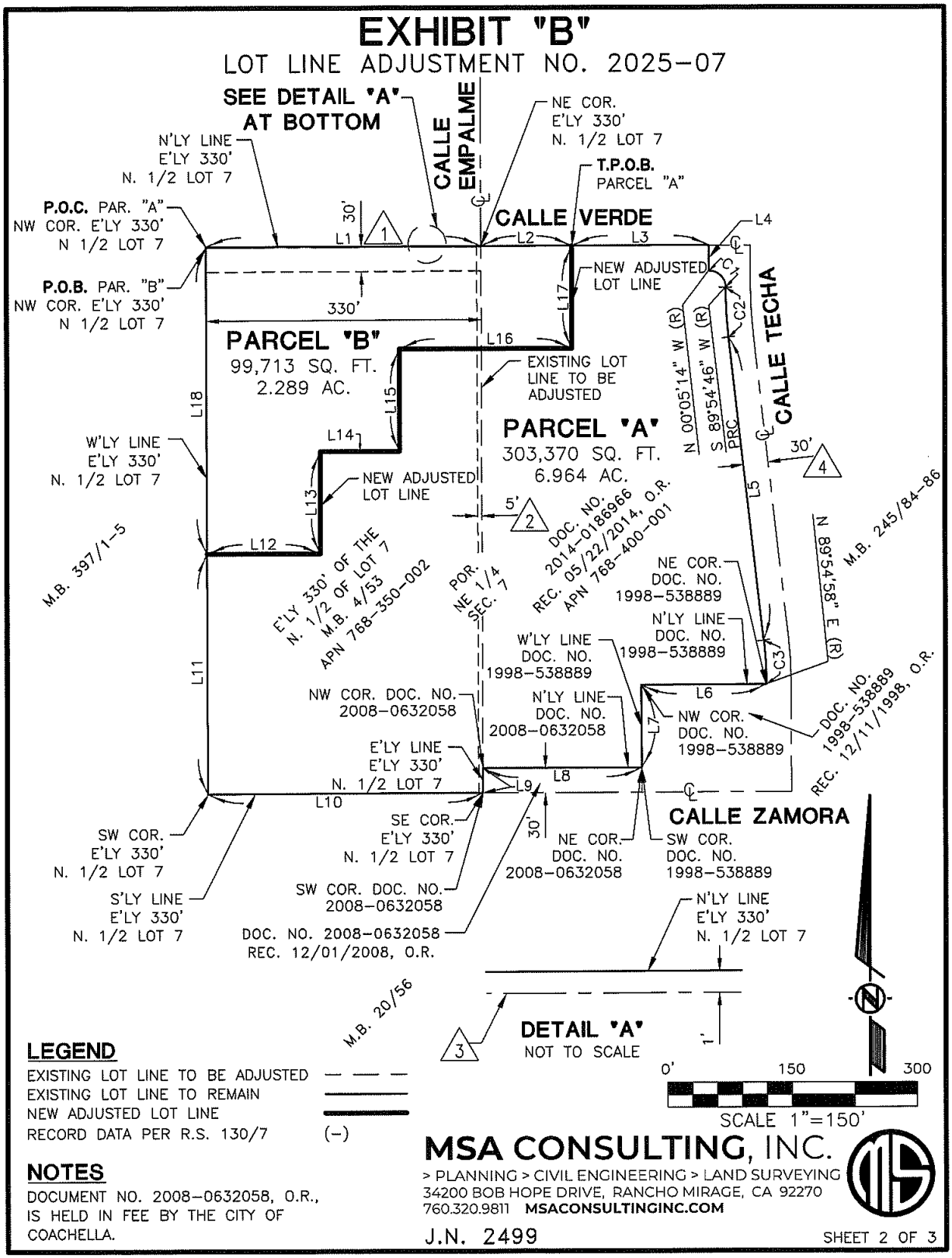
VICINITY MAP
N.T.S.

MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 **MSACONSULTINGINC.COM**

J.N. 2499

SHEET 1 OF 3

Attachment No. 1 – Legal Description



Attachment No. 1 – Legal Description

EXHIBIT "B"

LOT LINE ADJUSTMENT NO. 2025-07

LINE DATA		
NO.	BEARING	LENGTH
L1	(N 89°51'42" E	330.00')
L2	N 89°57'04" E	109.68'
L3	N 89°57'04" E	163.87'
L4	(S 00°05'14" E	30.81')
L5	(S 06°28'06" E	368.46')
L6	(S 89°54'49" W	150.00')
L7	S 00°05'02" E	99.93'
L8	S 89°54'49" W	190.62'
L9	S 00°06'11" E	30.00'
L10	(S 89°51'42" W	330.00')
L11	N 00°06'11" W	290.29'
L12	N 90°00'00" E	136.46'
L13	N 00°00'00" E	123.50'
L14	N 90°00'00" E	94.97'
L15	N 00°00'00" E	123.71'
L16	N 90°00'00" E	207.58'
L17	N 00°00'00" E	123.63'
L18	N 00°06'11" W	369.95'

CURVE DATA			
NO.	DELTA	RADIUS	LENGTH
C1	(90°00'00"	20.00'	31.42')
C2	(06°22'52"	538.88'	60.02')
C3	(06°23'04"	478.88'	53.36')

EASEMENT NOTES

1. 30' ESMT. FOR ROADWAY PURPOSES PER DOC. NO. 2014-0186967, REC. 05/22/2014, O.R.

2. 5' WIDE ESMT. IN FAVOR OF ABDELNOUR, FOR PIPELINE PURPOSES, PER BK. 1156, PG. 280, REC. 03/15/1950, O.R., AND RE-RECORDED IN BK. 1190, PG. 174, REC. 07/18/1950, O.R.

3. C/L OF UNKNOWN WIDTH ESMT. IN FAVOR OF IID, FOR POWERLINES, PER BK. 1386, PG. 506, REC. 07/23/1952, O.R.

4. 30' RIGHT-OF-WAY HALF WIDTH AS SHOWN IN M.B. 245/84-86.

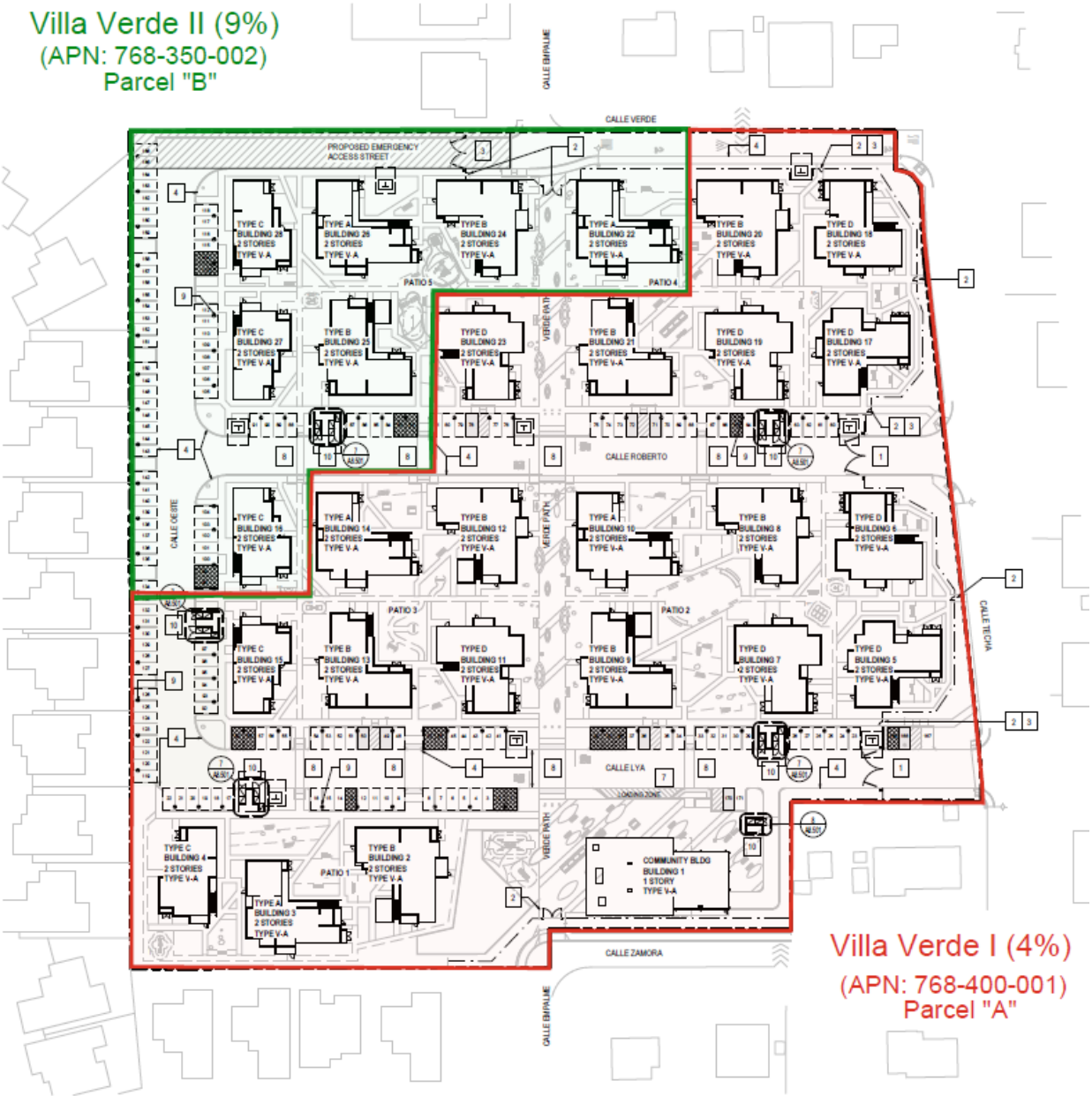
5. RESERVATIONS AND CONDITIONS AS SET OUT IN THE DEED FROM SOUTHERN PACIFIC RAILROAD COMPANY, PER BK. 111, PG. 339 OF DEEDS, REC. 07/16/1888, IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, CALIFORNIA. (BLANKET IN NATURE – NOT PLOTTABLE).

MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 **MSACONSULTINGINC.COM**

J.N. 2499

ATTACHMENT NO. 2

SITE MAP



ATTACHMENT NO. 3

METHOD OF FINANCING

This Method of Financing is attached to the Amended and Restated Disposition, Development and Loan Agreement ("DDLA") between the Housing Authority of the County of Riverside ("HACR") and Villa Verde I, L.P. and Villa Verde II, L.P. (each, individually, a "Developer," and collectively, the "Developers"), pertaining to the conveyance of certain real property located in the City of Coachella (the "Property") for development of the Villa Verde Project.

For purposes of this Agreement:

Villa Verde I, L.P. shall develop and own the 4% Phase, and

Villa Verde II, L.P. shall develop and own the 9% Phase,
(each Phase being developed on its own parcel and referred to herein as a "Phase Parcel").

Each Developer is solely responsible for its respective Phase and Phase Parcel, including financing, construction, and operations.

The overall Project will consist of approximately 152 total units, of which Villa Verde I, L.P. will construct approximately 116 units (the 4% Phase) and Villa Verde II, L.P. will construct approximately 36 units (the 9% Phase).

Each Phase will include a mix of 1-, 2-, and 3-bedroom units, community and resident amenities (including a community room, laundry facilities, and management offices), parking, and common open space.

1. **Purchase Price**. Each Phase Parcel will be conveyed by HACR to the applicable Developer at its respective Closing for fair market value as supported by appraisal, financed through a separate Seller Loan (collectively, the "**HACR Loans**"). Each Seller Loan shall be evidenced by a separate Promissory Note and Deed of Trust corresponding to the applicable Phase.

2. **Sources of Financing.** Each Phase will be separately financed through independent funding sources as approved by HACR, which hereby approves the financing described below.

a. Villa Verde I, L.P. (4% Phase)

- Tax-Exempt Bonds and 4% LIHTCs
- HCD and County subordinate loans (including the HACR Loan applicable to the 4% Phase)
- City of Coachella Measure U funds (if applicable)
- Deferred Developer Fee
- Equity from the 4% LIHTC investor

b. Villa Verde II, L.P. (9% Phase)

- 9% LIHTCs
- HCD and County subordinate loans (including the HACR Loan applicable to the 9% Phase)
- City of Coachella Measure U or other local funds
- Deferred Developer Fee
- Equity from the 9% LIHTC investor

Each Phase shall close financing and construction independently, but all conditions precedent identified in Section 2.15 of the DDLA must be satisfied prior to the closing of either Phase.

3. **Project Budget**

a. The Parties anticipate that all Development Costs for each Phase and operations shall be set forth in the updated Project Budget for each Phase submitted by Developer to HACR in connection with Construction Closing. Prior to the Closing, HACR shall have the right to approve, which approval shall not be unreasonably withheld, conditioned or delayed, an updated Project Budget, which Project Budget shall be in the form attached hereto as Attachment No. 7. The Project Budget for each Phase shall demonstrate that the development and operation of the Project are financially feasible.

b. The Development Costs in the Project Budget approved by HACR for each Phase prior to Closing shall not be subject to change except upon the approval of HACR; provided, however, the use of any funds from a contingency line item in the Project Budget shall not require the approval of HACR.

4. **No Subordination of Affordability Covenants.** Notwithstanding anything to the contrary herein or in the DDLA, the affordability covenants (rent and income restrictions) contained in the Agreement Containing Covenants (Attachment No. 11 the DDLA) for each Phase shall be senior to all security instruments for all loans secured against the Property. Upon the request of any Senior Lender, all other provisions of the Agreement Containing Covenants may be subordinated to the Senior Financing pursuant to a subordination agreement in a form to be approved in the Executive Director's reasonable discretion.

5. **Evidence of Financing and Marketing Plan.**

a. Construction Financing. The sum of the Construction/Permanent Loans for each Phase shall be sufficient at all times to pay all Development Costs for such Phase and operate the Project as set forth in the HACR approved Project Budget. To the extent that the sum of the Construction/Permanent Loans is insufficient to pay all Development Costs and operate the Project, Developer shall submit evidence acceptable to HACR that additional funds will be available as and when required to fully pay for all Development Costs and operations for the applicable Phase

b. Marketing Plan. Developer shall prepare and submit to HACR for review a marketing plan containing the overall plan for marketing of the Restricted Units in each Phase, indicating the start and duration of the marketing period, methods of dissemination of information to the public, selection criteria, etc. HACR shall not unreasonably withhold its approval of the Marketing Plan.

6. **Initial Operating Budget.** Developer shall prepare an initial annual budget for the operation of each Phase, as well as a projected cash flow for at least fifteen (15) years, to be included in the Project Budget for such Phase (together, the "**Initial Operating Budget**"). If Developer determines that the Initial Operating Budget needs to be amended upon conversion to permanent financing for reasons that were not reasonably foreseeable when the Initial Operating Budget was prepared, Developer shall submit an amended annual Operating Budget for each Phase to HACR in a Project Budget updated as of conversion to permanent financing, which shall be the same Operating Budget provided to the permanent lender(s) at conversion to permanent financing. The amended annual Operating Budget for each Phase shall be for HACR's reference but shall not require HACR's approval.

ATTACHMENT NO. 4

SCHEDULE OF PERFORMANCE FOR PHASE I

1.	Financing. Developer shall timely submit applications for financing for the Project.	Following HACR approval and execution of the DDLA, but in no event later than March 31, 2026.
2.	Additional Financing. If necessary, Developer shall re-apply for financing for the Project or apply for additional financing.	Following HACR approval and execution of the DDLA, but in no event later than June 30, 2026.
3.	Project Budget and Plans. Developer shall submit to HACR the updated Project Budget and Plans in accordance with Section 3.4.	A draft updated Project Budget and Plans shall be submitted not later than 90 days prior to the date proposed for Construction Closing, with a final Project Budget delivered prior to Construction Closing.
4.	Escrow - Disposition of the Property from HACR to Developer. Developer and HACR shall open Escrow for the sale of the Property.	At least 90 days prior to the date proposed for Construction Closing but in no event later than 60 days prior to the Outside Closing Date.
5.	Conditions Precedent to the Close of Escrow for the Sale of the Property to Developer. Developer shall satisfy all conditions precedent to the Close of Escrow set forth in Section 2.15 of the DDLA.	Not later than the later to occur of (i) the Outside Closing Date, or (ii) such date as required by TCAC pursuant to an award of LIHTCs made prior to the Outside Closing Date.
6.	Closing Date. Conveyance of the Property by HACR to Developer provided all conditions precedent in Section 2.15 of DDLA remain satisfied.	Not later than the later to occur of (i) the Outside Closing Date, or (ii) such date as required by TCAC pursuant to an award of LIHTCs made prior to the Outside Closing Date.
7.	Submission – Final Construction Drawings and Related Documents. Developer shall submit complete Final Plans, including landscape and grading documents for the Project to HACR pursuant to Section 3.4 of the DDLA.	Within 30 days after the Closing Date.

8.	Evidence of Financing. Developer shall submit to HACR evidence of financing necessary for the acquisition and development of the Project.	Developer shall exercise commercially reasonable best efforts to submit Evidence of Financing to HACR at least 60 days prior to Construction Closing, but in any

		event no later than the earlier to occur of (i) 30 days prior to the Outside Closing Date, or (ii) promptly upon receipt by Developer or Partnership Assignee of commitment letters, award letters, draft loan documents and draft partnership agreement.
9.	Construction Commencement. Developer shall commence construction of the Project.	Within 15 days of the Closing Date.
10.	Construction Completion. Developer shall complete construction of the Improvements for the Project (as shown on the Final Construction Drawings upon which Developer's building permit is based).	Within thirty-six (36) months of the Construction Closing Date.
11.	Units Offered for Rent. Developer shall cause the Units within the Project to be offered for rent.	Within one hundred (100) days after Completion of construction.

SCHEDULE OF PERFORMANCE FOR PHASE II

12.	Financing. Developer shall timely submit applications for financing for the Project.	Following HACR approval and execution of the DDLA, but in no event later than March 31, 2026.
13.	Additional Financing. If necessary, Developer shall re-apply for financing for the Project or apply for additional financing.	Following HACR approval and execution of the DDLA, but in no event later than June 30, 2026.
14.	Project Budget and Plans. Developer shall submit to HACR the updated Project Budget and Plans in accordance with Section 3.4.	A draft updated Project Budget and Plans shall be submitted not later than 90 days prior to the date proposed for Construction Closing, with a final Project Budget delivered prior to Construction Closing.
15.	Escrow - Disposition of the Property from HACR to Developer. Developer and HACR shall open Escrow for the sale of the Property.	At least 90 days prior to the date proposed for Construction Closing but in no event later than 60 days prior to the Outside Closing Date.

16.	Conditions Precedent to the Close of Escrow for the Sale of the Property to Developer. Developer shall satisfy all conditions precedent to the Close of Escrow set forth in Section 2.15 of the DDLA.	Not later than the later to occur of (i) the Outside Closing Date, or (ii) such date as required by TCAC pursuant to an award of LIHTCs made prior to the Outside Closing Date.
17.	Closing Date. Conveyance of the Property by HACR to Developer provided all conditions precedent in Section 2.15 of DDLA remain satisfied.	Not later than the later to occur of (i) the Outside Closing Date, or (ii) such date as required by TCAC pursuant to an award of LIHTCs made prior to the Outside Closing Date.
18.	Submission – Final Construction Drawings and Related Documents. Developer shall submit complete Final Plans, including landscape and grading documents for the Project to HACR pursuant to Section 3.4 of the DDLA.	Within 30 days after the Closing Date.

19.	Evidence of Financing. Developer shall submit to HACR evidence of financing necessary for the acquisition and development of the Project.	Developer shall exercise commercially reasonable best efforts to submit Evidence of Financing to HACR at least 60 days prior to Construction Closing, but in any event no later than the earlier to occur of (i) 30 days prior to the Outside Closing Date, or (ii) promptly upon receipt by Developer of commitment letters, award letters, draft loan documents and draft partnership agreement.
20.	Construction Commencement. Developer shall commence construction of the Project.	Within 15 days of the Closing Date.
21.	Construction Completion. Developer shall complete construction of the Improvements for the Project (as shown on the Final Construction Drawings upon which Developer's building permit is based).	Within thirty-six (36) months of the Construction Closing Date.
22.	Units Offered for Rent. Developer shall cause the Units within the Project to be offered for rent.	Within one hundred (100) days after Completion of construction.

ATTACHMENT NO. 5

GRANT DEED

(attached)

OFFICIAL BUSINESS.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh, Assistant Executive Director

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APNS: 768-400-001

OFFICIAL BUSINESS
Document entitled to free
recording per Government
Code Section 27383

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic, herein called "Grantor," hereby grants to Villa Verde I, L.P., a California limited partnership, herein called "Grantee," the real property, hereinafter referred to as the "Property," described in Exhibit "A" hereto and incorporated herein by this reference.

1. SUBJECT TO:

(a) Taxes and assessment which are a lien, but which are not yet billed, or are billed but are not yet due and payable, including non-delinquent real property taxes and non-delinquent special assessments.

(b) All covenants, conditions, easements, restrictions, liens, encumbrances, other matters of record, and all matters affecting the status of title which are discoverable by an accurate survey; and

(c) All laws, regulations or ordinances (including, but not limited to, zoning, building and environmental laws, regulations and ordinances) applicable to the Property.

2. Title to the Property is conveyed hereto subject to all recorded liens, encumbrances, covenants, encroachments, assessments, easements, leases and taxes.

3. The Grantee covenants and agrees for itself and its successors, assigns and any successor in its interest to the Property, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, national origin, ancestry, age, physical handicap, medical condition, marital status, sex or sexual orientation in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property or any portion thereof, nor shall the Grantee itself or any person claiming under or through it, establish or permit

any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, sublessees, or vendees in the Property or any portion thereof. The foregoing covenants shall run with the land.

All deeds, leases or contracts made relative to the Property, the Improvements thereon, or any part thereof shall contain or be subject to substantially the following non-discrimination or non-segregation 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."

[Signatures on the Following Page]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized.

"GRANTOR"

HOUSING AUTHORITY FOR THE
COUNTY OF RIVERSIDE,
a public entity, corporate and politic

By: *Exhibit – Do Not Sign*
Heidi Marshall, Executive Director

Date: _____

APPROVED AS TO FORM:
Minh C. Tran, County Counsel

Exhibit – Do Not Sign
Amrit P. Dhillon
Deputy County Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

Grantee accepts and agrees to all of the terms and provisions of this Grant Deed.

"GRANTEE"

Villa Verde I, L.P.,
a California limited partnership

By: *Exhibit – Do Not Sign*
Name: _____
Title: _____

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL A OF CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 2025-07, RECORDED

NOVEMBER 24, 2025, AS INSTRUMENT NO. 2025-0367790, OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THAT PORTION OF

THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, ON FILE IN BOOK 4, OF MAPS, PAGE 53,

TOGETHER WITH THAT PORTION OF GRANT DEED RECORDED MAY 22, 2014, AS DOCUMENT NO.

2014-0186966, OFFICIAL RECORDS OF SAID COUNTY, LOCATED IN THE NORTHEAST QUARTER OF

SECTION 7, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, MORE

PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 89°51'42" EAST ALONG THE NORTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE NORTHEAST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF CALLE VERDE AND CALLE EMPALME; THENCE NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 109.68 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 163.87 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF CALLE TECHA, AS SHOWN IN BOOK 245, OF MAPS, PAGES 84-86, INCLUSIVE; THENCE ALONG SAID WESTERLY RIGHTOF-WAY LINE OF CALLE TECHA THE FOLLOWING (5) COURSES:

1) SOUTH 00°05'14" EAST, A DISTANCE OF 30.81 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 20.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 00°05'14" WEST;

2) SOUTHEASTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 31.42 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 538.88 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 89°54'46" WEST;

3) SOUTHERLY ALONG THE ARC OF SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 06°22'52", AN ARC DISTANCE OF 60.02 FEET;

4) SOUTH 06°28'06" EAST, A DISTANCE OF 368.46 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 478.88 FEET;

5) SOUTHERLY ALONG THE ARC OF SAID TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 06°23'04", AN ARC DISTANCE OF 53.36 FEET TO THE NORTHEAST CORNER OF GRANT DEED RECORDED DECEMBER 11, 1998, AS DOCUMENT NO. 1998-538889, OFFICIAL RECORDS OF SAID COUNTY, A RADIAL LINE TO SAID POINT BEARS NORTH 89°54'58" EAST;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY- LINE SOUTH 89°54'49" WEST ALONG THE NORTHERLY LINE OF SAID DOCUMENT NO. 1998-538889, A DISTANCE OF 150.00 FEET TO THE NORTHWEST CORNER OF SAID DOCUMENT NO. 1998-538889; THENCE SOUTH 00°05'02" EAST ALONG THE WESTERLY LINE OF SAID DOCUMENT NO. 1998-538889, A DISTANCE OF 99.93 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 1998-538889, SAID POINT ALSO BEING THE NORTHEAST CORNER OF GRANT DEED RECORDED DECEMBER 01, 2008, AS DOCUMENT NO 2008-0632058, OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH 89°54'49" WEST ALONG THE NORTHERLY LINE OF SAID DOCUMENT NO. 2008-0632058, A DISTANCE OF 190.62 FEET TO THE NORTHWEST CORNER OF SAID DOCUMENT NO 2008-0632058; THENCE SOUTH 00°06'11" EAST ALONG THE WESTERLY LINE OF SAID DOCUMENT NO. 2008-0632058, SAID LINE ALSO BEING THE EASTERLY LINE OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 30.00 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 2008-0632058, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE SOUTH 89°51'42" WEST ALONG THE SOUTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE SOUTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 00°06'11" WEST ALONG THE WESTERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 290.29 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 90°00'00" EAST, A DISTANCE OF 136.46 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.50 FEET; THENCE NORTH 90°00'00" EAST, A DISTANCE OF 94.97 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.71 FEET; THENCE NORTH 90°00'00" EAST, A DISTANCE OF 207.58 FEET; THENCE NORTH 00°00'00" EAST, A DISTANCE OF 123.63 FEET, TO THE **TRUE POINT OF BEGINNING.**

APN: 768-400-001-8 (PORTION AND 768-350-002-5 (PORTION)

Assessor's Parcel Number: 768-400-001-8 for Parcel A

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

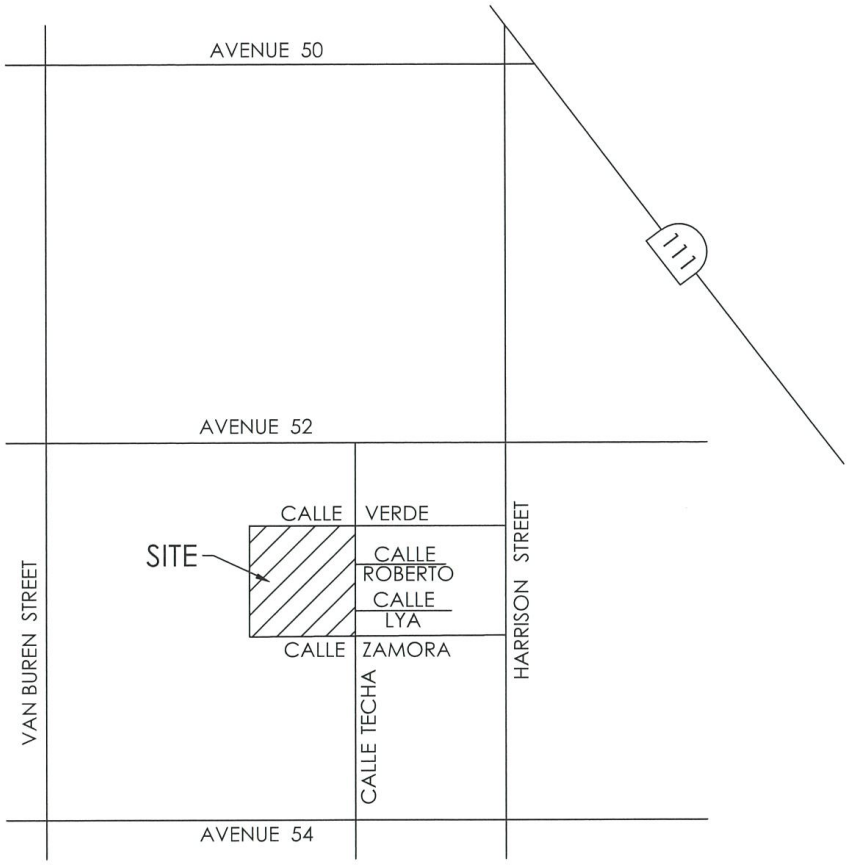
PREPARED BY OR UNDER THE DIRECTION OF:

LUKE R. BEVERLY P.L.S. 8223

DATED: 9/17/2025

EXHIBIT "B"

LOT LINE ADJUSTMENT NO. 2025-07



PROFESSIONAL LAND SURVEYOR
LUKE R. BEVERLY
No. 8223
STATE OF CALIFORNIA

DATED: 9/17/2025

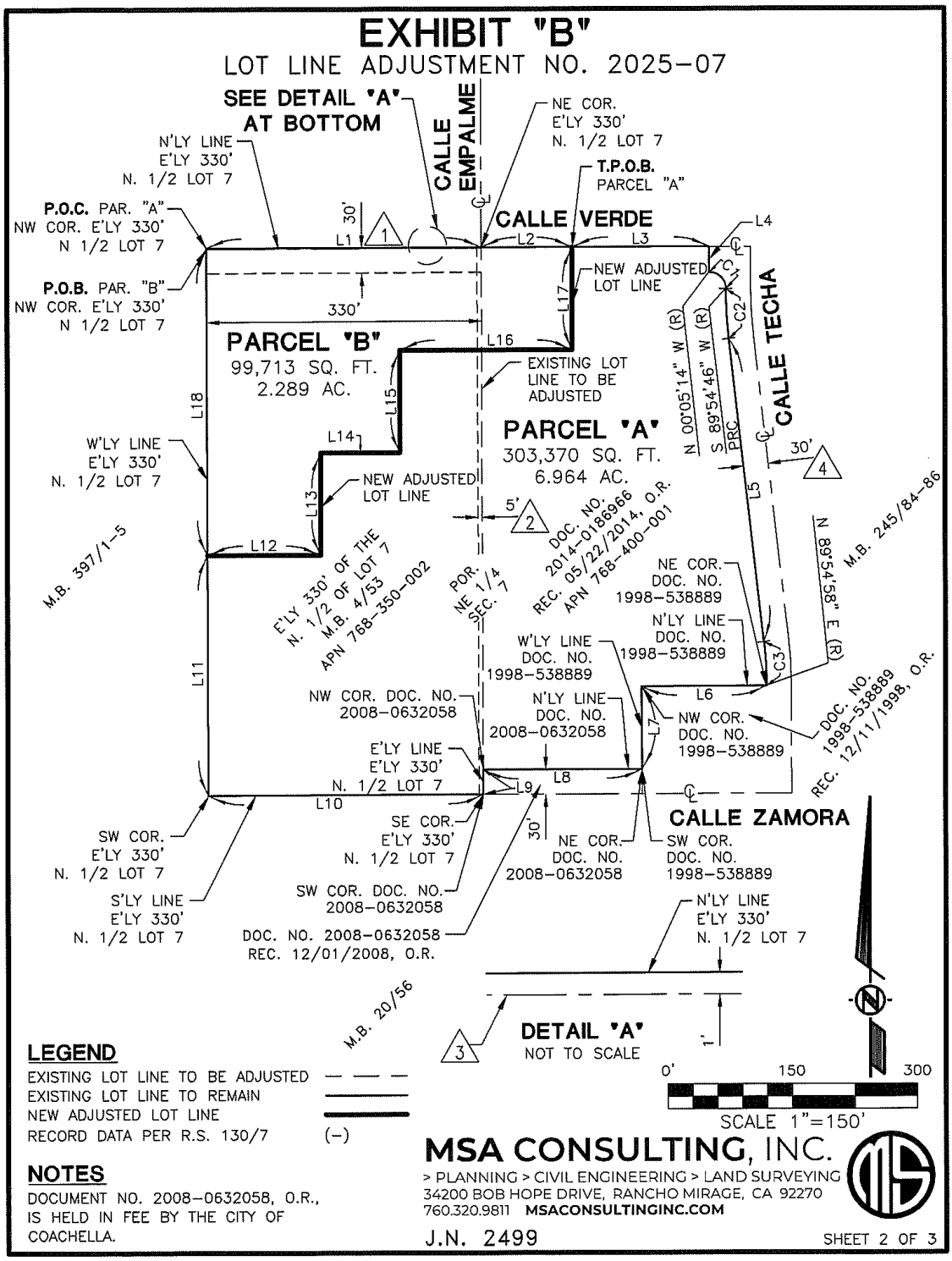
NORTH

VICINITY MAP
N.T.S.

MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 **MSACONSULTINGINC.COM**

J.N. 2499

SHEET 1 OF 3



OFFICIAL BUSINESS.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh, Assistant Executive Director

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APNS: 769-350-002-5

OFFICIAL BUSINESS
Document entitled to free recording per Government Code Section 27383

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic, herein called "Grantor," hereby grants to Villa Verde II, L.P., a California limited partnership, herein called "Grantee," the real property, hereinafter referred to as the "Property," described in Exhibit "A" hereto and incorporated herein by this reference.

4. SUBJECT TO:

(a) Taxes and assessment which are a lien, but which are not yet billed, or are billed but are not yet due and payable, including non-delinquent real property taxes and non-delinquent special assessments.

(b) All covenants, conditions, easements, restrictions, liens, encumbrances, other matters of record, and all matters affecting the status of title which are discoverable by an accurate survey; and

(c) All laws, regulations or ordinances (including, but not limited to, zoning, building and environmental laws, regulations and ordinances) applicable to the Property.

5. Title to the Property is conveyed hereto subject to all recorded liens, encumbrances, covenants, encroachments, assessments, easements, leases and taxes.

6. The Grantee covenants and agrees for itself and its successors, assigns and any successor in its interest to the Property, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, national origin, ancestry, age, physical handicap, medical condition, marital status, sex or sexual orientation in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property or any portion thereof, nor shall the Grantee itself or any person claiming under or through it, establish or permit

any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, sublessees, or vendees in the Property or any portion thereof. The foregoing covenants shall run with the land.

All deeds, leases or contracts made relative to the Property, the Improvements thereon, or any part thereof shall contain or be subject to substantially the following non-discrimination or non-segregation 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."

[Signatures on the Following Page]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized.

"GRANTOR"

HOUSING AUTHORITY FOR THE
COUNTY OF RIVERSIDE,
a public entity, corporate and politic

By: *Exhibit – Do Not Sign*
Heidi Marshall, Executive Director

Date: _____

APPROVED AS TO FORM:
Minh C. Tran, County Counsel

Exhibit – Do Not Sign
Amrit P. Dhillon
Deputy County Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

Grantee accepts and agrees to all of the terms and provisions of this Grant Deed.

"GRANTEE"

Villa Verde II, L.P.,
a California limited partnership

By: *Exhibit – Do Not Sign*
Name: _____
Title: _____

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL B OF CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. 2025-07, RECORDED NOVEMBER 24, 2025, AS INSTRUMENT NO. 2025-0367790, OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, THAT PORTION OF THE EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, ON FILE IN BOOK 4, OF MAPS, PAGE 53, TOGETHER WITH THAT PORTION OF GRANT DEED RECORDED MAY 22, 2014, AS DOCUMENT NO. 2014-0186966, OFFICIAL RECORDS OF SAID COUNTY, LOCATED IN THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 89°51'42" EAST ALONG THE NORTHERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, A DISTANCE OF 330.00 FEET TO THE NORTHEAST CORNER OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF CALLE VERDE AND CALLE EMPALME; THENCE NORTH 89°57'04" EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 109.68 FEET; THENCE LEAVING SAID CENTERLINE SOUTH 00°00'00" WEST, A DISTANCE OF 123.63 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 207.58 FEET; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 123.71 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 94.97 FEET; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 123.50 FEET; THENCE NORTH 90°00'00" WEST, A DISTANCE OF 136.46 FEET TO THE WESTERLY LINE OF SAID EASTERLY 330.00 FEET OF THE NORTH HALF OF LOT 7; THENCE NORTH 00°06'11" WEST ALONG SAID WESTERLY LINE, A DISTANCE OF 369.95 FEET, TO THE POINT OF BEGINNING.

APN: 768-400-001-8 (PORTION), 768-350-002-5 (PORTION)

CONTAINING 99,713 SQUARE FEET OR 2.289 ACRES MORE OR LESS.

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

PREPARED BY OR UNDER THE DIRECTION OF:

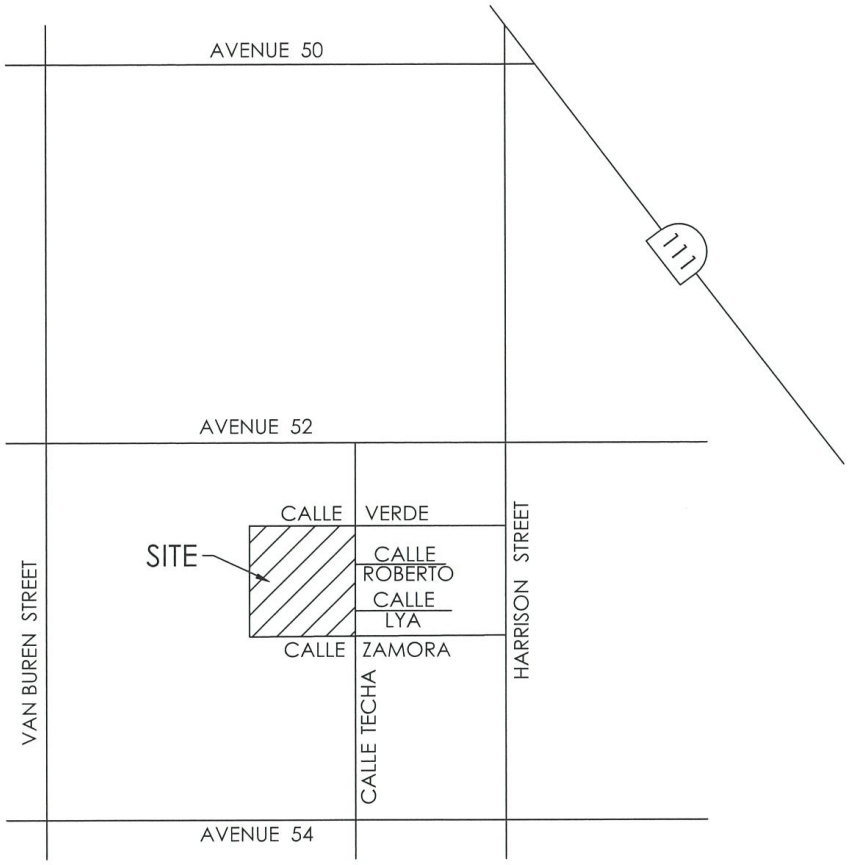
LUKE R. BEVERLY P.L.S. 8223

DATED: 9/17/2025

Assessor's Parcel Number: 768-350-002-5 for Parcel B

EXHIBIT "B"

LOT LINE ADJUSTMENT NO. 2025-07



PROFESSIONAL LAND SURVEYOR
LUKE R. BEVERLY
No. 8223
STATE OF CALIFORNIA

DATED: 9/17/2025

NORTH

VICINITY MAP
N.T.S.

MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 **MSACONSULTINGINC.COM**

J.N. 2499

SHEET 1 OF 3

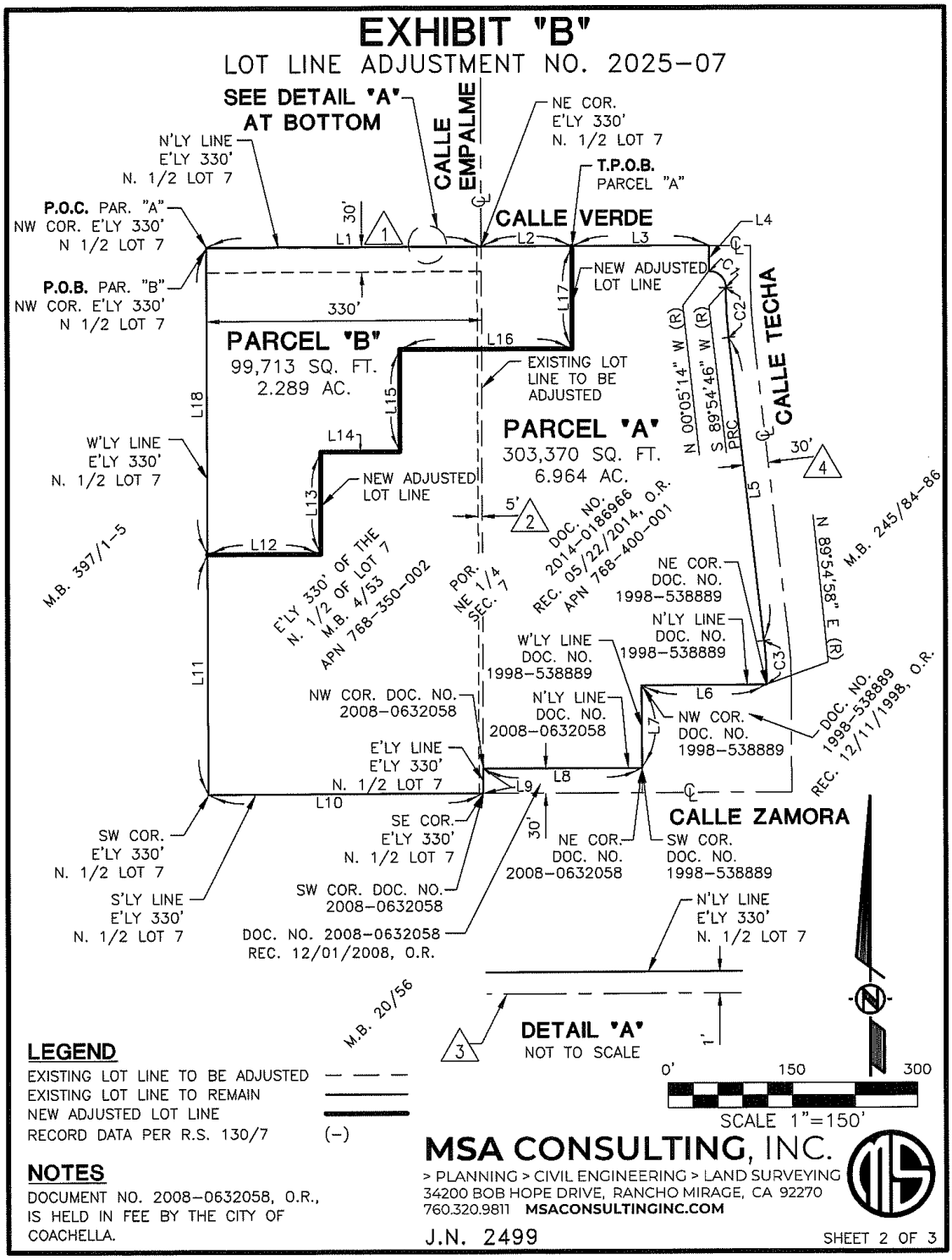


EXHIBIT "B"
LOT LINE ADJUSTMENT NO. 2025-07
SEE DETAIL "A" AT BOTTOM
CALLE EMPALME
CALLE VERDE
CALLE TECHA
CALLE ZAMORA
N'LY LINE E'LY 330' N. 1/2 LOT 7
NE COR. E'LY 330' N. 1/2 LOT 7
T.P.O.B. PARCEL "A"
P.O.C. PAR. "A" NW COR. E'LY 330' N 1/2 LOT 7
P.O.B. PAR. "B" NW COR. E'LY 330' N 1/2 LOT 7
NEW ADJUSTED LOT LINE
PARCEL "B"
99,713 SQ. FT.
2.289 AC.
EXISTING LOT LINE TO BE ADJUSTED
PARCEL "A"
303,370 SQ. FT.
6.964 AC.
W'LY LINE E'LY 330' N. 1/2 LOT 7
E'LY 330' OF THE N. 1/2 OF LOT 7 M.B. 4/53 APN 768-350-002
DOC. NO. 2014-0186966 REC. 05/22/2014, O.R. APN 768-400-001
M.B. 397/1-5
M.B. 245/84-86
POR. NE 1/4 SEC. 7
NE COR. DOC. NO. 1998-538889
N'LY LINE DOC. NO. 1998-538889
W'LY LINE DOC. NO. 1998-538889
NW COR. DOC. NO. 2008-0632058
N'LY LINE DOC. NO. 2008-0632058
NW COR. DOC. NO. 1998-538889
DOC. NO. 1998-538889 REC. 12/11/1998, O.R.
E'LY LINE E'LY 330' N. 1/2 LOT 7
SW COR. E'LY 330' N. 1/2 LOT 7
SE COR. E'LY 330' N. 1/2 LOT 7
NE COR. DOC. NO. 2008-0632058
SW COR. DOC. NO. 1998-538889
S'LY LINE E'LY 330' N. 1/2 LOT 7
SW COR. DOC. NO. 2008-0632058
DOC. NO. 2008-0632058 REC. 12/01/2008, O.R.
N'LY LINE E'LY 330' N. 1/2 LOT 7
M.B. 20/56
DETAIL "A" NOT TO SCALE
N 00°05'14" W (R)
S 89°54'46" W (R)
N 89°54'58" E (R)
0' 150 300
SCALE 1"=150'
LEGEND
EXISTING LOT LINE TO BE ADJUSTED
EXISTING LOT LINE TO REMAIN
NEW ADJUSTED LOT LINE
RECORD DATA PER R.S. 130/7 (-)
NOTES
DOCUMENT NO. 2008-0632058, O.R., IS HELD IN FEE BY THE CITY OF COACHELLA.
MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 MSACONSULTINGINC.COM
J.N. 2499
SHEET 2 OF 3

ATTACHMENT NO. 6

SCOPE OF DEVELOPMENT

Pursuant to the Amended and Restated Disposition, Development and Loan Agreement (DDLA) executed by and between the Housing Authority of the County of Riverside, a public body corporate and politic, ("**HACR**") and Villa Verde I, L.P., a California limited partnership and Villa Verde II, L.P., a California limited partnership ("**Developer**"), Developer shall develop an approximately one hundred fifty two (152) unit multifamily rental housing development, including the greater of seventy three (73) or forty nine percent (49%) of units not reserved for occupancy by a property manager to be restricted to occupancy by Low Income households (as approved prior to Closing, the "**Project**"). All capitalized terms not defined herein shall have the meaning ascribed to such terms in the DDLA.

The quality of construction shall be of a high level. The Improvements shall conform to the Plans approved by HACR pursuant to Section 3.4 of the DDLA (the "**Approved Plans**"), including all conditions and mitigation measures imposed by the City of Coachella in connection with the development approval process for which Permitted Assignee is responsible under the terms of the DDLA.

Developer shall commence and complete the Improvements for the Project by the times established therefore in the Schedule of Performance.

I. DEVELOPMENT STANDARDS

The Improvements shall conform to all applicable Governmental Requirements, including without limitation local subdivision, zoning, building code and other applicable ordinances, resolutions, policies, applicable general and Specific Plans, and regulations of the City of Coachella ("**City Ordinances**") and the following development standards:

A. General Requirements:

1. Vehicular Access. The placement of vehicular driveways shall be coordinated with the needs of proper street traffic flow as approved by the City of Coachella in accordance with City Ordinances. In the interest of minimizing traffic congestion, the City of Coachella will control the number and location of curb breaks for access to the Property for off-street parking and truck loading. All access driveways shall require written approval of the City of Coachella.

2. Building Signs. Signs shall be limited in size, subdued and otherwise designed to contribute positively to the environment. Signs identifying the building use will be permitted, but their height, size, location, color, lighting and design will be subject to City of Coachella approval, and signs must conform to the City Ordinances.

3. Screening. All outdoor storage of materials or equipment shall be enclosed or screened to the extent and in the manner required by the City of Coachella.

4. Landscaping. Developer shall provide and maintain landscaping within the public rights-of-way and within setback area along all street frontages and conforming to the plans as hereafter approved by the City of Coachella. Landscaping shall consist of trees, shrubs and installation of an automatic irrigation system adequate to maintain such plant material. The type and size of trees to be planted, together with a landscaping plan.

5. Utilities. All utilities on the Property provided to service the units constructed by Developer shall be underground at Developer's expense.

6. Building Design. Buildings shall be constructed such that the Improvements shall be of high architectural quality, and shall be effectively and aesthetically designed and in conformance with City approvals.

7. Energy Considerations. The design of the Improvements shall include, where feasible, energy conservation construction techniques and design, including co-generation facilities and active and passive solar energy design. Developer shall be required to demonstrate consideration of such energy features during the design review process and to consistency with energy conservation provisions of the building code.

8. Site Preparation. Developer, at its cost and expense, shall prepare the Property for development. Such Property preparations shall consist of the following:

a. Complete demolition and removal of all existing improvements if any.

9. Environmental Impact Mitigation Measures. To the extent required under the terms of the DDLA, Developer shall implement any and all mitigation measures and/or mitigation monitoring requirements as identified in any certified environmental document or mitigated negative declaration certified in connection with the project.

10. Construction Fence. Developer shall install a temporary construction chain link fence. The construction fence shall be maintained free of litter and in good repair for the duration of its installation.

11. Development Identification Signs. Prior to commencement of construction on the Property, Developer shall prepare and install, at its cost and expense, one sign on the barricade around the Property which identifies the development. The sign shall be at least four (4) feet by six (6) feet and be visible to passing pedestrians and vehicular traffic. The design of the sign, as well as the proposed location, shall be submitted to HACR for review and approval prior to installation. The sign shall, at a minimum, include:

- Illustration of development
- Development name
- Developer
- Logo of the County of Riverside and Riverside County Housing Authority
- List of Board of Commissioners and their districts
- Information number
- Completion Date

B. Design Features:

The following design features are considered essential components to the Improvements:

Handicapped Units – An agreed upon number of units are to be fully handicapped accessible in compliance with State Housing Code – Title 24 requirements.

Overall Design Quality, Materials, Colors, Design Features – Quality of design is important, and materials and colors are to be approved by City.

Housing Type – The Housing Project shall consist of development of a multi-family apartment complex with approximately one hundred fifty two (152) units.

Mobility – All facilities shall comply, to the extent feasible, with current CTCAC standards.

Green Building Standards – All facilities shall comply, to the extent feasible, with CTCAC minimum green building standards.

II. DEMOLITION AND SOILS

Except to the extent otherwise expressly provided in the DDLA, Developer assumes all responsibility for surface and subsurface conditions at the Property, and the suitability of the Property for the Improvements. Developer has undertaken all investigation of the Property as it shall deem necessary and has not received or relied upon any representations of HACR, the County, or their respective officers, agents and employees.

III. SPECIAL AMENITIES

Developer shall undertake all improvements required by the City as a condition of development of the Property, as more particularly provided in the City approvals given for the Property.

IV. MAINTENANCE OF SITE

Developer shall maintain the Property free of all weeds and trash prior to start of construction.

V. Notwithstanding the foregoing, a Developer's obligations under this Scope of Development shall be limited to those pertaining to such Developer and the Phase and Phase Parcel (as such terms are defined in the DDLA) owned by such Developer, and a Developer shall only be deemed to be in noncompliance or default hereof with respect to noncompliance or default by such Developer and the Phase and Phase Parcel owned by such Developer.

ATTACHMENT NO. 7

PROJECT BUDGET

Villa Verde 4PCT

Prepared For:	Abode Communities
Prepared By:	California Housing Partnership
Version:	8.02 PHK+ Budget Update 09152025
Revised:	9/16/2025
Filename:	Villa Verde 4PCT 8.02 PHK+ Budget Update.xlsm

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SOURCES OF FUNDS - PERMANENT

	AMOUNT	TOTAL INTEREST COST	OID INTEREST RATE	AMORT (Yr)	COMMENTS	
Tax-Exempt Perm Loan	16,758,000	6.722%		40.0	*Term - 17 (yrs.) Index - 10Y T - 4.310%*	*Spread - 185 bps*
HCD NPLH	11,279,429	3.000%	1.903%	55.0		
Accrued Deferred Interest - HCD NPLH	0					
HCD PHK+	9,962,708	3.000%	1.788%	55.0		
Accrued Deferred Interest - HCD PHK+	548,484					
HACR Land Contribution	1,411,842	3.000%	1.788%	55.0		
Accrued Deferred Interest - HACR Land Contribution	77,727					
HACR PLHA	6,115,251	3.000%	1.788%	55.0		
Accrued Deferred Interest - HACR PLHA	336,667					
HACR Taxable Housing Bond	450,000	3.000%	1.788%	55.0		
Accrued Deferred Interest - HACR Taxable Housing Bond	24,774					
City of Coachella Loan (Capitalized CFD Fees)	20,313,662	2.000%	1.358%	55.0		
Accrued Deferred Interest - City of Coachella Loan (Capitalized CFD	844,254					
City of Coachella RDA Funds	2,104,640	3.000%	1.788%	55.0		
Accrued Deferred Interest - City of Coachella RDA Funds	115,868					
Deferred Developer Fee	1,300,000	0.000%	0.000%		*Developer Fee Paid (non-deferred)*	*2,200,000*
Capital Contributions						
General Partner (Developer Fee)	6,452,108					
Limited Partners	36,741,510				*Fed LIHTC: $0.825*	
TOTAL SOURCES	**114,836,925**					
Surplus/(Shortfall)	*(0)*					

PERMANENT LOAN INTEREST RATE	TRANCHE A	TRANCHE B		
Base Rate	6.160%	6.160%		
Cushion	0.500%	0.500%		
Issuer	0.050%	0.050%	*4,000*	*Issuer min'l*
Trustee	0.012%	0.000%	*2,000*	*per annum*
Total	**6.722%**	**6.710%**		

INVESTOR EQUITY STACK	
LIHTC Equity (Federal+Sta	36,741,510
Subtotal LP Equity	**36,741,510**

OTHER ASSUMPTIONS	
Current AFR:	4.82%
Total U/W AFR:	**4.82%**

SOURCES OF FUNDS - CONSTRUCTION

	AMOUNT	INTEREST RATE	TERM (Mos.)	COMMENTS		
Tax-Exempt Construction Loan	42,578,583	6.410%	36			
LIIF Secondary Taxable Construction Loan	14,319,469	4.560%	36			
HCD PHK+	9,962,708	3.000%	36			
Accrued Deferred Interest - HCD PHK+	548,484					
HACR Land Contribution	1,411,842	3.000%	36			
Accrued Deferred Interest - HACR Land Contribution	77,727					
HACR PLHA	6,115,251	3.000%	36			
Accrued Deferred Interest - HACR PLHA	336,667					
HACR Taxable Housing Bond	450,000	3.000%	36			
Accrued Deferred Interest - HACR Taxable Housing Bond	24,774					
City of Coachella Loan (Capitalized CFD Fees)	20,313,662	2.000%	36			
Accrued Deferred Interest - City of Coachella Loan (Capitalized CFD	844,254					
City of Coachella RDA Funds	2,104,640	3.000%	36			
Accrued Deferred Interest - City of Coachella RDA Funds	115,868					
Costs Deferred Until Conversion	8,821,769			*See page 2 - right column*		
Deferred Developer Fee	1,300,000					
Capital Contributions						
Limited Partners*	5,511,227			***Total Equity During Const.***	***5,511,227***	***15.00%***
TOTAL SOURCES	**114,836,925**			*Syndication Costs*	*302,084*	
Surplus/(Shortfall)	*(0)*			*Net Equity for TCAC*	*5,209,143*	
Sources Less Deferred To Conversion:	*106,015,156*					

CONSTRUCTION LOAN INTEREST RATE	
Index Type:	SOFR
Current Index:	4.36%
Spread:	1.35%
Base Interest Rate (not including cushion):	5.71%
Cushion - Total	0.70%
Interest Rate (All-In)	**6.41%**

CONSTRUCTION LOAN VALUATION		
Restricted NOI		1,461,803
OAR		5.00%
FMV per NOI		29,236,059
Agg. Credit Value @	0.8249	36,796,641
Perm-Only Soft Debt		11,279,429
Total Value		77,312,129
LTV:		85.00%
Max. Const. Loan Amount		65,715,310
Commitment Amount		TBD

TAX-EXEMPT BOND DATA	
50% Test (see Page 7):	48.78%
50% Test Cushion:	-1067476.593
Issuer Inducement:	TBD
CDLAC Allocation:	**42,578,583**
Percent of CDLAC Allocation Used:	100.00%
Const-only portion:	25,820,583
CDLAC Per-Unit Limit	69,256,000
CDLAC 55% Limit	48,010,666
50% Test Target	55.00%
Target Limit	48,010,666

Uses of Funds

Version: 8.02 PHK+ Budget Update 09152025

	TOTAL	Per Unit	Total Residential	Total Non-Residential	COST ALLOCATIONS Depreciable Non-Depreciable	Depreciable Residential	Depreciable Non-Resid.	Expensed	Amortized	LIHTC ELIGIBLE BASIS Constr./ Rehab	Acquisition	OTHER BASIS & COST ALLOCATIONS Deferred to Completion or Perm Conv.	Land/Basis for 50% Test	Historic Rehab Tax Credit Basis	ITC Tax Credit Basis (Solar PV)
Res Sq Foot:			100.00%		Assuming 26I Election? No										
ACQUISITION COSTS															
Total Purchase Price - Real Estate: 1,411,842															
Land - Villa Verde 4PCT	1,411,842	12,171	1,411,842	0	1,411,842							0	1,411,842		
Title/Recording/Escrow - Acquisition	0	0	0	0	0	0	0				0	0	0		
Legal - Acquisition	18,655	161	18,655	0	18,655	0	0				0	0	18,655		
Off-Site Improvements	50,750	438	50,750	0	0	50,750	0		0	0		0	50,750	50,750	
HARD COSTS															
Total Construction Contract: 53,617,466															
NEW CONSTRUCTION															
Demolition	45,278	390	45,278	0	45,278	0	0			0		0	45,278	0	
Hard Costs-Unit Construction	43,566,993	375,578	43,566,993	0		43,566,993	0			43,566,993		0	43,566,993	43,566,993	
Site Improvements/Landscape	4,423,514	38,134	4,423,514	0		4,423,514	0			4,423,514		0	4,423,514		
GC - General Conditions	1,375,158	11,855	1,375,158	0		1,375,158	0			1,375,158		0	1,375,158	1,375,158	
GC - Overhead & Profit	3,063,223	26,407	3,063,223	0		3,063,223	0			3,063,223		0	3,063,223	3,063,223	
GC - Insurance	663,699	5,722	663,699	0		663,699	0			663,699		0	663,699	663,699	
GC - Bond Premium	428,851	3,697	428,851	0		428,851	0			428,851		0	428,851	428,851	
Contingency - Escalation	0	0	0	0		0	0			0		0	0	0	
Contingency - Owner's Construction (6%)	4,289,397	36,978	4,289,397	0		4,289,397	0			4,289,397		0	4,289,397	4,289,397	
SOFT COSTS															
Architecture	2,887,875	24,895	2,887,875	0		2,887,875	0			2,887,875		0	2,887,875	2,887,875	0
Design/Engineering	598,788	5,162	598,788	0		598,788	0			598,788		0	598,788	598,788	0
Geotech/Soils Report	54,655	471	54,655	0		54,655	0			54,655		0	54,655	54,655	
Phase I/II/Toxics Report	22,895	197	22,895	0		22,895	0			22,895		0	22,895	22,895	
ALTA Survey	50,000	431	50,000	0		50,000	0			50,000		0	50,000	50,000	
Special Inspections/Testing	241,914	2,085	241,914	0		241,914	0			241,914		0	241,914	241,914	
LEED / HERS Rater	72,160	622	72,160	0		72,160	0			72,160		0	72,160	72,160	
3rd Party Construction Manager	250,000	2,155	250,000	0		250,000	0			250,000		0	250,000	250,000	0
Consultant: Other	28,500	246	28,500	0		28,500	0			28,500		0	28,500	28,500	
Local Development Impact Fees	2,459,203	21,200	2,459,203	0		2,459,203	0			2,459,203		0	2,459,203	2,459,203	
Local Permits/Fees	1,428,089	12,311	1,428,089	0		1,428,089	0			1,428,089		0	1,428,089	1,428,089	
Utility Connection Fees/Dry Utility Consultant	2,311,024	19,923	2,311,024	0		2,311,024	0			2,311,024		0	2,311,024	2,311,024	0
Real Estate Taxes During Const	30,884	266	30,884	0		30,884	0	0		30,884		0	30,884	30,884	
Insurance During Const	1,300,000	11,207	1,300,000	0		1,300,000	0			1,300,000		0	1,300,000	1,300,000	0
Appraisal	6,487	56	6,487	0		6,487	0			6,487		0	6,487	6,487	
Market Study	22,895	197	22,895	0					22,895	0		0	0	0	
Partnership Formation + Taxes	17,025	147	17,025	0	17,025	0	0			0		0	0	0	
Tribal Monitoring Fee	50,000	431	50,000	0		50,000	0			50,000		0	50,000	50,000	
City of Coachella CFD (Prepaid)	20,313,662	175,118	20,313,662	0		0	0		20,313,662	0		0	0	0	
Soft Cost Contingency	993,588	8,565	993,588	0		993,588	0			993,588		0	993,588	993,588	
Predev. Loan Interest/Fees	343,421	2,961	343,421	0		343,421	0	0		343,421	0	0	343,421	343,421	
Construction Loan Interest	5,833,851	50,292	5,833,851	0		2,877,124	0	2,956,728		2,877,124		0	2,877,124	2,877,124	0
Construction Loan Interest - Tail	707,382	6,098	707,382	0		0	0	707,382		0		0	0	0	0
Accrued Interest - HCD PHK+	548,484	4,728	548,484	0		347,021	0	201,463		347,021		0	347,021	347,021	
Accrued Interest - HACR Land Contribution	77,727	670	77,727	0		49,177	0	28,550		49,177		0	49,177	49,177	
Accrued Interest - HACR PLHA	336,667	2,902	336,667	0		213,006	0	123,661		213,006		0	213,006	213,006	
Accrued Interest - HACR Taxable Housing Bond	24,774	214	24,774	0		15,674	0	9,100		15,674		0	15,674	15,674	
Accrued Interest - City of Coachella Loan (Capitalize	844,254	7,278	844,254	0		535,412	0	308,843		535,412		0	535,412	535,412	
Accrued Interest - City of Coachella RDA Funds	115,868	999	115,868	0		73,309	0	42,559		73,309		0	73,309	73,309	
Title/Recording/Escrow - Construction	118,289	1,020	118,289	0		118,289	0	0		118,289	0	0	118,289	118,289	
Title/Recording/Escrow - Permanent	15,000	129	15,000	0					15,000	0		0			
Legal (Owner): Construction Closing	99,211	855	99,211	0		99,211	0			99,211		0	99,211	99,211	
Permanent Closing	10,000	86	10,000	0					10,000			0			
Organization of Phskp	15,000	129	15,000	0					15,000			0			
Syndication - GP	30,167	260	30,167	0	30,167							0			
Syndication - LP	50,000	431	50,000	0	50,000							0			
Syndication Consulting	149,000	1,284	149,000	0	149,000							5,000			
Audit/Cost Certification	57,917	499	57,917	0				57,917		20,000		0			
TCAC Application/Res/Monitoring Fee	128,698	1,109	128,698	0					128,698			81,200			
Marketing	200,000	1,724	200,000	0				200,000				0			
Furnishings Not in Contract	228,947	1,974	228,947	0		228,947	0			228,947		0	228,947		
Capitalized Replacement Reserve	14,500	125	14,500	0	14,500							14,500			
Capitalized Operating Reserve (6 mos.)	1,176,362	10,141	1,176,362	0	1,176,362							1,176,362			
HCD Pooled Reserve Fee	322,600	2,781	322,600	0					322,600			322,600			
Developer Fee	9,952,108	85,794	9,952,108	0		9,952,108	0			9,952,108	0	7,222,108	9,952,108	9,952,108	0
COSTS OF ISSUANCE															
Bond Counsel	60,000	517	60,000	0		25,281	0		34,719	25,281		0	25,281	25,281	
Issuer Application Fee	2,500	22	2,500	0		1,053	0		1,447	1,053		0	1,053	1,053	
Issuer Fee - Upfront	65,949	569	65,949	0		27,788	0		38,161	27,788		0	27,788	27,788	
Issuer Fee - Annual During Const.	85,347	736	85,347	0		35,962	0		49,385	35,962		0	35,962	35,962	
Construction Lender Origination Fee	426,735	3,679	426,735	0		179,808	0		246,927	179,808		0	179,808	179,808	
Construction Lender Expenses	45,000	388	45,000	0		18,961	0		26,039	18,961		0	18,961	18,961	
Construction Lender Counsel	55,000	474	55,000	0		23,175	0		31,825	23,175		0	23,175	23,175	
Permanent Lender Expenses	10,000	86	10,000	0		0	0		10,000	0		0	0	0	
Permanent Lender Counsel	15,000	129	15,000	0		0	0		15,000	0		0	0	0	
Permanent Loan Origination Fee	161,060	1,388	161,060	0		0	0		161,060	0		0	0	0	
Trustee Fee During Construction	12,000	103	12,000	0		1,439	0		10,561	0		0	1,439	1,439	
CDLAC Fee	16,103	139	16,103	0		1,931	0		14,172	0		0	1,931	1,931	
CDIAC Fee	5,000	43	5,000	0		600	0		4,400	0		0	600	600	
COI Contingency	0	0	0	0		0	0		0	0		0	0	0	
Subtotal - Financing/Costs of Issuance	959,694	8,273	959,694	0	0	315,998	0	0	643,696	312,029	0	0	315,998	315,998	0
TOTAL DEVELOPMENT COSTS	114,836,925	989,973	114,836,925	0	2,912,829	85,816,344	0	4,836,201	21,471,551	85,781,625	0	8,821,769	87,292,119	81,163,883	0
TDC Per Unit	989,973		100.00%												
TDC Net of accrued interest:	112,889,151														
TDC TCAC	114,534,841		114,534,841												
w/o CFD Fee	92,523,263														

Villa Verde 9PCT

Prepared For:	Abode Communities
Prepared By:	California Housing Partnership
Version:	5.04 Lender Investor Bid Projections September 2025 Update
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SOURCES OF FUNDS - PERMANENT

	AMOUNT	TOTAL INTEREST COST	OID INTEREST RATE	AMORT (Yr)	COMMENTS
Conventional Perm Loan - A Tranche	2,392,000	6.680%		40.0	*Term - 17 (yrs.)* *Index - 10Y T -* *4.110%* *Spread - 227 bps*
GP Certificated Credit Sale Loan	5,948,395	3.000%	1.788%	55.0	
HACR Land Constribution	438,158	3.000%	1.788%	55.0	
Accrued Deferred Interest - HACR Lanc	22,748				
City of Coachella CFD (Capitalized)	6,302,772	2.000%	1.358%	55.0	
Accrued Deferred Interest - City of Coa	247,115				*Total Developer Fee Paid (non-deferred):* *1,040,482*
Deferred Developer Fee	599,518	0.000%	0.000%		
Capital Contributions					
GP Capital - Sponsor	100				*Synd Costs* *210,709*
Limited Partners	17,269,579				*Fed LIHTC:* *$0.8175* *State LIHTC:* *$0.85*
TOTAL SOURCES	**33,220,384**				
Surplus/(Shortfall)	*0*				
	23,217,974				

PERMANENT LOAN INTEREST RATE	TRANCHE A	TRANCHE B
Base Rate	6.380%	6.380%
Cushion	0.300%	0.300%
Total	**6.680%**	**6.680%**

INVESTOR EQUITY STACK	
LIHTC Equity (Federal+State)	17,269,579

OTHER ASSUMPTIONS	
Current AFR:	4.82%

SOURCES OF FUNDS - CONSTRUCTION

	AMOUNT	INTEREST RATE	TERM (Mos.)	COMMENTS
Taxable Construction Loan	22,172,302	7.300%	34	
HACR Land Constribution	438,158	3.000%	34	
Accrued Deferred Interest - HACR Lanc	22,748			
City of Coachella CFD (Capitalized)	6,302,772	2.000%	34	
Accrued Deferred Interest - City of Coa	247,115			
Costs Deferred Until Conversion	430,521			*See page 2 - right column*
Deferred Developer Fee	599,518			
Capital Contributions				
GP Capital - Sponsor	100			
Limited Partners*	3,007,151			***Total Equity During Const.*** ***3,007,151*** ***17.41%***
TOTAL SOURCES	**33,220,384**			*Syndication Costs* *210,709*
Surplus/(Shortfall)	*0*			*Net Equity for TCAC* *2,796,442*
Sources Less Deferred To Conversion:	*32,789,863*			

CONSTRUCTION LOAN INTEREST RATE	
Index Type:	SOFR
Current Index:	4.35%
Spread:	2.45%
Base Interest Rate (not including cushi	6.80%
Cushion - Total	0.50%
Interest Rate (All-In)	**7.30%**

CONSTRUCTION LOAN VALUATION		
Restricted NOI		202,575
OAR		5.00%
FMV per NOI		4,051,492
Agg. Credit Value @	0.8174	17,269,579
Perm-Only Soft Debt		0
Total Value		21,321,071
LTV:		90.00%
Max. Const. Loan Amount		19,188,964
Commitment Amount		TBD

TAX-EXEMPT BOND DATA	
50% Test (see Page 7):	N/A
50% Test Cushion:	N/A
Issuer Inducement:	TBD
CDLAC Allocation:	TBD
Percent of CDLAC Allocation Used:	0.00%
Const-only portion:	19,780,302
CDLAC Per-Unit Limit	N/A
CDLAC 55% Limit	N/A
50% Test Target	55.00%
Target Limit	N/A

Uses of Funds

Version: 5.04 Lender Investor Bid Projections Septem

	TOTAL	Res Cost: / Res Sq Foot: Per Unit	100.00% / 100.00% Total Residential	Total Non-Residential	COST ALLOCATIONS Assuming 266 Election? No — Depreciable: Non-Depreciable	Depreciable: Residential	Depreciable: Non-Resid.	Expensed	Amortized	LIHTC ELIGIBLE BASIS: Constr./Rehab	LIHTC ELIGIBLE BASIS: Acquisition	OTHER BASIS & COST ALLOCATIONS: Deferred to Completion or Perm Conv.	Land/Basis for 50% Test	Historic Rehab Tax Credit Basis	ITC Tax Credit Basis (Solar PV)
ACQUISITION COSTS															
Total Purchase Price - Real Estate: 438,158															
Land - Villa Verde 9PCT	438,158	12,171	438,158	0	438,158							0	438,158		
Title/Recording/Escrow - Acquisition	3,553	99	3,553	0	3,553	0	0				0	0	3,553		
Off-Site Improvements	15,750	438	15,750	0		15,750	0			15,750		0	15,750	15,750	
HARD COSTS															
Total Construction Contract: 16,792,302						0									
NEW CONSTRUCTION															
Demolition	14,052	390	14,052	0	14,052	0	0			0		0	14,052	0	
Hard Costs-Unit Construction	13,223,761	367,327	13,223,761	0		13,223,761	0			13,223,761		0	13,223,761	13,223,761	
Site Improvements/Landscape	1,372,815	38,134	1,372,815	0		1,372,815	0			1,372,815		0	1,372,815		
GC - General Conditions	426,773	11,855	426,773	0		426,773	0			426,773		0	426,773	426,773	
GC - Overhead & Profit	950,655	26,407	950,655	0		950,655	0			950,655		0	950,655	950,655	
GC - Insurance	205,975	5,722	205,975	0		205,975	0			205,975		0	205,975	205,975	
GC - Bond Premium	133,092	3,697	133,092	0		133,092	0			133,092		0	133,092	133,092	
Contingency - Escalation	449,429	12,484	449,429	0		449,429	0			449,429		0	449,429	449,429	
Contingency - Owner's Construction (5%)	839,615	23,323	839,615	0		839,615	0			839,615		0	839,615	839,615	
SOFT COSTS															
Architecture	641,765	17,827	641,765	0		641,765	0			641,765		0	641,765	641,765	0
Design/Engineering	11,842	329	11,842	0		11,842	0			11,842		0	11,842	11,842	0
Geotech/Soils Report	1,445	40	1,445	0		1,445	0			1,445		0	1,445	1,445	
Phase I/II/Toxics Report	7,105	197	7,105	0		7,105	0			7,105		0	7,105	7,105	
ALTA Survey	50,000	1,389	50,000	0		50,000	0			50,000		0	50,000	50,000	
Special Inspections/Testing	59,566	1,655	59,566	0		59,566	0			59,566		0	59,566	59,566	
LEED / HERS Rater	72,160	2,004	72,160	0		72,160	0			72,160		0	72,160	72,160	
3rd Party Construction Manager	200,000	5,556	200,000	0		200,000	0			200,000		0	200,000	200,000	0
Consultant: Other	28,500	792	28,500	0		28,500	0			28,500		0	28,500	28,500	
Local Development Impact Fees	763,201	21,200	763,201	0		763,201	0			763,201		0	763,201	763,201	
Local Permits/Fees	443,200	12,311	443,200	0		443,200	0			443,200		0	443,200	443,200	
Utility Connection Fees/Dty Utility Consultar	26,721	742	26,721	0		26,721	0			26,721		0	26,721	26,721	0
Real Estate Taxes During Const	9,585	266	9,585	0		9,585	0	0		9,585		0	9,585	9,585	
Insurance During Const	306,395	8,511	306,395	0		306,395	0			306,395		0	306,395	306,395	0
Appraisal	3,013	84	3,013	0		3,013	0			3,013		0	3,013	3,013	
Market Study	7,105	197	7,105	0					7,105	0		0	0	0	
Partnership Formation + Taxes	17,025	473	17,025	0	17,025	0	0			0		0	0	0	
Tribal Monitoring Fee	50,000	1,389	50,000	0		50,000	0			50,000		0	50,000	50,000	
City of Coachella CFD	6,302,772	175,077	6,302,772	0		0	0		6,302,772	0		0	0	0	
Soft Cost Contingency	478,554	13,293	478,554	0		478,554	0			478,554		0	478,554	478,554	
Predev. Loan Interest/Fees	106,579	2,961	106,579	0		106,579		0		106,579	0	0	106,579	106,579	
Construction Loan Interest	2,509,521	69,709	2,509,521	0		1,780,436	0	729,086		1,780,436		0	1,780,436	1,780,436	0
Accrued Interest - HACR Land Constributi	22,748	632	22,748	0		14,587	0	8,160		14,587		0	14,587	14,587	
Accrued Interest - City of Coachella CFD (I	247,115	6,864	247,115	0		158,811	0	88,304		158,811		0	158,811	158,811	
Title/Recording/Escrow - Construction	36,711	1,020	36,711	0		36,711	0			36,711		0	36,711	36,711	
Title/Recording/Escrow - Permanent	15,000	417	15,000	0					15,000			0			
Legal (Owner): Construction Closing	30,789	855	30,789	0		30,789	0			30,789		0	30,789	30,789	
Permanent Closing	10,000	278	10,000	0					10,000			0			
Organization of Ptnshp	15,000	417	15,000	0					15,000			0			
Syndication - GP	15,000	417	15,000	0	15,000							0			
Syndication - LP	50,000	1,389	50,000	0	50,000							0			
Syndication Consulting	87,500	2,431	87,500	0	87,500							5,000			
Audit/Cost Certification	43,209	1,200	43,209	0				43,209				0			
TCAC Application/Res/Monitoring Fee	112,208	3,117	112,208	0					112,208			25,200			
Marketing	45,421	1,262	45,421	0				45,421				0			
Furnishings Not in Contract	221,053	6,140	221,053	0		221,053	0			221,053		0	221,053		
Capitalized Operating Reserve (3 mos.)	133,736	3,715	133,736	0	133,736							133,736			
Developer Fee	1,640,000	45,556	1,640,000	0		1,640,000	0			1,640,000	0	266,585	1,640,000	1,640,000	0
FINANCING FEES															
Construction Lender Origination Fee	166,292	4,619	166,292	0		87,105	0		79,187	87,105		0	87,105	87,105	
Construction Lender Expenses	45,000	1,250	45,000	0		23,571	0		21,429	23,571		0	23,571	23,571	
Construction Lender Counsel	65,000	1,806	65,000	0		34,048	0		30,952	34,048		0	34,048	34,048	
Permanent Lender Expenses	10,000	278	10,000	0		0	0		10,000	0		0	0	0	
Permanent Lender Counsel	15,000	417	15,000	0		0	0		15,000	0		0	0	0	
Permanent Loan Origination Fee	23,920	664	23,920	0		0	0		23,920	0		0	0	0	
Subtotal - Financing/Costs of Issuance	325,212	9,034	325,212	0	0	144,725	0	0	180,488	144,725	0	0	144,725	144,725	0
TOTAL DEVELOPMENT COSTS	33,220,384	922,788	33,220,384	0	759,024	24,904,607	0	914,180	6,642,572	24,904,607	0	430,521	25,360,370	23,310,739	0
TDC Per Unit	922,788		100.00%												
TDC Net of accrued interest:	32,950,521														
TDC TCAC	33,009,675		33,009,675												

ATTACHMENT NO. 8

PRELIMINARY TITLE REPORT

[to be attached within 60 days of Board approval of DDLA]

ATTACHMENT NO. 9

ENVIRONMENTAL INDEMNITY

[attached]

ENVIRONMENTAL INDEMNITY

THIS ENVIRONMENTAL INDEMNITY (this "**Indemnity**"), dated as of _____, 20__, is made by _____, L.P., a California limited partnership (referred to as "**Indemnitor**"), whose address for purposes of giving notices is 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033, in favor of the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic, whose address for purposes of giving notices is 5555 Arlington Avenue, Riverside, CA 92504 ("HACR").

WITNESSETH

WHEREAS, Indemnitor is the owner of the real property in the City of Coachella, as more particularly described on Exhibit A attached hereto and made a part hereof, and the real property improvements thereon (collectively referred to as the "Property");

WHEREAS, Indemnitor and HACR, entered into that certain Amended and Restated Disposition, Development and Loan Agreement, dated as of _____, 2026 (the "**DDLA**"), pursuant to which HACR agreed to convey the Property to Developer, or its assignee for the purpose of developing a Phase I project as Villa Verde I providing approximately 116 units and a Phase II project as Villa Verde II providing approximately 36 units for a total 152 unit multifamily rental affordable housing development and related improvements and amenities; and

WHEREAS, Indemnitor, has agreed to execute and deliver to HACR this Indemnity to induce HACR to convey the Property to Indemnitor.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual agreements hereinafter set forth, Indemnitor hereby agrees with HACR as follows:

Section 1. DEFINITIONS

For the purpose of this Indemnity, "Hazardous Materials" or "Hazardous Substances" shall include, but not be limited to, any substance or material (whether a raw material, building component or waste, a product or by-product of manufacturing or other activities, or any other substance or material) which is or becomes designated, classified or regulated as being "hazardous" or "toxic", or is or becomes otherwise similarly designated, classified or regulated, under any Federal, state or local law, regulation or ordinance, including without limitation (i) any substance defined as a "hazardous substance" or a "hazardous waste" for purposes of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., or the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., respectively, (ii) any substance defined as a "hazardous waste" or a "hazardous substance" for purposes of applicable state or local law and (iii) petroleum, flammable explosives, urea formaldehyde insulation, asbestos and radioactive materials, substances defined as "extremely hazardous substances," "hazardous substances," "hazardous materials," "hazardous waste" or "toxic substances" the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq.; and those substances defined as "hazardous waste" in Section 25117 of the California Health and Safety Code, as "infectious waste" in Section 25117.5 of the California Health and Safety Code,

or as "hazardous substances" in Section 25316 of the California Health and Safety Code or "hazardous materials" as defined in Section 353 of the California Vehicle Code; and in the regulations adopted and publications promulgated pursuant to said laws. "Hazardous Materials" and "Hazardous Substances" shall expressly exclude substances typically used in the construction, development, operation and maintenance of an apartment complex provided such substances are used in accordance with all applicable laws.

For the purpose of this Indemnity, "HACR Loan Documents" shall refer to the DDLA, any agreement entered into substantially in the form of an Attachment thereto or in connection therewith, and any extensions, modifications or amendments thereto.

Section 2. COVENANTS AND INDEMNITY

The following covenants and indemnities are hereby given and made by Indemnitor:

2.1 Covenants.

(a) Indemnitor covenants that it shall comply with any and all laws, regulations, and/or orders which may be promulgated, from time to time, with respect to the discharge and/or removal of Hazardous Materials, to pay immediately when due the costs of the removal of, or any other action required by law with respect to, any such Hazardous Materials, and to keep the Property free of any lien imposed pursuant to any such laws, regulations, or orders.

(b) Indemnitor covenants that the Property will not, while Indemnitor is the owner thereof, be used for any activities involving, directly or indirectly, the use, generation, treatment, storage, release, or disposal of any Hazardous Materials, except for de minimis quantities used at the Property in compliance with all applicable environmental laws and required in connection with the development of the Property in conformance with the HACR Loan Documents.

(c) Indemnitor further agrees that Indemnitor shall not release or dispose of any Hazardous Materials at the Property without the express written approval of HACR and that any such release or disposal shall be effected in strict compliance with all applicable laws and all conditions, if any, established by HACR.

(d) HACR shall have the right, at any time, to conduct an environmental audit of the Property at HACR's expense, unless Hazardous Materials are found in violation of this Indemnity, then at Indemnitor's sole cost and expense, and Indemnitor shall cooperate in the conduct of any such environmental audit but in no event shall such audit be conducted unless HACR believes that such audit is warranted. Other than in an emergency, such audit shall be conducted only after prior notice has been given to Indemnitor and only in the presence of a representative of Indemnitor. Indemnitor shall give HACR and its agents and employees access to the Property to remove, or otherwise to mitigate against the effects of, Hazardous Materials.

(e) Indemnitor shall not install, or permit to be installed, on the Property friable asbestos or any substance containing asbestos and deemed hazardous by federal or state regulations respecting such material, and, with respect to any such material currently present in the Property, Indemnitor shall promptly either (i) remove or cause to be removed any material that such

regulations deem hazardous and require to be removed, or (ii) otherwise comply with such federal and state regulations, at Indemnitor's sole cost and expense. If Indemnitor shall fail to so do within the cure period permitted under applicable law, regulation, or order, HACR may do whatever is necessary to eliminate said substances from the premises or to otherwise comply with the applicable law, regulation, or order, and the costs thereof shall be added to the Obligations (as hereinafter defined) of Indemnitor under this Section 2.

(f) Indemnitor shall immediately advise HACR in writing of any of the following: (i) any pending or threatened environmental claim against Indemnitor or the Property, (ii) any condition or occurrence on the Property that (A) results in noncompliance by Indemnitor with any applicable environmental law, (B) could reasonably be anticipated to cause the Property to be subject to any restrictions on the ownership, occupancy, use or transferability of the Property under any environmental law, or (C) could reasonably be anticipated to form the basis of an environmental claim against the Property or Indemnitor.

2.2 Indemnity. Indemnitor shall indemnify, protect, and hold HACR and its directors, officers, employees, and agents (the "Indemnified Parties") harmless from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements, or expenses (including, without limitation, attorneys' and experts' fees and disbursements) of any kind or of any nature whatsoever (collectively, the "Obligations") which may at any time be imposed upon, incurred by or asserted or awarded against HACR and arising in connection with, from or out of:

(a) The presence of any Hazardous Materials on, in, under, or affecting all or any portion of the Property, which were stored, discharged, released or emitted after the Close of Escrow conveying the Property from HACR to Indemnitor;

(b) The breach of any covenant made by Indemnitor in Section 2.1 hereof; or

(c) The enforcement by HACR of any of the provisions of this Section 2.2 or the assertion by Indemnitor of any defense to its obligations hereunder.

Notwithstanding the foregoing, Indemnitor's liability under this Section 2.2 shall not extend to any Hazardous Substance present or released in, on, or around any part of the Property, or in the soil, groundwater, or soil vapor or under the Property that existing on the Property prior to the Close of Escrow or that first arise, commence or occur after the actual dispossession of the Property from Indemnitor and all entities which control, are controlled by, or are under common control with Indemnitor, following foreclosure or acquisition of the Property by a deed in lieu of foreclosure.

Section 3. INDEMNITOR'S UNCONDITIONAL OBLIGATIONS

3.1 Unconditional Obligations. Indemnitor hereby agrees that the Obligations will be paid and performed strictly in accordance with the terms of this Indemnity, regardless of any law, regulation, or order now or hereafter in effect in any jurisdiction affecting the HACR Loan Documents or affecting any of the rights of HACR with respect thereto. The obligations of Indemnitor hereunder shall be absolute and unconditional irrespective of:

(a) The validity, regularity, or enforceability of the DDLA or any other instrument or document executed or delivered in connection therewith;

(b) Any alteration, amendment, modification, release, termination, or cancellation of the HACR Loan Documents, or any change in the time, manner, or place of payment or performance of, or in any other term in respect of, all or any of the obligations of Indemnitor contained in any of the HACR Loan Documents;

(c) Any exculpatory provision in any of the HACR Loan Documents or any document delivered in connection therewith limiting HACR's recourse to property encumbered by the deed of trust securing Indemnitor's obligations under the HACR Loan Documents, or to any other security, or limiting HACR's rights to a deficiency judgment against Indemnitor;

(d) The insolvency or bankruptcy of Indemnitor; or

(e) Any other circumstance that might otherwise constitute a defense available to, or a discharge of, Indemnitor with respect to any or all of the Obligations.

3.2 Continuation. The Indemnity provided under § 2.2 (a) is a continuing indemnity and shall remain in full force and effect until the satisfaction in full of all of the Obligations (notwithstanding the release or other extinguishment of the deed of trust securing Indemnitor's obligations under the HACR Loan Documents); and (b) shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the HACR upon the insolvency, bankruptcy, or reorganization of Indemnitor, all as though such payment had not been made.

3.3 Termination. Notwithstanding the payment (and performance) in full of all of the Obligations and the payment (or performance) in full of all of Indemnitor's obligations under the HACR Loan Documents, this Indemnity shall not terminate if any of the following shall have occurred:

(a) HACR has at any time or in any manner participated in the management or control of, taken possession of (whether personally, by agent or by appointment of a receiver), or taken title to the Property or any portion thereof, whether by foreclosure, deed in lieu of foreclosure, sale under power of sale or otherwise; or

(b) There has been a change, between the date hereof and the date on which all of the Obligations are paid and performed in full, in any Hazardous Materials laws, the effect of which may be to make a lender or mortgagee liable in respect of any of the Obligations, notwithstanding the fact that no event, circumstance, or condition of the nature described in paragraph (a) above ever occurred.

Section 4. WAIVER

Indemnitor hereby waives the following:

(a) Promptness and diligence;

(b) Notice of acceptance and notice of the incurrence of any obligation by Indemnitor;

(c) Notice of any action taken by HACR, Developer, or any other interested party under the DDLA or under any other agreement or instrument relating thereto;

(d) All other notices, demands, and protests, and all other formalities of every kind, in connection with the enforcement of the Obligations, the omission of or delay in which, but for the provisions of this Section 4, might constitute grounds for relieving Indemnitor of its Obligations hereunder;

(e) Any requirement that HACR protect, secure, perfect, or insure any security interest or lien in or on any property subject thereto,

(f) Any requirement that HACR exhaust any right or take any action against Borrower or any other person or collateral;

(g) Any defense that may arise by reason of:

(1) The incapacity, lack of authority, death or disability of, or revocation hereof by, any person or persons;

(2) The failure of HACR to file or enforce any claim against the estate (in probate, bankruptcy, or any other proceedings) of any person or persons; or

(3) Any defense based upon an election of remedies by HACR, including, without limitation, an election to proceed by non-judicial foreclosure or which destroys or otherwise impairs the subrogation rights of HACR or any other right of HACR to proceed against Indemnitor.

Section 5. NOTICES

Any notice, demand, statement, request, or consent made hereunder shall be in writing and shall be personally served, mailed by first-class registered mail, return receipt requested, to the address set forth in the first paragraph of this Indemnity, above, or given by telecopier to the telecopier numbers stated below, with confirmations mailed by first class registered mail, return receipt requested to the address set forth above, of the party to whom such notice is to be given (or to such other address as the Parties hereto, shall designate in writing):

In the case of HACR:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Deputy Director

In the case of Indemnitor:

Either VILLA VERDE I, L.P. or VILLA VERDE II, L.P. as applicable
c/o Abode Communities
1149 S. Hill Street, Suite 700
Los Angeles, CA 90015
Attn: President

With copy to:

Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. Fifth Street, Suite 5880
Los Angeles, CA 90071
Attention: Nicole Deddens

Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice 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; and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof.

Section 6. MISCELLANEOUS

6.1 Indemnitor shall make any payment required to be made hereunder in lawful money of the United States of America, and in same day funds, to HACR at its address specified in the first paragraph hereof.

6.2 No amendment of any provision of this Indemnity shall be effective unless it is in writing and signed by Indemnitor and HACR, and no waiver of any provision of this Indemnity, and no consent to any departure by Indemnitor from any provision of this Indemnity, shall be effective unless it is in writing and signed by HACR, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6.3 No failure on the part of HACR to exercise, and no delay in exercising, any right hereunder or under the HACR Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of HACR provided herein and in the other loan documents are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law.

6.4 Any provision of this Indemnity that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof and without affecting the validity or enforceability of such provision in any other jurisdiction.

6.5 This Indemnity shall (a) be binding upon Indemnitor, and Indemnitor's successors and assigns; and (b) inure, together with all rights and remedies of HACR hereunder, to the benefit of HACR, its respective directors, officers, employees, and agents, any successors to HACR's interest in the Property, any other person who acquires any portion of the Property at a foreclosure sale or otherwise through the exercise of HACR's rights and remedies under the HACR Loan Documents, any successors to any such person, and all directors, officers, employees, and agents of all of the aforementioned parties. Without limiting the generality of clause (b) of the immediately preceding sentence, HACR may, subject to, and in accordance with, the provisions of the HACR Loan Documents, assign or otherwise transfer all or any portion of its rights and obligations under the HACR Loan Documents, to any other person, and such other person shall thereupon become vested with all of the rights and obligations in respect thereof that were granted to HACR herein or otherwise. None of the rights or obligations of Indemnitor hereunder may be assigned or otherwise transferred without the prior written consent of HACR, except as provided in the HACR Loan Documents.

6.6 Indemnitor hereby (a) irrevocably submits to the jurisdiction of the Superior Court of Riverside County in any action or proceeding arising out of or relating to this Indemnity, (b) waives any defense based on doctrines of venue or forum non convenient or similar rules or doctrines, and (c) irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in such California or federal court. Indemnitor irrevocably consents to the service of any and all process which may be required or permitted in any such action or proceeding to the address specified in the first paragraph of this Indemnity, above. Indemnitor agrees that a final judgment in any such action or proceeding shall be inclusive and may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law.

6.7 The title of this document and the captions used herein are inserted only as a matter of convenience and for reference and shall in no way define, limit, or describe the scope or the intent of this Indemnity or any of the provisions hereof.

6.8 This Indemnity shall be governed by, and construed and interpreted in accordance with, the laws of the State of California applicable to contracts made and to be performed therein, except to the extent that the laws of the United States preempt the laws of the State of California.

6.9 This Indemnity may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one agreement.

IN WITNESS WHEREOF, Indemnitor has duly executed this Indemnity as of the date first set forth above.

INDEMNITOR:

Either VILLA VERDE I, L.P., or VILLA VERDE II, L.P. as applicable
a California limited partnership

By: *Exhibit – Do Not Sign*
Name: _____
Title: _____

EXHIBIT A

LEGAL DESCRIPTION

ATTACHMENT NO. 10

NOTICE OF AFFORDABILITY RESTRICTIONS

[attached**]**

Order No.
Escrow No.
Loan No.

WHEN RECORDED MAIL TO:

Housing Authority of the
County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh, Deputy Director

SPACE ABOVE THIS LINE FOR RECORDER'S USE
This document is exempt from recording fees
pursuant to Government Code Section 27383

NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

NOTICE IS HEREBY GIVEN that, in order to carry out certain obligations under the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.), certain real property located at 84679 and 84824 Calle Verde, in the City of Coachella ("**City**"), County of Riverside, State of California, and known as Assessor's Parcel Numbers 768-350-002 and 768-400-001, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference ("**Property**"), together with all buildings, structures and other improvements located thereon ("**Improvements**"), is subject to certain affordability covenants and restrictions identified in that certain **Agreement Containing Covenants (Including Rental Restrictions)** dated as of _____, 20___, between the Housing Authority of the County of Riverside, a public body corporate and politic, as successor-in-interest to the Agency ("**HACR**"), and _____ L.P., a California limited partnership, ("**Developer**") recorded concurrently herewith and incorporated herein by this reference (collectively, "**Restrictions**"). The Property and the Improvements shall be collectively referred to herein as the "**Project**."

The affordability covenants and restrictions contained in the Restrictions include, without limitation, and as further described in the Restrictions:

1. _____of the units in the Project are restricted for occupancy by households with an adjusted gross income that does not exceed sixty percent (60%) of area median income, at rents affordable to low income households.

2. Additional requirements concerning operation, management, and maintenance of the Project are also imposed by the Restrictions.

In the event of any conflict between this Notice of Affordability Restrictions on Transfer of Property ("**Notice**") and the Restrictions, the terms of the Restrictions shall prevail.

The Restrictions shall remain in effect until such date as is fifty-five (55) years after the City of Coachella's issuance of the final certificate of occupancy for the construction of the last residential building in the Project.

This Notice is being recorded and filed by HACR in compliance with Health and Safety Code Sections 33334.3(f)(3) and (4) and/or Section 33413(c)(5), as amended effective this date, and shall be indexed against HACR and Developer.

This Notice may be executed in counterparts, and multiple originals, each of which shall be deemed to be an original and shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have duly executed this Notice of Affordability Restrictions on Transfer of Property.

HACR:

HOUSING AUTHORITY FOR THE
COUNTY OF RIVERSIDE, a public body
corporate and politic

By: *Exhibit – Do Not Sign*
Heidi Marshall, Executive Director

Date: _____

APPROVED AS TO FORM:
Minh C. Tran

Exhibit – Do Not Sign
Amrit P. Dhillon, Deputy County Counsel

[SIGNATURE PAGE TO NOTICE OF AFFORDABILITY RESTRICTIONS]

[PAGE 1 OF 2]

"DEVELOPER"

_____, L.P., a California limited partnership

By: _____, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*
Lara Regus, Senior Vice President, Development
Date: _____

"LIMITED PARTNER"

[SIGNATURE PAGE TO NOTICE OF AFFORDABILITY RESTRICTIONS]

[PAGE 2 OF 2]

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

ATTACHMENT NO. 11

AGREEMENT CONTAINING COVENANTS

[attached]

OFFICIAL BUSINESS
Document entitled to free
recording per Government
Code Section 27383

Recording Requested by and When
Recorded Return to:

HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE
5555 Arlington Avenue
Riverside, California 92504
Attn: Mike Walsh, Assistant Executive Director

Space above this line for Recorder's use only

AGREEMENT CONTAINING COVENANTS (INCLUDING RENTAL RESTRICTIONS)

THIS AGREEMENT CONTAINING COVENANTS (INCLUDING RENTAL RESTRICTIONS) (this "Covenant Agreement" or "Agreement") is entered into as of _____, 20__, by and between the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body, corporate and politic (herein referred to as "HACR"), as successor-in-interest to the former Coachella Redevelopment Agency, a public body, corporate and politic ("Former Agency") and _____ L.P., a California limited partnership (herein referred to as "Developer"). HACR and Developer are individually referred to herein as a "Party" and collectively as "Parties."

RECITALS

A. HACR was established by action of the Board of Supervisors of the County of Riverside on November 23, 1942, pursuant to the California Housing Authorities Law (Health and Safety Code §§ 34200, et seq., the "Housing Authority Law"), and constitutes a corporate and politic public body, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out the purposes and provisions of the Housing Authority Law.

B. California redevelopment agencies were dissolved on February 1, 2012 such that the Redevelopment Agency of the City of Coachella ("Former Agency") is now deemed a former redevelopment agency under Health and Safety Code section 34173 and AB x1 26, as modified by Assembly Bill No. 1484 (as modified to date, the "Dissolution Law"), which added Parts 1.8 and 1.85 to Division 24 of the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq., the "CRL").

C. Pursuant to CRL § 34176, on January 25, 2012, the City of Coachella adopted Resolution No. 2012-10 electing not to retain responsibility for the housing assets and functions of the Former Agency, thus declining to become the "housing successor" to the Former Agency.

D. Pursuant to CRL § 34176, on June 4, 2013, the HACR Board of Commissioners approved that certain Memorandum of Understanding accepting the transfer of housing assets and functions previously performed by the Former Agency, including related rights, powers, duties, obligations, and housing assets (excluding unencumbered amounts in the Low and Moderate Income Housing Fund and enforceable obligations retained by the non-housing successor agency under the Dissolution Law) (the "Asset Transfer"), making HACR the "Housing Successor" to the Former Agency under the Dissolution Law.

E. The Asset Transfer included, among other things, the transfer of a fee interest in that certain real property consisting of approximately 9.44 acres of land located at 84679 and 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, 92236, currently identified with Assessor's Parcel Numbers 768-350-002 and 768-400-001, as further described in the Legal Description attached hereto as Exhibit A, incorporated herein by this reference (the "DDLA Property"). Developer acquired a portion of the DDLA Property (the "Property").

F. In furtherance of the affordable housing goals and objectives of the HACR, HACR, Villa Verde [I/II], L.P. and Developer entered into that certain Amended and Restated Disposition, Development and Loan Agreement ("DDLA") dated December 16, 2025, relating to, among other things, the sale of the Property by HACR to Developer, and Developer's construction and development thereon of 152 units consisting of 1-bedroom, 2-bedroom and 3-bedroom units, forty nine percent (49%) of which not reserved for occupancy by property managers shall be affordable to Low Income Households, with access to property management and resident service office, community room, laundry facilities, common open spaces, and parking either on site or available to its tenants through a reciprocal easement agreement (collectively, the "Improvements" or the "Project") . The term "DDLA" as used herein shall mean, refer to and include the DDLA, as well as any riders, exhibits, addenda, implementation agreements, modifications, amendments and attachments thereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in the DDLA. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the DDLA.

G. Pursuant to the DDLA, upon approval of the Project by the City of Coachella and all other governmental authorities having jurisdiction over the Property, and the closing of financing for the development, construction and operation of the Project ("Construction Closing"), HACR shall convey fee title to the Property to Developer. It is a condition of the DDLA that this Agreement be entered into by the parties hereto and recorded against the Property in the official records of the County of Riverside concurrently with Construction Closing.

H. In accordance with the DDLA, and in furtherance of the housing functions transferred to HACR pursuant to the Dissolution Law, the Developer is required to restrict the use and occupancy of forty-nine percent (49%) of the units not reserved for occupancy by staff in the Project (collectively, the "Restricted Units") to occupancy by Low Income Households at an Affordable Rent for a period of fifty-five (55) years from the date of issuance of a Certificate of Occupancy for the last building within the Project.

I. Concurrently herewith, HACR is making a loan to Developer in the amount of $4,454,640 (the "HACR Loan") for the purchase of the Property and repayment of a Predevelopment

Loan, and a Development Loan. The HACR loan is to benefit Villa Verde I, L.P. and Villa Verde II, L.P, to fund certain costs for the Project. Villa Verde I, L.P. will include $3,966,482 HACR loan funds within its Project Budget. Villa Verde II, L.P. will include $438,158 HACR loan funds within its Project Budget. The Property was initially purchased by the Former Agency as HACR's predecessor-in-interest with 2006 Series A Taxable Housing Bond proceeds deposited into the Low and Moderate Income Housing Fund (LMIHF). The Predevelopment Loan and Development Loan are funded from the same funds. The covenants and restrictions set forth herein are given in consideration of the HACR Loan and the conditions imposed upon the use of LMIHF monies by applicable law.

J. HACR has agreed to provide the HACR Loan to Developer on the condition that the Project be maintained and operated in accordance with CRL Sections 33334.2 et seq., and in accordance with additional restrictions concerning affordability, operation, and maintenance of the Project, as specified in this Covenant Agreement.

K. In consideration of receipt of title to the Property, the HACR Loan and deferred repayment terms, the Developer has agreed to observe the terms and conditions set forth herein.

L. To ensure that the Property will be used and operated in accordance with all applicable conditions and restrictions, HACR and Developer wish to enter into this Covenant Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer, on behalf of itself and its successors, assigns, and each successor in interest to the Property or any part thereof, and HACR agree as follows:

1. Restrictions.

a. Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that Developer, such successors and such assignees shall use the Property only for the uses specified in the DDLA and this Covenant Agreement. No change in the use of the Property shall be permitted without the prior written approval of HACR. The Improvements shall comply with all applicable requirements of the California Building Code, including, without limitation, all applicable sections regarding comprehensive accessibility and adaptability requirements for multifamily new construction development.

b. Without limiting the generality of the foregoing, Developer shall use the Property for the development, construction and operation thereon of the Project,[describe unit breakdown as applicable to either Villa Verde I or Villa Verde II]. The Restricted Units shall be made available solely to and occupied by Low Income Households at an Affordable Rent. The required distribution of the Restricted Units by type is set forth in Exhibit C attached hereto and incorporated herein by this reference.

c. The maximum incomes of Low Income residential tenants eligible to rent the Restricted Units shall be determined on the basis of the area median income for the County of Riverside Standard Metropolitan Area as determined by the U.S. Department of Housing and Urban Development and published approximately annually by the California Department of Housing and Community Development ("Area Median Income").

d. For purposes of this Agreement, the term "Low Income" shall mean a household gross income that does not exceed sixty percent (60%) of Area Median Income, adjusted for family size. For purposes of this definition, "adjusted for family size" means the actual number of persons in the applicable household.

e. The maximum monthly Affordable Rent for a Low Income household, including a reasonable utility allowance for utilities and services (excluding telephone), that may be charged to tenants of the Restricted Units, shall not exceed one-twelfth (1/12) times the product of thirty percent (30%) times sixty percent (60%) of the Area Median Income, adjusted for family size appropriate for the Restricted Unit.

f. For purposes of this Agreement, the phrase, "adjusted for family size appropriate for the Restricted Unit" shall mean the number of bedrooms in the Unit plus one; or, if permitted in accordance with the CRL, the number of bedrooms in the Unit multiplied by 1.5.

g. HACR, and its successors and assigns, shall have the right, but not the obligation, to monitor and enforce the covenants contained in this section 1.

h. To the extent permitted by law, Section 42 of the Internal Revenue Code shall govern in the event of increases in tenant incomes: (a) a tenant who initially qualified as a Low Income household, but who, due to an increase in income, no longer qualifies as a Low Income household but whose household income does not exceed 80% of Area Median Income, shall pay as rent in an amount not to exceed one twelfth ($1/12^{th}$) of the product of 30% of 70% of Area Median Income; and (b) if a household's income increases to above 80% of Area Median Income, the household may be required to pay the greater of one twelfth ($1/12^{th}$) of the product of 30% of the family's gross income pay or the market rate rent for the unit, to the extent permitted by applicable law.

i. Except for a resident manager, no officer, employee, agent, official or consultant of Developer may occupy any of the units.

j. Units in the Project that are not Restricted Units shall be occupied by households whose Gross Income does not exceed that permitted for a Moderate Income household at a monthly rent not to exceed one-twelfth (1/12) times the product of thirty percent (30%) times one hundred ten percent (110%) of the Area Median Income, or such greater amount permitted in accordance with CRL Section 50053(b)(4), adjusted for family size appropriate for the unit. For purposes hereof, the term "Moderate Income" shall mean a household income that does not exceed the requirements of CRL §50093, adjusted for family size. Prior to leasing a Unit and annually thereafter, Developer, at its sole expense, shall cause the Property Manager to certify the eligibility of the Moderate Income household tenants consistent with the income certification procedures for Restricted Units set forth in Section 19.d.

k. Failure to comply with the affordability requirements of this Agreement is an event of default under the terms of the DDLA.

l. Except for the non-discrimination provisions set forth below, which shall remain in effect in perpetuity, this Agreement and the use and occupancy restrictions set forth herein shall remain in effect for a period of fifty-five (55) years from the issuance of a Certificate of Occupancy for the last building built in the Project ("Term" or "Affordability Period").

m. Developer, and its successors and assigns, shall comply with the terms of this Agreement, the DDLA and related Agreements to the extent applicable to the Project and any other instrument secured by the Property.

n. Notwithstanding anything to the contrary contained herein, if the Project qualifies for low income housing tax credits, Developer shall at all times comply with the rent restrictions and affordability requirements set forth in Section 42 of the Internal Revenue Code of 1986, as amended and any statutes, regulations of TCAC. In the event of a conflict between the two, Developer shall comply with the most restrictive covenant.

2. Maintenance of the Property. Developer, 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, Developer, 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 issuance of a Certificate of Occupancy 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, within a reasonable period of time, repainting or repair or replacement of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and removal of litter; 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 reasonably necessary; cleaning windows on a regular basis; painting the buildings on a regular program and prior to the significant 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; and maintaining security devices in good working order. In the event Developer, its successors or assigns, fails to maintain the Property in accordance with the standard for the quality of maintenance, HACR or its designee shall have the right but not the obligation to enter the Property upon reasonable notice to Developer, correct any violation, and hold Developer, or such successors or assigns, responsible for the cost thereof, and such cost, until paid, shall constitute a lien on the Property; provided, however, any such liens shall be subject and subordinate to the deed of trust in favor of any senior Lender.

3. Nondiscrimination. Developer 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. Developer understands and agrees that violation of this clause shall be considered a material breach of this Covenant Agreement and may result in termination, debarment or other

sanctions. This language shall be incorporated into all contracts between Developer and any contractor, consultant, subcontractor, subconsultants, vendors and suppliers. Developer 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.

Developer herein covenants by and for itself, its successors 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 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.

Developer, 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 Covenant Agreement shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

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."

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."

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 Developer set forth herein, Developer shall, upon notice from HACR, promptly pay to HACR all fees and costs, including administrative and attorneys' fees, incurred by HACR 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 this Agreement.

4. Development of the Property. Developer covenants and agrees for itself, its successors and assigns and every successor in Developer's interest in the Property or any part thereof, that Developer, its successors and assigns, shall develop and construct, or cause the development and construction, of the Improvements on the Property constituting the Project in accordance with the provisions of the DDLA, including, but not limited to the Entitlements for the Property, the Scope of Development (Attachment No. 6 to the DDLA), and all applicable Governmental Approvals.

5. Covenants Running with the Land. All conditions, covenants and restrictions contained in this Agreement shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by HACR, and its successors and assigns, against Developer, and its successors and assigns, to or of Developer's interest in the Property, or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof. HACR shall be deemed the beneficiary of the covenants, conditions and restrictions of this Agreement both for and in its own right and for the purposes of protecting the interests of the community. The covenants, conditions, and restrictions shall run in favor of HACR, without regard to whether HACR has been, remains, or is an owner of any land or interest therein in the Property. Except as provided in the preceding sentence, the covenants, conditions and restrictions contained in this Agreement shall not benefit nor be enforceable by any other owner or tenant of real property except HACR.

6. Insurance. Without limiting or diminishing Developer's obligation to indemnify or hold HACR harmless, Developer shall procure and maintain or cause to be maintained during the Term, at its sole cost and expense, insurance meeting the requirements set forth in the DDLA.

7. Hold Harmless/Indemnification. Developer shall indemnify and hold harmless HACR, the County of Riverside, its agencies, districts, special districts and departments, their respective directors, officers, governing Boards, 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 actions or failure to act of Developer, its officers, employees, subcontractors, agents or representatives, arising out of, in connection with or in any

way relating to the construction, development or operation of the Project on the Property, including but not limited to property damage, bodily injury, or death or any other claim or injury of any kind or nature whatsoever, except in the event of the gross negligence or willful misconduct of an Indemnitee; provided however, any gross negligence or willful misconduct of an Indemnitee will only affect Developer's duty to indemnify for the specific act found to be gross negligence or willful misconduct, and will not preclude Developer's duty to indemnify for any act or omission of Developer as required herein. Developer shall defend the Indemnitees against any claim or action based upon such alleged acts or omissions, at Developer's sole expense, including all costs and fees including, but not limited, to attorneys' fees and costs, cost of investigation, defense and settlements or awards. With respect to any action or claim subject to indemnification herein by Developer, Developer shall, at its sole cost, have the right to use counsel of its own choice to adjust, settle, or compromise any such action or claim without the prior consent of Indemnitees; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Developer's indemnification obligation to Indemnitees as set forth herein. Developer's obligation hereunder shall be satisfied when Developer has provided to HACR the appropriate form of dismissal relieving Indemnitees from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Developer'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 Developer from indemnifying the Indemnitees to the fullest extent allowed by law. The indemnity set forth herein shall survive the expiration or earlier termination of this Agreement.

8. Notices. All Notices provided for in this Agreement 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 HACR: Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504

If to Developer: c/o Abode Communities
2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033
Attn: President

Copy to: Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. Fifth Street, Suite 5880
Los Angeles, CA 90071
Attention: Nicole Deddens

Copy to: Wincopin Circle LLLP
c/o Enterprise Community Asset Management, Inc.
11000 Broken Land Parkway, Suite 700
Columbia, MD 21044
Attention: Asset Management

Copy to: Gallagher LLP
218 North Charles Street, Suite 400
Baltimore, MD 21201
Attention: Jessica Weston

9. Remedies. HACR shall have the right, in the event of any breach of any term or covenant of this Agreement, 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 such term or covenant.

10. Term. The non-discrimination covenants, conditions and restrictions contained in this Covenant Agreement shall remain in effect in perpetuity. Every other covenant, condition and restriction contained in this Covenant Agreement shall continue in full force and effect for the Affordability Period.

11. Notice and Cure. Prior to exercising any remedies hereunder, HACR shall give Developer and the Tax Credit Investor notice of such default in accordance herewith. Any monetary default shall be cured within seven (7) business 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, Developer shall have such period to effect a cure prior to exercise of remedies by HACR. 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 Developer (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 Developer shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by HACR; but in no event no later than one hundred eighty (180) days from delivery of such notice of default.

HACR, upon providing Developer with any notice of default under this Agreement, shall at the same time provide a copy of such default notice to permitted lenders who have given written notice to HACR of its interest in the Property and the Project or the Tax Credit Investor at the notice address above. From and after such notice has been delivered to the permitted lenders and tax credit investor, such permitted lenders and the Tax Credit Investor shall have the same period for remedying the default complained of as the cure period provided to Developer pursuant to this Section. HACR shall accept performance by the permitted lenders and Tax Credit Investor as if the same had been made by Developer.

If a violation of any of the covenants or provisions of this Covenant Agreement remains uncured after the respective time period set forth in this Section (an "Event of Default"), HACR and its successors and assigns, without regard to whether HACR or its successors and assigns is an owner 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 Developer 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.

12. Sale, Assignment or Transfer of the Project or Property. Except for a Permitted Transfer as provided in the DDLA, Developer 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 HACR, which shall be granted or withheld in its discretion. Any approved sale, assignment, or transfer of the Project or Property shall be memorialized in an assignment and assumption agreement the form and substance of which have been first approved in writing by HACR. 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, Developer's duties and obligations under this Covenant Agreement, provided, however Developer shall not be released for any obligations which arose or were due to be performed prior to the date of such assignment.

13. Amendments or Modifications. This Agreement may only be changed or modified only by a written amendment signed by authorized representatives of both parties.

14. Governing Law; Venue; Severability. This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Covenant Agreement 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 Agreement 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

15. Binding Effect. The rights and obligations of this Agreement shall bind and inure to the benefit of the permitted respective heirs, successors and assigns of the parties.

16. Permitted Mortgages. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Covenant Agreement shall defeat or render invalid or in any way impair the lien or charge of any deed of trust or mortgage permitted by the DDLA or the lien or charge of a deed of trust made by the Developer for the benefit of any lender first approved in writing by HACR, to the extent such approval is required by the DDLA (each, a "Permitted Lender") and nothing herein or in the DDLA 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. No lender taking title to the Project through foreclosure or deed-in-lieu of foreclosure shall be liable for any defaults or monetary obligations of Developer arising prior to acquisition or possession of the Project by such lender. Any Permitted

Lender who has a recorded deed of trust or mortgage against the Project shall have the right, but not the obligation, during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the condition of default claimed, or the areas of noncompliance set forth in HACR's notice. Notwithstanding anything herein to the contrary, no party who takes title to the Project through foreclosure or deed-in-lieu of foreclosure shall be obligated to construct or continue with construction of the Project.

17. 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 Covenant Agreement shall remain in full force and effect.

18. Operation of Project.

a. Project Monitoring and Evaluation; Tenant Checklist. Developer shall submit a Tenant Checklist Form to HACR, as shown in Exhibit B which is attached hereto and incorporated herein by this reference and may be revised by HACR from time to time, summarizing the racial/ethnic composition, number and percentage of households who are tenants of the Restricted 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. In addition, Developer shall annually submit, on each April 1 after the issuance of a Certificate of Occupancy for the last building in the Project, such other monitoring forms as reasonably requested by HACR.

During the Affordability Period and upon request by HACR, Developer shall provide access and cooperation for periodic onsite compliance monitoring in accordance with HACR Monitoring Policy and Procedures. The on-site visit may include, without limitation: (i) interviews with staff and tenants; (ii) review of system certifications; (iii) review of tenant files; and (iv) housing quality standards inspection of buildings, grounds, systems and assisted and handicap accessible housing units.

Developer shall provide written lease agreements for tenants of the Project for not less than one year. HACR shall review the initial form of the lease agreement prior to Developer executing any leases and, provided that Developer uses the approved lease form, Developer shall be permitted to enter into residential leases without HACR's prior written consent. Any material changes to the written lease shall be approved in writing by HACR prior to any use by Developer.

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 Developer in a lawsuit brought in connection with the lease.

(2) Treatment of property. Agreements by tenant that Developer 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. Developer may dispose of this personal property in accordance with State law.

(3) Excusing Developer from responsibility. Agreement by the tenant not to hold Developer or Developer's agents legally responsible for any action or failure to act, whether intentional or negligent.

(4) Waiver of notice. Agreement of the tenant that Developer may institute a lawsuit without notice to the tenant.

(5) Waiver of legal proceeding. Agreement by the tenant that the Developer 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 Developer 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. Developer shall adopt written selection policies and criteria that meet the following requirements, and are approved in writing by HACR prior to entering into any lease for the Project which selection policies shall be subject to all applicable laws, including Section 42 of the Internal Revenue Code:

(1) Are consistent with the purpose of providing housing for 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 HACR (if any).

(5) Carry out the affirmative marketing procedures of HACR, to provide information and otherwise attract eligible persons from all racial, ethnic and gender groups in the housing market area. Developer and HACR shall cooperate to effectuate this provision during the Developer's initial lease-up of the Restricted Units and as vacancies occur.

d. Income Requirements and Certification. Prior to leasing a Restricted Unit and annually thereafter, Developer, at its sole expense, shall cause the Property Manager to certify the eligibility of each tenant applicant as a Low Income Household. The Developer shall complete such certification on forms as may be reasonably required by HACR (which may include provision to HACR of any reporting forms required by California Tax Credit Allocation Committee (CTCAC)). Gross income calculations for prospective (and continuing) tenants shall be determined in accordance herewith and with applicable state law. Developer shall cause the Property Manager to submit such income certification, verification thereof and such additional information as may reasonably be required in the future by HACR or CTCAC. Such supporting documentation shall include, for each member of the household eighteen (18) years old or older, copies of documentation and verification procedures as required by Section IV of CTCAC's Compliance Online Reference Manual, as may be amended from time to time by CTCAC and currently located at - https://www.treasurer.ca.gov/ctcac/compliance/manual/manual.pdf. Developer and HACR agree and acknowledge that HACR may require such additional information, if any, required to comply with applicable California law regarding affordable housing.

e. Submission of Audited Financial Statements. Developer shall prepare and obtain an audited annual financial statement for the Project for each Fiscal Year (the "Annual Audited Financial Statements") ending after Completion of such Project. By no later than the April 1st following the year in which final certificate of occupancy for the Project is issued, Developer shall submit such Annual Audited Financial Statements to HACR for the immediately preceding calendar year. Thereafter, by no later than each April 1st, Developer shall submit Annual Audited Financial Statements to HACR for the immediately preceding year in accordance with Section 6.1 of the DDLA.

19. Access to Project. Representatives of HACR shall have the right of access to the Property, upon twenty four (24) hours' prior written notice to Developer (except in the case of an emergency, in which HACR 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 Agreement subject to the rights of tenants under individual tenant leases.

20. Management. Developer shall be responsible for the operation of the Project either by direct management or by contracting its managerial functions to a third party property manager ("Property Manager") reasonably acceptable to HACR, which Property Manager will be charged with managing the Project on behalf of the Developer. HACR shall have the right to review and approve, which approval shall not be unreasonably withheld, conditioned or delayed any such entity prior to its selection by the Developer. Developer 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 the terms of this Covenant or 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 HACR 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.

21. Compliance with Applicable Laws. Developer shall carry out the design, construction and operation of the Project in conformity with all applicable federal, state and local laws, ordinances, statutes, codes, rules, resolutions, regulations, policy statements, orders, and decrees including without limitation, all applicable labor and employment laws and standards, laws regarding hazardous substances, laws regarding the acceptance or rejection of tenants and/or the termination of any tenancy, zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City of Coachella Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. § 12101, et seq., as currently exists or as may be amended from time to time, Government Code § 4450, et seq., as currently exists or as may be amended from time to time, Government Code § 11135, et seq., as currently exists or as may be amended from time to time, and the California Building Standards Code, Health and Safety Code § 18900, et seq. as currently exists or as may be amended from time to time.

IN WITNESS WHEREOF, HACR and Developer have signed this Agreement as of the dates set opposite their signatures.

HACR:	**DEVELOPER:**
HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE, a public body corporate and politic By: *Exhibit – Do Not Sign* Heidi Marshall, Executive Director Date: _____ APPROVED AS TO FORM: Minh C. Tran *Exhibit – Do Not Sign* Amrit P. Dhillon, Deputy County Counsel	_____ L.P., a California limited partnership _____, LLC, a California limited company By: Abode Communities, a California nonprofit corporation, its sole member By: *Exhibit – Do Not Sign* Lara Regus, Senior Vice President, Development Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, 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

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

TENANT CHECKLIST
[attached]

Exhibit B: Sample Tenant Checklist

Project Name:

Address:

													Insert a check mark for each item that is relevant to the family below											
Unit No.	Tenant Name	Move In Date	Move Out Date	Rent Amount	Family Size	No. of BRs	Utility Allowance	Tenant Portion	Section 8 Subsidy	Recert. Date	Tenant Income	% of Median	Non-Hisp.	Hisp.	Am. Ind (AIAN)	Asn	Blk	N.Haw Pc Islan	WHT	AIAN & WHT	ASN & WHT	BLK & WHT	AIAN & BLK	Two or more Races

Prepared by:

Title:

Phone Number:

Problems or questions please call, _____

If you would like this form prepared on Microsoft Excel e-mailed to you, please contact jugarcia@rivco.org

EXHIBIT C

DISTRIBUTION OF RESTRICTED UNITS

Villa Verde I	Number Of Units	Income Level	
1-bedroom units	16	Low Income	
2-bedroom units	44	Low Income	
3-bedroom units	18	Low Income	
Total	78		

Villa Verde II	Number Of Units	Income Level	
1-bedroom units	0	Low Income	
2-bedroom units	9	Low Income	
3-bedroom units	0	Low Income	
Total	9		

ATTACHMENT NO. 12

REQUEST FOR NOTICE

[attached]

Recording Requested By:
RIVERSIDE COUNTY

AND WHEN RECORDED MAIL TO
Housing Authority of the County
of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh,
Assistant Executive Director

EXEMPT RECORDING FEE CODE 27383

REQUEST FOR NOTICE
UNDER SECTION 2924b CIVIL CODE

In accordance with Civil Code Section 2924b, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust dated [insert date the senior lien holder DOT recorded] and recorded as Instrument No. [insert Senior lien holder DOT recorded instrument number] in book xxxxxx , page xxxxx, Official Records of RIVERSIDE County, California, and describing land therein as:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"

APN: PARCEL NO. 758-350-002 and 768-400-001
Property also known as: 84679 and 84824 Calle Verde, Coachella, CA 92236

All notices to be mailed to: Attn: Deputy Director, Housing Authority of the County of Riverside, 5555 Arlington Avenue, Riverside, California 92504

Request is hereby made that a copy of any notice of default and a copy of any notice of sale under the deed of trust

NOTICE: A copy of any notice of default and of any notice of sale will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

Dated: _____	COUNTY OF RIVERSIDE HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE, a public body corporate and politic By: *Exhibit – Do Not Sign* Heidi Marshall, Executive Director APPROVED AS TO FORM: Minh C. Tran *Exhibit – Do Not Sign* Amrit P. Dhillon, Deputy County Counsel

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 _____)

On _____, before me, _____ a Notary Public, personally appeared _____ 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 of Notary (Affix seal here)

EXHIBIT "A"
LEGAL DESCRIPTION

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 _____)

On _____, before me, _____ a Notary Public, personally appeared _____ 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 of Notary (Affix seal here)

ATTACHMENT NO. 13

AMENDED AND RESTATED

PREDEVELOPMENT PROMISSORY NOTE

[attached**]**

AMENDED AND RESTATED
PREDEVELOPMENT PROMISSORY NOTE
TO THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, CALIFORNIA

3% Interest
$450,000

Riverside, California
_____. 2025

FOR VALUE RECEIVED, VILLA VERDE I, L.P., a California limited partnership ("**Borrower**"), hereby promises to pay to the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the former Coachella Redevelopment Agency ("**Authority**"), or holder, the principal amount of FOUR HUNDRED AND FIFTY THOUSAND DOLLARS AND NO CENTS ($450,000) ("**Predevelopment Loan**"), or so much thereof as may be advanced by the Authority to the Borrower. Borrower acknowledges that it has received loan funds in the amount of $450.000 as of the date hereof pursuant to the Predevelopment Loan executed in connection with that certain Exclusive Negotiation Agreement with Predevelopment Loan dated as of May 1, 2018 ("**ENA**") between Borrower's predecessor-in-interest, Abode Communities, a California corporation, and the Authority, incorporated herein by this reference. This Amended and Restated Predevelopment Promissory Note ("**Predevelopment Note**" or "**Note**") amends and restates the Predevelopment Promissory Note executed in connection with the ENA in its entirety. The Predevelopment Loan shall be used to pay certain Authority approved Eligible Predevelopment Costs in connection with the Proposed Project (as defined in the DDLA). The term "**DDLA**" as used herein shall mean, refer to that certain Amended and Restated Disposition, Development and Loan Agreement between Authority and Borrower dated of even date herewith, 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 DDLA and any amendments or modifications thereto. The Borrower shall pay interest on the outstanding principal at the rate, in the amount and at the time hereinafter provided. Borrower acknowledges and agrees that the outstanding interest due hereunder as of December 13, 2020 is $3,728.05. The holder of this Note shall have full recourse against the undersigned, and shall not be required to proceed against the collateral securing this Note in the event of default.

1. Capitalized Terms. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the DDLA.

2. Term. The term of this Note shall commence on the date first stated above and shall terminate upon the earlier of ("**Maturity Date**"): (i) the Outside Closing Date, (ii) termination of the DDLA for any reason, including, without limitation, an Event of Default; or (iii) Construction Closing pursuant to the DDLA. It is the intent of the parties that the proceeds of the "HACR Loan" issued at Construction Closing by HACR to Borrower will be deemed to repay all outstanding principal amounts hereunder.

3. Evidence of Obligation. This Predevelopment Note evidences the obligation of the Borrower to the Authority for the repayment of the Predevelopment Loan. All of the funds

provided pursuant to the Predevelopment Loan were funded from Authority's 2006 Series A Taxable Housing Bonds.

4. Where and How Payable. This Predevelopment Note is payable at the principal office of the Authority, c/o Housing Authority of the County of Riverside, 5555 Arlington Avenue, Riverside, CA 92555 Attention: Executive Director, or at such other place as the holder hereof may inform the Borrower in writing, in lawful money of the United States.

5. Payments. Except in an event of acceleration described in Section 10, below, no payments are due under this Predevelopment Note until the Maturity Date. Upon the occurrence of the Maturity Date due to an Event of Default, all unpaid principal and interest owing under this Predevelopment Note shall be due and payable in full to the Authority, and once such payment is received by Authority, this Predevelopment Note shall be endorsed as "paid in full" and returned to Borrower.

In the event the Maturity Date occurs upon Construction Closing, all outstanding principal hereunder shall be deemed repaid with the proceeds of the HACR Loan. Upon issuance of the HACR Loan and Construction Closing in accordance with the DDLA, this Predevelopment Note shall be endorsed as "paid in full" and returned to Borrower. All accrued interest owing hereunder shall continue to be due and payable under the HACR Loan issued to Borrower concurrently with the Closing. Upon issuance of the HACR Loan, the outstanding balance of the Predevelopment Loan principal and interest shall be paid over a fifty five year term from Project residual receipts in accordance with the note evidencing the HACR Loan.

In the event the Maturity Date occurs as a result of the automatic termination of the DDLA upon the Outside Closing Date, all outstanding principal and interest hereunder shall be deemed repaid upon the assignment by Borrower and delivery thereof of all plans, reports, data and other predevelopment materials funded by the Predevelopment Loan and assigned to the Authority by the Assignment of Plans (as defined in Section 9 below).

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 herein, 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.

6. Disbursement. A portion of the proceeds of this Predevelopment Note were disbursed to Borrower in accordance with the ENA. As of the date hereof, Borrower acknowledges and agrees that it has received disbursement of Four Hundred Thirty One Thousand Nine Hundred Eighty Dollars and One Cent ($431,980.01) in Predevelopment Loan principal.

7. Use of Funds. The Predevelopment Loan proceeds shall be used solely to reimburse Borrower for Eligible Predevelopment Costs, not to exceed a total reimbursement of Four Hundred and Fifty Thousand Dollars and No Cents ($450,000.00). Borrower shall submit to Authority invoices, receipts, copies of checks or other written documentation satisfactory to the Executive Director or designee evidencing Borrower's payment of Eligible Predevelopment Costs incurred up to the date of the disbursement request.

For purposes hereof, "**Eligible Predevelopment Costs**" include costs of preparing engineering and architecture plans and specifications for the Project and such other costs as may be reasonably determined by Authority to be customary predevelopment costs for a project similar in size and scope to the Proposed Project.

8. Interest. Except in an event of acceleration described in Section 10, below, this Predevelopment Note shall bear interest at the rate of three percent (3%) per annum, simple interest, which shall begin to accrue once funds are disbursed. Borrower acknowledges that as of December 31, 2020, accrued interest owing hereunder is $3,728.05.

9. Security. This Predevelopment Note is secured by an Assignment of Agreements, Plans, Specifications and Entitlements in the form attached as Exhibit A hereto and delivered to Authority ("**Assignment of Plans**") executed by the Borrower in favor of the Authority.

10. Due on Expiration of Term or Upon Acceleration. The entire unpaid principal balance of this Predevelopment Note and all accrued but unpaid interest, if any, shall be due and payable on the Maturity Date or immediately upon the occurrence of any of the following events of acceleration:

(a) In the event Borrower uses the Predevelopment Loan funds to pay costs other than the Eligible Predevelopment Costs; or

(b) The date on which there is a default by Borrower under the terms of this Predevelopment Note, the DDLA, the Schedule of Performance attached as Attachment No. 13 to the DDLA, or the Assignment of Plans, which is not cured or waived within the respective time period provided herein and therein; or

(c) The DDLA is terminated for any reason (other than a termination caused by Authority); or

(d) If the DDLA is transferred or assigned by Borrower without the prior written approval of the Authority.

11. Prepayment. Borrower may prepay the principal balance of this Predevelopment Note in full at any time. Borrower may provide prior written notice of Borrower's intent to prepay in full and the date on which the prepayment will be made.

12. Waivers. Borrower waives presentment for payment, demand, protest, and notices of dishonor and of protest; the benefits of all waivable exemptions; and all defenses and pleas on the ground of any extension of the time of payment or of any due date under this Predevelopment Note, in whole or in part, whether before or after maturity and with or without notice. Borrower hereby agrees to pay all costs and expenses, including reasonable attorney's fees, which may be incurred by the holder hereof, in the enforcement of this Predevelopment Note, the DDLA, the Assignment of Plans or any term or provision of either thereof.

13. Exercise of Rights and Waivers. Upon the failure of the Borrower to perform or observe any term or provision of this Predevelopment Note, upon an event of acceleration described in Section 10 herein, or upon the occurrence of any event of default under the terms of the DDLA or the Assignment of Plans, the holder may exercise its rights or remedies

hereunder or thereunder. This Note, the DDLA and the Assignment of Plans shall be collectively referred to herein as the "**Authority Loan Documents.**"

14. Application of Payments. Each payment under this Predevelopment Note shall be credited first to interest then due and any remainder to principal.

15. Costs of Collection. If this Predevelopment Note is not paid when due, whether on the Maturity Date or on acceleration of this Predevelopment Note, Borrower promises to pay all collection costs, including, but not limited to, attorney fees and costs, whether or not suit is filed on this Predevelopment Note.

16. Default Rate of Interest. Upon the occurrence of a Default under this Predevelopment Note, the entire outstanding principal balance shall then automatically bear interest at an annual rate equal to the lesser of ten percent (10%) or the highest rate of interest permitted by law (the "**Default Rate**").

17. Defaults.

(a) Subject to the extensions of time set forth in the DDLA, and subject to the further provisions of this Section 17, failure or delay by the Borrower to perform any term or provision of this Predevelopment Note, the DDLA or any other Authority Loan Document after notice and expiration of any cure period constitutes a default hereunder.

(b) Authority shall give written notice of default to the Borrower, specifying the default complained of by the Authority. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

(c) Any failures or delays by the 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 the Authority in asserting any of its rights and remedies shall not deprive the Authority of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, asset, or enforce any such rights or remedies.

(d) If a monetary event of default occurs under the terms of this Predevelopment Note, the DDLA or any Authority Loan Document, prior to exercising any remedies hereunder or thereunder, the Authority shall give the Borrower written notice of such default. Borrower shall have ten (10) days after such notice is given within which to cure the default prior to exercise of remedies by the Authority under the DDLA or any Authority Loan Document. In no event shall the Authority be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within ten (10) days after the notice of default is first given.

(e) If a non-monetary event of default occurs under the terms of this Predevelopment Note, the DDLA or any Authority Loan Document, prior to exercising any remedies hereunder or thereunder, the Authority shall give the Borrower written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the Borrower shall have such period to effect a cure prior to exercise of remedies by the Authority under the DDLA or any Authority Loan Document. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and the Borrower (i) initiates corrective action within said period, and (ii) diligently and in good faith works to effect a cure as soon as possible, then the Borrower shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the Authority, but in no event longer than sixty (60) days from the date the first written notice was given. In no event shall the Authority be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any

failure to cure a default or the default is not cured within sixty (60) days after the notice of default is first given.

(f) Any notice of default shall be deemed given only if either (i) dispatched by first class mail, registered or certified, postage prepaid, return receipt requested, to the addresses specified for the Borrower, or (ii) by personal delivery (including by means of professional messenger or courier service such as United Parcel Service or Federal Express) to the addresses specified for the Borrower. Receipt shall be deemed to have occurred on the date marked on a written postal service or messenger or courier service receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable). If either party gives notice of a change of address in the manner specified in this paragraph, all notices, demands and communications originated after receipt of the change of address (or the effective date specified in the notice of change of address, if later) shall be transmitted, delivered or sent to the new address.

Authority: Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Assistant Executive Director

Borrower: c/o Abode Communities
1149 S. Hill Street
Suite 700
Los Angeles, CA 90071

With copy to: Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. Fifth Street, Suite 5880
Los Angeles, CA 90071
Attention: Nicole Deddens

18. Governing Law. 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.

19. Highest Interest Rate. All agreements between Borrower and Authority are expressly limited, so that in no event or contingency, whether because of the advancement of the proceeds of this Predevelopment Note, acceleration of maturity of the unpaid principal balance, or otherwise, shall the amount paid or agreed to be paid to Authority for the use, forbearance, or retention of the money to be advanced under this Predevelopment Note exceed the highest lawful rate permissible under applicable usury laws. If, under any circumstances, fulfillment of any provision of this Predevelopment Note or any other agreement pertaining to this Predevelopment Note, after timely performance of such provision is due, shall involve exceeding the limit of validity prescribed by law that a court of competent jurisdiction deems applicable, then, ipso facto, the obligations to be fulfilled shall be reduced to the limit of such validity. If, under any circumstances, Authority shall ever receive as interest an amount that exceeds the highest lawful rate, the amount that would be excessive interest shall be applied to

reduce the unpaid principal balance under this Predevelopment Note and not to pay interest, or, if such excessive interest exceeds the unpaid principal balance under this Predevelopment Note, such excess shall be refunded to Borrower. This provision shall control every other provision of all agreements between Borrower and Authority.

20. No Modification. 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 Authority.

21. Assignment by Authority. The 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.

22. Prohibition against Assignment by Borrower. 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 Authority, which consent the Authority may give or withhold in its sole and absolute discretion. In the absence of specific written agreement by the Authority, no unauthorized assignment or transfer, or approval thereof by the Authority, shall be deemed to relieve Borrower or any other party from any obligations under the DDLA or this Note. This provision shall not affect or diminish the Authority's assignment rights under this Note.

23. Relationship of Parties. The relationship of Borrower and 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.

24. Captions. The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.

25. Binding on Borrower's Successors and Assigns. This Note shall be binding upon Borrower and its heirs, successors and assigns, and shall benefit the Authority and its successors and assigns.

26. Partial Invalidity. If the rights created by this Predevelopment 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 must be completely performed and paid.

27. Conflicts. In addition to the other terms of this Predevelopment Note, Borrower hereby agrees and acknowledges that, notwithstanding any internal accounting procedures or provision pertaining to the use of receipts, payments, reserves and distributions contained in its agreement of partnership or other organizational document, the terms of this Predevelopment Note and the ENA shall control as to the use of the Authority funds provided under the ENA and this Note.

28. Joint and Several. If Borrower is comprised of more than one person or entity, the obligations hereunder shall be the joint and several obligations of each such person or entity so comprising Borrower.

29. Time Is of the Essence. Time is of the essence with respect to all obligations of Borrower under this Predevelopment Note.

[signature on next page]

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

BORROWER:

VILLA VERDE I, L.P., a California limited partnership

By: Villa Verde I GP, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*

Lara Regus, Senior Vice President, Development
Date: _____

EXHIBIT A

ASSIGNMENT OF AGREEMENTS, PLANS, SPECIFICATIONS AND ENTITLEMENTS

FOR VALUE RECEIVED, the undersigned, _____, L.P., a California limited partnership ("Borrower"), pursuant to that certain Amended and Restated Disposition, Development and Loan Agreement dated December 16, 2025 ("DDLA") by and between the Borrower and the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic ("Authority"), hereby assigns to the Authority all of Borrower's rights and interest in, under and to the following, as they relate to the Proposed Project (as defined in the DDLA), as of January 12, 2021 (the "Effective Date"):

1. All architectural, design, engineering and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto (collectively, "Architectural or Engineering Agreements") heretofore or hereafter entered into or prepared by any architect, engineer or other person or entity (collectively "Architect/Engineer(s)"), for or on behalf of Borrower or its predecessor-in-interest, Abode Communities, a California nonprofit corporation ("Abode"), in connection with the construction of the Proposed Project;

2. All plans and specifications, shop drawings, working drawings, amendments, modifications, changes, supplements, general conditions and addenda thereto (collectively "Plans and Specifications") heretofore or hereafter prepared by any Architect/Engineer(s), for or on behalf of Borrower or Abode in connection with the construction of the Proposed Project; and

3. All governmental permits, approvals and entitlements (collectively, "Entitlements") relating to the construction and operation of the Proposed Project heretofore or hereafter granted by the City of Coachella or any other governmental authority having jurisdiction over the Property.

All capitalized terms not defined herein shall have the meaning set forth in the DDLA.

The Architectural or Engineering Agreements, Plans and Specifications and Entitlements consist of are those which Borrower or Abode has heretofore entered into with respect to the Proposed Project, received or obtained and shall include, but not be limited to, those described in the Schedule of Architectural and Engineering Agreements, Plans and Specifications and Entitlements attached to this Assignment as Exhibit II. Borrower covenants and agrees to deliver to Authority a Consent to Assignment in the form attached as Exhibit I hereto signed by each party to the Architectural or Engineering Agreements, Plans and Specifications and Entitlements within thirty (30) days of the execution hereof by Borrower.

This ASSIGNMENT OF AGREEMENTS, PLANS AND SPECIFICATIONS AND ENTITLEMENTS ("Assignment") constitutes an assignment to Authority as of the Effective Date for security purposes. Borrower represents and warrants to Authority, as of the Effective Date, that: (i) it holds valid title to the Architectural or Engineering Agreements, Plans and Specifications, and Entitlements, either because Borrower entered into such documents or as assignee of Abode; (ii) except in connection with the ENA and Abode's assignment to Borrower, no prior assignment of the Architectural or Engineering Agreements, Plans and Specifications, and Entitlements has been made; (iii) to the actual knowledge of Borrower: (a) all Architectural or Engineering Agreements entered into by Borrower and/or Abode with respect to the Proposed Project are in full force and effect and no default, or event which would constitute a default after notice or the passage of time, or both, exists with respect to said Architectural or Engineering Agreements; and (b) all copies of the Architectural or Engineering Agreements, Plans and Specifications, and Entitlements delivered to Authority are complete and correct copies.

Any Architectural or Engineering Agreements, Plans and Specifications, and Entitlements entered into by Borrower after the Effective Date shall be deemed assigned hereunder to Authority, and a Consent to such Assignment executed by the appropriate party, and/or copies of such materials, shall be promptly delivered to Authority at the Authority address as stated in the DDLA

This Assignment shall be governed by the laws of the State of California. Borrower consents to the jurisdiction of any Federal or State Court within the State of California having proper venue for the filing and maintenance of any action arising hereunder and agrees that the prevailing party in any such action shall be entitled, in addition to any other recovery, to reasonable attorneys' fees and costs.

This Assignment shall be binding upon and inure to the benefit of the legal representatives, assigns, and successors-in-interest of Borrower and Authority.

Except as expressly provided herein, the Borrower makes this Assignment without representation or warranty, express or implied, regarding the Architectural or Engineering Agreements, the Plans and Specifications, and the Entitlements.

The Borrower hereby irrevocably appoints the Authority as its attorney-in-fact (which Authority is coupled with an interest) to, upon the occurrence of a Default by Borrower (after notice and opportunity to cure) under and as defined in the DDLA, demand, receive, and enforce any and all of the Borrower's rights with respect to the Architectural or Engineering Agreements, Plans and Specifications, and Entitlements, and perform any and all acts in the name of the Borrower or in the name of the Authority with the same force and effect as if performed by the Borrower in the absence of this Assignment.

The attached Exhibits I and II are incorporated herein by reference.

[signature page follows]

The undersigned has executed this ASSIGNMENT OF AGREEMENTS, PLANS, SPECIFICATIONS AND ENTITLEMENTS as of the Effective Date set forth above.

_____, L.P., a California limited partnership

By: _____ GP, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*
Lara Regus, Senior Vice President, Development
Date: _____

EXHIBIT I
FORM OF CONSENT TO ASSIGNMENT

[TO SIGNED BY EACH ARCHITECT, LANDSCAPE ARCHITECT AND ENGINEER PREPARING PLANS FOR THE PROPOSED PROJECT AND DELIVERED TO AUTHORITY]

The undersigned Architect/Engineer ("Architect" or "Engineer" as the case may be) hereby consents to the foregoing Assignment to which this Consent ("Consent") is a part, and acknowledges that there presently exists no unpaid claims due to the Architect/Engineer except as set forth on Schedule 1 attached hereto, arising out of the preparation and delivery of the Plans and Specifications or other work product (collectively, "Work Product") to Borrower and/or the performance of the Architect/Engineer's obligations under such Architect/Engineer Agreement entered into by Architect or Engineer with Borrower. For purposes, hereof, "Borrower" shall mean Villa Verde I, L.P., a California limited partnership, or Abode Communities, a California nonprofit corporation.

Architect/Engineer agrees that if the Housing Authority of the County of Riverside, a public entity, corporate and politic ("Authority") shall become the owner of said Work Product and elects to undertake or the construction of the Improvements on any portion of the Property in accordance with the Plans and Specifications, and gives Architect/Engineer written notice of such election; then, so long as Architect/Engineer has received, receives or continues to receive the compensation called for under the Agreements, Authority may, at its option, use and rely on the Plans and Specifications for the purposes for which they were prepared, and Architect/Engineer will continue to perform its obligations under the Agreements for the benefit and account of Authority in the same manner as if performed for the benefit or account of Borrower in the absence of the Assignment.

Architect/Engineer warrants and represents that they have no knowledge of any prior assignment(s) of any interest in the Plans and Specifications and/or the Agreements, except for a prior assignment to Abode Communities Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment.

The foregoing Consent to Assignment is applicable to the following contracts or agreements between Architect or Engineer and Borrower:

[*Borrower to insert names and dates of Contracts*]

_____

_____

[signature page follows]

Executed on _____, 20__

ARCHITECT/ENGINEER:

[insert name of company]

By: _____
Print Name:_____
Its: _____

Architect/Engineer s Address:

_____

SCHEDULE 1 TO CONSENT TO ASSIGNMENT
SCHEDULE OF UNPAID CLAIMS

Schedule 1 to Consent to Assignment of Agreements, Plans and Specifications and Entitlements:

[to be inserted]

[None.]

EXHIBIT II

SCHEDULE OF ARCHITECTURAL AND ENGINEERING AGREEMENTS,

PLANS AND SPECIFICATIONS AND ENTITLEMENTS

[Developer to provide]

ATTACHMENT NO. 14

FORM OF PURCHASE MONEY NOTE SECURED BY DEED OF TRUST

[attached]

RESIDUAL RECEIPTS PROMISSORY NOTE SECURED BY DEED OF TRUST

$_____ ("**Loan Amount**") _____, 20__ ("**Note Date**")

FOR VALUE RECEIVED, _____, L.P., a California limited partnership ("**Maker**") hereby promises to pay to the order of the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic ("**Holder**" or "**Authority**"), at a place designated by Holder, the principal sum of _____ DOLLARS ($_____) ("**Note Amount**"), plus accrued interest (as may be applicable under this Note), or such lesser amount which shall from time to time be owing hereunder pursuant to the terms hereof. The principal sum represents the amount due to Holder pursuant to the terms and conditions set forth in the DDLA (as defined below) pertaining to Maker's acquisition and development of certain real property more specifically described in the Deed of Trust (as such term is defined below) (the "**Property**") and development thereon of an affordable housing development consisting of [_____] Units and related appurtenances (the "**Project**").

Reference is also made to the following additional agreements and documents involving Maker and Holder and/or pertaining to the Site:

i. Purchase Money Deed of Trust with Assignment of Rents and Rider Attached Hereto Containing Terms Including Security Agreement and Fixture Filing dated of even date herewith made by and among Maker as trustor, Holder as beneficiary, and _____ as trustee, and recorded in the Office of the Riverside County Recorder concurrently herewith ("**Deed of Trust**"). The Deed of Trust secures repayment of this Note.

ii. Agreement Containing Covenants (Including Rental Restrictions) dated _____, 20__ by and between Maker (as Owner) and Holder (as HACR) for the benefit of Holder, and recorded in the Office of the Riverside County Recorder concurrently herewith ("**Regulatory Agreement**").

iii. Amended and Restated Disposition, Development and Loan Agreement dated December 16, 2025, by and between Holder (as HACR) and VILLA VERDE I, L.P., a California limited partnership and VILLA VERDE II, L.P., a California limited partnership (each, a Developer) (as may be amended to date, the "**DDLA**").

All of the foregoing listed documents are referred to herein collectively as the "**HACR Loan Documents**" and individually as an "**HACR Agreement**." The Authority Agreements are incorporated herein as though fully set forth.

Except as otherwise provided herein, the defined terms used in this Note shall have the same meaning as set forth in the DDLA.

1. Purpose of Loan. The loan evidenced by this Note is a purchase money carry-back obligation for the sale of the Property to Maker and predevelopment costs in accordance with the DDLA (the "**HACR Loan**").

2. Principal Amount, Interest. The principal amount of this Loan shall be _____ DOLLARS ($_____). Interest shall accrue on the outstanding principal amount at[insert long term applicable federal rate]. In the event of a default hereunder, outstanding amounts due hereunder shall bear interest at a default interest rate of ten percent (10%) per annum.

3. Term of Note; Repayment.

3.1 Maker shall be obligated to repay the principal amount of this Note and the accrued interest, without set off or deduction, by paying to Holder, on each April 1st in which there was positive Cash Flow (as defined below) for the calendar year, or portion thereof, ending on the immediately preceding December 31, Authority's Proportional Share (as hereinafter defined) of that year's Cash Flow ("**Annual Payments**"). The first such repayment under this Section 3.1 shall be due on the first April 1st following the issuance of the last certificate of occupancy for the Project, and the last payment shall be due on April 1st fifty-five (55) years later, but in no event later than December 31, 2084 ("**Maturity Date**"). Notwithstanding the foregoing, this Note shall be fully due and payable on the Maturity Date. "**Proportional Share**" shall mean the percentage of Cash Flow to which the Authority will be entitled hereunder which shall be equal to the percentage resulting from dividing the original principal balance of this Loan by the sum of the original principal balances of all loans made to Maker and payable from residual receipts, which in total shall not be less than fifty percent (50%) of Cash Flow.

The term "**Cash Flow**" shall mean for any calendar year the amount of Project Gross Income (as hereinafter defined) for such fiscal year less: (i) the Operating Expenses (as defined in the DDLA), (ii) any partnership management fees in an amount not to exceed $34,504 increasing annually by the greater of 3.5% or the annual increase in tenant rents expressed as a percentage, (iii) any limited partner asset management fees in an amount not to exceed $7,500 increasing annually by the greater of 3.5% or the annual increase in tenant rents expressed as a percentage, and (iv) any deferred developer fee in an amount not to exceed 60% of total developer fee and (v) any payments made pursuant to Exhibit A-4 of the First Amended and Restated Agreement of Limited Partnership of Maker to the limited partner of Maker to pay credit adjusters or with respect to tax liability incurred by such limited partner. Maker shall annually, on or before April 1, commencing in the year after the Certificate of Occupancy is issued for the Project, submit to Authority a calculation of cash flow and a calculation of Authority's Proportional Share which shall provide the basis for Maker's Annual Payment to Authority. Cash Flow shall be calculated on a modified accrual basis according to generally accepted accounting principles. The term "**Project Gross Income**" shall mean: (i) all rents and payments received by the Maker (from any source) from tenants and occupants for the use and occupancy of the Property and the Project, (ii) laundry income, (iii) income from concessionaires and licensees, and (iv) rent subsidies, if any, received by the Maker, but "Project Gross Income" shall not include any security deposits (unless and until such deposits have been forfeited by the tenants and are payable to the Maker), insurance or condemnation proceeds (except for loss rental claims), industry level operating reserves or deposits (not to exceed six (6) months of operating expenses plus debt expenses), interest on such reserve accounts (if added to funds on deposit in such accounts), capital improvements not funded from a Project replacement reserve, capital contributions made to the Maker by the partners thereof, proceeds from the construction financing or other financing provided to Maker, including

financing provided by any partner of Maker, or proceeds from the sale or refinancing of the Project or Property.

3.2 Maker shall deliver audited financial statements for the preceding calendar year for the Project on each April 1st following issuance of final certificate of occupancy for the Project, as well as a calculation of Cash Flow for such year, certified as true and correct by an Officer of Maker. Upon Holder's request, Maker shall provide such additional information as Holder may reasonably request.

3.3 Any payments made by Maker in payment of this Note shall be applied in the following order: (i) first to any amounts due to Holder other than interest and principal; (ii) second, in payment of interest, if any, then accrued and due on the unpaid principal balance under this Note; and (iii) lastly, to reduction of the principal balance of this Note. As of the date of this Note, outstanding and accrued interest due on this Note as a result of the Predevelopment Loan is _____ _____ Dollars ($_____).

3.4 This Note may be prepaid in whole or in part at any time without penalty.

3.5 Maker shall have a one-time right to refinance the Permanent Loan upon written notice to Holder in accordance with the DDLA ("**Permitted Refinance**"). If Maker refinances all or part of the Project other than a Permitted Refinance, any Net Refinancing Proceeds (as hereinafter defined) of that refinancing shall be payable to Holder no later than the recording of the refinancing and applied to the outstanding balance of the Loan. If Maker transfers all or part of the Project, the Property or the DDLA, any net proceeds of that transfer shall be payable to Holder no later than the date of close of escrow or other consummation of the transfer and applied to the outstanding principal and interest due on the Loan. If any casualty or condemnation occurs to the Project prior to expiration of the fifteen year tax compliance period, Maker shall either rebuild the Project or pay any net proceeds to Holder in accordance with the previous sentence. Notwithstanding the foregoing, Holder shall have the right to declare all amounts outstanding immediately due and payable in the event of a transfer other than a Permitted Transfer in accordance with the terms and conditions of the DDLA. The terms and conditions of the Regulatory Agreement shall survive any repayment of the HACR Loan pursuant to this Section prior to the expiration of the Affordability Period.

For purposes hereof, "**Net Refinancing Proceeds**" means the gross face amount of any loan obtained in connection with such refinancing, after: (a) payment of the actual, documented and reasonable expenses of such refinancing, including escrow fees, title policy expenses, legal expenses, survey fees, recording fees, commissions, or other usual and reasonable expenses of any such refinancing (provided, that no deduction shall be allowed for payments in connection with such refinancing which are in excess of the amounts that would be paid for the same or equivalent services in an arms' length transaction between unrelated parties acting reasonably); and (b) deduction of amounts repaid (excluding voluntary payments) in connection with the refinancing towards amounts outstanding under any financing senior to the Authority Agreements and (c) payment of Deferred Developer Fee.

4. Default; Cross-Default; Acceleration.

4.1 Default by Maker of this Note or of any of the HACR Loan Documents (subject to all applicable notice and cure periods), shall constitute a default of this Note and all of the HACR Loan Documents related to the loan to Maker.

4.2 The entire outstanding principal balance of the Note, together with any outstanding interest and other amounts payable thereunder, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Borrower:

(a) Upon the occurrence of any "Event of Default" as set forth below; or

(b) Except as permitted by the HACR Loan Documents, Maker sells or transfers the Project or the Property, including, without limitation, lease, exchange or other disposition of the Property or any interest therein, whether voluntary or involuntary, except a sale or transfer which under federal law would not, by itself, permit Holder to exercise a due on sale or due on encumbrance clause, and except as permitted by the DDLA; or

(c) Except as permitted by (b) above, if Maker refinances the lien of the Deed of Trust or any lien or encumbrance to which the Deed of Trust is subordinate for a loan amount in excess of the then current loan balance secured by such lien or encumbrance, any Net Refinancing Proceeds shall paid to Holder in an amount not to exceed any amounts due Holder under the HACR Loan Documents.

4.3 In the event Maker fails to perform hereunder or under any of the HACR Loan Documents, Maker shall be in default of this Note. Prior to exercising any of its remedies hereunder, Authority shall give Maker written notice of such default, and Maker shall thereafter have thirty (30) days to cure such default; provided, however, that if such default cannot be cured within the 30-day period, Maker shall not be in default provided Maker promptly commences to cure such matter and diligently prosecutes same to completion, provided that, in no event shall Maker have longer than one hundred eighty (180) calendar days to effect any cure, unless agreed to in accordance with the DDLA. If Maker cures a default under the HACR Loan Documents within the cure period set forth in the applicable HACR Loan Documents, Maker shall be deemed to have also cured that default under this Note. If Maker does not cure a default under any of the HACR Loan Documents within the cure period set forth in the applicable HACR Loan Documents, an "**Event of Default**" shall be deemed to have occurred under all of the HACR Loan Documents and under this Note. In an Event of Default, Holder may, at its option declare this Note and the entire obligations hereby evidenced immediately due and payable, regardless of the date of maturity, and notice of the exercise of said option is hereby expressly waived by Maker.

5. Collection Costs; Attorneys' Fees. If, because of any Event of Default under this Note or any of the HACR Loan Documents, any attorney is engaged by Holder to enforce of defend any provision of this instrument, whether or not suit is filed hereon, then Maker shall pay upon demand reasonable attorneys' fees, expert witness fees and all costs so incurred by Holder together with interest thereon until paid at the applicable rate of interest payable hereunder, as if such fees and costs had been added to the principal owing hereunder.

6. Waivers by Maker. Maker and all endorsers, guarantors and persons liable or to become liable on this Note waive presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note.

7. Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other provisions or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

8. Notices. All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Note shall be in writing and shall be given by personal delivery, certified mail, return receipt requested, or overnight guaranteed delivery service and addressed as follows:

To Holder: Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Deputy Director

To Maker: _____, L.P.
c/o Abode Communities
2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033
Attn: President

With copies to: Bocarsly Emden Cowan Esmail &Arndt LLP
633 West Fifth Street, Suite 5880
Los Angeles, CA 90071
Attn: Nicole Deddens

Wincopin Circle LLLP
c/o Enterprise Community Asset Management, Inc.
11000 Broken Land Parkway, Suite 700
Columbia, MD 21044
Attention: Asset Management

Gallagher LLP
218 North Charles Street, Suite 400
Baltimore, MD 21201
Attention: Jessica Weston

Notices shall be effective upon the earlier of receipt or refusal of delivery. Each party shall promptly notify the other party of any change(s) of address to which notice shall be sent pursuant to this Note.

Notwithstanding anything to the contrary contained in this Note, Holder agrees that any cure of any default made or tendered by Maker's limited partner shall be deemed to be a cure by Maker and shall be accepted or rejected on the same basis as if made or tendered by Maker. Copies of all notices which are sent to Maker shall also be sent to Maker's limited partner as specified above.

9. Modifications. Neither this Note nor any term hereof may be waived, amended, discharged, modified, changed or terminated orally; nor shall any waiver of any provision hereof be effective except by an instrument in writing signed by Maker and Holder. No delay or omission on the part of Holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note.

10. No Waiver by Holder. No waiver of any breach, default or failure of condition under the terms of this Note shall be implied from any failure of the Holder of this Note to take, or any delay be implied from any failure by the Holder in taking action with respect to such breach, default or failure from any prior waiver of any similar or unrelated breach, default or failure.

11. Usury. Notwithstanding any provision in this Note, the total liability for payment in the nature of interest shall not exceed the limit imposed by applicable laws of the State of California.

12. Assignability. Holder may freely transfer, assign, or encumber Holder's interest in this Note in any manner, at Holder's sole discretion. Maker may not transfer, assign or encumber its obligations hereunder except upon the prior written consent of Holder in accordance with the DDLA. All amounts outstanding under this Note shall become immediately due and payable upon a transfer in violation of the terms and conditions of the DDLA.

13. Governing Law. This Note has been executed and delivered by Maker in the State of California and is to be governed and construed in accordance with the laws thereof.

14. Time of Essence. Time is of the essence in the performance of the obligations and provisions set forth in this Note.

15. Non-Recourse. Notwithstanding anything to the contrary herein contained (i) the liability of Maker (and its partners) shall be limited to Maker's interest in the Property and any other security for this Note and any rents, issues, and profits arising from the Project or the Property and, in addition, with respect to any obligation to hold and apply insurance proceeds, proceeds of condemnation or other monies hereunder, any such monies received by it to the extent not so applied in accordance with the terms of this Note; (ii) no other assets of Maker (or its partners) shall be affected by or subject to being applied to the satisfaction of any liability which Maker may have to Holder or to another person by reason of this Note; and (iii) any judgment, order, decree or other award in favor of Holder shall be collectible only out of, or enforceable in accordance with, the terms of this Note by termination or other extinguishment of Maker's interest in the Site. Notwithstanding the foregoing, it is expressly understood and agreed that the aforesaid limitation on liability shall in no way restrict or abridge Maker's continued personal liability for: (A) fraud or willful or negligent misrepresentation made by Maker in connection with this Note or any of

the HACR Loan Documents; (B) misapplication of (a) proceeds of insurance and condemnation or (b) rent received by Maker under rental agreements entered into for any portion of the Property after default of the Note; (C) the retention by Maker of all advance rentals and security deposits of tenants not refunded to or forfeited by such tenants; (D) the indemnification undertakings of Maker under the HACR Loan Documents, provided, however, nothing herein shall be deemed to obligate Maker to repay any portion of the HACR Loan evidenced hereby as a result of any such indemnification; and (E) material waste by Maker with respect to the Property.

IN WITNESS WHEREOF, Maker has executed this Note as of the date first above written.

MAKER

_____, L.P., A California limited partnership

By: _____ GP, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*
Lara Regus, Senior Vice President, Development

Date: _____

ATTACHMENT NO. 15

FORM OF DEED OF TRUST

[attached**]**

Order No.
Escrow No.
Loan No.

WHEN RECORDED MAIL TO:

Housing Authority of the
County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Mike Walsh,
Assistant Executive Director

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

DEED OF TRUST WITH ASSIGNMENT OF RENTS AND RIDER ATTACHED HERETO CONTAINING TERMS INCLUDING SECURITY AGREEMENT AND FIXTURE FILING

NOTE: RIDER ATTACHED TO THIS DEED OF TRUST ("**RIDER**") CONTAINS ADDITIONAL TERMS INCLUDING SECURITY AGREEMENT AND FIXTURE FILING.

This DEED OF TRUST WITH ASSIGNMENT OF RENTS AND RIDER ATTACHED HERETO ("**Deed of Trust**"), is made _____, 20__, between _____, L.P., a California limited partnership ("**TRUSTOR")**, whose address is 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033, in favor of the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic ("**BENEFICIARY")**, and _____ ("**TRUSTEE").**

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, Trustor's estate in that real property in the City of Coachella, County of Riverside, State of California, described as set forth on EXHIBIT "A" attached hereto ("**Property**") together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1) payment of the sum of $_____, with interest thereon according to the terms of that certain Residual Receipts Promissory Note Secured by Deed of Trust of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or its successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust; and (4) all additional obligations specified in the Rider.

To protect the security of this Deed of Trust, and with respect to the Property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Orange County August 17, 1964, and in all other counties August 18, 1964, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumas	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	San Bernardino	T-3878	874	Sacramento	5039	124	Sonoma	2067	427
Calaveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Mono	69	302	Santa Barbara	2065	881	Ventura	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693
Inyo	165	672	Nevada	363	94	Shasta	800	633			
Kern	3756	690	Orange	7182	18	San Diego	SERIES 5 Book 1964, Page 149774				

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

[signature page follows]

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

TRUSTOR:

_____ L.P., A California limited partnership

By: _____ GP, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*
Lara Regus, Senior Vice President, Development

Date: _____

[ACKNOWLEDGMENT FORMS AT END OF RIDER]

DO NOT RECORD

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

1) To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in a 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; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3) 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 attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4) To pay: at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary of Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same is such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; 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, pay necessary expenses, employ counsel and pay his reasonable fees.

5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

1) That any award in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or be a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collecting of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6) That upon default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, 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 to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

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 such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

8) That this Deed 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 mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

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

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

TO _____, TRUSTEE:

The undersigned is the legal owner and holder of the note or notes and of all indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness and performance secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, an all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated _____

_____

_____

_____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do Not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

DEED OF TRUST
WITH POWER OF SALE

_____

Company

TRUSTEE

RIDER TO DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS RIDER TO DEED OF TRUST WITH ASSIGNMENT OF RENTS ("**Rider**") is executed this _____ day of _____, 20__, by _____, L.P., a California limited partnership ("**Trustor**") in favor of the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic ("**Beneficiary"),** the same parties to that certain "Deed of Trust With Assignment of Rents and Rider Attached Hereto Containing Terms Including Security Agreement and Fixture Filing" of even date herewith to which this Rider is attached ("**Deed of Trust**"). This Rider is made a part of and is incorporated into said Deed of Trust. This Rider shall supersede any conflicting term or provision of the form Deed of Trust to which it is attached.

Reference is made to the following agreements and documents (collectively, the "**Authority Documents**"): (i) Residual Receipts Promissory Note Secured by Deed of Trust in the amount of $_____ made by Trustor as "Maker" in favor of Beneficiary as "Holder" of even date herewith, the repayment of which by Trustor is secured by this Deed of Trust (including any modifications or amendments thereto, the "**Note**"); (ii) that certain "Amended and Restated Disposition, Development and Loan Agreement" dated November __, 2025 by and between Beneficiary as "HACR" and Trustor providing for Trustor's acquisition and development of the Property (including any modifications or amendments thereto, the "**DDLA**"); and (iii) that certain "Agreement Containing Covenants (Including Rental Restrictions)" dated _____, 20__, by and between Trustor as "Developer" and Beneficiary as "HACR", providing for the use, operation, and maintenance of the Property (including any modifications or amendments thereto, the "**Regulatory Agreement**").

The parties hereto agree:

1. **Grant in Trust**. In consideration and for the purpose of securing payment and performance of the Secured Obligations (as defined below), Trustor hereby irrevocably and unconditionally grants, bargains, conveys, sells, transfers, and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title, and interest which Trustor now has or may later acquire in and to the following property (all or any part of such property, or any interest in all or any part of it, as the context may require, the "**Property**"):

(a) The real property located in the City of Coachella, County of Riverside, California, as more fully described in **Exhibit A** attached hereto and made a part hereof, together with all rights, privileges, easements, appurtenances, tenements, hereditaments, rights of way, appendages, projections, water rights including riparian and littoral rights and whether or not appurtenant, streets, ways, alleys, and strips and gores of land, now or hereafter in any way belonging, adjoining, crossing or pertaining to such real property (the "**Land**"); together with

(b) All buildings, structures and improvements now located or later to be constructed on the Land (the "**Improvements**"); together with

(c) All articles of personal property (including those specified below) and any software imbedded therein, now owned or hereafter acquired by Trustor and attached to, placed

upon for an indefinite term, or used in connection with the Land and/or Improvements, together with all goods and other property that are, or at any time become, so related to the Property that an interest in them arises under real estate law, or they are otherwise a "fixture" under applicable law (each a "**Fixture**," collectively "**Fixtures**"); together with

(d) All existing and future as-extracted collateral produced from or allocated to the Land, including, all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and any other commercially valuable substances which may be in, under or produced from any part of the Land, and all products processed or obtained therefrom, and the proceeds thereof, and all development rights and credits, air rights, water, water courses, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, easements, rights-of-way, gores or strips of land, and any land lying in the streets, ways, alleys, passages, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements; together with

(e) All existing and future leases, subleases, subtenancies, licenses, occupancy agreements, concessions, and other agreements of any kind relating to the use or occupancy of all or any portion of the Property, whether now in effect or entered into in the future (each a "**Lease**," collectively, the "**Leases**") relating to the use and enjoyment of all or any part of the Land and Improvements, all amendments, extensions, renewals, or modifications thereof (subject to Beneficiary's right to approve same pursuant to the terms of the HACR Loan Documents), and any and all guaranties of, and security for, lessees' performance under any and all Leases, and all other agreements relating to or made in connection with any of such Leases; together with

(f) All rents (and payments in lieu of rents), royalties, issues, profits, income, proceeds, payments, and revenues of or from the Property, and/or at any time payable under any and all Leases, including all rent loss insurance proceeds, prepaid rents and any and all security deposits received or to be received by Trustor pursuant to any and all Leases, and all rights and benefits accrued, or to accrue, to Trustor under any and all Leases (some or all collectively, as the context may require, "Rents"); together with

(g) All rights to the name, signs, trade names, trademarks, trademark applications, service marks, licenses, software, and symbols used in connection with the Land and Improvements; together with

(h) All goods, materials, supplies, chattels, furniture, fixtures, machinery, apparatus, fittings, equipment, and articles of personal property of every kind and nature whatsoever, including consumable goods, now or hereafter located in or upon the Property or any part thereof, or to be attached to or placed in or on, or used or useable in connection with any present or future use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including by way of description but without limiting the generality of the foregoing, all computer systems, telephone and telecommunication systems, televisions and television systems, pumps or pumping plants, tanks, motors, conduits, engines, pipes, ditches and flumes, and also all gas and electrical apparatus (including, but not limited to, all electrical transformers, switches, switch boxes, and equipment boxes), cooking, heating, cooling, air conditioning, sprinkler equipment, lighting, power equipment, ventilation, incineration, refrigeration and plumbing apparatus, fixtures and equipment, screens, storm doors and windows, stoves, wall beds, refrigerators, attached cabinets,

partitions, ovens, ranges, disposals, dishwashers, carpeting, plants and shrubbery, ground maintenance equipment, ducts and compressors; together with all building materials, goods and personal property on or off the Property intended to be affixed to or incorporated in the Property but not yet affixed to or incorporated in the Property, all which shall be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; provided however that the foregoing shall not include personal property owned by tenants occupying the Units on the Property together with

(i) All building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being incorporated into or installed in or about the Land or Improvements; together with

(j) All deposit accounts of Trustor, including but not limited to, the replacement reserve account (if any), the operating reserve account (if any), the transition reserve (if any), and all Loan funds deposited into any such account, whether disbursed or not, and Trustor's own funds now or later to be held on deposit in all such accounts; together with

(k) To the extent not expressly prohibited by law, all federal, state, and local tax benefits (except the low income housing tax credits or other tax credits) related to the Property; together with

(l) All rights to the payment of money and all guaranties thereof and judgments therefor, and all accounts, accounts receivable, reserves, deferred payments, refunds of real property and personal property taxes and other refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Trustor with third parties (including all utility deposits), warranty rights, contract rights, management contracts, service contracts, construction and architectural contracts, contracts for the purchase and sale of the Property or any part thereof, end-loan or other financing commitments, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, promissory notes, drafts, letters of credit (other than letters of credit in favor of Beneficiary), letter of credit rights supporting obligations, and general intangibles, including payment intangibles, whether any of the foregoing are tangible or electronic, which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and Improvements generally; together with

(m) All insurance policies (and the unearned premiums therefor) and bonds required by the HACR Loan Documents and all proceeds thereof, and all proceeds (including all claims to and demands for them) of the voluntary or involuntary conversion of any of the Land, the Improvements, or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to, or defect in, the Land, the Improvements, or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud, misrepresentation, or concealment of a material fact; together with

(n) All books, records, and all recorded data of any kind or nature (regardless of the medium of recording) pertaining to any and all of the property described above, including records relating to tenants under any leases, and the qualification of such tenants, and all certificates, vouchers, and other documents in any way related thereto, and all records relating to the application and allocation of any federal, state, and local tax credits or benefits, including computer-readable memory and any computer hardware or software necessary to access and process such memory (collectively, the "**Books and Records**"); together with

(o) All commercial tort claims Trustor now has or hereafter acquires relating to any of the property described above; together with

(p) All software embedded within or used in connection with any of the property described above; together with

(q) All products, accounts, and proceeds (cash or non-cash) of, additions, betterments, extensions, accessions and accretions to, substitutions, renewals and replacements for, and changes in any of the property described above, including all proceeds of any voluntary or involuntary disposition or claim respecting any such property (arising out of any judgment, condemnation or award, or otherwise arising) and all supporting obligations ancillary to or arising in connection therewith, general intangibles (including payment intangibles) arising in connection therewith, and all goods, accounts, instruments, documents, promissory notes, chattel paper, deposit accounts, supporting obligations, and general intangibles (including payment intangibles) (whether any of the foregoing are tangible or electronic), wherever located, acquired with cash proceeds of any of the foregoing or its proceeds.

Trustor shall and will warrant and forever defend the above-bargained Property in the quiet and peaceable possession of Trustee, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof. Trustor agrees that any greater title to the Property hereafter acquired by Trustor during the term hereof shall be subject hereto.

2. Obligations Secured. Trustor makes this grant and assignment for the purpose of securing the following obligations ("**Secured Obligations**"):

(a) Payment to Beneficiary of all indebtedness at any time owing under the terms of the Note;

(b) Payment and performance of all obligations of Trustor under this Deed of Trust, the DDLA, the Note, and the Regulatory Agreement;

(c) Payment and performance of all future advances and other obligations of Trustor or any other person, firm, or entity with the approval of Trustor, may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when the obligation is evidenced by a writing which recites that it is secured by this Deed of Trust; and

(d) All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced.

3. Obligations. The term "obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all interest and charges,

prepayment charges, late charges and fees at any time accruing or assessed on any of the Secured Obligations.

4. Incorporation. All terms of the Note and the Secured Obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Property shall be deemed to have notice of the terms of all of the foregoing documents.

5. Subordination. Beneficiary shall subordinate this Deed of Trust to the Senior Financing (as such term is defined in the DDLA) in accordance with the DDLA pursuant to a subordination agreement in such form as is acceptable to Beneficiary.

6. Mortgagee-in-Possession. Neither the assignment of rents set forth in this Deed of Trust nor the exercise by Beneficiary of any of its rights or remedies hereunder shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise liable in any manner with respect to the Property, unless Beneficiary, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Property by such receiver, be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise liable in any manner with respect to the Property.

7. Required Insurance.

Trustor shall at all times provide, maintain and keep in force or cause to be provided, maintained and kept in force, at no expense to Trustee or Beneficiary, policies of insurance in accordance with the terms of the DDLA in form and amounts, providing for deductibles, and issued by companies, associations or organizations covering such casualties, risks, perils, liabilities and other hazards as required by the DDLA or by Beneficiary pursuant thereto.

8. Casualty and Condemnation. In the event of any fire or other casualty to the improvements on the Property or eminent domain proceedings resulting in condemnation of the improvements or any part thereof, and provided Beneficiary has been provided the opportunity to participate in any proceedings as required in this Deed of Trust, if the Beneficiary determines that restoration or rebuilding of the improvements is economically feasible, Trustor shall have the right to rebuild the improvements, and to use the net insurance proceeds therefor subject to the following requirements, (i) the funds are sufficient to rebuild as evidenced by a construction budget and construction contract reasonably approved by Beneficiary, (ii) if the funds are insufficient to rebuild, that Trustor shall provide the balance of such funds necessary to rebuild, (iii) that all funds will be held by an independent escrow company for distribution during reconstruction, and (iv) any excess proceeds shall be applied to reduce the Note (subject to the terms of the Senior Financing). Condemnation alone shall not cause acceleration of the Note and Secured Obligations shall not be due and payable unless it is a condemnation of a material portion of the Project, in Beneficiary's reasonable discretion.

9. No Cure. In the event Beneficiary collects and receives any rents under the Deed of Trust upon any default hereof, such collection or receipt shall in no way constitute a curing of the default.

10. Default; Opportunity to Cure. Trustor's failure or delay to perform any term or provision of this Deed of Trust constitutes a default under this Deed of Trust; however, Trustor

shall not be deemed to be in default if (i) Trustor cures, corrects, or remedies such default within thirty (30) days after receipt of a notice specifying such failure or delay, or (ii) for such defaults that cannot reasonably be cured, corrected, or remedied within thirty (30) days, if Trustor commences to cure, correct, or remedy such failure or delay within thirty (30) days after receipt of a written notice specifying such failure or delay, and diligently prosecutes such cure, correction or remedy to completion; provided that any such cure shall be completed within one hundred (180) calendar days, unless such period for cure is extended in accordance with the DDLA.

Beneficiary shall give written notice of default to Trustor, specifying the default complained of by Trustor. Copies of any notice of default given to Trustor shall also be delivered to any lender with a mortgage or deed of trust secured by the Property, including, without limitation in accordance with any Senior Financing, and to Trustor's limited partner. Beneficiary may not institute proceedings against Trustor until thirty (30) days after giving such notice or such longer period of time as may be provided herein. In no event shall Beneficiary be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default.

Except as otherwise expressly provided in this Deed of Trust, any failure or delay in giving such notice or in asserting any of its rights and remedies as to any default shall not constitute a waiver of any default, nor shall it change the time of default, nor shall it deprive either party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

In the event of any inconsistency in the terms of this Rider and the provisions set forth in the standard deed of trust recorded in the Recorder's Office of the County of Riverside, the terms of this Rider shall control.

Notwithstanding anything to the contrary contained in this Deed of Trust, Beneficiary hereby agrees that any cure of any default made or tendered by Trustor's limited partner shall be deemed to be a cure by Trustor and shall be accepted or rejected on the same basis as if made or tendered by Trustor.

11. Default; Cross-Default; Acceleration. A default as specified above or a default under the DDLA, Note or Regulatory Agreement (subject to applicable notice and cure periods) shall be a default under this Deed of Trust. Upon a default of this Deed of Trust, Beneficiary may, at its option, declare the Note and all the Secured Obligations hereby evidenced immediately due and payable and collectible then or thereafter as Beneficiary may elect, regardless of the date of maturity, and notice of the exercise of said option is hereby expressly waived by Trustor.

12. Possession Upon Default. Subject to the above, upon the occurrence of a default, and after delivery of notice and the expiration of all applicable cure periods, Beneficiary may, at its option, without any action on its part being required and without in any way waiving such default, take possession of the Property and have, hold, manage, lease and operate the same, on such terms and for such period of time as Beneficiary may deem proper, and may collect and receive all rents and profits, with full power to make, from time to time, all alterations, renovations, repairs or replacements thereto as may seem proper to Beneficiary, and to apply such rents and profits to the payment of (a) the cost of all such alterations, renovations, repairs and replacements, and all costs and expenses incident to taking and retaining possession of the Property, and the management and operation thereof, and keeping the same properly insured; (b) all taxes, charges,

claims, assessments, and any other liens which may be prior in lien or payment of the Note, and premiums for insurance, with interest on all such items; and (c) the indebtedness secured hereby, together with all costs and reasonable attorney's fees, in such order or priority as to any of such items as Beneficiary in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding. Any amounts received by Beneficiary or its agents in the performance of any acts prohibited by the terms of this assignment, including, but not limited to, any amounts received in connection with any cancellation, modification or amendment of any lease prohibited by the terms of this assignment and any rents and profits received by Trustor after the occurrence of a default shall be held by Trustor as trustee for Beneficiary and all such amounts shall be accounted for to Beneficiary and shall not be commingled with other funds of the Trustor. Any person receiving any portion of such trust funds shall receive the same in trust for Beneficiary as if such person had actual or constructive notice that such funds were impressed with a trust in accordance therewith.

13. Receiver; Power of Sale. In addition to any and all other remedies of Beneficiary set forth under this Deed of Trust or permitted at law or in equity, if a default shall have occurred, after delivery of notice and expiration of all cure periods, Beneficiary, to the extent permitted by law and without regard to the value, adequacy or occupancy of the security for the Note and other sums secured hereby, shall be entitled as a matter of right if it so elects to the appointment of a receiver to enter upon and take possession of the Property and to collect all rents and profits and apply the same as the court may direct, and such receiver may be appointed by any court of competent jurisdiction by ex parte application and without notice, notice of hearing being hereby expressly waived. The expenses, including receiver's fees, attorneys' fees, costs and agent's compensation, incurred pursuant to the power herein contained shall be promptly paid by Trustor.

If it chooses to do so in connection with any such cure, Beneficiary or Trustee may also enter the Property and/or do any and all other things that it may, in its sole and absolute discretion, consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: appearing in and/or defending any action or proceeding that purports to affect the security of, or the rights or powers of Beneficiary or Trustee under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien, which in Beneficiary's or Trustee's sole judgment is or may be senior in priority to this Deed of Trust; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the HACR Loan Documents; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary or Trustee. Beneficiary and Trustee may take any of the actions permitted under this Section either with or without giving notice to any person.

Beneficiary may bring an action in any court of competent jurisdiction to foreclose this Deed of Trust in the manner provided by law for the foreclosure of deeds of trusts or mortgages on real property and/or to obtain specific enforcement of any of the covenants or agreements of this Deed of Trust. If Beneficiary brings such an action, Trustor agrees to pay Beneficiary's reasonable attorneys' fees (including the allocated costs of in-house counsel to the extent not prohibited by applicable law) and court costs as determined by the court.

Under the power of sale hereby granted, Beneficiary shall have the discretionary right to cause some or all of the Property, including any Property which constitutes personal property, to

be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

14. Security Agreement. This Deed of Trust also constitutes a security agreement with respect to all personal property in which Beneficiary is granted a security interest hereunder, not including personal property owned by tenants occupying the Units on the Property, and Beneficiary shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as enacted in California ("**California Uniform Commercial Code**") as well as all other rights and remedies available at law or in equity. Trustor hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Beneficiary the attorney-in-fact of Trustor, to execute, deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Beneficiary may request or require in order to impose, perfect or continue the perfection of, the lien or security interest created hereby. Trustor and Beneficiary agree that the filing of a financing statement in the record normally having to do with personal property shall never be construed as in any way derogating from or impairing the lien of this Deed of Trust and the intention of Trustor and Beneficiary that everything used in connection with the operation or occupancy of the Property is and at all times and for all purposes and in all proceedings, both legal and equitable, shall be regarded as real property or goods which are or are to become fixtures, irrespective of whether (i) any such item is physically attached to the buildings and improvements on the Property; (ii) serial numbers are used for the better identification of certain equipment items capable of being filed by the Beneficiary; or (iii) any such item is referred to or reflected in any such financing statement so filed at any time. Such mention in the financing statements is declared to be for the protection of the Beneficiary in the event any court or judge shall at any time hold that notice of Beneficiary's priority of interest must be filed in the California Commercial Code records to be effective against a particular class of persons, including, but not limited to, the federal government and any subdivision or entity of the federal government. Trustor covenants and agrees to reimburse Beneficiary for any costs incurred in filing such financing statement and any continuation statements.

Upon the occurrence of default hereunder, and after delivery of notice and the expiration of all applicable cure periods, Beneficiary shall have the right to cause any of the Property which is personal property and subject to the security interest of Beneficiary hereunder to be sold at any one or more public or private sales as permitted by applicable law, and Beneficiary shall further have all other rights and remedies, whether at law, in equity, or by statute, as are available to secured creditors under applicable law, specifically including without limitation the right to proceed as to both the real property and the personal property contained within the Property as permitted by Uniform Commercial Code Section 9501(4), including conducting a unified sale thereof. Any such disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any person, including both Trustee and Beneficiary, shall be eligible to purchase any part or all of such property at any such disposition.

This Deed of Trust constitutes a fixture filing under Sections 9313 and 9402(6) of the California Uniform Commercial Code, as amended or recodified from time to time.

15. Reconveyance. Prepayment or payment of the HACR Loan shall not relieve Trustor of its obligations under the Regulatory Agreement. Trustor's performance under the Regulatory Agreement is secured by this Deed of Trust.

16. Indemnification.

(a) Subject to the provisions of Section 15 of the Note, Trustor agrees to indemnify, defend, and hold Trustee and Beneficiary harmless, for, from, and against, and reimburse them for, all losses, damages, liabilities, claims, causes of action, judgments, penalties, court costs, reasonable attorneys' fees and other legal expenses and expenses of professional consultants and experts, cost of evidence of title, cost of evidence of value, and other costs and expenses, including the settlement of any such matter, excepting those arising out of, or resulting, solely from Beneficiary's or Trustee's, as the case may be, gross negligence or willful misconduct, which either may suffer or incur:

(i) In performing any act required or permitted by this Deed of Trust or any of the other Authority Documents or by law;

(ii) Because of any failure of Trustor to perform any of Trustor's obligations; or

(iii) Because of any alleged obligation of or undertaking by Trustor to perform or discharge any of the representations, warranties, conditions, covenants, or other obligations in any document relating to the Property other than the Authority Documents.

This agreement by Trustor to indemnify Trustee and Beneficiary shall survive payoff, termination, or the release and cancellation of any or all of the Secured Obligations, and the full or partial release and/or reconveyance of this Deed of Trust.

(b) Trustor shall pay all obligations to pay money arising under this Section immediately upon written demand by Trustee or Beneficiary. Each such obligation shall be added to, and considered to be part of, the principal of the Note, and shall bear interest from the date the obligation arises at the Default Rate (as such term may be defined in the Note), or if no Default Rate is specified, at five percent (5%) in excess of the Stated Rate. For purposes hereof, "**Stated Rate**" means the stated interest rate in effect from time to time under the Note and/or other debt instrument evidencing the Loan; provided that if more than one rate of interest is in effect, the highest rate shall be used.

17. Defense and Notice of Claims and Actions. At Trustor's sole expense, Trustor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Deed of Trust and the rights and powers of Beneficiary and Trustee created under it, against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing if any claim is asserted which does or could affect any of such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

18. Subrogation. Beneficiary shall be subrogated to the liens of all encumbrances affecting the Property, whether released or not, which are discharged in whole or in part by Beneficiary in accordance with this Deed of Trust or with the proceeds of any loan secured by this Deed of Trust.

19. Transfers. Notwithstanding anything to the contrary contained herein, any Permitted Transfer (as such term is defined in the DDLA) permitted under the DDLA, shall be permitted hereunder without prior written consent of Beneficiary, and any permitted Assignee shall assume all obligations of Trustor hereunder. All amounts secured hereby shall be immediately

due and payable in the event of any transfer or assignment of the Property, the Project or the DDLA, or any portion thereof that does not constitute a Permitted Transfer under the DDLA.

20. Notices, Demands, and Communications. Formal notices, demands, and communications between Trustor and Beneficiary shall be given by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

To Beneficiary:
Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Deputy Director

To Trustor:
_____, L.P.
c/o Abode Communities
2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033
Attn: President

With copies to:
Bocarsly Emden Cowan Esmail & Arndt LLP
633 West Fifth Street, Suite 5880
Los Angeles, CA 90071
Attn: Nicole Deddens

Wincopin Circle LLLP
c/o Enterprise Community Asset Management, Inc.
11000 Broken Land Parkway, Suite 700
Columbia, MD 21044
Attention: Asset Management

Gallagher LLP
218 North Charles Street, Suite 400
Baltimore, MD 21201
Attention: Jessica Weston

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed shall be deemed effective on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as either party may from time to time designate by mail.

Copies of all notices which are sent to Trustor shall also be sent to Trustor's limited partner as specified above. This obligation may not be changed by Trustor but only upon written notice to Beneficiary by the limited partner.

21. Successors and Assigns. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, and the heirs, legatees, devisees, administrators, executors, successors and assigns of Beneficiary. The term "Beneficiary" means the owner and holder of the Note, whether or not named as Beneficiary herein. In exercising any rights hereunder or taking any actions provided for herein, Beneficiary may act through its employees, agents or independent contractors authorized by Beneficiary.

22. Invalidity of Certain Provisions. Every provision of this Deed of Trust is intended to be severable. In the event any term or provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

23. Attorneys' Fees. In the event that either party hereto brings any action or files any proceeding in connection with the enforcement of its respective rights under this Deed of Trust or the Promissory Note, as a consequence of any breach by the other party of its obligations thereunder, the prevailing party in such action or proceeding shall be entitled to have its reasonable attorneys' fees and out-of-pocket expenditures paid by the losing party. The attorneys' fees so recovered shall include fees for prosecuting or defending any appeal and shall be awarded for any supplemental proceedings until the final judgment is satisfied in full. In addition to the foregoing award of attorneys' fees, the prevailing party in any lawsuit with respect to the Note or this Deed of Trust shall also be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. In addition to the foregoing, Trustor agrees to pay or reimburse Beneficiary, upon demand by Beneficiary, for all costs incurred by Beneficiary in connection with enforcement of this Deed of Trust or the Note, including without limitation, reasonable attorneys' fees and costs, if there shall be filed by or against Trustor any proceedings under any federal or state bankruptcy or insolvency laws, whether Beneficiary is a creditor in such proceedings or otherwise.

As used herein, the terms "attorneys' fees" or "attorneys' fees and costs" means the fees and expenses of counsel to the parties hereto (including, without limitation, in-house counsel employed by Beneficiary) which may include printing, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and others not admitted to the bar but performing services under the supervision of an attorney. The terms "attorneys' fees" or "attorneys' fees and costs" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, arbitrations and bankruptcy proceedings, and whether or not any action or proceeding is brought with respect to the matter for which said fees and expenses were incurred.

24. Governing Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of California.

25. Joint and Several Obligations. Should this Deed of Trust be signed by more than one party, all obligations herein contained shall be deemed to be the joint and several obligations of each party executing this Deed of Trust.

26. Interpretation. In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

27. **Nonforeign Entity.** Section 1445 of the Internal Revenue Code of 1986, as amended (the "**Code**") and Sections 18805, 18815 and 26131, as applicable, of the Revenue and Taxation Code ("**CRTC**") provide that a transferee of a U.S. real property interest must withhold tax, in the case of the Code, if the transferor is a foreign person, or if, in the case of the CRTC, the transferor is not a California resident. To inform Beneficiary that the withholding of tax will not be required in the event of the disposition of the Property or the Improvements, or any portion thereof or interest therein, pursuant to the terms of this Deed of Trust, Trustor hereby certifies, under penalty of perjury, that: (a) Trustor is not a foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined in the Code and the regulations promulgated thereunder; and (b) Trustor's U.S. employer identification number is 84-4763655; and (c) Trustor's principal place of business is 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033. It is understood that Beneficiary may disclose the contents of this certification to the Internal Revenue Service and the California Franchise Tax Board, and that any false statement contained herein could be punished by fine, imprisonment or both. Trustor covenants and agrees to execute such further certificates, which shall be signed under penalty of perjury, as Beneficiary shall reasonably require. The covenant set forth herein shall survive the foreclosure of the lien of this Deed of Trust or acceptance of a deed in lieu thereof.

28. **Substitute Trustee.** Beneficiary at any time and from time to time, by instrument in writing, may substitute and appoint a successor Trustee (either corporate or individual) to any Trustee named herein or previously substituted hereunder, which instrument when executed, acknowledged, and recorded in the Official Records of the Office of the Recorder of the county or counties where The Property is located shall be conclusive proof of the proper substitution and appointment of each successor trustee or trustees, who shall then have all the title, powers, duties and rights of the predecessor Trustee, without the necessity of any conveyance from such predecessor. Trustee shall not be obligated to notify any party hereto of pending sale under any other Deed of Trust, or, unless brought by Trustee, or any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party.

29. **Tax Credit Provisions**. 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 Security encumbered by this Deed of Trust, the following rule contained in Section 42(h)(6)(E)(ii) of the Internal Revenue Code of 1986 (26 U.S.C. Section 429H)(6)E(ii)), as amended, shall apply:

For a period of three 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, (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 rent be increased except as otherwise permitted under Section 42 of the Code.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Trustor has executed this Rider on the date of Trustor's acknowledgment hereinbelow, to be effective for all purposes as of the day and year first set forth above.

_____, L.P., A California limited partnership

By: _____, LLC, a California limited company

By: Abode Communities, a California nonprofit corporation, its sole member

By: *Exhibit – Do Not Sign*
Lara Regus, Senior Vice President, Development

Date: _____

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

[Insert legal description for applicable Phase Parcel]

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 _____)

On _____, 20__ before me, _____, a notary public, personally appeared _____ 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.

_____

Notary Public SEAL:

STATE OF CALIFORNIA)
) §
COUNTY OF _____)

On _____, 20__ before me, _____, a notary public, personally appeared _____ 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.

_____

Notary Public SEAL:

SECOND EXTENSION OF DISPOSITION,
DEVELOPMENT AND LOAN AGREEMENT

This Second Extension of the DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT ("DDLA Extension") is effective December 31, 2025, by and between the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public body corporate and politic, ("HACR") and VILLA VERDE I, L.P., a California limited partnership ("Developer"). The Authority and Developer are individually referred to herein as a "Party", and together as the "Parties".

RECITALS

WHEREAS, the HACR and Developer entered into that certain Disposition, Development and Loan Agreement with attached exhibits ("DDLA"), effective January 12, 2021, and recorded as Document No. 2021-0105966 on February 18, 2021 in the Official Records of the County of Riverside, California, relating to the Villa Verde Affordable Housing Project, located in the City of Coachella ("Project"), attached hereto as **Exhibit A** and incorporated herein by this reference;

WHEREAS, Section 5.2(c) of the DDLA the DDLA shall automatically terminate upon the Outside Closing Date in the event the Closing has not occurred by such date, unless the Outside Closing Date has been extended;

WHEREAS, the Outside Closing Date was extended in that certain Extension of Disposition, Development and Loan Agreement, effective October 17, 2024, extending the Outside Closing Date to December 31, 2025;

WHEREAS, the Parties now desire to extend the DDLA for an additional one year period, such that the Outside Closing Date will be December 31, 2026.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows.

1. The above recitals are true and correct and are incorporated herein by this reference.

2. The Parties hereby agree to extend the Outside Closing Date for up to one (1) year, from December 31, 2025, to December 31, 2026.

3. The Effective Date of this DDLA Extension shall be December 31, 2025.

4. Except as otherwise expressly modified herein, all terms and conditions of the DDLA shall remain unmodified and in full force and effect.

5. This DDLA Extension 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 Extension.

6. The Parties may sign in writing or by electronic signature. An electronic signature will be treated and will have the same effect as an original signature.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this DDLA Extension has been executed by the Parties as of the Effective Date.

HACR:

HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE, a public body corporate and politic

By: _____
Heidi Marshall, Executive Director

Date: 16/12/25

DEVELOPER:

VILLA VERDE I, L.P., a California limited partnership

By: Villa Verde I GP, LLC, a California limited liability company, its general partner

By: Abode Communities, a California nonprofit corporation, its sole member

By: _____
Lara Regus, Senior Vice President, Development

Date: 15/12/25

APPROVED AS TO FORM:
Minh C. Tran
County Counsel

_____
Amrit P. Dhillon
Deputy County Counsel

Notice of Exemption

To:
☒ Office of Planning and Research
For U.S Mail: P.O. Box 3044, Sacramento, CA 95812-3044
Street Address: 1400 Tenth St., Sacramento, CA 95814

☒ County Clerk
County of: Riverside
Address: 2724 Gateway Drive, P.O. Box 751, Riverside, CA 92502-0751

From:
Public Agency: County of Riverside (HACR)
Address: 4080 Lemon Street, Suite 400, Riverside, CA 92501
Contact: Leah Rodriguez
Phone: (760) 863-2534

Lead Agency (if different from above): City of Coachella
Address: 1515 Sixth Street, Coachella, CA 92236
Contact:
Phone:

SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse):

Project Title: Amended and Restated Disposition, Development and Loan Agreement

Project Location (include county): County of Riverside- 84679 and 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, identified with Assessor Parcel Numbers 768-350-002 and 768-400-001

Project Description:
The Housing Authority of the County of Riverside (HACR) owns that certain real property located at 84679 and 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, identified with Assessor Parcel Numbers 768-350-002 and 768-400-001.

Pursuant to applicable provisions of the Dissolution Law, the CRL and the "Housing Authorities Law" (California Health and Safety Code, Sections 34200, et seq.), notwithstanding any other provision of law, whenever the Board of Commissioners determines that any real property owned by the HACR can be used to provide housing affordable to low income families, and this use is in the HACR's best interest, the HACR may sell, convey or otherwise dispose of the real property to provide that affordable housing without complying with other provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code. The HACR is committed to providing affordable housing and services to the residents of the County of Riverside.

Developer desires to acquire the Property from the HACR to develop an affordable multifamily rental housing project comprised of at least one hundred fifty two (152) apartment units. Under the terms of the proposed Agreement, forty-nine percent (49%) of the units not constituting manager units will be restricted to low income households whose incomes do not exceed sixty percent (60%) of the Area Median Income for Riverside County (AMI). The maximum qualifying income for all other units in the project will be one hundred twenty percent (120%) of AMI.

There is an unmet need for affordable housing within the County of Riverside. Consistent with applicable provisions of the Health and Safety Code and subject to the satisfaction of certain conditions precedent, the Property will be sold at fair market value. Developer shall be responsible for all (i) entitlements, land use approvals, permits and CEQA compliance, (ii) construction and development costs, (iii), securing financing, construction, on-site and off-site improvements, and (iv) Property maintenance obligations. All land use and development entitlements, including compliance with CEQA must be obtained from the City of Coachella.

The terms of the Property sale and applicable affordability restrictions are set forth in the Amended and Restated Disposition, Development and Loan Agreement, including attachments, to be executed by the HACR and Developer. The deed restriction of at least seventy-three (73) new units affordable to low income households is in the best interests of the HACR, the County of Riverside, and residents of the Coachella area.

Project Sponsor: Housing Authority of the County of Riverside

This is to advise that the County of Riverside Board of Commissioners approved the above project on

☐ Lead agency or ☒ Responsible Agency

February 3, 2026 and has made the following determinations regarding the above described project:
(tentative date)

The Agreement does not constitute a project pursuant to the California Environmental Quality Act and State CEQA Guidelines (CEQA). Pursuant to CEQA Guidelines Section 15004(b), approval of the Agreement provides for the sale of property and financing subject to specific conditions. Approval by the HACR of the Agreement does not vest any development rights and will not result in any physical change to the environment. The Agreement requires the Developer to obtain all necessary land use approvals and entitlements from the City of Coachella including compliance with CEQA. As the jurisdiction exercising land use control over the Property, the City of Coachella will be the lead agency for purposes of CEQA. The Agreement does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA review.

Signature: (Public Agency) _____ Title: Assistant Director
Michael Walsh

Date: 1/23/26 Date received for filing at OPR: _____

HOUSING AUTHORITY
of the County of Riverside

Main Office
5555 Arlington Avenue
Riverside, CA 92504-2506
(951) 351-0700
FAX (951)354-6324
TDD (951) 351-9844

Indio Office
44-199 Monroe, Ste. B
Indio, CA 92201
(760) 863-2828
(760) 863-2838 FAX
TDD (760) 863-2830

Website:harivco.org

Date: January 23, 2026

To: Clerk of the Board of Supervisors
4080 Lemon St, 1st Floor, Suite 127
Riverside CA 92501

From: Juan Garcia, Deputy Director
Department of Housing, Homelessness Prevention and Workforce Solutions
County of Riverside
5555 Arlington Ave
Riverside, CA 92501

Subject: **Notice of Exemption (NOE) – Approval of the Amended and Restated Disposition, Development and Loan Agreement between the Housing Authority of the County of Riverside and Villa Verde I LP for the Sale and Development of the Real Property Located in the City of Coachella, County of Riverside, State of California, Identified with Assessor's Parcel Numbers 768-350-002 and 768-400-001 ("Property") by Grant Deed to Villa Verde I LP, District 4, [$0];**

The Housing Authority of the County of Riverside is requesting the Clerk of the Board post the attached Notice of Exemption. Authorization to bill by journal voucher is included for your posting fee.

After posting, please return the document to:

Mail Stop #3760
Attention: Juan Garcia, Principal Development Specialist
Housing Authority of the County of Riverside
5555 Arlington Ave
Riverside, CA 92501

If you have any questions, please contact Juan Garcia at 951-955-8126.

Attachment

Cc: file

Riverside County Clerk-Recorder

Authorization to Bill by Journal Voucher

To be completed by submitting Agency

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
(Housing Successor to former Coachella Redevelopment Agency)

Authorization # _____

Date: 1/23/2026

Agency/Division: Housing Authority of the County of Riverside - Attn: Jennifer Paz

	FUND	DEPT ID	ACCT
Accounting String: (Interfund)	523230	40600	5600100000
(Non-Interfund)			

This authorizes the "County Clerk & Recorder Office" to issue a Journal Voucher for payment of all fees for the accompanying documents.

Number of Documents Included: 1 Notice of Exemption / VILLA VERDE APTS

Authorized by: _____
Michael Walsh, Assistant Director

Presented by: _____
Leah Rodriguez, Supervising Development Specialist

To be completed by County Recorder

Accepted by: _____

Date: _____

Document no(s)/invoice no(s): _____