

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.19
(ID # 29250)

MEETING DATE:
Tuesday, March 03, 2026

FROM : HOUSING AND WORKFORCE SOLUTIONS

SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Forms of the Loan Agreement for the Use of PLHA Program Funds for Villa Verde Apartments in the City of Coachella and All Attachments Thereto and Authorize the Director of HWS to Execute a Form of the PLHA Loan Agreement, a Form of the Covenant Agreement, and Forms of the Subordination Agreements; District 4. [\$6,165,252 - 100% Permanent Local Housing Allocation (PLHA) Funds] [Making Findings as the Responsible Agency Pursuant to CEQA]; (Clerk of the Board to File the Notice of Exemption).

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find, in its independent judgment and analysis as a Responsible Agency under CEQA in issuing certain limited approvals, after it reviewed and considered the information in the previously approved Environmental Review and Land Use Entitlements via Streamlined Ministerial Approval Process (SB35) Government Code Section 65913.4 for Villa Verde Housing Development, by the City of Coachella, as lead agency, verified on March 24, 2021, and that as to those potential environmental impacts within the County's powers and authorities as responsible agency concerning the Loan Agreement for the Use of Permanent Local Housing Allocation (PLHA) Program Funds and approvals associated therewith, any potentially significant environmental effects have been adequately analyzed and nothing further is required under CEQA;

Continued on Page 2

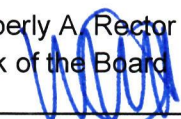
ACTION:Policy


Heidi Marshall, Director 1/22/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Medina, seconded by Supervisor Gutierrez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Perez, and Gutierrez
Nays: None
Absent: Washington
Date: March 3, 2026
xc: HWS, Recorder, State Clearinghouse

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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RECOMMENDED MOTION: That the Board of Supervisors:

2. Approve the attached form of Loan Agreement for the Use of PLHA Program Funds, including all attachments thereto, (PLHA Loan Agreement), between the County and Villa Verde I. L.P., a California Limited Partnership, providing a loan derived from the PLHA Program in the amount of \$6,115,252 (PLHA Loan), to be used to pay a portion of the development and construction costs for a multi-family affordable rental housing project in the City of Coachella;
3. Approve the attached forms of PLHA Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents (PLHA Deed of Trust), PLHA Promissory Note, Environmental Indemnity and PLHA Covenant Agreement, attached as exhibits to the PLHA Loan Agreement;
4. Approve the allocation of \$50,000 in PLHA funds to Housing and Workforce Solutions (HWS) for direct staff costs associated with project management and compliance with PLHA Program for the Villa Verde Apartments;
5. Authorize the Director of the Housing and Workforce Solutions, (HWS), or designee, to execute the PLHA Loan Agreement and PLHA Covenant Agreement conforming substantially in form and substance to the attached PLHA Loan Agreement and PLHA Covenant Agreement, subject to approval as to form by County Counsel;
6. Authorize the Director of the HWS, or designee, to negotiate and execute a Subordination Agreement for the benefit of construction finance lenders in a not to exceed amount as follows; Chase Bank Tax Exempt Construction Loan and LIIF Taxable Deed of Trust \$43,000,000 and \$13,500,000 in favor of CMFA a Governmental lender; HCD Homekey+ \$9,000,000; City of Coachella Capitalized CFD Fees \$20,500,000; HACR \$2,104,640; (LENDER), subordinating the PLHA Loan Agreement and PLHA Deed of Trust to (LENDER), securing a construction loan for the Project for a not to exceed amount as indicated respectively and subject to approval as to form by County Counsel;
7. Authorize the Director of the HWS, or designee, to negotiate and execute a Subordination Agreement for the conversion from construction to permanent finance 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; HACR \$2,104,640, (LENDER), subordinating the PLHA Loan Agreement and PLHA Deed of Trust to (LENDER) Deed of Trust, securing a permanent loan for the Project for a not to exceed amount as indicated respectively and subject to approval as to form by County Counsel;
8. Authorize the Director of the HWS, or designee, to take all necessary steps to implement the PLHA Loan Agreement, PLHA Covenant Agreement and Subordination Agreements, including but not limited to, signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel; and

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9. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk and the State Clearinghouse within 5 business days of approval.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$6,165,252	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$6,165,252	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Permanent Local Housing Allocation (PLHA)			Budget Adjustment:	No
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On February 25, 2025 (Minute Order 3.32), the Board of Supervisors approved Resolution 2025-057 which allocated \$6,115,252 to Abode Communities, an affordable housing developer (Developer), in support of the Villa Verde Apartments project using County of Riverside (County) Permanent Local Housing Allocation (PLHA) funds.

Developer has secured all necessary financing for the project and is ready to proceed to contracts and construction. The Villa Verde Apartment project will be constructed on two contiguous parcels in the City of Coachella. On each parcel, a standalone project will be built as Villa Verde I and Villa Verde II respectively; they will share site amenities through a Joint Use Agreement. Villa Verde I, has secured 4% tax credits (VVI) and Villa Verde II has secured 9% tax credits (VVII) therefore this is considered a hybrid development. The construction of each is intended to occur simultaneously. The PLHA funds are part of the finance package for VVI.

Villa Verde I is new construction of approximately 116 (including one manager's unit) affordable rental multifamily homes for low-income households to be financed by 4% Low-Income Housing Tax Credits (Project). The construction will consist of 20 buildings and is also funded by tax-exempt bonds.

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. Villa Verde I, L.P. will own and develop VVI, while Villa Verde II, L.P. will own and develop VVII. Each development 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 Amended and Restated DDLA.

Under the County's PLHA program, eleven (11) units will be restricted to individuals whose incomes do not exceed 50% of the area median income, forty-five (45) units will be restricted to individuals whose incomes do not exceed 80% of the area median income for the County of

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Riverside (PLHA Affordable Units). The PLHA Affordable Units will be restricted for a period of at least 55 years from the recordation of the Notice of Completion.

The PLHA Loan will be evidenced by a promissory note (PLHA Promissory Note) secured by a deed of trust encumbering the Project (PLHA Deed of Trust), each attached. Should there be any realized cost savings to the project, then any remaining PLHA funds will not be disbursed.

Staff recommends approval of loan documents for the previously authorized \$6,115,252 in PLHA funds for a portion of the development and construction costs for the Project and \$50,000 in PLHA funds for direct staff costs associated with project management and compliance with PLHA Program as follows:

Villa Verde	\$6,115,252	PLHA Project Funding
<u>Villa Verde Apartments</u>	<u>\$50,000</u>	PLHA Direct Staffing
Total	\$6,165,252	

Construction Sources	
Tax Exempt Construction Loan	\$42,578,583
LIIF Secondary Taxable Construction Loan	\$14,319,469
HCD PHK+	\$9,962,708
Accrued deferred interest HCD PHK+	\$548,484
HACR Land Contribution	\$1,411,842
Accrued deferred interest HACR Land Contribution	\$77,727
County PLHA	\$6,115,251
Accrued deferred interest HWS PLHA	\$336,667
HACR taxable housing bond	\$450,000
Accrued deferred interest HACR taxable housing bod	\$24,774
City of Coachella Loan (Capitalized CFD Fees)	\$20,313,662
Accrued deferred interest Coachella CFD	\$844,254
City of Coachella RDA Funds	\$2,104,640
Accrued deferred interest Coachella RDA	\$115,868
Costs deferred until conversion	\$8,821,769
Deferred developer fee	\$1,300,000
Total	\$109,325,698

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Permanent Sources	
Tax Exempt Permanent Loan	\$16,758,000
HCD NPLH	\$11,279,429
Accrued deferred interest HCD NPLH	\$0
HCD PHK+	\$9,962,708
Accrued deferred interest HCD PHK+	\$548,484
HACR Land Contribution	\$1,411,842
Accrued deferred interest HACR Land contribution	\$77,727
County PLHA	\$6,115,251
Accrued deferred interest HWS PLHA	\$336,667
HACR Taxable Housing Bond	\$450,000
Accrued deferred interest HACR Taxable Housing Bond	\$24,774
City of Coachella Loan (Capitalized CFD Fees)	\$20,313,662
Accrued deferred interest Coachella CFD	\$844,254
City of Coachella RDA Funds	\$2,104,640
Accrued deferred interest Coachella RDA	\$115,888
Deferred Developer Fee	\$1,300,000
General Partner (Developer Fee)	\$6,452,108
Limited Partners	\$36,741,510
Total	\$114,836,944

The City of Coachella, as Lead Agency, conducted its review and approved Environmental Review and Land Use Entitlements via Streamlined Ministerial Approval Process (SB35) Government Code Section 65913.4 for Villa Verde Housing Development, by the City of Coachella, verified on March 24, 2021.

It is determined that any potential environmental impacts within the County's powers and authorities as responsible agency concerning the Loan Agreement for the Use of Permanent Local Housing Allocation (PLHA) Program Funds and approvals associated therewith, have been adequately analyzed and nothing further is required under CEQA. As such, the Responsible Agency, the County of Riverside Board of Supervisors, will adopt the Notice of Exemption. Entering into the PLHA Loan Agreement will not result in any new significant environmental effects; the actions will not substantially increase the severity of the environmental effects; no considerably different mitigation measures have been identified; and no mitigation measures found infeasible have become feasible. As a result, no further environmental documentation is required for California Environmental Quality Act purposes.

County Counsel has reviewed and approved as to form the attached form of Loan Agreement for the Use of PLHA Funds, including all exhibits (PLHA Loan Agreement), the form of the PLHA Deed of Trust, the form of the PLHA Promissory Note, the form of PLHA Covenant Agreement, and the form of the Environmental Indemnity. Staff recommends that the Board of Supervisors

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(Board) approve these forms. Staff further recommends that the Board authorize the Director of the Housing and Workforce Solutions (HWS), or designee, to execute a PLHA Loan Agreement and a PLHA Covenant Agreement, substantially conforming in form and substance to the attached. Staff further recommends that the Board of Supervisors authorize the Director of the HWS, or designee, to negotiate and execute subordination agreements, as required conditions to the senior lenders' financing, subordinating the PLHA Loan and PLHA Deed of Trust to the deeds of trust securing the senior lenders' loans as discussed herein, subject to approval as to form by County Counsel.

Impact on Residents and Businesses

The development of Villa Verde Apartments in the City of Coachella will have a positive impact on the citizens and businesses within the County of Riverside. The Project is expected to generate construction, permanent maintenance, and property management jobs, as well as provide affordable housing for residents of the County of Riverside.

SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund; the County's contribution to the Project will be fully funded with PLHA funds allocated from the California Department of Housing and Community Development PLHA Program.

ATTACHMENTS:

- Form of Loan Agreement for the Use of PLHA Program Funds, including all exhibits
- Form of PLHA Deed of Trust (attached to loan agreement)
- Form of PLHA Promissory Note (attached to loan agreement)
- Form of PLHA Covenant Agreement (attached to loan agreement)
- Form of Environmental Indemnity (attached to loan agreement)
- Notice of Exemption


Stacey Pena, EO Management Analyst 2/23/2026


Aaron Gettis, Chief Deputy County Counsel 2/20/2026



Peter Aldana
Riverside County
Assessor-County Clerk-Recorder
2724 Gateway Drive
Riverside, CA 92507
(951) 486-7000
www.rivcoacr.org

Receipt: 26-65433

Product	Name	Extended
FISH	CLERK FISH AND GAME FILINGS	\$50.00
	# Pages	1
	Document #	E-202600177
	Filing Type	7
	State Fee Prev Charged	false
	No Charge Clerk Fee	false
F&G Notice of Exemption Fee		\$50.00
Total		\$50.00
Tender (On Account)		\$50.00
Account#	CEQAHWS/WDD	
Account Name	CEQAHWS/WDD - HOUSING AND WORKFORCE SOLUTIONS, WORKFORCE DEVELOPMENT DIVISION	
Balance	\$450.00	

**2026 ENVIRONMENTAL DOCUMENT FILING FEE CASH RECEIPT**

DFW 753.5a (REV. 01/01/26) Previously DFG 753.5a

RECEIPT NUMBER:

26-65433

STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY	LEAD AGENCY EMAIL	DATE
COUNTY OF RIVERSIDE DEPARTMENT OF	MMANALO@RIVCO.ORG	03/05/2026
COUNTY/STATE AGENCY OF FILING		DOCUMENT NUMBER
RIVERSIDE		E-202600177
PROJECT TITLE		

LOAN AGREEMENT FOR THE USE OF PLHA PROGRAM FUNDS

PROJECT APPLICANT NAME	PROJECT APPLICANT EMAIL	PHONE NUMBER
COUNTY OF RIVERSIDE DEPARTMENT OF	MMANALO@RIVCO.ORG	(951) 955-0774
PROJECT APPLICANT ADDRESS	CITY	STATE
4080 LEMON STREET, SUITE 400	RIVERSIDE	CA
		ZIP CODE
		92501

PROJECT APPLICANT (Check appropriate box)

☒ Local Public Agency ☐ School District ☐ Other: Special District ☐ State Agency ☐ Private Entity

CHECK APPLICABLE FEES:

☐ Environmental Impact Report (EIR)	\$4,227.50	\$ _____
☐ Mitigated/Negative Declaration (MND)(ND)	\$3,043.75	\$ _____
☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW	\$1,437.25	\$ _____

☒ Exempt from fee☒ Notice of Exemption (attach)☐ CDFW No Effect Determination (attach)☐ Fee previously paid (attach previously issued cash receipt copy)

☐ Water Right Application or Petition Fee (State Water Resources Control Board only)	\$850.00	\$ _____
☒ County documentary handling fee		\$ _____ \$50.00
☐ Other		\$ _____

PAYMENT METHOD:

☐ Cash ☐ Credit ☐ Check ☒ Other

TOTAL RECEIVED \$ _____ \$50.00

SIGNATURE

X

AGENCY OF FILING PRINTED NAME AND TITLE

Deputy

Adrienne Ribac



FILED / POSTED

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202600177
03/05/2026 12:55 PM Fee: \$ 50.00
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Removed: By: Deputy



Notice of Exemption

To:
☒ Office of Planning and Research
For U.S Mail: Street Address: 1400 Tenth St.
P.O. Box 3044 Sacramento, CA 95812-3044
Sacramento, CA 95812-3044 Sacramento, CA 95814

From:
Public
Agency: County of Riverside
Address: 4080 Lemon Street, Suite 400
Riverside, CA 92501
Contact: Mervyn Manalo
Phone: (951) 955-0774

☒ County Clerk
County of Riverside
2724 Gateway Drive
P.O. Box 751
Address: Riverside, CA 92502-0751

Lead Agency (if different from above):
Address: _____
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: Loan Agreement for the Use of PLHA Program Funds

84824 Calle Verde, Coachella, CA, Assessor's Parcel Number 768-400-001 Riverside

Project Location (include county): County

Project Description:

The Loan Agreement for the Use of PLHA Program Funds for \$6,165,252 will pay a portion of the construction costs for Villa Verde I Apartments located at 84824 Villa Verde, in the City of Coachella on 6.964 acres of land identified as Assessor's Parcel Number 768-400-001. The Project consists of 116 units, including 1 manager unit, consisting of 16 one-bedroom units, 56 two-bedroom units (including Manager unit), and 44 three-bedroom units. Amenities are shared with the adjoining Villa Verde II via a Reciprocal Easement Agreement. Under the County's PLHA program, 11 units will be restricted to very low-income households and 45 units will be restricted to low income households. Those will be restricted for a period of at least 55 years from the recordation of the Notice of Completion.

Project Sponsor: County of Riverside Department of Housing and Workforce Solutions

This is to advise that the County of Riverside Board of Supervisors approved the above project on

☐ Lead agency or ☒ Responsible Agency

February 10, 2026
(tentative date)

and has made the following determinations regarding the above described project:

Pursuant to Government Code Section 65913.4, the California Environmental Quality Act (CEQA) (Division 13 (commencing with section 21000) of the Public Resources Code) does not apply to actions taken by a state agency or local government to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income. The City of Coachella, after it reviewed and considered the information under Architectural Review 19-06 (Ministerial), the City of Coachella determined the project is statutorily exempt from environmental review pursuant to the provisions CEQA as "Ministerial Projects" (Section 15268 of CEQA Guidelines) involving no discretionary provisions in the Coachella Municipal Code. The project determined as exempt from environmental review under Streamlined Ministerial Approval Process (SB35). In its independent judgment and analysis as a Responsible Agency under CEQA in issuing limited approvals, the Loan Agreement is exempt from CEQA review.

Signature: (Public Agency)

Juan Garcia

Title: Deputy Director

Date: 2/19/26

Date received for filing at OPR: _____

1 NO FEE FOR RECORDING PURSUANT
2 TO GOVERNMENT CODE SECTION 27383

3 Order No.
4 Escrow No.
5 Loan No.

6 RECORDING REQUESTED BY AND
7 WHEN RECORDED MAIL TO:

8 County of Riverside
9 3403 Tenth Street, Suite #300
10 Riverside, CA 92501
11 Attn: Leah Rodriguez

12 SPACE ABOVE THIS LINE FOR RECORDERS USE

13 LOAN AGREEMENT FOR THE USE OF PLHA PROGRAM FUNDS
14 (Villa Verde Apartments - Phase I)

15 This LOAN AGREEMENT FOR THE USE OF PLHA PROGRAM FUNDS
16 (“Agreement”) is made and entered into this _____, 2026 by and
17 between the COUNTY OF RIVERSIDE, a political subdivision of the State of California
18 (“COUNTY” or “County”), and VILLA VERDE I L.P., a California limited partnership,
19 (“BORROWER”). The COUNTY and BORROWER may be individually referred to herein as
20 a “Party” and collectively as the “Parties.”

21 RECITALS:

22 WHEREAS, Chapter 364, Statutes of 2017 (Senate Bill (“SB”) 2, Atkins), as
23 authorized by Health and Safety Code (“HSC”) Section 50470, established the Building Homes
24 and Jobs Trust Fund (“Fund”) and the Permanent Local Housing Allocation (“PLHA”) Program
25 which was designed to provide a permanent source of funding to all local governments in
26 California to help cities and counties implement plans to increase affordable housing stock;

27 WHEREAS, the State of California (the “State”), Department of Housing and
28 Community Development (“HCD”) issued a Notice of Funding Availability (“NOFA”), dated
February 26, 2020, to provide approximately \$195,000,000 under the PLHA Program through
its Entitlement and Non-entitlement Local Government Formula Component from the Fund for
assistance to local governments pursuant to HSC section 50470 et seq. and SB 2 (Chapter 364,
Statutes of 2017) (the “PLHA Statutes”);

1 WHEREAS, to implement the PLHA Program, HCD adopted and issued the HCD
2 2019 PLHA Final Guidelines (“Guidelines” or “PLHA Guidelines”);

3 WHEREAS, the County is an eligible local government for the program to
4 administer one or more eligible activities, including on behalf of other local governments that
5 have delegated County to apply and administer their PLHA formula allocations;

6 WHEREAS, HSC Section 50470 authorizes the HCD to allocate moneys collected
7 and deposited in the Fund for the PLHA Program, with 90 percent of PLHA funds to local
8 governments, and to adopt Guidelines to implement the PLHA Program;

9 WHEREAS, pursuant to the PLHA Program, the County and HCD entered into
10 that certain Standard Agreement dated June 17, 2021 and numbered 20-PLHA-15541, including
11 Exhibits A, B, C, D and E (collectively, the “PLHA Standard Agreement for County’s
12 Allocation”), as amended thereafter, which allocates PLHA funding to the County for use in the
13 County in the estimated funding amount of \$23,977,026 for Allocation Years 2019-2023;

14 WHEREAS, pursuant to Section 300(c) of the HCD Guidelines, a local
15 government may delegate another local government to submit an application and administer the
16 formula component of PLHA funds on its behalf, provided the local governments enter into an
17 agreement and the funds are expended for eligible activities consistent with program
18 requirements;

19 WHEREAS, the County has entered into legally binding agreements with the City
20 of Moreno Valley, City of Lake Elsinore, City of Indio, City of Cathedral City, City of Palm
21 Springs, City of Temecula, and City of Hemet (collectively, “Delegating Cities”) to administer
22 and utilize allocations in accordance with PLHA Guidelines for use in the County in the
23 estimated funding amount of \$41,291,148 for Allocation Years 2019-2023;

24 WHEREAS, the PLHA Statutes, Guidelines, NOFA, PLHA Standard Agreement
25 for County’s Allocation and Delegating Cities, and all applicable rules and regulations imposed
26 by HCD on PLHA funding recipients shall collectively be referred to herein as the “PLHA
27 Program”;

28 WHEREAS, BORROWER’s affiliate, Abode Communities (“Abode”) is an

1 experienced developer of affordable housing that has among its purposes the provision of decent
2 housing that is affordable to low income persons;

3 WHEREAS, BORROWER desires to perform the following in the City of
4 Coachella (“City”), collectively referred to herein as the “Project”: (i) acquire that certain real
5 property known as 84824 Calle Verde, in the City of Coachella, County of Riverside, State of
6 California, more specifically identified as Assessor’s Parcel Numbers APN 768-400-001-8
7 (Portion) and 768-350-002-5 (Portion) as more specifically described as Parcel A in the legal
8 description attached hereto as **Exhibit A** and incorporated herein by this reference (“Property”) and
9 (ii) construct and operate thereon an approximately 6.964 acre multi-family apartment
10 complex and related amenities consisting of 16 one-bedroom, 56 two-bedroom (including one
11 manager unit), and 44 three-bedroom units, for a total of 116 apartment units (each, a “Unit,”
12 collectively, the “Units”);

13 WHEREAS, the purpose of this Agreement is, among other things, for COUNTY
14 to provide a loan of PLHA funds (consisting of PLHA funds allocated to the COUNTY for the
15 purposes set forth herein) to BORROWER for PLHA Units on the Property in the maximum
16 amount of \$6,115,252 to pay a portion of the construction and permanent financing costs related
17 to the Project, as more fully described herein;

18 WHEREAS, in consideration of the loan of PLHA funds, BORROWER has
19 agreed to restrict the “PLHA Units” (as defined in **Section 1** below) to rental to and occupancy
20 by qualified Low and Very Low Income Households consistent with the PLHA Program
21 requirements and as defined more specifically herein; and

22 WHEREAS, the development of the Project as described herein increases the
23 available affordable housing stock within the City and the County and complies with the
24 objectives set forth in the PLHA Program.

25 NOW, THEREFORE, based upon the foregoing Recitals and for good and
26 valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties, the
27 COUNTY and BORROWER hereby agree as follows:

28 1. PURPOSE. The aforementioned Recitals are incorporated herein by this

1 reference. COUNTY has agreed to lend up to \$6,115,252 in PLHA funds (“PLHA Loan”) to
2 BORROWER upon the satisfaction of the conditions precedent to distribution of PLHA Loan
3 funds set forth in **Section 12** below. Subject to **Sections 49** and **50** below, BORROWER shall
4 undertake and complete the Project in accordance with all entitlements and the Scope of Work
5 and Project Description set forth in **Exhibit B** and shall utilize the PLHA Loan funds as required
6 herein and in strict compliance with the PLHA Program. Once the Project is completed, during
7 the Affordability Period (as defined in **Section 15** below), at least approximately forty nine
8 percent (49%) of the Units or fifty-six (56) of the Units constructed on the Property shall be
9 restricted to rental to and occupancy by qualified Low and Very Low Income Households
10 (collectively, “PLHA Units”) at an Affordable Rent (as hereinafter defined). Eleven (11) of the
11 one-bedroom units shall be restricted to occupancy by Very Low Income Households at or below
12 50% of area median income. Forty-five (45) of the two-bedroom units shall be rented to and
13 occupied by Low Income Households at or below 80% of area median income.

14 For purposes hereof:

- 15 a. a “Household” is one or more persons occupying an Affordable Unit.
- 16 b. “Low Income” has the meaning set forth in HSC Section 50079.5,
17 which is a Household whose income does not exceed 80% of the area
18 median income, adjusted for actual family size.
- 19 c. “Very Low Income” has the meaning set forth in HSC Section 50105,
20 which is a Household whose income does not exceed 50% of the area
21 median income, adjusted for actual family size.
- 22 d. “area median income” shall refer to the most recent area median
23 family income published by HCD for Riverside County, available at
24 the following link:
- 25 e. “Qualified Household” means a Low Income Household or a Very
26 Low Income Household, as applicable.

27 The PLHA Units shall be rented to and occupied by Very Low and Low
28 Income Households at an “Affordable Rent” in compliance with the Multifamily Housing

1 Program guidelines Section 7312 and the Section 7301 definition of “Affordable Rent” and the
2 PLHA Program. COUNTY shall review and approve proposed rents prior to entry into leases for
3 occupancy of the PLHA Units by BORROWER. BORROWER shall ensure the PLHA Units are
4 rented to qualified applicants at the rent levels required herein during the Affordability Period.
5 The maximum monthly allowances for utilities and services (excluding telephone) shall not
6 exceed the utility allowance permitted by a Covenant Agreement entered into by COUNTY and
7 BORROWER substantially in the form attached as **Exhibit H** hereto (the “Covenant Agreement”)
8 upon Closing (as defined in **Section 12**).

9 Income and Affordable Rent limitations for Very Low Income Households
10 and Low Income Households must be calculated in accordance with the Multifamily Housing
11 Program (MHP), as required by the PLHA Program. BORROWER shall utilize the most recently
12 available “MHP Income and Rent Calculator” published by HCD, available on the following web
13 page: <https://www.hcd.ca.gov/funding/income-limits/income-calculation-determination-guide>

14 Notwithstanding anything contained herein to the contrary, if the Project
15 has received low income housing tax credits, then California Tax Credit Allocation Committee
16 (“CTCAC”) rent and income-setting requirements shall control for the term of the CTCAC
17 extended use agreement.

18 This Agreement, a Promissory Note for the benefit of COUNTY and given
19 by BORROWER upon Closing, substantially in the form attached as **Exhibit F** hereto (the
20 “PLHA Note”), a Deed of Trust for the benefit of COUNTY and given by BORROWER upon
21 Closing, substantially in the form attached as **Exhibit E** hereto (the “PLHA Deed of Trust”), a
22 Covenant Agreement for the benefit of COUNTY and given by BORROWER upon Closing,
23 substantially in the form attached as **Exhibit H** hereto (the “Covenant Agreement”), an
24 Environmental Indemnity for the benefit of COUNTY and given by BORROWER upon Closing,
25 substantially in the form attached as **Exhibit J** hereto (the “Environmental Indemnity”) and any
26 other agreement entered into by COUNTY and BORROWER in connection with the PLHA Loan
27 for the Project shall collectively be referred to herein as the “PLHA Loan Documents.”
28 BORROWER shall comply with the terms and conditions of the PLHA Loan Documents, any

1 other agreements entered into in connection with the development and/or financing for the
2 Project, and any instrument secured against the Property. BORROWER shall strictly comply
3 with all requirements of the PLHA Program.

4 2. BORROWER'S OBLIGATIONS. Upon the commencement of the
5 Effective Date (defined in **Section 55** below), BORROWER shall undertake and complete the
6 following activities within the time periods set forth herein and in **Exhibit D**:

- 7 a. Satisfy the conditions precedent to distribution of PLHA Loan funds
8 set forth in **Section 12** below.
- 9 b. Acquire fee title to the Property and assemble any necessary permanent
10 and construction financing no later than the date set forth in **Exhibit D**,
11 including any County approved extensions thereto.
- 12 c. Develop the Project in accordance with the timeline set forth in **Exhibit**
13 **D**.
- 14 d. Operate the Project in such a manner so that it will remain affordable
15 to Qualified Households for the Affordability Period as defined in
16 **Section 15** herein without regard to (i) the term of the PLHA Note, or
17 (ii) transfer of ownership.
- 18 e. Maintain the Project in compliance with applicable local, state, federal
19 laws, codes and regulations as further described in **Section 18** below
20 until the expiration of the Term of this Agreement set forth in **Section**
21 **7** below, and the Affordability Period set forth in **Section 15** below.

22 3. COUNTY'S OBLIGATIONS. COUNTY hereby agrees to undertake and
23 complete the following activities, subject to its receipt of PLHA funds from HCD and
24 BORROWER's satisfactory completion of the conditions precedent to disbursement of PLHA
25 funds set forth in this Agreement:

- 26 a. Provide the PLHA Loan to BORROWER in the amount identified in
27 **Section 1**, to be used to pay a portion of the acquisition and eligible
28 construction and permanent financing costs for the Project in

accordance with the PLHA Program; and

- b. Comply with all of its obligations under the PLHA Standard Agreement, and all other applicable requirements of the PLHA Program.

4. PLHA Loan. Subject to the satisfaction of the conditions precedent to disbursement of the PLHA Loan set forth in **Section 12** below, COUNTY shall provide financing to Borrower in the form of a loan in the amount of the PLHA Loan, pursuant to the following terms and conditions:

- a. Term of PLHA Loan. . The maturity date of the PLHA Loan shall be the later to occur of (i) July 1, 2081 or (ii) fifty-five (55) years from the recordation of the Notice of Completion in the Official Records for the building for which construction is completed for the Project, but in no event later than December 31, 2084 (the “PLHA Loan Term”). The term, “Official Records” used herein shall mean the Official Records of the Recorder’s Office of the County of Riverside.
- b. Principal. The total amount of the PLHA Loan shall not exceed \$6,115,252, and shall be evidenced by the PLHA Note, which note shall be secured by the PLHA Deed of Trust.
- c. Interest. The interest rate shall be three percent (3%) simple interest per annum.
- d. Repayment. The terms of the PLHA Note shall be as follows:
- (1) That the PLHA Loan will accrue simple interest at a rate of three percent (3%) per annum, except in the case of an event of default as hereinafter provided wherein a higher default interest rate shall apply as more specifically set forth in the PLHA Note and shall be repaid on an annual basis from the Project’s Residual Receipts (defined in **Section 4** below). Interest will begin to accrue 30 days from the recordation of the Notice of Completion in the Official

Records.

(2) The PLHA Note shall be repaid by BORROWER to COUNTY as follows:

(1) (i) A pro rata share of fifty percent (50%) of the Project's Residual Receipts shall be paid to COUNTY as debt service on the PLHA Loan (pro rata with respect to the amount of the PLHA Loan for the Project). The pro rata share split fifty percent (50%) of the Project's Residual Receipts on account of the PLHA Loan shall be 11.84% ("Pro Rata Share"). Such payment of the Pro Rata Share fifty percent (50%) of the Project's Residual Receipts to the COUNTY shall continue annually until the COUNTY's PLHA Note is repaid in full; and
ii) The remaining fifty percent (50%) of the Project's Residual Receipts will be paid to BORROWER.

(2) The Project's Residual Receipts shall be determined based on an annual review of certified financial statements for the Project. Annual audited financial statements shall be submitted by BORROWER to COUNTY within one hundred eighty (180) days following the close of the Project fiscal year commencing on April 1st of the first full calendar year following the recordation of the Notice of Completion. All outstanding principal along with accrued interest shall be due upon the maturity date of the PLHA Note and the expiration of the PLHA

1 Loan Term as set forth in **Section 4.a**. The first
2 payment from BORROWER to COUNTY shall be
3 due on July 1st in the first full calendar year
4 following the 15th year after the date of the
5 recordation of the Notice of Completion, to the
6 extent of available Residual Receipts, calculated in
7 accordance with the PLHA Note. Subsequent
8 payments shall be made on each July 1st thereafter
9 to the extent of available Residual Receipts until the
10 earlier of full repayment of the PLHA Loan or the
11 PLHA Loan maturity date as set forth above.

12 (3) The term “Project Residual Receipts” used herein
13 shall mean the gross rental and other income from
14 all residential and non-residential components of the
15 Project, including, without limitation, proceeds
16 from loss of rent insurance, and any other income to
17 the BORROWER derived from the ownership,
18 operation and management of the Project and the
19 Property, but excluding interest on required reserve
20 accounts, loan proceeds, capital contributions and
21 insurance proceeds used for repair/reconstruction,
22 less the following operating expenses:

- 23 i) auditing and accounting fees;
24 ii) a reasonable property management fee not to exceed
25 \$62.66 per unit per month, increased annually by an
26 amount not to exceed the greater of (i) five percent
27 (5%) or (ii) the increase in the Consumer Price
28 Index for Riverside-San Bernardino-Ontario, CA

- 1 area (“CPI”);
- 2 iii) operating expenses (any expense reasonably and
- 3 normally incurred in carrying out the Project’s day-
- 4 to-day activities, which shall include
- 5 administration, on-site management costs, utilities,
- 6 on-site staff payroll, payroll taxes, and
- 7 maintenance);
- 8 iv) required deposits into replacement reserves,
- 9 established in a separate account from operating
- 10 reserves, limited to a capitalized payment of
- 11 \$14,500 and thereafter \$500 per unit per year for all
- 12 units in the Project, increased annually by an
- 13 amount not to exceed the greater of (i) three percent
- 14 (3%) or (ii) the increase in CPI;
- 15 v) required payment to the HCD Pooled Transition
- 16 Reserve in the amount of \$322,600;
- 17 vi) required operating reserve replenishments in an
- 18 amount up to \$175,000 per year;
- 19 vii) required payments of principal and interest on
- 20 amortized loans and indebtedness senior to the
- 21 PLHA Loan, which have been approved by
- 22 COUNTY as KeyBank Tax Exempt Permanent
- 23 Loan, HCD Homekey+, City of Coachella
- 24 Capitalized CFD Fees, HACR, (collectively, the
- 25 “Senior Debt”);
- 26 viii) COUNTY’s PLHA Monitoring Fee in the total
- 27 annual amount of \$11,600 (“Monitoring Fee”),
- 28 increased annually by an amount equal to the

1 increase in CPI, as more specifically discussed in
2 **Section 30, Monitoring Fee;**

3 ix) repayment of any operating deficit loans made by a
4 partner to the BORROWER and payment of unpaid
5 tax credit adjustment payments or payments to
6 address an income tax liability of the limited partner
7 of BORROWER as provided in the BORROWER's
8 First Amended and Restated Agreement of Limited
9 Partnership owed to a limited partner of
10 BORROWER;

11 x) partnership management fees up to \$32,004
12 annually payable to a partner of BORROWER,
13 increased annually by three percent (3%), and asset
14 management fees up to \$7,500 annually payable to
15 a partner of BORROWER, increased annually by
16 three percent (3%) and any accrued and unpaid fees
17 from prior years;

18 xi) payment of deferred developer fees pursuant to
19 BORROWER'S limited partnership agreement; and

20 xii) repayment of limited partner loans.

21 The calculation of annual operating expenses shall be subject to the
22 reasonable approval of the Director or designee.

23 e. Security. The PLHA Note shall be secured by the PLHA Deed of Trust.
24 The PLHA Deed of Trust and this Agreement shall be recorded in a lien
25 position junior to the Covenant Agreement and any deed of trust securing
26 a third party, commercial bank construction or permanent loan or another
27 mutually acceptable senior lender as agreed to by the Parties in writing
28 (collectively, the "Senior Loan").

1 f. Prepayment. Prepayment of principal and/or interest under the PLHA Note
2 may occur at any time without penalty; provided, however (i) the
3 requirements of **Section 18**, Compliance with Laws and Regulations, shall
4 remain in full force and effect for the term of this Agreement specified in
5 **Section 7** below; and (ii) the affordability requirements set forth in the
6 Covenant Agreement shall remain in effect until the expiration of the
7 Affordability Period.

8 5. PRIOR COUNTY APPROVAL. Except as otherwise expressly provided
9 in this Agreement, approvals required of the COUNTY shall be deemed granted by the written
10 approval of the Director. Notwithstanding the foregoing, the Director may, in his or her sole
11 discretion, refer to the governing body of the COUNTY any item requiring COUNTY approval;
12 otherwise, “COUNTY approval” means and refers to approval by the Director or designee.

13 6. MODIFICATIONS. The Director or designee shall have the right to make
14 non-substantive changes to the attachments to this Agreement in order to ensure that all such
15 attachments are consistent with the terms and provisions of this Agreement.

16 7. TERM OF AGREEMENT. This Agreement shall become effective upon
17 the Effective Date, as defined in **Section 56** below, and unless terminated earlier pursuant to the
18 terms hereof, shall continue in full force and effect until the later to occur of (i) July 1, 2081 or
19 (ii) fifty-five (55) years from the recordation of the Notice of Completion in the Official Records
20 for the last building for which construction is completed for the Project, but in all events no later
21 than December 31, 2084 (“Term of Agreement”).

22 8. BORROWER’S REPRESENTATIONS. BORROWER represents and
23 warrants to COUNTY as follows:

24 a. Authority. BORROWER is a duly organized limited partnership,
25 validly existing and in good standing under the laws of the State of
26 California. The copies of the documents evidencing the
27 organization of BORROWER, which have been delivered to
28 COUNTY, are true and complete copies of the originals, as

1 amended to the date of this Agreement. BORROWER, and the
2 persons executing and delivering the PLHA Loan Documents on
3 its behalf, have full right, power and lawful authority to enter into
4 this Agreement and accept the PLHA Loan funds and undertake
5 development of the Project and all obligations as provided in the
6 PLHA Loan Documents. The execution, performance and delivery
7 of this Agreement by BORROWER has been fully authorized by
8 all requisite actions on the part of BORROWER.

9 b. No Conflict. To the best of BORROWER's knowledge,
10 BORROWER's execution, delivery and performance of its
11 obligations under this Agreement will not constitute a default or a
12 breach under contract, agreement or order to which BORROWER
13 is a party or by which it is bound.

14 c. No Bankruptcy. BORROWER is not the subject of a bankruptcy
15 proceeding.

16 d. General. BORROWER has access to professional advice and
17 support to the extent necessary to enable BORROWER to fully
18 comply with the terms of this Agreement, and to otherwise carry
19 out the Project. Neither BORROWER nor any of its principals is
20 presently debarred, suspended, proposed for debarment, declared
21 ineligible, or voluntarily excluded from participation in connection
22 with the transaction contemplated by this Agreement.

23 e. Use of PLHA Funds. Borrower represents and warrants that it will
24 use all PLHA funds in a manner consistent and in compliance with
25 all applicable state and federal statutes, rules, regulations, and laws,
26 including without limitation, all rules and laws regarding the PLHA
27 Program, as well as any contracts for the PLHA funds entered into
28 between City and County and any contracts County may have with

HCD which have been provided to Borrower.

- f. Prior to Closing. BORROWER shall, upon learning of any fact or condition which would cause any of the warranties and representations in this **Section 8** not to be true in any material respect as of Closing, immediately give written notice of such fact or condition to COUNTY. Such exception(s) to a representation shall not be deemed a breach by BORROWER hereunder but shall constitute an exception which COUNTY shall have the right to approve or disapprove if such exception would have a material adverse effect on the value and/or operation of the Project Site.
- g. Applicable Requirements. BORROWER represents and warrants that after Closing, the Property and all improvements located thereon, including any portion thereof, shall comply with all applicable Governmental Requirements (as defined in **Section 18.b**) and all covenants or restrictions of record (together, the “**Applicable Requirements**”). If the Property and all improvements located thereon do not comply with said Applicable Requirements, BORROWER shall promptly rectify the same at BORROWER’s expense.
- h. CEQA. BORROWER represents and warrants that the Project will be developed in full compliance with all applicable requirements of the California Environmental Quality Act (“CEQA”) concerning this Agreement, including without limitation any challenge to CEQA compliance.
- i. Labor Laws. BORROWER represent and warrants that it shall comply with any applicable labor regulations and all other applicable State laws, including, without limitation, California prevailing wage law, as set forth in Labor Code Section 1720 et

1 seq. (“State Prevailing Wage Law”) and, to the extent applicable,
2 shall pay prevailing wages in accordance with the State Prevailing
3 Wage Law in connection with the construction of the
4 improvements which compromise the Project.

5 9. COMPLETION SCHEDULE. From and after the Effective Date,
6 BORROWER shall proceed consistent with the Schedule of Performance (“Schedule of
7 Performance”) set forth in **Exhibit D**, (as such schedule may be amended pursuant to **Section**
8 **12**), subject to Force Majeure Delays, as defined in **Section 10**.

9 10. FORCE MAJEURE DELAYS. “Force Majeure” means event(s) beyond
10 the reasonable control of BORROWER, and which could not have been reasonably anticipated,
11 which prevent(s) BORROWER from complying with any of its non-payment obligations under
12 this Agreement, including, but not limited to: acts of God, acts of war, acts or threats of terrorism,
13 civil disorders, strikes, labor disputes, flood, fire, explosion, earthquake or other similar acts.

14 “Force Majeure Delay” is delay due to Force Majeure event that, in each case, (i)
15 materially adversely affects the performance by BORROWER of its obligations hereunder, (ii)
16 is not reasonably foreseeable and is beyond BORROWER's reasonable control, (iii) despite the
17 exercise of reasonable diligence, cannot be prevented, avoided or removed by BORROWER and
18 is not attributable to the negligence, willful misconduct or bad faith of BORROWER, and (iv) is
19 not the result of the failure of BORROWER to timely perform any of its obligations under this
20 Agreement. Notwithstanding the foregoing, a Force Majeure Delay shall not be deemed to have
21 occurred unless BORROWER has notified COUNTY in writing of such occurrence of a Force
22 Majeure event within fifteen (15) days after such occurrence and has provided COUNTY with
23 the details of such event and the length of the anticipated delay within an additional fifteen (15)
24 days thereafter. BORROWER shall diligently attempt to remove, resolve, or otherwise eliminate
25 such event, keep COUNTY advised with respect thereto, and shall commence performance of
26 its obligations hereunder immediately upon such removal, resolution or elimination. During the
27 occurrence and continuance of a Force Majeure Delay, BORROWER shall be excused from
28 performance of its obligations under this Agreement to the extent the Force Majeure event

1 prevents BORROWER from performing such obligations. A Force Majeure Delay shall not
2 excuse BORROWER from the timely performance of its payment obligations under the PLHA
3 Loan Documents.

4 11. EXTENSION OF TIME. COUNTY may grant an extension to the
5 Schedule of Performance set forth in **Exhibit D** for the purpose of completing BORROWER's
6 activities which cannot be completed as outlined in **Exhibit D** despite commercially reasonable
7 efforts to do so. BORROWER shall request said extension in writing, stating the reasons
8 therefore, which extension must be first approved in writing by the COUNTY in its reasonable
9 discretion. The Director or designee, on behalf of the COUNTY and without referring such
10 matter to the County's Board of Supervisors may extend all pending deadlines in the Schedule
11 of Performance on two (2) or fewer occasions, so long as the aggregate duration of such
12 administrative time extensions is no greater than one hundred twenty (120) days. Every term,
13 condition, covenant, and requirement of this Agreement shall continue in full force and effect
14 during the period of any such extension.

15 12. CONDITIONS PRECEDENT TO DISBURSEMENT OF PLHA LOAN
16 FUNDS. The date upon which the PLHA Deed of Trust is recorded in the official records of
17 Riverside County shall be referred to herein as the "Closing." COUNTY shall disburse PLHA
18 Loan funds in accordance with this Agreement to BORROWER subject to the Closing having
19 occurred and Borrower's satisfaction of the conditions precedent set forth below. COUNTY
20 shall not be obligated to effect the Closing until the following conditions precedent have been
21 satisfied:

- 22 a. BORROWER executes this Agreement and delivers to COUNTY for
23 recordation in the Official Records;
- 24 b. Borrower submits written evidence to COUNTY that Borrower has
25 obtained sufficient financing commitments necessary to undertake the
26 construction and operation of the Project as required herein;
- 27 c. BORROWER provides COUNTY with evidence of insurance as
28 required herein;

- d. BORROWER executes the PLHA Deed of Trust, in recordable form, and delivers such document to COUNTY for recordation in the Official Records;
- e. BORROWER executes the PLHA Note, and delivers it to COUNTY;
- f. BORROWER executes the Covenant Agreement, in recordable form, and delivers to the COUNTY for recordation in the Official Records;
- g. COUNTY executes and records a Request for Notice of Default for any Senior Loan conforming in form and substance to **Exhibit I** attached hereto;
- h. BORROWER executes the Environmental Indemnity, and delivers it to COUNTY;
- i. BORROWER has caused the Property to be divided or reconfigured at BORROWER's cost in such a manner that the Project may be financed and obtain title insurance;
- j. BORROWER causes a title company, reasonably acceptable to COUNTY, at BORROWER'S expense, to issue or be irrevocably committed to issue an ALTA lender's policy in favor of COUNTY, insuring the PLHA Deed of Trust as a subordinate priority monetary lien against the Property junior to the deed of trust securing the Senior Loan and such other financing as has been approved as senior by the COUNTY for the development of the Project as reflected in the Deed of Trust;
- k. BORROWER provides satisfactory evidence that Senior Loan and any other financing obtained for the acquisition and construction of the Project will close concurrently with the Closing;
- l. BORROWER provides a financial pro forma or similar satisfactory evidence that the Senior Loan, permanent financing and any other financing obtained for the Project, when combined with the PLHA

1 Loan, will result in the development and operation of the Project being
2 financially feasible;

3 m. BORROWER is not in default under the terms of this Agreement, or
4 any other agreement related to the financing of the Project;

5 n. BORROWER provides satisfactory evidence that it has secured any
6 and all necessary land use entitlements, permits, and approvals which
7 may be required for construction of the Project pursuant to the
8 applicable rules and regulations of City, COUNTY, and any other
9 governmental agency with jurisdiction over such construction work.
10 BORROWER shall have secured, without limitation, the following in
11 connection with the Project: all entitlements, changes of zoning, lot line
12 adjustments, any and all necessary studies required including but not
13 limited to archaeological, cultural, and environmental, and traffic
14 studies and lead-based paint surveys. BORROWER shall have paid all
15 costs, charges and fees associated therewith;

16 o. BORROWER provides duly executed documents and instruments
17 evidencing that BORROWER owns fee title to the Property;

18 p. BORROWER provides satisfactory evidence that it has satisfied all
19 conditions precedent to the issuance of all permits necessary for the
20 development of the Property and all such permits are available for
21 issuance, other than payment of fees; and

22 q. BORROWER provides satisfactory evidence to COUNTY, if
23 applicable, that it has hired a qualified professional firm to review and
24 monitor prevailing wage compliance for all submission of contractors'
25 certified payrolls to COUNTY.

26 13. OUTSIDE CLOSING DATE. If the Closing fails to occur by December 31,
27 2026, (the "Outside Closing Date"), then this Agreement shall automatically terminate and be of
28 no further force and effect and Borrower shall be released and discharged from any obligations

1 under this Agreement, except as to those obligations which by their terms survive termination of
2 this Agreement. The PLHA Loan funds allocated, reserved, or placed in a PLHA account
3 pursuant to this Agreement may be reallocated by COUNTY.

4 Notwithstanding the foregoing, the Parties hereto acknowledge that many of the
5 potential sources of financing for the Project are subject to competitive awards, and that it is
6 difficult to identify with certainty the period of time needed to obtain financing and entitlements
7 necessary for construction of the Project. In light of the foregoing, the Outside Closing Date (i)
8 if applicable, may be automatically extended to such closing date as required by the Tax Credit
9 Allocation Committee pursuant to an award of Low Income Housing Tax Credits for the Project
10 made prior to the Outside Closing Date, or (ii) shall be subject to written extension with the
11 consent of the Director or their designee through December 31, 2026. The Director shall
12 reasonably consider any request for extensions to the Outside Closing Date based on
13 BORROWER's updates on progress toward obtaining financing and entitlements. Any
14 extension of the Outside Closing Date past December 31, 2026, shall require the consent of the
15 Board of Supervisors.

16 14. DISBURSEMENT OF FUNDS; RETENTION. Upon and after the Closing,
17 COUNTY shall disburse the PLHA Loan Funds in accordance herewith. Disbursement of PLHA
18 Loan funds shall occur upon the receipt of copies of invoices and conditional (upon receipt of
19 payment) lien releases for construction costs to be paid with the proceeds of the PLHA Loan.
20 Any disbursement of funds is expressly conditioned upon the satisfaction of conditions set forth
21 above. COUNTY shall disburse to BORROWER the PLHA Loan funds above on a "cost-as-
22 incurred" basis for all eligible approved costs under itemized schedule shown in **Exhibit C** as
23 follows:

- 24 a. Up to fifty percent (50%) of the PLHA Loan may be disbursed at
25 Closing.
26 b. Up to ninety percent (90%) of the PLHA Loan upon fifty-one
27 percent (51%) completion of Project, as certified and documented
28 by the project architect/engineer.

1 c. COUNTY shall release final draw down of ten percent (10%) of
2 the PLHA Loan following receipt of all of the items listed below,
3 in such form as is satisfactory to COUNTY:

- 4 1) Conditional lien release from general contractor;
- 5 2) recorded Notice of Completion;
- 6 3) Permanent Certificate of Occupancy;
- 7 4) architect certification identifying units that are accessible to
8 individuals with mobility impairments and units that are
9 accessible to individuals with sensory impairments in
10 compliance with Applicable California law;
- 11 5) if applicable, submission of documentation that shows
12 compliance with the Uniform Relocation Assistance and Real
13 Property Acquisition Policies Act of 1970 and 24 CFR Part
14 42;
- 15 6) submission of a Project completion report including Tenant
16 Checklist which is attached hereto and by this reference
17 incorporated herein;
- 18 7) Tenant Selection Policy;
- 19 8) Management Plan;
- 20 9) Certified statement of final development costs; and
- 21 10) Certified statement of final sources and uses of funds for the
22 Project.

23 15. TERMS OF AFFORDABILITY. The PLHA Units in the Project shall
24 remain occupied and rented by Qualified Households for an Affordable Rent as set forth herein
25 and in the Covenant Agreement until the later of (i) fifty-five (55) years from the recordation of
26 the Notice of Completion in the Official Records for the last building for which construction is
27 completed for the Project, or (ii) July 1, 2081 (the "Affordability Period") subject to the
28 provisions of Section 38 hereof.

1 16. INSURANCE. Without limiting or diminishing the BORROWER'S
2 obligation to indemnify or hold the COUNTY harmless, BORROWER shall procure and
3 maintain or cause to be maintained, at its sole cost and expense, the following insurance
4 coverage's during the term of this Agreement. As respects to the insurance section only, the
5 COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and
6 Departments, their respective directors, officers, Board of Supervisors, employees, elected or
7 appointed officials, agents or representatives as Additional Insureds.

8 a. Builder's All Risk (Course of Construction) Insurance.

9 BORROWER shall provide a policy of Builder's All Risk (Course
10 of Construction) insurance coverage including (if the work is
11 located in an earthquake or flood zone or if required on financed or
12 bond financing arrangements) coverage for earthquake and flood,
13 covering the COUNTY, BORROWER and every subcontractor, of
14 every tier, for the entire Project, including property to be used in
15 the construction of the work while such property is at off-site
16 storage locations or while in transit or temporary off-site
17 storage. Such policy shall include, but not be limited to, coverage
18 for fire, collapse, faulty workmanship, debris removal, expediting
19 expense, fire department service charges, valuable papers and
20 records, trees, grass, shrubbery and plants. If scaffolding, false
21 work and temporary buildings are insured separately by the
22 BORROWER or others, evidence of such separate coverage shall
23 be provided to County prior to the start of the work. Such policy
24 shall be written on an all risk basis and a completed value
25 form. Such policy shall cover the full insurable value. Such policy
26 shall also provide coverage for temporary structures (on-site
27 offices, etc.), fixtures, machinery and equipment being installed as
28 part of the work. BORROWER shall be responsible for any and all

1 deductibles under such policy. Upon request by COUNTY,
2 BORROWER shall declare all terms, conditions, coverages and
3 limits of such policy. Such policy shall name the COUNTY as a
4 loss payee as their interest may appear. If the County so provides,
5 in its sole discretion, the All Risk (Course of Construction)
6 insurance for the Project, then BORROWER shall assume the cost
7 of any and all applicable policy deductibles (currently, \$50,000 per
8 occurrence) and shall insure its own machinery, equipment, tools,
9 etc. from any loss of any nature whatsoever.

10 b. Worker's Compensation.

11 If the BORROWER has employees as defined by the State of
12 California, the BORROWER shall maintain statutory Workers'
13 Compensation Insurance (Coverage A) as prescribed by the laws
14 of the State of California. Policy shall include Employers' Liability
15 (Coverage B) including Occupational Disease with limits not less
16 than \$1,000,000 per person per accident. The policy shall be
17 endorsed to waive subrogation in favor of The County of Riverside.
18 Policy shall name the COUNTY as Additional Insureds.

19 c. Commercial General Liability Insurance.

20 Commercial General Liability insurance coverage, including but
21 not limited to, premises liability, unmodified contractual liability,
22 products and completed operations liability, personal and
23 advertising injury, and cross liability coverage, covering claims
24 which may arise from or out of BORROWER'S performance of its
25 obligations hereunder. Policy shall name the COUNTY as
26 Additional Insured. Policy's limit of liability shall not be less than
27 \$2,000,000 per occurrence combined single limit. If such insurance
28 contains a general aggregate limit, it shall apply separately to this

1 agreement or be no less than two (2) times the occurrence limit.
2 Policy shall name the COUNTY as Additional Insureds.

3 d. Vehicle Liability Insurance.

4 If vehicles or mobile equipment are used in the performance of the
5 obligations under this Agreement, then BORROWER shall
6 maintain liability insurance for all owned, non-owned or hired
7 vehicles so used in an amount not less than \$1,000,000 per
8 occurrence combined single limit. If such insurance contains a
9 general aggregate limit, it shall apply separately to this agreement
10 or be no less than two (2) times the occurrence limit. Policy shall
11 name the COUNTY as Additional Insureds.

12 e. General Insurance Provisions – All Lines.

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

20 2) The BORROWER must declare its insurance self-
21 insured retention for each coverage required herein. If any such
22 self-insured retention exceeds \$500,000 per occurrence each such
23 retention shall have the prior written consent of the County Risk
24 Manager before the commencement of operations under this
25 Agreement. Upon notification of self-insured retention
26 unacceptable to the COUNTY, and at the election of the County's
27 Risk Manager, BORROWER'S carriers shall either; 1) reduce or
28 eliminate such self-insured retention as respects this Agreement

1 with the COUNTY, or 2) procure a bond which guarantees payment
2 of losses and related investigations, claims administration, and
3 defense costs and expenses.

4 3) BORROWER shall cause BORROWER'S
5 insurance carrier(s) to furnish the County of Riverside with either
6 1) a properly executed original Certificate(s) of Insurance and
7 certified original copies of Endorsements effecting coverage as
8 required herein, and 2) if requested to do so orally or in writing by
9 the County Risk Manager, provide original Certified copies of
10 policies including all Endorsements and all attachments thereto,
11 showing such insurance is in full force and effect. Further, said
12 Certificate(s) and policies of insurance shall contain the covenant
13 of the insurance carrier(s) that a minimum of thirty (30) days
14 written notice shall be given to the County of Riverside prior to any
15 material modification, cancellation, expiration or reduction in
16 coverage of such insurance. If BORROWER insurance carrier(s)
17 policies does not meet the minimum notice requirement found
18 herein, BORROWER shall cause BORROWER'S insurance
19 carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

20 4) In the event of a material modification, cancellation,
21 expiration, or reduction in coverage, this Agreement shall terminate
22 forthwith, unless the County of Riverside receives, prior to such
23 effective date, another properly executed original Certificate of
24 Insurance and original copies of endorsements or certified original
25 policies, including all endorsements and attachments thereto
26 evidencing coverage's set forth herein and the insurance required
27 herein is in full force and effect. BORROWER shall not commence
28 operations until the COUNTY has been furnished original

1 Certificate (s) of Insurance and certified original copies of
2 endorsements and if requested, certified original policies of
3 insurance including all endorsements and any and all other
4 attachments as required in this Section. An individual authorized
5 by the insurance carrier to do so on its behalf shall sign the original
6 endorsements for each policy and the Certificate of Insurance.

7 5) It is understood and agreed to by the parties hereto
8 that the BORROWER'S insurance shall be construed as primary
9 insurance, and the COUNTY'S insurance and/or deductibles and/or
10 self-insured retentions or self-insured programs shall not be
11 construed as contributory.

12 6) If, during the term of this Agreement or any
13 extension thereof, there is a material change in the scope of
14 services; or, there is a material change in the equipment to be used
15 in the performance of the scope of work; or, the term of this
16 Agreement, including any extensions thereof, exceeds five (5)
17 years; the COUNTY reserves the right to adjust the types of
18 insurance and the monetary limits of liability required under this
19 Agreement, if in the County Risk Management's reasonable
20 judgment, the amount or type of insurance carried by the
21 BORROWER has become inadequate.

22 7) BORROWER shall pass down the insurance
23 obligations contained herein to all tiers of subcontractors working
24 under this Agreement.

25 8) The insurance requirements contained in this
26 Agreement may be met with a program(s) of self- insurance
27 acceptable to the COUNTY.

28 9) BORROWER agrees to notify COUNTY 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 Agreement

17. FINANCIAL AND PROJECT RECORDS. BORROWER shall maintain financial, programmatic, statistical, and other supporting records of its operations and financial activities in accordance with the requirements of any financing secured by the Project and any applicable Governmental Requirements, which records shall be open to inspection and audit by authorized representatives of COUNTY and HCD during regular working hours. COUNTY and HCD, or any of their representatives, have the right of access with at least forty-eight (48) hours prior notice, to any pertinent books, documents, papers, or other records of BORROWER, in order to make audits, examinations, excerpts, and transcripts. Said records shall be retained for such time as may be required by the regulations of the PLHA Program, but in no event no less than five (5) years after the Project completion date as evidenced by recordation of the Notice of Completion; except records of individual tenant income verifications, project rents, and project inspections must be retained for the most recent five (5) year period, until five (5) years after the Affordability Period terminates. If any litigation, claim, negotiation, audit, or other action has been started before the expiration of the regular period specified, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular period, whichever is later.

18. COMPLIANCE WITH LAWS AND REGULATIONS; INDEMNIFICATION. By executing this Agreement, BORROWER hereby certifies that it will adhere to and comply with all applicable federal, state and local laws, regulations and ordinances. BORROWER agrees to indemnify, defend, and hold the Indemnified Parties (as defined in Section 38) harmless from and against any and all liabilities, costs or fees (including, but not limited to, attorneys' costs and fees) arising out of, in connection with or related to BORROWER's failure to comply with any and all applicable federal, state and local laws, regulations and ordinances in connection with the development of the Project. Without limitation, BORROWER shall comply with the following as they may be applicable to BORROWER in connection with the use of PLHA Loan funds and/or development of the Project

on the Property:

- a. PLHA Program. BORROWER shall comply with all requirements set forth in a Notice of Funding Availability (“NOFA”), dated February 26, 2020, issued by HCD to provide approximately \$195,000,000 under the Permanent Local Housing Allocation (“PLHA”) Program through its Entitlement and Non-entitlement Local Government Formula Component from the Building Homes and Jobs Trust Fund for assistance to Local Governments pursuant to Health and Safety Code section 50470 et seq. and Senate Bill (SB) 2 (Chapter 364, Statutes of 2017), the HCD 2019 PLHA Final Guidelines (“Guidelines” or “PLHA Guidelines”) adopted and issued to implement the PLHA Program, any Standard Agreement for the PLHA funds applicable to COUNTY or City, and all applicable rules and regulations imposed by HCD on PLHA funding recipients.
- b. Governmental Requirements. BORROWER shall carry out development, construction and operation of the Project in conformity with all applicable Governmental Requirements. For purposes of this Agreement, “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 or any other political subdivision in which the Property is located or which exercises jurisdiction over BORROWER or the construction, maintenance, management, use, or operation of the Project

1 c. CEQA. Prior to Closing, BORROWER shall have performed all
2 necessary final actions and obtained the final approvals required by
3 CEQA for the development and construction of the Project within
4 the time frames set forth herein. Such final actions and approvals
5 may include but are not limited to the following: (i) completing
6 requisite activities to comply with CEQA, (ii) all final action and
7 approvals for environmental and land use permits by any
8 governmental authorities having jurisdiction over the Property, and
9 (iii) resolution or final adjudication of any legal challenges,
10 including such challenges based on CEQA. This Agreement does
11 not restrict the lead agency from considering any feasible
12 mitigation measures and alternatives, including the “no project”
13 alternative and does not bind the lead agency to any definite course
14 of action prior to CEQA compliance.

15 The commencement of any development and construction
16 identified herein is contingent upon BORROWER obtaining all
17 required environmental and land use permits, including CEQA
18 compliance with any applicable public agencies. In the event any
19 action is brought challenging the legality of compliance with
20 CEQA or any other law applicable to the Project, including any
21 actions related to any of the proposed uses of the Property or this
22 Agreement, BORROWER shall indemnify, defend (with counsel
23 reasonably acceptable to COUNTY), and hold harmless the
24 Indemnified Parties (as defined in **Section 38**), at its sole cost and
25 expense for, from and against any and all claims, actions,
26 proceedings, demands, liabilities, costs, expenses, including
27 reasonable attorney’s fees and costs, damages and losses, cause or
28 causes or action and suit or suits (collectively, “Claims”) arising

1 from or in connection with the failure to comply with such
2 applicable law, or any action to attack, set aside, void, or annul any
3 approvals of the City, County, any other Governmental Authority
4 with jurisdiction over the Project or the Property, or COUNTY, its
5 advisory agencies, or legislative body.

6 d. Displacement, relocation, and acquisition. The relocation
7 requirements of the California Relocation Assistance Act,
8 California Government Code § 7260 et seq. and the implementing
9 regulations thereto in 25 California Code of Regulations § 6000 et
10 seq., the Uniform Relocation Assistance and Real Property
11 Acquisition Policies Act of 1970 (42 U.S.C. 4201-4655) and
12 implementing regulations at 49 CFR Part 24, and any other local,
13 state, or federal laws or regulations governing the Project and the
14 provision and administration of Relocation Payments and advisory
15 assistance. BORROWER must ensure that it has taken all
16 reasonable steps to comply with the foregoing and minimize the
17 displacement of persons as a result of this project assisted with
18 PLHA Funds.

19 BORROWER shall comply and stay current with all applicable
20 local, state and federal building codes and laws as from time to time
21 amended, including, but not limited to, the Americans with
22 Disabilities Act requirements. BORROWER shall cause all
23 improvements to be completed at BORROWER's cost in a
24 workmanlike manner and in compliance with all applicable law.

25 e. Permits and Entitlements. BORROWER shall be responsible for
26 obtaining all permits, entitlements and land use approvals required
27 by the County or City for the development, construction and
28 operation of the Project, ensuring that the use of the Property for

1 the purposes described in this Agreement complies with the zoning
2 and other City and County land use regulations (including any
3 applicable exemptions and/or exceptions) applicable to the
4 Project. Before commencement of demolition, construction or
5 development of any buildings, structures or other work of
6 improvement upon any portion of the Property, BORROWER
7 shall, at its own expense, secure or cause to be secured, any and all
8 permits which may be required by the City, COUNTY or any other
9 Governmental Authority affected by such construction,
10 development or work.

- 11 f. Hazardous Materials. BORROWER shall develop, construct and
12 use the Project and the Property (i) in compliance with all
13 applicable environmental laws; and (ii) will not permit the presence
14 of any Hazardous Substance on the Property.

15 “Hazardous Materials” or “Hazardous Substances” shall include,
16 but not be limited to, oil, flammable explosives, asbestos, urea
17 formaldehyde insulation, radioactive materials, hazardous wastes,
18 toxic or contaminated substances or similar materials, including,
19 without limitation, any substances defined as “extremely hazardous
20 substances,” “hazardous substances,” “hazardous materials,”
21 “hazardous waste” or “toxic substances” in the Comprehensive
22 Environmental Response, Compensation and Liability Act of 1980,
23 as amended, including the Superfund Amendments and
24 Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.
25 (“CERCLA”); the Hazardous Materials Transportation Act, 49
26 U.S.C. §§ 1801, et seq.; the Resource Conservation and Recovery
27 Act of 1976, as amended, 42 U.S.C. §§ 6901, et seq.; the Toxic
28 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.

19. **INCOME TARGETING REQUIREMENTS.** Pursuant to **Section 1** above, BORROWER hereby agrees to restrict the PLHA Units, which shall be at least forty nine percent (49%) of the Units not occupied by a manager constructed on the Property (56 units) to rental to and occupancy by qualified Low and Very Low Income Households (collectively, “PLHA Units” or “Restricted Units”) in accordance herewith.

20. **RENT LIMITATIONS.** The PLHA Units shall be rented to and occupied by Very Low and Low Income Households at an Affordable Rent in compliance with the Multifamily Housing Program (“MHP”) guidelines Section 7312 and the Section 7301 definition of “Affordable Rent.” Maximum income and Affordable Rent shall be determined in accordance

1 with subsection d) below. COUNTY shall review and approve proposed rents prior to entry into
2 leases for occupancy of the PLHA Units by BORROWER. BORROWER shall ensure the PLHA
3 Units are rented to qualified applicants at the described rent levels herein during the Affordability
4 Period. The maximum monthly allowances for utilities and services (excluding telephone) shall
5 not exceed the utility allowance as described in c. below. Notwithstanding anything contained
6 herein to the contrary, if the Project has received low income housing tax credits, then CTCAC
7 rent and income-setting requirements shall control for the term of the CTCAC extended use
8 agreement.

9 a. Initial Occupancy of Vacant Units: All PLHA Units shall be
10 occupied by and rented to Qualified Households for an Affordable Rent within the time period
11 set forth in the Schedule of Performance attached to this Agreement (“Lease Deadline”) for the
12 newly constructed buildings of the Project. If an Affordable Unit remains unoccupied or not
13 leased to an eligible tenant for longer than ninety (90) consecutive days, BORROWER must
14 provide to COUNTY information about current marketing efforts and an enhanced plan for
15 marketing the unit so that it is leased promptly.

16 BORROWER may request from COUNTY an extension of the Lease Deadline if
17 BORROWER can provide to COUNTY written evidence showing efforts of commercially
18 reasonable marketing efforts and proof that the circumstances that led to the failure to lease the
19 Affordable Unit(s) by the Lease Deadline were beyond the BORROWER’s control. The
20 extension and duration of such extension is subject to COUNTY’s approval in its reasonable
21 discretion and not guaranteed. The Director, or designee, has the authority, at their discretion,
22 to consent to an extension of the Lease Deadline.

23 b. Rent Limitations: In order to calculate net rent to be charged, an
24 applicable utility allowance must be subtracted from the gross rents permitted by the PLHA
25 Program.

26 c. Utility Allowances: For Projects not receiving financing from tax
27 credits, BORROWER shall use the Utility Allowances published by the Housing Authority of
28 the County of Riverside to establish maximum monthly allowances for utilities and services to

1 be used by the BORROWER in calculating Affordable Rents. Projects assisted with tax credits
2 may use the Utility Allowances published by the Housing Authority of the County of Riverside
3 or the California Utility Allowance Calculator (CUAC) published annually by the Treasurer of
4 the State of California. The CUAC and use instructions can be found at:
5 <https://www.treasurer.ca.gov/ctcac/cuac/index.asp>.

6 d. Approval: The BORROWER shall submit to the COUNTY for
7 review and written approval, proposed rents for all of the PLHA Units prior to lease-up.

8 21. TENANT PROTECTIONS. During the Affordability Period,
9 BORROWER shall adhere to all applicable tenant protections and selection standards set forth
10 in applicable Governmental Requirements, as may be amended from time to time, and the
11 following requirements:

12 a. Lease Agreement. Provide a written lease agreement for not less than
13 one year, unless by mutual agreement between the tenant and
14 BORROWER. COUNTY shall review the initial form of the lease
15 agreement prior to BORROWER executing any leases and, provided
16 that BORROWER uses the approved lease form, BORROWER shall
17 be permitted to enter into residential leases without COUNTY's prior
18 written consent.

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

21 (1) Agreement to be sued. Agreement by the tenant to be sued,
22 to admit guilt or to a judgment in favor of BORROWER in
23 a lawsuit brought in connection with the lease.

24 (2) Treatment of property. Agreements by tenant that
25 BORROWER may take, hold, or sell personal property of
26 household members without notice to the tenant and a court
27 decision on the rights of the parties. This prohibition,
28 however, does not apply to an agreement by the tenant

1 concerning disposition of personal property remaining in
2 the housing unit after the tenant has moved out of the unit.
3 BORROWER may dispose of this personal property in
4 accordance with State law.

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

9 (4) Waiver of notice. Agreement of the tenant that
10 BORROWER may institute a lawsuit without notice to the
11 tenant.

12 (5) Waiver of legal proceeding. Agreement by the tenant that
13 the BORROWER may evict the tenant or household
14 members without instituting a civil court proceeding in
15 which the tenant has the opportunity to present a defense,
16 or before a court decision on the rights of the parties.

17 (6) Waiver of a jury trial. Agreement by the tenant to waive any
18 right to a trial by jury.

19 (7) Waiver of right to appeal court decision. Agreement by the
20 tenant to waive the tenant's right to appeal, or to otherwise
21 challenge in court, a court decision in connection with the
22 lease.

23 (8) Tenant chargeable with cost of legal actions regardless of
24 outcome. Agreement by the tenant to pay attorneys' fees or
25 other legal costs even if the tenant wins in a court
26 proceeding by BORROWER against the tenant. The tenant,
27 however, may be obligated to pay costs if the tenant loses.

28 (9) Mandatory supportive services. Agreement by the tenant

(other than a tenant in transitional housing) to accept supportive services that are offered.

- c. Violence Against Women Reauthorization Act of 2013. (Pub. L. 113–4, 127 Stat. 54) (“VAWA 2013”). VAWA 2013 reauthorizes and amends the Violence Against Women Act of 1994, as previously amended, (title IV, sec. 40001–40703 of Pub. L. 103–322, 42 U.S.C. 13925 et seq.) VAWA 2013, among other things, bars eviction and termination due to a tenant’s status as a victim of domestic violence, dating violence, or stalking, and requires landlords to maintain survivor-tenant confidentiality. VAWA 2013 prohibits a tenant who is a survivor of domestic violence, dating violence, sexual assault, and stalking from being denied assistance, tenancy, or occupancy rights based solely on criminal activity related to an act of violence committed against them. It extends housing protections to survivors of sexual assault and adds “intimate partner” to the list of eligible relationships in the domestic violence definition. Protections also now cover an “affiliated individual,” which includes any lawful occupant living in the survivor’s household or related to the survivor by blood or marriage including the survivor’s spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis. VAWA 2013 allows a lease bifurcation so a tenant or lawful occupant who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, or others may be evicted or removed without evicting or removing or otherwise penalizing a victim who is a tenant or lawful occupant. If victim cannot establish eligibility, BORROWER must give a reasonable amount of time to find new housing or establish eligibility under another covered

1 housing program. A Notice of Rights under VAWA 2013 for tenants
2 must be provided at the time a person applies for housing, when a
3 person is admitted as a tenant of a housing unit, and when a tenant is
4 threatened with eviction or termination of housing benefits. Tenants
5 must request an emergency transfer and reasonably believe that they
6 are threatened with imminent harm from further violence if the tenant
7 remains in the same unit. The provisions of VAWA 2013 that are
8 applicable to HCD programs are found in title VI of VAWA 2013,
9 which is entitled “Safe Homes for Victims of Domestic Violence,
10 Dating Violence, Sexual Assault, and Stalking.” Section 601 of
11 VAWA 2013 amends subtitle N of VAWA (42 U.S.C. 14043e et seq.)
12 to add a new chapter entitled “Housing Rights.”

13 22. FEDERAL REQUIREMENTS. BORROWER shall comply with all
14 applicable federal regulations and guidelines.

15 23. REPAYMENT INCOME. COUNTY must record the receipt and
16 expenditure of PLHA repayment income in accordance with the standards specified in the PLHA
17 Program.

18 24. SALE, ASSIGNMENT OR OTHER TRANSFER OF THE PROJECT.
19 BORROWER hereby covenants and agrees not to sell, assign, transfer or otherwise dispose of
20 the Project or any portion thereof, without obtaining the prior written consent of the COUNTY,
21 which consent shall be conditioned upon (a) a County determination that transferee is a qualified
22 and experienced operator of low income housing, and (b) solely upon receipt by the COUNTY
23 of reasonable evidence satisfactory to the COUNTY in its sole discretion, that transferee has
24 assumed in writing all of BORROWER’S duties and obligations under this Agreement, and is
25 reasonably capable of performing and complying with the BORROWER’s duties and obligations
26 under this Agreement. Notwithstanding anything to the contrary contained herein, upon written
27 notice to COUNTY except as otherwise provided, BORROWER may (i) lease for occupancy of
28 all or any of the PLHA Units in accordance with this Agreement; (ii) grant easements or permits

1 to facilitate the development of the Property in accordance with this Agreement; (iii) without
2 notice to COUNTY transfer the BORROWER'S limited partnership interest; (iv) without notice
3 to COUNTY remove and replace the BORROWER'S general partner(s) for cause in accordance
4 with BORROWER'S first amended and restated agreement of limited partnership; and (v) make
5 transfers pursuant to Section 14.01 of the BORROWER's first amended and restated agreement
6 of limited partnership and that certain Right of First Refusal Agreement (collectively a
7 "Permitted Transfer"). Notwithstanding the foregoing, the BORROWER shall be permitted to
8 refinance the senior priority loan (for the same amount) plus the costs of such refinancing on
9 terms reasonably satisfactory to the County (the "Refinanced Loan"), and the COUNTY agrees
10 that the PLHA Deed of Trust and other documents evidencing and/or securing the COUNTY's
11 PLHA Loan shall remain subordinate to any such Refinanced Loan. BORROWER
12 acknowledges and agrees that the Covenant Agreement shall remain in a senior lien priority to
13 maintain the affordability restrictions for Qualified Households through the Affordability Period.
14 Nothing herein shall prohibit or otherwise limit the exercise of a senior lender's rights and
15 remedies under the Senior Loan, including a foreclosure or deed-in-lieu of foreclosure and
16 subsequent transfer thereafter. For the avoidance of doubt, a foreclosure or deed in lieu of
17 foreclosure of the lien securing a Senior Loan and the subsequent sale of any property acquired
18 pursuant to such foreclosure (and any financing obtained in connection therewith), shall not
19 require the consent of COUNT and shall not be deemed an event of default under this Agreement.

20 25. INDEPENDENT CONTRACTOR. BORROWER and its agents, servants
21 and employees shall act at all times in an independent capacity during the term of this Agreement,
22 and shall not act as, shall not be, nor shall they in any manner be construed to be agents, officers,
23 or employees of COUNTY.

24 26. NONDISCRIMINATION. BORROWER shall not discriminate on the
25 basis of race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in
26 the solicitation, selection, hiring or treatment of any contractors or consultants, to participate in
27 subcontracting/subconsulting opportunities. BORROWER understands and agrees that violation
28 of this clause shall be considered a material breach of this Agreement and may result in

1 termination, debarment or other sanctions. This language shall be incorporated into all contracts
2 between BORROWER and any contractor, consultant, subcontractor, subconsultants, vendors
3 and suppliers. BORROWER shall comply with the provisions of the California Fair Employment
4 and Housing Act (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of
5 1964 (P.L. 88-352), as amended, and all applicable local, state and federal laws with respect to
6 its use of the Property.

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

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

- 24 a) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs,
25 executors, administrators, and assigns, and all persons claiming under or through them, that
26 there shall be no discrimination against or segregation of, any person or group of persons
27 on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government
28 Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and

1 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government
2 Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the
3 premises herein conveyed, nor shall the grantee or any person claiming under or through
4 him or her, establish or permit any practice or practices of discrimination or segregation
5 with reference to the selection, location, number, use or occupancy of tenants, lessees,
6 subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing
7 covenants shall run with the land.”

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

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

1 In addition to the obligations and duties of BORROWER set forth herein, BORROWER
2 shall, upon notice from County, promptly pay to County all fees and costs, including administrative
3 and attorneys' fees, incurred by County in connection with responding to or defending any
4 discrimination claim brought by any third party and/or local, state or federal government entity,
5 arising out of or in connection with this Agreement or the Covenant Agreement.

6 27. PROHIBITION AGAINST CONFLICTS OF INTEREST:

- 7 a. No member, official or employee of COUNTY shall have any personal
8 interest, direct or indirect, in this Agreement nor shall any such
9 member, official or employee participate in any decision relating to the
10 this Agreement which affects his or her personal interests or the
11 interests of any corporation, partnership or association in which he or
12 she is, directly or indirectly, interested.
- 13 b. BORROWER warrants that it has not paid or given, and will not pay
14 or give, any third party any money or other consideration for obtaining
15 the PLHA Loan.

16 28. INTENTIONALLY OMITTED.

17 29. PROJECT MONITORING AND EVALUATION.

- 18 a. Tenant Checklist. BORROWER shall submit a Tenant Checklist Form
19 to COUNTY, as shown in **Exhibit G** which is attached hereto and by this reference is
20 incorporated herein and may be revised by COUNTY, summarizing the number and percentage
21 of Very Low Income and Low Income Households who are tenants of the COUNTY PLHA
22 Units. The Tenant Checklist Form shall be submitted upon completion of the construction and
23 thereafter, on an annual basis on or before March 31st and September 30th. BORROWER shall
24 maintain financial, programmatic, statistical and other supporting records of its operations and
25 financial activities in accordance with the requirements of the PLHA Program, including the
26 submission of Tenant Checklist Form. Except as otherwise provided for in this Agreement,
27 BORROWER shall maintain and submit records to COUNTY within ten business days of
28 COUNTY's request which clearly documents BORROWER's performance under each

1 requirement of the PLHA Program. A list of document submissions and timeline are shown in
2 **Exhibit D** and such list may be amended from time to time subject to HCD and COUNTY
3 reporting requirements.

4 b. Inspections. During the Affordability Period, COUNTY may perform
5 annual on-site inspections of COUNTY PLHA-assisted rental housing to determine compliance
6 with the property standards of the PLHA Program and to verify the information submitted by the
7 owners in accordance with the requirements of the PLHA Program upon forty-eight (48) hours
8 prior written notice to BORROWER and subject to the rights of tenant. If there are observed
9 deficiencies for any of the inspectable items in the property standards established by COUNTY,
10 a follow-up on-site inspection to verify that deficiencies are corrected must occur within 12
11 months. COUNTY may establish a list of non-hazardous deficiencies for which correction can
12 be verified by third party documentation (e.g., paid invoice for work order) rather than re-
13 inspection. Health and safety deficiencies must be corrected immediately. COUNTY may adopt
14 a more frequent inspection schedule for properties that have been found to have health and safety
15 deficiencies. The property owner must annually certify to the COUNTY that each building and
16 all Units in the Project are suitable for occupancy, taking into account State and local health,
17 safety, and other applicable codes, ordinances, and requirements, and the ongoing property
18 standards. For projects with one-to-four COUNTY PLHA Units, COUNTY may inspect 100
19 percent of the COUNTY PLHA Units and the inspectable items (site, building exterior, building
20 systems, and common areas) for each building housing COUNTY PLHA Units.

21 c. Income Certification. The income of a tenant must be determined
22 initially in accordance with California Code of Regulations, Title 25, Section 6924. In addition,
23 annually thereafter BORROWER must re-examine each tenants annual income to determine that
24 they remain a Qualified Tenant.

25 30. MONITORING FEE. BORROWER shall pay an annual compliance
26 monitoring fee to the COUNTY to monitor for PLHA compliance in the total annual amount of
27 \$11,600 (increased annually by an amount equal to the increase of the Consumer Price Index
28 (CPI) for the San Bernardino-Riverside-Ontario, CA area, but in no event to exceed 5% annually)

1 (“Monitoring Fee”). The first Monitoring Fee payment will be made following the repayment
2 of deferred developer fee. Any County Monitoring Fees unpaid for year will accrue and rollover
3 to each following year not paid. Monitoring Fees will remain in place for remainder of
4 Affordability Period contingent upon statutory guidance requiring cancellation of Monitoring
5 Fee. Fees due on July 1st of each year for the monitoring period of July 1st to June 30th
6 commencing on the July 1st following the issuance of a Certificate of Occupancy for the Project
7 and may be pro-rated for a partial first year. The Monitoring Fee will be due on each July 1st
8 thereafter and will continue until the expiration of the Affordability Period. The Monitoring Fee
9 is to be adjusted upwards annually, increased by an amount equal to the increase in CPI for the
10 San Bernardino-Riverside-Ontario, CA area. In the event of a decrease in the applicable CPI,
11 the Monitoring Fee currently in effect shall remain the same and shall not decrease.

12 31. ACCESS TO PROJECT SITE. Representatives of the COUNTY and HCD
13 shall have the right of access to the Property, upon 24 hours’ written notice to BORROWER
14 (except in the case of an emergency, in which case COUNTY or HCD shall provide such notice
15 as may be practical under the circumstances), without charges or fees, during normal business
16 hours to review the operation of the Project in accordance with this Agreement and the Covenant
17 Agreement, subject to the rights of tenants.

18 32. EVENTS OF DEFAULT. The occurrence of any of the following events
19 shall constitute an "Event of Default" under this Agreement:

- 20 a. Monetary Default. (1) BORROWER’s failure to pay within ten
21 (10) days when due any sums payable under this Agreement, the
22 Covenant Agreement, the PLHA Note or any advances made by
23 COUNTY under this Agreement; (2) BORROWER’s or any agent
24 of BORROWER’s use of PLHA funds for costs other than those
25 costs permitted under this Agreement or for uses inconsistent with
26 terms and restrictions set forth in this Agreement; (3)
27 BORROWER’s or any agent of BORROWER’s failure to make
28 any other payment of any assessment or tax due under this

1 Agreement, and /or (4) default under the terms of any Senior Loan
2 documents or any other instrument or document secured against the
3 Property following expiration of any applicable notice and cure
4 periods;

5 b. Non-Monetary Default. (1) Discrimination by BORROWER or
6 BORROWER's agent(s) on the basis of characteristics prohibited
7 by this Agreement or applicable law; (2) the imposition of any
8 encumbrances or liens on the Project without COUNTY's prior
9 written approval that are prohibited under this Agreement or that
10 have the effect of reducing the priority or invalidating the lien of
11 the PLHA Deed of Trust; (3) BORROWER's failure to obtain and
12 maintain the insurance coverage required under this Agreement; (4)
13 any material default under this Agreement, the PLHA Deed of
14 Trust, Covenant Agreement, PLHA Note or any document
15 executed by BORROWER in connection with this Agreement,
16 and/or (5) a default under the terms of any Senior Loan documents
17 or any other instrument or document secured against the Property
18 or the Project following expiration of any applicable notice and
19 cure periods;

20 c. General Performance of Loan Obligations. Any substantial or
21 continuous or repeated breach by BORROWER or BORROWER's
22 agents of any material obligations of BORROWER under this
23 Agreement;

24 d. General Performance of Other Obligations. Any substantial or
25 continuous or repeated breach by BORROWER or BORROWER's
26 agents of any material obligations of BORROWER related to the
27 Project imposed by any other agreement with respect to the
28 financing, development, or operation of the Project; whether or not

COUNTY is a party to such agreement; but only following any applicable notice and cure periods with respect to any such obligation;

e. Representations and Warranties. A determination by COUNTY that any of BORROWER's representations or warranties made in this Agreement, any statements made to COUNTY by BORROWER, or any certificates, documents, or schedules supplied to COUNTY by BORROWER were false in any material respect when made, or that BORROWER concealed or intentionally failed to disclose a material fact to COUNTY.

f. Damage to Project. In the event that the Project is materially damaged or destroyed by fire or other casualty, and BORROWER receives an award or insurance proceeds sufficient for the repair or reconstruction of the Project, and BORROWER does not use such award or proceeds to repair or reconstruct the Project.

g. Bankruptcy, Dissolution and Insolvency. BORROWER's or general partner and co-general partner of BORROWER's (1) filing for bankruptcy, dissolution, or reorganization, or failure to obtain a full dismissal of any such involuntary filing brought by another party before the earlier of final relief or ninety (90) days after such filing; (2) making a general assignment for the benefit of creditors; (3) applying for the appointment of a receiver, trustee, custodian, or liquidator, or failure to obtain a full dismissal of any such involuntary application brought by another party before the earlier of final relief or ninety (90) days after such filing; (4) insolvency; or (5) failure, inability or admission in writing of its inability to pay its debts as they become due.

33. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. Formal

1 notices, demands and communications between the COUNTY and the BORROWER shall be
2 sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt
3 requested, or as set forth below, to the principal offices of the COUNTY and the BORROWER,
4 as designated below. Such written notices, demands and communications may be sent in the
5 same manner to such other addresses as either party may from time to time designate by mail
6 as provided in this **Section 33**. Any notice that is transmitted by electronic facsimile
7 transmission followed by delivery of a “hard” copy, shall be deemed delivered upon its
8 transmission; any notice that is personally delivered (including by means of professional
9 messenger service, courier service such as United Parcel Service or Federal Express, or by U.S.
10 Postal Service), shall be deemed received on the documented date of receipt by the recipient;
11 and any notice that is sent by registered or certified mail, postage prepaid, return receipt required
12 shall be deemed received on the date of delivery thereof.

13 a. Subject to the Force Majeure Delay, failure or delay by BORROWER to
14 perform any term or provision of this Agreement constitutes a default under this Agreement.
15 BORROWER must promptly commence to cure, correct or remedy such failure or delay and
16 shall complete such cure, correction or remedy with reasonable diligence.

17 b. COUNTY shall give written notice of default to BORROWER, specifying
18 the default complained of by COUNTY. Failure or delay in giving such notice shall not
19 constitute a waiver of any default, nor shall it change the time of default. Except as otherwise
20 expressly provided in this Agreement, any failures or delays by COUNTY in asserting any of
21 its rights and remedies as to any default shall not operate as a waiver of any default or of any
22 such rights or remedies. Delays by COUNTY in asserting any of its rights and remedies shall
23 not deprive COUNTY of its right to institute and maintain any actions or proceedings which it
24 may deem necessary to protect, assert or enforce any such rights or remedies.

25 c. If a monetary event of default occurs, prior to exercising any remedies
26 hereunder, COUNTY shall give BORROWER written notice of such default. BORROWER
27 shall have a period of ten (10) days after such notice is given within which to cure the default
28 prior to exercise of remedies by COUNTY.

1 d. If a non-monetary event of default occurs, prior to exercising any remedies
2 hereunder, COUNTY shall give BORROWER written notice of such default. If the default is
3 reasonably capable of being cured within thirty (30) days, BORROWER shall have such period
4 to effect a cure prior to exercise of remedies by COUNTY. If the default is such that it is not
5 reasonably capable of being cured within thirty (30) days, and BORROWER (i) initiates
6 corrective action within said period, and (ii) diligently, continually, and in good faith works to
7 effect a cure as soon as possible, then BORROWER shall have such additional time as is
8 reasonably necessary to cure the default prior to exercise of any remedies by the injured party,
9 but in no event no more than one hundred twenty (120) days from the date of the notice of
10 default. In no event shall COUNTY be precluded from exercising remedies following the initial
11 thirty (30) day cure period if its security becomes or is about to become materially jeopardized
12 by any failure to cure a default or the default is not cured within one hundred twenty (120) days
13 after the first notice of default is given.

14 e. Notwithstanding anything to the contrary contained in the PLHA Loan
15 Documents, COUNTY hereby agrees that BORROWER'S limited partner shall have the right,
16 but not obligation, to cure any defaults of the BORROWER hereunder and under any of the
17 PLHA Loan Documents, and the COUNTY agrees to accept cures tendered by the
18 BORROWER'S limited partner on behalf of the BORROWER within the applicable cure
19 periods set forth therein. Copies of all notices which are sent to BORROWER under the terms
20 of the PLHA Loan Documents shall also be sent to the BORROWER'S limited partner at the
21 addresses set forth in **Section 53**.

22 34. COUNTY REMEDIES. Upon the occurrence of an Event of Default, after
23 notice and opportunity to cure, COUNTY's obligation to disburse PLHA funds shall terminate,
24 and COUNTY shall also have the right, but not the obligation to, in addition to other rights and
25 remedies permitted by this Agreement or applicable law, proceed with any or all of the
26 following remedies in any order or combination COUNTY may choose in its sole discretion:

- 27 a. Terminate this Agreement, in which event the entire PLHA Loan
28 amount as well as any other monies advanced to BORROWER by

COUNTY under this Agreement including administrative costs, shall immediately become due and payable to COUNTY at the option of COUNTY.

- b. Bring an action in equitable relief (1) seeking the specific performance by BORROWER of the terms and conditions of this Agreement, and/or (2) enjoining, abating, or preventing any violation of said terms and conditions, and/or (3) seeking declaratory relief.
- c. Accelerate the PLHA Loan, and demand immediate full payment of the principal payment outstanding and all accrued interest under the PLHA Note, as well as any other monies advanced to BORROWER by COUNTY under this Agreement.
- d. Enter the Project and take any remedial actions necessary in its judgment that COUNTY deems necessary to comply with hazardous materials laws, the terms of this Agreement, or to render the Project suitable for occupancy, which costs shall be due and payable by BORROWER to COUNTY.
- e. Enter upon, take possession of, and manage the Project, either in person, by agent, or by a receiver appointed by a court, and collect rents and other amounts specified in the assignment of rents in the Deed of Trust and apply them to operate the Project or to pay off the PLHA Loan or any advances made under this Agreement, as provided for by the PLHA Deed of Trust.
- f. Pursue any and all other remedies allowed at law or in equity.

35. LIMITATION ON LIABILITY. Notwithstanding anything to the contrary contained herein, neither BORROWER nor COUNTY 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

1 connection with the PLHA Loan Documents, even if the other Party has been advised of the
2 possibility of the damages, and in connection with such waiver each Party is familiar with and
3 hereby waives the provision of § 1542 of the California Civil Code which provides as follows:

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

10 36. HOLD HARMLESS AND INDEMNIFICATION. BORROWER shall
11 indemnify and hold harmless the County of Riverside, its Agencies, Boards, Districts, Special
12 Districts and Departments, and their respective directors, officers, members, elected and
13 appointed officials, employees, agents and representatives (individually and collectively, the
14 “Indemnified Parties”) from any claim or liability, costs or fees (including, but not limited to,
15 attorneys’ costs and fees), resulting from any act or failure to act of BORROWER, its officers,
16 employees, subcontractors, agents or representatives, in connection with, arising out of, or in any
17 way relating to this Agreement, the PLHA Loan Documents, the Property or the Project, including
18 but not limited to property damage, bodily injury, or death or any other element of any kind or
19 nature whatsoever. BORROWER shall defend the Indemnified Parties, at its sole expense, in any
20 claim or action based upon such alleged acts or omissions unless such alleged acts or omissions
21 are caused by Indemnified Parties’ willful misconduct or gross negligence. The indemnification
22 obligations of BORROWER set forth in this Agreement shall survive the repayment of the PLHA
23 Loan and the expiration or earlier termination of this Agreement.

24 With respect to any action or claim subject to indemnification herein by BORROWER,
25 BORROWER shall, at its sole cost, have the right to use counsel of its own choice and shall have
26 the right to adjust, settle, or compromise any such action or claim without the prior consent of
27 COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner
28 whatsoever limits or circumscribes BORROWER’S indemnification obligations to COUNTY as

1 set forth herein.

2 BORROWER's obligation hereunder shall be satisfied when BORROWER has provided
3 to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action
4 or claim involved.

5 The specified insurance limits required in this Agreement shall in no way limit or
6 circumscribe BORROWER's obligations to indemnify and hold harmless COUNTY herein from
7 third party claims.

8 In the event there is conflict between this clause and California Civil Code Section 2782,
9 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not
10 relieve BORROWER from indemnifying COUNTY to the fullest extent allowed by law.

11 BORROWER's obligations set forth in this **Section 36** shall survive the expiration or
12 earlier termination of this Agreement.

13 37. TERMINATION.

14 a. BORROWER. BORROWER may terminate this Agreement upon written
15 notice of such termination prior to disbursement of any PLHA Loan funds by COUNTY.

16 b. COUNTY. Notwithstanding the provisions of **Section 37(a)**, COUNTY
17 may suspend or terminate this Agreement upon written notice to BORROWER of the action being
18 taken and the reason for such action in the event one of the following events occur:

19 (1) In the event BORROWER fails to perform the covenants
20 herein contained at such times and in such manner as
21 provided in this Agreement after the expiration of any
22 extensions granted and the applicable notice and cure
23 provision hereof; or

24 (2) In the event there is a conflict with any federal, state or local
25 law, ordinance, regulation or rule rendering any material
26 provision, in the judgment of COUNTY of this Agreement
27 invalid or untenable; or

28 (3) In the event the PLHA funding from HCD identified in

Section 1 above is terminated or otherwise becomes
unavailable.

c. Upon expiration or earlier termination of this Agreement, BORROWER shall transfer to COUNTY any unexpended PLHA funds in its possession at the time of expiration of the Agreement.

38. AFFORDABILITY RESTRICTIONS. COUNTY and BORROWER, on behalf of its successors and assigns, hereby declare their express intent that the restrictions set forth in this Agreement shall continue in full force and effect for the duration of the Affordability Period (as defined in Section 15 above). Each and every contract, deed or other instrument hereafter executed covering and conveying the Property or any portion thereof shall be held conclusively to have been executed, delivered and accepted subject to such restrictions, regardless of whether such restrictions are set forth in such contract, deed or other instrument. Borrower shall execute and record as a lien against the Property, the Covenant Agreement setting forth the affordability use and income restriction required in this Agreement. The Covenant Agreement shall be in a lien position senior to this PLHA Loan Agreement.

39. RESERVED.

40. MECHANICS LIENS AND STOP NOTICES. If any claim of mechanics lien is filed against the Project or a stop notice affecting the Project is served on COUNTY, BORROWER must, within twenty (20) calendar days of such filing or service, either pay and fully discharge the lien or stop notice, obtain a release of the lien or stop notice by delivering to COUNTY a surety bond in sufficient form and amount, or provide COUNTY with other assurance reasonably satisfactory to COUNTY that the lien or stop notice will be paid or discharged.

41. ENTIRE AGREEMENT. It is expressly agreed that this Agreement embodies the entire agreement of the parties in relation to the subject matter hereof, and that no other agreement or understanding, verbal or otherwise, relative to this subject matter, exists between the parties at the time of execution.

42. AUTHORITY TO EXECUTE. The persons executing this Agreement or

1 exhibits attached hereto on behalf of the parties to this Agreement hereby warrant and represent
2 that they have the authority to execute this Agreement and warrant and represent that they have
3 the authority to bind the respective parties to this Agreement to the performance of its obligations
4 hereunder.

5 43. WAIVER. Failure by a party to insist upon the strict performance of any
6 of the provisions of this Agreement by the other party, or the failure by a party to exercise its
7 rights upon the default of the other party, shall not constitute a waiver of such party's rights to
8 insist and demand strict compliance by the other party with the terms of this Agreement
9 thereafter.

10 44. INTERPRETATION AND GOVERNING LAW. This Agreement and any
11 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of
12 the State of California. This Agreement shall be construed as a whole according to its fair
13 language and common meaning to achieve the objectives and purposes of the parties hereto, and
14 the rule of construction to the effect that ambiguities are to be resolved against the drafting party
15 shall not be employed in interpreting this Agreement, all parties having been represented by
16 counsel in the negotiation and preparation hereof.

17 45. JURISDICTION AND VENUE. Any action at law or in equity arising
18 under this Agreement or brought by a party hereto for the purpose of enforcing, construing or
19 determining the validity of any provision of this Agreement shall be filed in the Superior Courts
20 of Riverside County, State of California, and the parties hereto waive all provisions of law
21 providing for the filing, removal or change of venue to any other court or jurisdiction.

22 46. SEVERABILITY. Each paragraph and provision of this Agreement is
23 severable from each other provision, and if any provision or part thereof is declared invalid by a
24 competent court of law, the remaining provisions shall nevertheless remain in full force and effect.

25 47. MINISTERIAL ACTS. COUNTY's Director of HWS, or designee(s), are
26 authorized to take such ministerial actions as may be necessary or appropriate to implement the
27 terms, provisions, and conditions of this Agreement as it may be amended from time to time by
28 both parties.

1 48. MODIFICATION OF AGREEMENT. COUNTY or BORROWER may
2 consider it in its best interest to change, modify or extend a term or condition of this Agreement,
3 provided such change, modification or extension is agreed to in writing by the other party. Any
4 such change, extension or modification, which is mutually agreed upon by COUNTY and
5 BORROWER shall be incorporated in written amendments to this Agreement. Such
6 amendments shall not invalidate this Agreement, nor relieve or release COUNTY or
7 BORROWER from any obligations under this Agreement, except for those parts thereby
8 amended. No amendment to this Agreement shall be effective and binding upon the parties,
9 unless it expressly makes reference to this Agreement, is in writing, is signed and acknowledged
10 by duly authorized representatives of all parties and approved by the County.

11 49. SCHEDULE OF PERFORMANCE. BORROWER shall use
12 commercially reasonable efforts to satisfy the obligations set forth herein and in the Schedule of
13 Performance in a timely manner and by the dates set forth herein and therein. The Project shall
14 be completed and a Notice of Completion shall have been recorded in the Official Records no
15 later than the date set forth in the Schedule of Performance (the “Completion Deadline”).
16 Provided that all construction and permanent financing remains committed to the Project,
17 BORROWER may request an extension of the Completion Deadline from COUNTY
18 (“Extension”), which may be granted if the BORROWER can provide proof that all construction
19 and permanent financing remains committed to the Project and that the circumstances that led to
20 the failure to complete the Project by the Completion Deadline were beyond the BORROWER’s
21 control. Extension is subject to COUNTY’s reasonable approval, and not guaranteed. The
22 Assistant County Executive Officer/EDA, or designee, has the authority, at his or her discretion,
23 to consent to such Extension.

24 50. PROJECT FINANCING CONTINGENCY. This Agreement is expressly
25 conditioned upon BORROWER’s delivery to COUNTY, on or prior to the date set forth in the
26 Schedule of Performance of written documentation of such binding loan commitments required
27 to fully finance the development, construction and operation of the Project (less the PLHA Loan),
28 on terms and conditions acceptable to BORROWER and COUNTY, including, but not limited

1 any conventional construction and/or permanent financing. Either COUNTY or BORROWER
2 may elect to terminate this Agreement with ten (10) days prior written notice to the other party if
3 BORROWER fails to acquire the project financing as required by this **Section 50**. Upon such
4 termination, this Agreement shall be null and void, and:

- 5 a. If BORROWER elects to terminate this Agreement,
6 BORROWER shall be released and discharged by COUNTY
7 from its obligations under this Agreement; or
8 b. If COUNTY elects to terminate this Agreement, COUNTY shall
9 be released and discharged by BORROWER from its obligations
10 under this Agreement.

11 At that time all costs incurred by each party on the Project will be borne by the
12 Party incurring such costs, and each party shall be released from all liability under this
13 Agreement, except those obligations which by their terms survive termination.

14 51. EXHIBITS AND ATTACHMENTS. Each of the attachments and exhibits
15 attached hereto is incorporated herein by this reference. To the extent BORROWER is required
16 to execute and deliver to COUNTY an agreement substantially in the form attached hereto,
17 execution and delivery of such agreement constitutes consideration given to COUNTY for the
18 PLHA Loan funds and other obligations of COUNTY hereunder.

19 52. MEDIA RELEASES. BORROWER agrees to allow COUNTY to provide
20 input regarding all media releases regarding the Project. Any publicity generated by
21 BORROWER for the Project must make reference to the contribution of COUNTY in making the
22 Project possible. COUNTY's name shall be prominently displayed in all pieces of publicity
23 generated by BORROWER, including flyers, press releases, posters, signs, brochures, and public
24 service announcements. BORROWER agrees to cooperate with COUNTY in any COUNTY-
25 generated publicity or promotional activities with respect to the Project.

26 53. NOTICES. All notices, requests, demands and other communication
27 required or desired to be served by either party upon the other shall be addressed to the respective
28 parties as set forth below or such other addresses as from time to time shall be designated by the

1 respective parties and shall be sufficient if sent by United States first class, certified mail, postage
2 prepaid, or express delivery service with a receipt showing the date of delivery.

3 COUNTY

4 County of Riverside
5 Department of Housing and Workforce Solutions
6 3403 Tenth Street, Suite #300
7 Riverside, CA 92501
8 Attn: Director

9 BORROWER

10 VILLA VERDE I, L.P., L.P., a California Limited Partnership
11 c/o Abode Communities
12 2420 E. Cesar Chavez Ave #101
13 Los Angeles, CA 90033
14 Attention: Lara Regus, Senior Vice President

15 with copies to:

16 Bocarsly Emden Cowan Esmail & Arndt LLP
17 633 West Fifth Street, Suite 5880
18 Los Angeles, CA 90071
19 Attention: Nicole Deddens

20 LIMITED PARTNER OF BORROWER

21 Wincopin Circle LLLP
22 c/o Enterprise Community Asset Management, Inc.
23 11000 Broken Land Parkway, Suite 700
24 Columbia, MD 21044
25 Attention: General Counsel

26 With a copy to:

27 Gallagher LLP
28 218 North Charles Street, Suite 400
Baltimore, MD 21201
Attention: Jessica Weston

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

55. EFFECTIVE DATE. The effective date of this Agreement is the date the
parties execute the Agreement (“Effective Date”). If the parties execute the Agreement on more
than one date, then the last date the Agreement is executed by a party shall be the Effective Date.

1 56. FURTHER ASSURANCES. BORROWER shall execute any further
2 documents consistent with the terms of this Agreement, including documents in recordable form,
3 as the COUNTY may from time to time find necessary or appropriate to effectuate its purposes
4 in entering into this Agreement.

5 57. NONLIABILITY OF COUNTY OFFICIALS AND EMPLOYEES. No
6 member, official, employee or consultant of the COUNTY shall be personally liable to the
7 BORROWER, or any successor in interest, in the event of any default or breach by the COUNTY
8 or for any amount which may become due to the BORROWER or to its successor, or on any
9 obligations under the terms of this Agreement.

10 58. CONSTRUCTION AND INTERPRETATION OF AGREEMENT. The
11 language in all parts of this Agreement shall in all cases be construed simply, as a whole and in
12 accordance with its fair meaning and not strictly for or against any party. The parties hereto
13 acknowledge and agree that this Agreement has been prepared jointly by the parties and has been
14 the subject of arm's length and careful negotiation over a considerable period of time, that each
15 party has been given the opportunity to independently review this Agreement with legal counsel,
16 and that each party has the requisite experience and sophistication to understand, interpret, and
17 agree to the particular language of the provisions hereof. Accordingly, in the event of an
18 ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not
19 be interpreted or construed against the party preparing it, and instead other rules of interpretation
20 and construction shall be utilized.

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

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

4 c. References in this instrument to this Agreement mean, refer to and
5 include this instrument as well as any riders, exhibits, addenda and attachments hereto (which are
6 hereby incorporated herein by this reference) or other documents expressly incorporated by
7 reference in this instrument. Any references to any covenant, condition, obligation, and/or
8 undertaking “herein,” “hereunder,” or “pursuant hereto” (or language of like import) means, refer
9 to, and include the covenants, obligations, and undertakings existing pursuant to this instrument
10 and any riders, exhibits, addenda, and attachments or other documents affixed to or expressly
11 incorporated by reference in this instrument.

12 d. As used in this Agreement, and as the context may require, the
13 singular includes the plural and vice versa, and the masculine gender includes the feminine and
14 vice versa.

15 59. TIME OF ESSENCE. Time is of the essence with respect to the
16 performance of each of the covenants and agreements contained in this Agreement.

17 60. BINDING EFFECT. This Agreement, and the terms, provisions, promises,
18 covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties
19 hereto and their respective heirs, legal representatives, successors and assigns.

20 61. NO THIRD PARTY BENEFICIARIES. The parties to this Agreement
21 acknowledge and agree that the provisions of this Agreement are for the sole benefit of COUNTY
22 and BORROWER, and not for the benefit, directly or indirectly, of any other person or entity,
23 except as otherwise expressly provided herein.

24 62. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.

25 a. This Agreement shall be executed in three duplicate originals each
26 of which is deemed to be an original. This Agreement, including all attachments hereto and
27 exhibits appended to such attachments shall constitute the entire understanding and agreement of
28 the parties.

1 b. This Agreement integrates all of the terms and conditions
2 mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements
3 between the parties with respect to all or any part of the Property.

4 c. All waivers of the provisions of this Agreement must be in writing
5 and signed by the appropriate authorities of the COUNTY or the BORROWER, and all
6 amendments hereto must be in writing and signed by the appropriate authorities of the COUNTY
7 and the BORROWER. This Agreement and any provisions hereof may be amended by mutual
8 written agreement by the BORROWER and the COUNTY.

9 ///

10 (SIGNATURES ON THE NEXT PAGE)

IN WITNESS WHEREOF, COUNTY and BORROWER have executed this Agreement as of the
dates written below.

COUNTY:

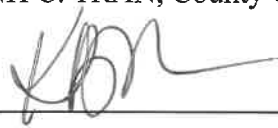
County of Riverside, a political
subdivision of the State of California

By: _____
Heidi Marshall, Director
Housing and Workforce Solutions

Date: _____

(COUNTY Signature needs to be notarized)

APPROVED AS TO FORM:
MINH C. TRAN, County Counsel

By:  _____

KRISTINE BELL-VALDEZ
Supervising Deputy County Counsel

BORROWER:

VILLA VERDE I, L.P., A California limited partnership

By: Villa Verde I GP, LLC,
a California limited company,
Its: Managing General Partner

By: Abode Communities, a California nonprofit public benefit corporation,
Its: Sole Member

By: _____

Lara Regus
Its: Senior Vice President, Development

(Signatures need to be notarized)

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)

(Affix seal here)

EXHIBIT A

Property 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 RIGHT-OF-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 A: Assessor's Parcel Number 768-400-001 and 84824 Calle Verde, Coachella

EXHIBIT "B"

Scope of Work and Project Description

Borrower: VILLA VERDE I, L.P., a California Limited Partnership

Address: c/o Abode Communities, 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033,
Attention Lara Regus, Senior Vice President

Project Title: Villa Verde Apartments – Phase I – 84824 Calle Verde

Location: Identified as Assessor's Parcel Number 768-400-001

Project Description:

VILLA VERDE I, L.P., a California limited partnership, will utilize \$6,115,252 in PLHA funds for the development and construction of a new multifamily affordable housing project and related amenities located at 84824 Calle Verde in the City of Coachella, Riverside County, also identified as Assessor's Parcel Number 768-400-001. When complete, the Project will consist of 20 buildings, a total of 115 rentable units and 1 manager unit with the following breakdown: 16 one-bedroom, 56 two-bedroom, 44 three-bedroom.

At least approximately forty nine percent (49%) of the 116 units or fifty-six (56) of the Units constructed on the Property shall be restricted to rental to and occupancy by qualified Low and Very Low Income Households (collectively, "PLHA Units") at an Affordable Rent (as hereinafter defined). At least twenty percent (20%) of the PLHA Units or eleven (11) PLHA Units shall be restricted to occupancy by Very Low Income Households at or below 50% of area median income. Forty-five (45) PLHA Units shall be rented to and occupied by Low Income Households at or below 80% of area median income.

The **Scope of Work** shall comply with all entitlements for the Project and include construction of a multi-family apartment complex and related amenities consisting of 16 one-bedroom, 56 two-bedroom, 44 three-bedroom units, for a total of 116 apartment units.

Exhibit C

Villa Verde Apartments - Phase I Financial Pro Forma

Sources and Uses of Funds; Development Budget; Operating & Loan Details

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%
HCD NPLH	11,278,428	3.000%	1.903%	55.0	Spread - 185 bps
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	INVESTOR EQUITY STACK	OTHER ASSUMPTIONS
Base Rate	6.160%	6.160%		
Cushion	0.500%	0.500%		
Issuer	0.050%	0.050%	LIHTC Equity (Federal+Stz)	36,741,510
Trustee	0.012%	0.000%	Subtotal LP Equity	36,741,510
Total	6.722%	6.716%		

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			
Surplus/(Shortfall)	(0)			
Sources Less Deferred To Conversion:	106,015,156			Syndication Costs 302,084 Net Equity for TCAC 5,209,143

CONSTRUCTION LOAN INTEREST RATE	CONSTRUCTION LOAN VALUATION	TAX-EXEMPT BOND DATA
Index Type:	SOFR	Restricted NOI 1,461,803
Current Index:	4.36%	QAR 5.00%
Spread:	1.35%	PMV per NOI 28,236,059
Base Interest Rate (not including cushion):	5.71%	Agg. Credit Value @ 0.824% 36,796,641
Cushion - Total	0.70%	Perm-Only Soft Debt 11,279,428
Interest Rate (All-In)	6.41%	Total Value 77,312,129
		LTV: 85.00%
		Max. Const. Loan Amount 65,715,310
		Commitment Amount TBD

50% Test (see Page 7):	48.78%
50% Test Cushion:	-106,746,593
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	68,266,000
CDLAC 55% Limit	48,010,666
50% Test Target	55.00%
Target Limit	48,010,666

Uses of Funds

Version: 8.02 PKC Budget Update 08/15/2025

	Res Cost: Res Sq Foot:	100.00% 100.00%	COST ALLOCATIONS						UNIT ELIGIBLE BASIS		OTHER BASIS & COST ALLOCATIONS			
			Assuming 266 Election? No						Constr./ Resid.	Acquisition	Deferred to Completion or Perm Cons.	Land/Basis for 50% Test	Historic Rehab Tax Credit Basis	ITC Tax Credit Basis (Solar PV)
			Depreciable											
TOTAL	Per Unit	Total	Total Non-Residential	Non-Residential	Residential	Non-Resid.	Expensed	Amortized						
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	0	0	0	0	0	1,411,842	0	0
Title Recording/Escrow - Acquisition	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal - Acquisition	18,655	181	18,655	0	18,655	0	0	0	0	0	0	18,655	0	0
Off-site Improvements	50,750	438	50,750	0	50,750	0	0	0	0	0	0	50,750	50,750	0
LAND COSTS														
Total Construction Contract 33,817,488														
NEW CONSTRUCTION														
Demolition	45,278	390	45,278	0	45,278	0	0	0	0	0	0	45,278	0	0
Hard Core/Unit Construction	43,566,993	375,578	43,566,993	0	43,566,993	0	43,566,993	0	43,566,993	0	0	43,566,993	43,566,993	0
Site Improvement/Landscaping	4,423,514	38,134	4,423,514	0	4,423,514	0	4,423,514	0	4,423,514	0	0	4,423,514	4,423,514	0
GC - General Conditions	1,375,158	11,855	1,375,158	0	1,375,158	0	1,375,158	0	1,375,158	0	0	1,375,158	1,375,158	0
GC - Overhead & Profit	3,063,223	28,467	3,063,223	0	3,063,223	0	3,063,223	0	3,063,223	0	0	3,063,223	3,063,223	0
GC - Insurance	863,699	5,722	863,699	0	863,699	0	863,699	0	863,699	0	0	863,699	863,699	0
GC - Bond Premium	428,851	3,687	428,851	0	428,851	0	428,851	0	428,851	0	0	428,851	428,851	0
Contingency - Escalation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency - Owners Construction (8%)	4,289,397	39,075	4,289,397	0	4,289,397	0	4,289,397	0	4,289,397	0	0	4,289,397	4,289,397	0
SOFT COSTS														
Architecture	2,887,875	24,885	2,887,875	0	2,887,875	0	2,887,875	0	2,887,875	0	0	2,887,875	2,887,875	0
Design/Engineering	599,788	5,162	599,788	0	599,788	0	599,788	0	599,788	0	0	599,788	599,788	0
Geotech/Sole Report	54,655	471	54,655	0	54,655	0	54,655	0	54,655	0	0	54,655	54,655	0
Phase III/Toxic Report	22,895	197	22,895	0	22,895	0	22,895	0	22,895	0	0	22,895	22,895	0
ALTA Survey	50,000	431	50,000	0	50,000	0	50,000	0	50,000	0	0	50,000	50,000	0
Special Inspections/Testing	241,914	2,085	241,914	0	241,914	0	241,914	0	241,914	0	0	241,914	241,914	0
LEED / HERS Rater	72,160	622	72,160	0	72,160	0	72,160	0	72,160	0	0	72,160	72,160	0
3rd Party Construction Manager	250,000	2,155	250,000	0	250,000	0	250,000	0	250,000	0	0	250,000	250,000	0
Consultant - Other	28,500	248	28,500	0	28,500	0	28,500	0	28,500	0	0	28,500	28,500	0
Local Development Impact Fees	2,459,203	21,200	2,459,203	0	2,459,203	0	2,459,203	0	2,459,203	0	0	2,459,203	2,459,203	0
Local Permit/Fees	1,428,089	12,311	1,428,089	0	1,428,089	0	1,428,089	0	1,428,089	0	0	1,428,089	1,428,089	0
Utility Connection Fees/Dr Utility Consultant	2,311,024	19,823	2,311,024	0	2,311,024	0	2,311,024	0	2,311,024	0	0	2,311,024	2,311,024	0
Real Estate Taxes During Const.	30,884	266	30,884	0	30,884	0	30,884	0	30,884	0	0	30,884	30,884	0
Insurance During Const.	1,300,000	11,207	1,300,000	0	1,300,000	0	1,300,000	0	1,300,000	0	0	1,300,000	1,300,000	0
Appraisal	6,487	58	6,487	0	6,487	0	6,487	0	6,487	0	0	6,487	6,487	0
Market Study	22,895	197	22,895	0	22,895	0	22,895	0	22,895	0	0	22,895	22,895	0
Partnership Formation + Taxes	17,025	147	17,025	0	17,025	0	17,025	0	17,025	0	0	17,025	17,025	0
Tribal Monitoring Fee	50,000	431	50,000	0	50,000	0	50,000	0	50,000	0	0	50,000	50,000	0
City of Coahuila CFD (prepaid)	20,313,662	175,118	20,313,662	0	20,313,662	0	20,313,662	0	20,313,662	0	0	20,313,662	20,313,662	0
Soft Cost Contingency	993,588	8,485	993,588	0	993,588	0	993,588	0	993,588	0	0	993,588	993,588	0
Predev. Loan Interest/Fees	343,421	2,961	343,421	0	343,421	0	343,421	0	343,421	0	0	343,421	343,421	0
Construction Loan Interest	5,833,851	50,282	5,833,851	0	5,833,851	0	5,833,851	0	5,833,851	0	0	5,833,851	5,833,851	0
Construction Loan Interest - Tail	707,392	6,098	707,392	0	707,392	0	707,392	0	707,392	0	0	707,392	707,392	0
Accrued Interest - HCD PHK	548,484	4,728	548,484	0	548,484	0	548,484	0	548,484	0	0	548,484	548,484	0
Accrued Interest - HACR Land Contribution	77,727	670	77,727	0	77,727	0	77,727	0	77,727	0	0	77,727	77,727	0
Accrued Interest - HACR PLM	336,667	2,902	336,667	0	336,667	0	336,667	0	336,667	0	0	336,667	336,667	0
Accrued Interest - HACR Taxable Housing Bond	24,774	214	24,774	0	24,774	0	24,774	0	24,774	0	0	24,774	24,774	0
Accrued Interest - City of Coahuila Loan (Capitalized)	844,254	7,276	844,254	0	844,254	0	844,254	0	844,254	0	0	844,254	844,254	0
Accrued Interest - City of Coahuila RDA Funds	115,889	999	115,889	0	115,889	0	115,889	0	115,889	0	0	115,889	115,889	0
Title Recording/Escrow - Construction	118,289	1,020	118,289	0	118,289	0	118,289	0	118,289	0	0	118,289	118,289	0
Title Recording/Escrow - Permanent	15,000	129	15,000	0	15,000	0	15,000	0	15,000	0	0	15,000	15,000	0
Legal (Owner) Construction Closing	99,211	855	99,211	0	99,211	0	99,211	0	99,211	0	0	99,211	99,211	0
Permanent Closing	10,000	88	10,000	0	10,000	0	10,000	0	10,000	0	0	10,000	10,000	0
Organization of Finship	15,000	129	15,000	0	15,000	0	15,000	0	15,000	0	0	15,000	15,000	0
Syndication - GP	30,167	260	30,167	0	30,167	0	30,167	0	30,167	0	0	30,167	30,167	0
Syndication - LP	50,000	431	50,000	0	50,000	0	50,000	0	50,000	0	0	50,000	50,000	0
Syndication Consulting	149,000	1,284	149,000	0	149,000	0	149,000	0	149,000	0	0	149,000	149,000	0
Auto/Cost Certification	57,917	499	57,917	0	57,917	0	57,917	0	57,917	0	0	57,917	57,917	0
TCAC Application/Real/Monitoring Fee	128,658	1,109	128,658	0	128,658	0	128,658	0	128,658	0	0	128,658	128,658	0
Marketing	200,000	1,724	200,000	0	200,000	0	200,000	0	200,000	0	0	200,000	200,000	0
Furnishings Not in Contract	228,947	1,974	228,947	0	228,947	0	228,947	0	228,947	0	0	228,947	228,947	0
Capitalized Replacement Reserve	14,500	125	14,500	0	14,500	0	14,500	0	14,500	0	0	14,500	14,500	0
Capitalized Operating Reserve (6 mos.)	1,176,362	10,141	1,176,362	0	1,176,362	0	1,176,362	0	1,176,362	0	0	1,176,362	1,176,362	0
HCD Pooled Reserve Fee	322,900	2,781	322,900	0	322,900	0	322,900	0	322,900	0	0	322,900	322,900	0
Developer Fee	9,952,108	85,794	9,952,108	0	9,952,108	0	9,952,108	0	9,952,108	0	0	9,952,108	9,952,108	0
COSTS OF ISSUANCE														
Bond Counsel	60,000	517	60,000	0	60,000	0	60,000	0	60,000	0	0	60,000	60,000	0
Issuer Application Fee	2,500	22	2,500	0	2,500	0	2,500	0	2,500	0	0	2,500	2,500	0
Issuer Fee - Upfront	65,949	569	65,949	0	65,949	0	65,949	0	65,949	0	0	65,949	65,949	0
Issuer Fee - Annual During Const.	65,947	569	65,947	0	65,947	0	65,947	0	65,947	0	0	65,947	65,947	0
Construction Lender Origination Fee	428,735	3,679	428,735	0	428,735	0	428,735	0	428,735	0	0	428,735	428,735	0
Construction Lender Expenses	45,000	388	45,000	0	45,000	0	45,000	0	45,000	0	0	45,000	45,000	0
Construction Lender Counsel	65,000	561	65,000	0	65,000	0	65,000	0	65,000	0	0	65,000	65,000	0
Permanent Lender Expenses	10,000	86	10,000	0	10,000	0	10,000	0	10,000	0	0	10,000	10,000	0
Permanent Lender Counsel	15,000	129	15,000	0	15,000	0	15,000	0	15,000	0	0	15,000	15,000	0
Permanent Loan Origination Fee	161,000	1,385	161,000	0	161,000	0	161,000	0	161,000	0	0	161,000	161,000	0
Trustee Fee During Construction	12,000	103	12,000	0	12,000	0	12,000	0	12,000	0	0	12,000	12,000	0
CDLAC Fee	16,103	139	16,103	0	16,103	0	16,103	0	16,103	0	0	16,103	16,103	0
CDLAC Fee	5,000	43	5,000	0	5,000	0	5,000	0	5,000	0	0	5,000	5,000	0
COI Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Financing/Costs of Issuance	959,594	8,273	959,594	0	959,594	0	959,594	0	959,594	0	0	959,594	959,594	0
TOTAL DEVELOPMENT COSTS														
TDC Per Unit	114,836,325	889,973	114,836,325	0	114,836,325	0	114,836,325	0	114,836,325	0	0	114,836,325	114,836,325	0
TDC Net of accrued interest:	114,836,325	889,973	114,836,325	0	114,836,325	0	114,836,325	0	114,836,325	0	0	114,836,325	114,836,325	0
with CFO Fee	52,522,263	450,188	52,522,263	0	52,522,263	0	52,522,263	0	52,522,263	0	0	52,522,263	52,522,263	0

Developer Fee Calculation

Version: 8.02 PHK+ Budget Update 09152025

TCAC DEVELOPER FEE LIMITS

	CONSTRUCTION	TOTAL
Eligible Basis less Developer Fee	75,829,517	
Percentage of Basis in Fee	15.00%	
Total Developer Fee per Basis Limits	11,374,428	11,374,428
Developer Fee Cap per Regulations		11,374,428
Net Allowable Total Fee		11,374,428
Base Cash Developer Fee Limit		2,800,000
Large Project Boost		3,041,400
BIPOC Boost		0
Total Base Cash Fee Limit		5,841,400
Net Allowable Total Fee		11,374,428
Net Allowable Cash Fee		5,841,400
Fee Included in TCAC Application		0

OTHER APPLICABLE FEE LIMITS

	CASH FEE LIMIT	PRIORITY DDF LIMIT	TOTAL FEE LIMIT
Fee Limit per HCD	2,200,000	1,300,000	11,374,428
Fee Limit per TCAC Hybrid Fee Limit	2,200,000	0	2,200,000

MOST RESTRICTIVE FEE LIMITS

Total Developer Fee Limit	2,200,000
Total Cash Fee Limit	2,200,000
Total Priority Deferred Fee Limit	0

ALLOCATION OF DEVELOPER FEE

	CONSTRUCTION	TOTAL
Pct. of Potential Fee per Basis Limits	100.00%	100.00%
Allocation of Total Developer Fee	2,200,000	2,200,000

CASH DEVELOPER FEE BREAKOUT AND PAYMENT SCHEDULE

Total Developer Fee	9,952,108		
Total Cash Fee Paid	2,200,000		
Non-Cash Fee per Program Limits	0		
Non-Cash Fee per Funding Gap	7,752,108		
Total Non-Cash Fee	7,752,108		
	AMOUNT	% OF CASH FEE	% OF TOTAL FEE
Construction Close	880,000	40.00%	8.84%
Completion	550,000	25.00%	5.53%
Conversion	367,000	16.68%	3.69%
Final LP Pay-in 1	403,000	18.32%	4.05%
Total Cash Fee	2,200,000		
Plus: Priority Developer Fee	1,300,000		13.06%
Plus: Non-Priority DDF	0		0.00%
Plus: GP Capital	6,452,108		64.83%
Total Developer Fee	9,952,108		

Unit Mix & Rental Income

Version: 8.02 PHK+ Budget Update 09/16/2025

AVERAGE AFFORDABILITY FOR LIHTC UNITS (% of Median)	40.52%
9% TCAC INCOME TARGETING PTS:	50.00
RENT LIMITS AS OF YEAR:	2025

UTILITY ALLOWANCES	0BR	1BR	2BR	3BR	4BR	5BR
Villa Verde 4PCT	-	88	110	132	-	-

RESIDENTIAL INCOME

LIHTC - Tier 1		Villa Verde 4PCT		TCAC		30% AMI		% of Units: 43.48%		Section 8 SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	16	537	28.9%		628	540	540	8,640	103,680	16	1,684	1,144	18,304	219,648	323,328
2BR	30	808	30.0%		755	645	645	19,350	232,200	30	2,101	1,456	43,680	524,160	756,360
3BR	4	1,015	30.0%		873	741	741	2,964	35,568	4	2,845	2,104	8,416	100,992	136,560
TOTAL	50							30,954	371,448	50			70,400	844,800	1,216,248
NPLH Assisted Units															
LIHTC - Tier 2		Villa Verde 4PCT		TCAC		30% AMI		% of Units: 13.91%		Section 8 SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	6	808	30.0%		755	645	645	3,870	46,440	6	2,101	1,456	8,736	104,832	151,272
3BR	10	1,015	30.0%		873	741	741	7,410	88,920	10	2,845	2,104	21,040	252,480	341,400
TOTAL	16							11,280	135,360	16			29,776	357,312	492,672
LIHTC - Tier 3		Villa Verde 4PCT		TCAC		50% AMI		% of Units: 22.61%		Section 8 SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	11	808	50.0%		1,258	1,148	1,148	12,828	151,536	8	2,101	953	7,624	91,488	243,024
3BR	15	1,015	50.0%		1,455	1,323	1,323	19,845	238,140	4	2,845	1,522	8,068	73,056	311,196
TOTAL	26							32,473	389,676	12			13,712	164,544	554,220
LIHTC - Tier 4		Villa Verde 4PCT		TCAC		60% AMI		% of Units: 20.00%		NOT SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	8	808	60.1%		1,511	1,401	1,401	11,208	134,496	0	0	0	0	0	134,496
3BR	15	1,015	60.0%		1,747	1,615	1,615	24,225	290,700	0	0	0	0	0	290,700
TOTAL	23							35,433	425,196	0			0	0	425,196

Staff Units - Site 1		Villa Verde 4PCT		TCAC		30% AMI		% of Units: 20.00%		NOT SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
2BR	1	808	0.0%		0	0	0	0	0	0	0	0	0	0	0
TOTAL	1							0	0	0			0	0	0

TOTAL RESIDENTIAL INCOME									
		Quantity	Total Monthly Net Rent	Total Annual Net Rent	Monthly Section 8 Income	Annual Section 8 Income		Grand Total Income	Total Floor Area
LIHTC		115	110,140	1,321,680	113,888	1,366,556		2,688,336	97,692
Non-LIHTC		0	0	0	0	0		0	0
Staff Units		1	0	0	0	0		0	808
TOTAL		116	110,140	1,321,680	113,888	1,366,556		2,688,336	98,500

MISCELLANEOUS INCOME			
	Per Unit Per Month	Monthly Total	Annual Total
Laundry / Vending	3.60	418	5,016
Other	0.00	0	0
Parking	0.00	0	0
TOTAL	3.60	418	5,016

SUBSIDIZED UNIT MIX SUMMARY			
Unit Type	Units With Section 8	Units Without Subsidy	Total Units
0BR	0	0	0
1BR	16	0	16
2BR	44	12	56
3BR	18	26	44
TOTAL	78	38	116

TOTAL ALL TYPES	
Unit Type	Villa Verde 4PCT
1BR	16
2BR	56
3BR	44
TOTAL	116

Calculation of Tax Credits

Version: 8.02 PHK+ Budget Update 091521

	FEDERAL			CALIFORNIA		
	ACQUISITION	CONST/ REHAB	TOTAL	ACQUISITION	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	85,781,625	85,781,625	0	0	0
Less:						
50% Energy Investment Tax Credit (Res. Portion)	0	0	0	0	0	0
Historic Tax Credit (Res. Portion)		0	0		0	0
Non-Eligible Federal Financing	0	0	0	0	0	0
Non-Eligible Grants	0	0	0	0	0	0
Soft Loan Basis Deduction	0	0	0	0	0	0
Voluntary Reduction for Tie-Breaker	0	0	0	0	0	0
ELIGIBLE BASIS	0	85,781,625	85,781,625	0	0	0
Threshold Basis Limit			145,315,759			
TBL: Exclude GP Cap/DOF for 4%/State			0			
REQUESTED UNADJUSTED ELIGIBLE BASIS (For Tiebreaker)	0	85,781,625	85,781,625	0	0	0
HIGH COST ADJUSTMENT (Y or N)	Y	100.0%	130.0%	100.0%	100.0%	
	QCT 2024					
ADJUSTED ELIGIBLE BASIS	0	111,516,113	111,516,113	0	0	0
QUALIFIED CREDIT BASIS	0	111,516,113	111,516,113	0	0	0
CREDIT RATE (TCAC UNDERWRITING)	Total State Annual Federal / Yr 1-3 State Yr 4 State	4.00% 4.00%		13.00% 4.00% 1.00%	13.00% 4.00% 1.00%	
MAX. POTENTIAL FEDERAL CREDIT (No Vol Basic Reduct/Actual Rate)						
Credit Rates	4.00%	4.00%				
Potential Credit	0	4,460,645	4,460,645			
Credit Rate Locked?	YES					
Jan-24						
MAX. CREDIT AMOUNT PER TCAC UNDERWRITING						
Annual Federal / Yr 1 State	0	4,460,645	4,460,645	0	0	0
Yr 2 State				0	0	0
Yr 3 State				0	0	0
Yr 4 State				0	0	0
Total				0	0	0
REQUESTED TOTAL STATE CREDIT AMOUNT				N/A	N/A	N/A
MAX ANNUAL CREDITS PER GEOGRAPHIC REGION - BLENDED (x 125%)			N/A			
Federal/State Proportion			N/A	N/A	N/A	N/A
MAX ANNUAL FEDERAL PER PROJECT/STATE PER UNIT ALLOCATION			N/A			N/A
ACTUAL TCAC CREDIT RESERVATION						
Annual Federal / Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Annual Federal / Total State	0	4,460,645	4,460,645	0	(0)	0
UNADJUSTED ELIGIBLE BASIS AT MAX CREDIT AMOUNT	0	85,781,635	85,781,635	0	(0)	0
UNADJUSTED BASIS EXCLUDED AT MAX CREDIT AMOUNT	(0)	(10)	(10)	(0)	0	0
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			44,606,450			0

TOTAL STATE + FEDERAL LIHTC AMOUNTS - 10 YEARS

Total Federal + State	44,606,450	Blended Credit Request:	4,460,645
General Partner Share	0.01% 4,461	Est. 125% Target for Inland Empire:	N/A
Limited Partner Share	99.99% 44,601,989	Credit Request Under / (Over) Geographic Region:	N/A

FIRST YEAR CREDIT CALCULATION (Federal)		Acquisition		Rehab/NC		*A* Bldg: Acq		Rehab/NC		*B* Bldg: Acq		Rehab/NC	
Actual Basis Method?	Y												
Maximum Potential Federal Credit w/ Actual Basis-Annual		0	4,460,645		0	4,460,645		0	0		0		0
Wgt Avg Lease-up (from Page 7)					91.7%	91.7%			0.0%		0.0%		0.0%
Maximum Potential Prorated Credit w/ Actual Basis					0	4,092,156		0	0		0		0
TCAC Credit Reservation-Annual		0	4,460,645		0	4,460,645		0	0		0		0
First Year Credit (Lesser of Above)					0	4,092,156		0	0		0		0

ENERGY TAX CREDIT CALCULATION

Total PV Hard Costs	0
Related Soft Costs (Eng, Interst, etc.)	-
Related Developer Fee	-
Total ITC Depreciable Basis	-
less: Grants/Rebates	-
Tax-Exempt Portion	0.01%
less: Tax-Exempt Portion	-
Net Basis for Investment Tax Credit	-
Credit Percentage	0.0%
Total Investment Tax Credit	0
Residential Portion of Credit	0
Total Elig. 45L Costs (per Program Limits)	0
Tax-Exempt Portion	0.01%
less: Tax-Exempt Portion	-
Net Basis for 45L Tax Credit	-
Credit Percentage	0.0%
Total 45L Tax Credit	0
Residential Portion of Credit	0

*APPLICABLE FRACTION

	Number of Units	Fraction	Total Sq Ft	Fraction
LIHTC	115	100.0000%	97,692	100.0000%
Non-LIHTC	0	0.0000%	0	0.0000%
TOTAL	115	100.0000%	97,692	100.0000%
Applicable Fraction (Lesser of Low Income Units or Sq Ft %)		100.0000%		

Base Year Income & Expense

Version: 8.02 PHK+ Budget Update 09152025

INCOME		
Scheduled Gross Income - Residential		1,321,680
Total Gross Subsidy Income - Section 8		1,366,656
Misc. Income		5,016
Vacancy Loss - Residential	5.64%	(74,826)
Vacancy Loss - Section 8	5.64%	(77,079)
EFFECTIVE GROSS INCOME		2,541,447
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	1,500	
Legal	3,000	
Accounting/Audit	17,500	
Security	53,421	
Other: Misc. Admin/Office Expenses	56,474	
Total Administrative		131,895
Management Fee		83,520
Utilities		
Electricity	61,053	
Water/Sewer	133,553	
Resident Utility Reimbursement	0	
Total Utilities		194,606
Payroll/Payroll Taxes		
On-Site Manager/Office Admin	70,000	
Maintenance Payroll	65,000	
Payroll Taxes/Benefits	65,000	
Total Payroll/Payroll Taxes		200,000
Insurance		225,852
Maintenance		
Painting	7,632	
Repairs	28,771	
Trash Removal	67,500	
Exterminating	7,000	
Grounds	22,895	
Fire Protection/Contracts/HVAC/Supplies	15,263	
Total Maintenance		149,061
Other		
Special Assessments	0	
Misc. Tax/License	10,000	
Total Other		10,000
Resident Services		
Tenant Services	15,263	
Tenant Activities	0	
Total Resident Services		15,263
Replacement Reserve		58,000
Real Estate Taxes		11,447
TOTAL EXPENSES - RESIDENTIAL		1,079,644
Per Unit Per Annum (Incl. Reserves)	9,307	
Per Unit Per Annum (w/o taxes/res/svc)	8,577	
TCAC Minimum (w/o taxes/res/svc)	4,700	
NET AVAILABLE INCOME		1,461,803
Annual Soft Loan Fees:		
Less: Local Agency Monitoring Fee		(15,000)
ADJUSTED NET AVAILABLE INCOME: TOTAL		1,446,803
Mandatory Soft Debt Payments:		
HCD NPLH	47,374	
TOTAL MANDATORY SOFT DEBT PAYMENTS		47,374
Debt Service Coverage Ratio		1.15
Mandatory Soft Debt Payments Grossed Up for DCR Factor		54,480
AVAILABLE FOR SENIOR DEBT SERVICE (NET OF OP SUBSIDY)		89,345
AVAILABLE FOR SENIOR DEBT SERVICE (OP SUBSIDY OVERHANG)		1,121,371
NET AVAILABLE INCOME AFTER SENIOR DEBT SERVICE		188,713
NET AVAILABLE COMMERCIAL ONLY INCOME		0

Mortgage Calculation/Bond Ratios

Version: 8.02 PHK+ Budget Update 09/15/2021

TRANCHE A

Uses baseline year NOI; includes annual fees
 Financing Type: Tax-Exempt Perm Loan

	Underwriting Constraint	Maximum Loan Amount		
Debt Service Coverage	1.15	16,758,144	Rate:	6.660%
Lender Commitment		NA	Amortization (mos):	480
			NOI for DS:	<u>1,392,323</u>
			Max PMT @ DSCR:	1,210,716
MAXIMUM MORTGAGE		16,758,144	Annual Fees:	<u>10,379</u>
			Annual DS Payment:	1,200,337

BOND / REHABILITATION RATIOS

Tax-Exempt Financing Ratio		CDLAC Allocation Limit	Effective Date Limits		1/1/24
			Units	Per-Unit Limit	Total Limit
		Studio and SRO	0	522,000	0
		One BR	16	544,000	8,704,000
Series A Bonds	16,758,000	Two BR	56	580,000	32,480,000
Series B Bonds	0	Three BR	44	638,000	28,072,000
Short Term Bonds (Construction Loan Portion)	<u>25,820,583</u>	Four BR or More	0	671,000	0
TOTAL TAX-EXEMPT FINANCING	42,578,583			TOTAL	69,256,000
TOTAL BASIS + LAND ALLOCATION	87,292,119			Potential Bond Size	42,578,583
				Over/(Under)	-26,677,417
Percent Tax-Exempt Financing	48.78%				

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	Dates	Months to Milestone	Cumulative Months
Start of Construction	December 1, 2025	0	0
Completion	November 1, 2027	23	23
100% Occupancy	May 1, 2028	6	29
Conversion	December 1, 2028	7	36
Forms 8809	July 1 2029	7	43

1st Tax Credit Year:		2028
Total # Units:		115
Month	Total OO by Month	Total Vacated by Month
Jan-28	19	0
Feb-28	19	77
Mar-28	19	96
Apr-28	19	115
May-28	0	115
Jun-28	0	115
Jul-28	0	115
Aug-28	0	115
Sep-28	0	115
Oct-28	0	115
Nov-28	0	115
Dec-28	0	115
1st Year Occupancy:		91.74%

1st Tax Credit Year:		2029		
Total # Units:		0		
Month	Total CO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-29	0	0	0	0.00%
Feb-29	0	0	0	0.00%
Mar-29	0	0	0	0.00%
Apr-29	0	0	0	0.00%
May-29	0	0	0	0.00%
Jun-29	0	0	0	0.00%
Jul-29	0	0	0	0.00%
Aug-29	0	0	0	0.02%
Sep-29	0	0	0	0.09%
Oct-29	0	0	0	0.09%
Nov-29	0	0	0	0.09%
Dec-29	0	0	0	0.09%
1st Year Occupancy: 2029				0.00%

YEAR 0			2027
Completed Cases Us by Month			
Month	No. Units	Percent	
Jan-27	0	0.0%	
Feb-27	0	0.0%	
Mar-27	0	0.0%	
Apr-27	0	0.0%	
May-27	0	0.0%	
Jun-27	0	0.0%	
Jul-27	0	0.0%	
Aug-27	0	0.0%	
Sep-27	0	0.0%	
Oct-27	0	0.0%	
Nov-27	20	17.2%	
Dec-27	20	17.2%	
Total	40	34.5%	
Total % Operating in First Year			4.31%

1st Tax Credit Year (2/3 Units):				2030
Month	No. Units		Percent	
Jan-30	0		0.0%	
Feb-30	0		0.0%	
Mar-30	0		0.0%	
Apr-30	0		0.0%	
May-30	0		0.0%	
Jun-30	0		0.0%	
Jul-30	0		0.0%	
Aug-30	0		0.0%	
Sep-30	0		0.0%	
Oct-30	0		0.0%	
Nov-30	0		0.0%	
Dec-30	0		0.0%	
Total	0		0.0%	
Total Avg % Qual. Occ.				0.0%

YEAR 1 (cumulative)	2028	
Month	No. Units	Percent
Jan-28	59	50.9%
Feb-28	19	16.4%
Mar-28	19	16.4%
Apr-28	19	16.4%
May-28	0	0.0%
Jun-28	0	0.0%
Jul-28	0	0.0%
Aug-28	0	0.0%
Sep-28	0	0.0%
Oct-28	0	0.0%
Nov-28	0	0.0%
Dec-28	0	0.0%
Total	116	100.0%
Total % Operating in 2nd Year: 91.3%		

YEAR 1		Mid-Month Conventon		2027	
Month	Building No.	Bldg. Units	PIS by Month	Fluorapat	
Jan-27	0	0	0.0%		
Feb-27	0	0	0.0%		
Mar-27	0	0	0.0%		
Apr-27	0	0	0.0%		
May-27	0	0	0.0%		
Jun-27	0	0	0.0%		
Jul-27	0	0	0.0%		
Aug-27	0	0	0.0%		
Sep-27	0	0	0.0%		
Oct-27	0	0	0.0%		
Nov-27	4	20	0.7%		
Dec-27	4	40	2.3%		
TOTAL		40	2.9%		
Total Avg. % PIS Y1				2.8%	
YEAR 2 (cumulative)					
Jan-28	3	59	3.6%		
Feb-28	3	79	4.9%		
Mar-28	3	97	6.3%		
Apr-28	3	116	7.7%		
May-28	0	116	8.3%		
Jun-28	0	116	8.3%		
Jul-28	0	116	8.3%		
Aug-28	0	116	8.3%		
Sep-28	0	116	8.3%		
Oct-28	0	116	8.3%		
Nov-28	0	116	8.3%		
Dec-28	0	116	8.3%		
TOTAL		116	88.1%		
Total Avg. % PIS Y2				89.1%	

YEAR 1	Mid-Year Convention		2027	
	Month	Building No.	Bkdg. PIS by Month No. Units	Percentage
	Jan-27	0	0	0.0%
	Feb-27	0	0	0.0%
	Mar-27	0	0	0.0%
	Apr-27	0	0	0.0%
	May-27	0	0	0.0%
	Jun-27	0	0	0.0%
	Jul-27	0	0	0.0%
	Aug-27	0	0	0.0%
	Sep-27	0	0	0.0%
	Oct-27	0	0	1.4%
	Nov-27	4	20	0.6%
	Dec-27	4	20	2.5%
	TOTAL		40	4.3%
Total Avg % PIS Y1				4.3%
YEAR 2 (non-cumulative)				
	Jan-28	3	19	2.9%
	Feb-28	3	19	2.9%
	Mar-28	3	19	2.9%
	Apr-28	3	19	2.9%
	May-28	0	0	2.9%
	Jun-28	0	0	2.9%
	Jul-28	0	0	8.3%
	Aug-28	0	0	8.3%
	Sep-28	0	0	8.3%
	Oct-28	0	0	8.3%
	Nov-28	0	0	8.3%
	Dec-28	0	0	8.3%
	TOTAL		76	67.2%
Total Avg % PIS Y2				67.2%

Calculation of Net Syndication Proceeds

Version: 8.02 PHK+ Budget Update 09152025

			As of Closing
Total Federal Credit (10 yr) & State Credit		44,606,450	0
Total Federal Credit	44,606,450		0
Total State Credit	0		0
Gross Proceeds (Total)		36,741,510	0
Gross Proceeds - Federal Credit	36,796,641		0
Gross Proceeds - State Credit	0		0
Gross Proceeds (net of Energy/Historic Credit Proceeds)		36,741,510	0
Less: LP Syndication Costs			
Attorney	95,167		
Accountant	57,917		
Consulting	149,000		
Other:			
Total Syndication Costs		302,084	0
Total Syndication Costs/Gross Proceeds		0.82% (Syndication Load)	0.00000%
Net Proceeds		36,439,426	0
Net Proceeds/Total Fed and State Credit		0.816909 tax credit price	0.00000
Gross Proceeds (Total)/Total Fed and State Credit		0.823682 tax credit price	0.00000
Gross Proceeds - Federal/State Disaggregated			
Federal		0.825000 tax credit price	1.00000
State		0.850000 tax credit price	0.70000
Net Proceeds - Federal/State Disaggregated			
Federal		0.8181351 tax credit price	0.00000
State		- tax credit price	0.00000
Total Equity			
Gross Proceeds from LIHTC	36,741,510		
Gross Proceeds from Energy Credits	0		
Gross Proceeds from Historic Credit	0		
Total Equity	36,741,510		

TCAC Calculations & Scoring

Version: 8.02 PHK+ Budget Update 09152025

THRESHOLD BASIS LIMIT

County:	Riverside	TCAC Project #:
9% or 4% credits:	4%	CDLAC Project #:
Year:	2025	
Base Limits for Geographic Region		
Unit Type	9%	4%
0 BR	324,988	324,988
1 BR	374,708	374,708
2 BR	452,000	452,000
3 BR	578,560	578,560
4 BR	644,552	644,552
5 BR	644,552	644,552
Threshold Basis Limit for This Project		
Unit Type	# Units	Per Unit Basis Limit
0 BR	0	324,988
1 BR	16	374,708
2 BR	56	452,000
3 BR	44	578,560
4 BR	0	644,552
5 BR	0	644,552
	116	56,763,968
Energy/Resource Efficiency Boosts		
Renewables (50% tot./90% area)	0%	
Renewables (75% CA/90% area)	0%	
Title 24 + 15%	0%	
Post-rehab improvement > 80%	0%	
Greywater landscaping	0%	
Community gardens > 60 s.f.	0%	
Natural flooring kitchens	0%	
EPA Indoor Air Plus Program met	0%	
Subtotal Efficiency (Max 10%)	0%	
Additional Basis Adjustments		
Boost for Prevailing Wage	20.0%	11,352,794
Boost for Project Labor Agreement	0.0%	0
Boost for Parking beneath Units	0.0%	0
Boost for Childcare	0.0%	0
Boost for 100% Special Needs	0.0%	0
Boost for elevator service	0.0%	0
Boost for Type I construction	0.0%	0
Boost for Type III construction	0.0%	0
Boost for Energy / Resource Efficiency	0.0%	0
Toxic/Seismic Abatement Costs	0.0%	0
Local Development Impact Fees		0
High Opportunity Area	0.0%	0
BONDS: Boost for units ≤ 50% AMI (excl. CA credit project)	1.0%	12,488,073
BONDS: Boost for units ≤ 35% AMI (excl. CA credit project)	2.0%	64,710,924
Total Threshold Basis Limit Boosts		88,551,790
Total Threshold Basis Limit		145,315,758
Potential Eligible Basis		85,781,625
Eligible Basis Surplus/(Deficit)		59,534,133

TCAC HIGH COST TEST

	Federal Credit	CA State Credit	HCD 2017 UMR
Total Eligible Basis	85,781,625	85,781,625	85,781,625
Total Adjusted TBL	145,315,758	68,116,762	68,116,762
Percentage of ATBL	59.03%	125.93%	125.93%
Amount Over/(Under) 130% Limit (160% Limit for HCD)	(103,128,860)	(2,770,165)	(23,205,193)

Villa Verde 4PCT

Schedule of Outstanding Debt and Reserves - Book Basis

Version: 8.02 PHK - Budget Update 09152025

	Credit Period Year:															
	(P)	(T)	0	1	2	3	4	5	6	7	8	9	10	11	12	13
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Tax-Exempt Perm Loan																
Beginning Balance	0	0	0	0	16,758,000	16,871,137	16,576,305	16,479,105	16,373,060	16,269,784	16,158,718	16,039,328	15,914,052	15,792,281	15,665,383	15,386,589
Interest Paid (Interest Rate Only)	0	0	0	0	1,113,483	1,107,458	1,101,123	1,094,311	1,087,031	1,079,251	1,070,926	1,062,051	1,052,555	1,042,344	1,031,327	1,019,500
Annual P&I	0	0	0	0	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327	1,200,327
Ending Balance	0	0	0	16,758,000	16,871,137	16,576,306	16,479,105	16,373,090	16,269,794	16,158,718	16,039,328	15,914,062	15,792,281	15,665,363	15,386,589	15,023,510
HCD NPLH																
Beginning Balance	0	0	0	0	11,301,291	11,573,833	11,844,288	12,112,651	12,378,916	12,643,980	12,905,138	13,165,000	13,423,693	13,679,609	13,932,259	14,183,895
Interest Accrued @	0	0	0	0	28,198	338,383	338,383	338,383	338,383	338,383	338,383	338,383	338,383	338,383	338,383	338,383
Residual Receipts Payment	0	0	0	0	(2,389)	(19,407)	(24,744)	(26,846)	(28,951)	(31,057)	(33,163)	(35,270)	(37,380)	(39,493)	(41,607)	(43,723)
Mandatory Minimum Payment	0	0	0	0	(3,948)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)	(47,374)
Ending Balance	0	0	0	0	11,301,291	11,573,833	11,844,288	12,112,651	12,378,916	12,643,980	12,905,138	13,165,000	13,423,693	13,679,609	13,932,259	14,183,895
Available During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCD NPLH - Assumed Interest																
Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Residual Receipts Available	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCD PHK*																
Beginning Balance	9,982,708	9,987,815	10,286,496	10,585,377	10,882,148	11,164,718	11,445,445	11,724,323	12,001,349	12,276,519	12,549,829	12,821,277	13,090,865	13,358,590	13,624,455	13,888,463
Interest Accrued @	24,107	250,811	239,081	230,881	220,881	209,881	198,881	187,881	176,881	165,881	154,881	143,881	132,881	121,881	110,881	99,881
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory Minimum Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	9,987,815	10,286,496	10,585,377	10,882,148	11,164,718	11,445,445	11,724,323	12,001,349	12,276,519	12,549,829	12,821,277	13,090,865	13,358,590	13,624,455	13,888,463	14,150,342
Available During Construction	9,982,708	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCD PHK* - Assumed Interest																
Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Residual Receipts Available	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HACR Land Contribution																
Beginning Balance	1,411,842	1,415,372	1,419,727	1,500,082	1,542,138	1,582,182	1,621,985	1,661,485	1,700,743	1,739,738	1,778,470	1,816,938	1,855,141	1,893,082	1,930,758	1,968,171
Interest Accrued @	3,430	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355	42,355
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory Minimum Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	1,415,272	1,457,727	1,500,082	1,542,138	1,582,182	1,621,985	1,661,485	1,700,743	1,739,738	1,778,470	1,816,938	1,855,141	1,893,082	1,930,758	1,968,171	2,005,527
Available During Construction	1,411,842	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HACR Land Contribution - Assumed Interest																
Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Residual Receipts Available	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HACR PLMA																
Beginning Balance	6,115,251	6,130,520	6,145,372	6,037,454	6,078,617	6,085,052	7,036,576	7,108,555	7,186,508	7,265,501	7,343,262	7,420,881	7,500,358	7,581,691	7,662,893	7,743,958
Interest Accrued @	15,288	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458	183,458
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory Minimum Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	6,130,539	6,313,987	6,497,464	6,679,617	6,863,062	7,036,576	7,198,555	7,366,586	7,535,501	7,703,262	7,869,881	8,036,358	8,199,891	8,362,883	8,524,935	8,686,649
Available During Construction	6,115,251	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HACR PLMA - Assumed Interest																
Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Residual Receipts Available	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HACR Taxable Housing Bond																
Beginning Balance	450,000	451,125	484,925	478,125	481,530	504,293	516,973	529,569	542,082	554,511	566,856	579,117	591,294	603,387	615,365	627,320
Interest Accrued @	1,125	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Residual Receipts Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory Minimum Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	451,125	464,625	478,125	491,530	504,293	516,973	529,569	542,082	554,511	566,856	579,117	591,294	603,387	615,365	627,320	639,161
Available During Construction	450,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Villa Verde 4PCT

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Schedule of Outstanding Debt - Tax Basis

Schedule of Outstanding Debt - Tax Basis																		
	Credit Period Year:																Version: 6.02 PHAC Budget Update 09/15/2025	
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Tax-Exempt Perm Loan																		
Beginning Balance	0	0	0	16,756,000	16,756,000	16,737,137	16,579,708	16,479,125	16,337,090	16,259,394	16,136,718	15,988,599	15,812,247	15,602,610	15,357,587			
Interest Accrued @ 1.788%	0	0	0	1,133,483	1,127,031	1,118,128	1,099,708	1,089,125	1,077,090	1,062,394	1,045,718	1,027,063	1,007,327	986,500	964,583			
Annual Pmt (Interest Rate Only)	0	0	0	16,756,000	16,756,000	16,737,137	16,579,708	16,479,125	16,337,090	16,259,394	16,136,718	15,988,599	15,812,247	15,602,610	15,357,587			
Ending Balance	0	0	0	16,756,000	16,756,000	16,737,137	16,579,708	16,479,125	16,337,090	16,259,394	16,136,718	15,988,599	15,812,247	15,602,610	15,357,587			
MO MFLM																		
Beginning Balance	0	0	0	11,250,983	11,440,269	11,589,889	11,760,446	12,063,817	12,396,432	12,768,057	13,181,770	13,639,770	14,145,765	14,704,685	15,320,615			
Interest Accrued @ 1.788%	0	0	0	214,998	217,446	220,597	225,463	230,344	235,076	240,715	246,348	251,975	257,595	263,212	268,825			
Interest Rate Payment	0	0	0	(214,998)	(217,446)	(220,597)	(225,463)	(230,344)	(235,076)	(240,715)	(246,348)	(251,975)	(257,595)	(263,212)	(268,825)			
Minimum Payment	0	0	0	(214,998)	(217,446)	(220,597)	(225,463)	(230,344)	(235,076)	(240,715)	(246,348)	(251,975)	(257,595)	(263,212)	(268,825)			
Ending Balance	0	0	0	11,250,983	11,440,269	11,589,889	11,760,446	12,063,817	12,396,432	12,768,057	13,181,770	13,639,770	14,145,765	14,704,685	15,320,615			
CONSTRUCT AOR: 100%	0	0	0	11,250,983	11,440,269	11,589,889	11,760,446	12,063,817	12,396,432	12,768,057	13,181,770	13,639,770	14,145,765	14,704,685	15,320,615			
Available During Construction	0	0	0	11,250,983	11,440,269	11,589,889	11,760,446	12,063,817	12,396,432	12,768,057	13,181,770	13,639,770	14,145,765	14,704,685	15,320,615			
MO PHAC																		
Beginning Balance	5,982,708	9,977,659	10,155,621	10,337,455	10,523,084	10,712,497	10,905,692	11,102,681	11,303,467	11,508,057	11,716,454	11,927,663	12,141,694	12,359,657	12,581,552			
Interest Accrued @ 1.788%	14,842	178,370	184,860	192,071	198,913	205,400	211,532	217,210	222,532	227,500	232,114	236,374	240,284	243,844	247,059			
Interest Rate Payment	(14,842)	(178,370)	(184,860)	(192,071)	(198,913)	(205,400)	(211,532)	(217,210)	(222,532)	(227,500)	(232,114)	(236,374)	(240,284)	(243,844)	(247,059)			
Minimum Payment	(14,842)	(178,370)	(184,860)	(192,071)	(198,913)	(205,400)	(211,532)	(217,210)	(222,532)	(227,500)	(232,114)	(236,374)	(240,284)	(243,844)	(247,059)			
Ending Balance	5,967,866	9,959,289	10,170,761	10,355,484	10,541,697	10,730,097	10,921,224	11,115,471	11,312,939	11,513,557	11,717,368	11,924,289	12,134,410	12,347,801	12,564,493			
CONSTRUCT AOR: 100%	5,967,866	9,959,289	10,170,761	10,355,484	10,541,697	10,730,097	10,921,224	11,115,471	11,312,939	11,513,557	11,717,368	11,924,289	12,134,410	12,347,801	12,564,493			
Available During Construction	5,967,866	9,959,289	10,170,761	10,355,484	10,541,697	10,730,097	10,921,224	11,115,471	11,312,939	11,513,557	11,717,368	11,924,289	12,134,410	12,347,801	12,564,493			
MO RFLM																		
Beginning Balance	1,411,542	1,413,945	1,439,223	1,464,552	1,489,842	1,515,183	1,540,580	1,566,037	1,591,557	1,617,142	1,642,794	1,668,514	1,694,304	1,720,164	1,746,096			
Interest Accrued @ 1.788%	2,103	25,277	25,277	27,287	27,287	27,287	27,287	27,287	27,287	27,287	27,287	27,287	27,287	27,287	27,287			
Interest Rate Payment	(2,103)	(25,277)	(25,277)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)			
Minimum Payment	(2,103)	(25,277)	(25,277)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)	(27,287)			
Ending Balance	1,409,439	1,438,668	1,463,946	1,491,839	1,519,559	1,547,895	1,575,897	1,603,574	1,630,944	1,658,007	1,684,759	1,711,196	1,737,321	1,763,138	1,788,755			
CONSTRUCT AOR: 100%	1,409,439	1,438,668	1,463,946	1,491,839	1,519,559	1,547,895	1,575,897	1,603,574	1,630,944	1,658,007	1,684,759	1,711,196	1,737,321	1,763,138	1,788,755			
Available During Construction	1,409,439	1,438,668	1,463,946	1,491,839	1,519,559	1,547,895	1,575,897	1,603,574	1,630,944	1,658,007	1,684,759	1,711,196	1,737,321	1,763,138	1,788,755			
MO RFLM																		
Beginning Balance	6,115,251	6,124,381	6,233,848	6,343,848	6,454,332	6,565,332	6,676,848	6,788,880	6,901,432	7,014,504	7,128,096	7,242,208	7,356,840	7,472,000	7,587,680			
Interest Accrued @ 1.788%	9,111	109,465	111,144	112,844	114,564	116,304	118,064	119,844	121,644	123,464	125,304	127,164	129,044	130,944	132,864			
Interest Rate Payment	(9,111)	(109,465)	(111,144)	(112,844)	(114,564)	(116,304)	(118,064)	(119,844)	(121,644)	(123,464)	(125,304)	(127,164)	(129,044)	(130,944)	(132,864)			
Minimum Payment	(9,111)	(109,465)	(111,144)	(112,844)	(114,564)	(116,304)	(118,064)	(119,844)	(121,644)	(123,464)	(125,304)	(127,164)	(129,044)	(130,944)	(132,864)			
Ending Balance	6,106,140	6,214,916	6,322,704	6,431,004	6,539,768	6,648,996	6,758,684	6,868,832	6,979,448	7,090,532	7,202,096	7,314,140	7,426,672	7,539,680	7,653,168			
CONSTRUCT AOR: 100%	6,106,140	6,214,916	6,322,704	6,431,004	6,539,768	6,648,996	6,758,684	6,868,832	6,979,448	7,090,532	7,202,096	7,314,140	7,426,672	7,539,680	7,653,168			
Available During Construction	6,106,140	6,214,916	6,322,704	6,431,004	6,539,768	6,648,996	6,758,684	6,868,832	6,979,448	7,090,532	7,202,096	7,314,140	7,426,672	7,539,680	7,653,168			
MO RFLM																		
Beginning Balance	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000			
Interest Accrued @ 1.788%	7,896	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604	93,604			
Interest Rate Payment	(7,896)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)			
Minimum Payment	(7,896)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)	(93,604)			
Ending Balance	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000			
CONSTRUCT AOR: 100%	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000			
Available During Construction	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000			
City of Coastal In Loan (Capitalized CFD Fee - PERM SOURCE ONLY)																		
Beginning Balance	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652	20,316,652			
Interest Accrued @ 1.788%	22,896	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186	276,186			
Interest Rate Payment	(22,896)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)			
Minimum Payment	(22,896)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)	(276,186)			
Ending Balance	20,338,852	20,612,848	20,892,784	21,172,240	21,456,528	21,740,816	22,025,104	22,309,392	22,593,680	22,877,968	23,162,256	23,446,544	23,730,832	24,015,120	24,299,408			
CONSTRUCT AOR: 100%	20,338,852	20,612,848	20,892,784	21,172,240	21,456,528	21,740,816	22,025,104	22,309,392	22,593,680	22,877,968	23,162,256	23,446,544	23,730,832	24,015,120	24,299,408			
Available During Construction	20,338,852	20,612,848	20,892,784	21,172,240	21,456,528	21,740,816	22,025,104	22,309,392	22,593,680	22,877,968	23,162,256	23,446,544	23,730,832	24,015,120	24,299,408			
City of Coastal In Loan (Capitalized CFD Fee - PERM SOURCE ONLY)																		
Beginning Balance	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540	2,104,540			
Interest Accrued @ 1.788%	3,135	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681	27,681			
Interest Rate Payment	(3,135)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)			
Minimum Payment	(3,135)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)	(27,681)			
Ending Balance	2,107,775	2,145,457	2,183,211	2,220,965	2,258,720	2,296,474	2,334,228	2,371,982	2,409,736	2,447,490	2,485,244	2,523,000	2,560,754	2,598,508	2,636,262			
CONSTRUCT AOR: 100%	2,107,775	2,145,457	2,183,211	2,220,965	2,258,720	2,296,474	2,334,228	2,371,982	2,409,736	2,447,490	2,485,244	2,523,000	2,560,754	2,598,508	2,636,262			
Available During Construction	2,107,775	2,145,457	2,183,211	2,220,965	2,258,720	2,296,474	2,334,228	2,371,982	2,409,736	2,447,490	2,485,244	2,523,000	2,560,754	2,598,508	2,636,262			
TOTAL OUTSTANDING DEBT (TAX BASIS)																		
Beginning Balance	46,419,955	47,046,022	47,881,256	48,812,448	49,839,120	50,962,480	52,182,480	53,503,168	54,924,816	56,447,424	58,073,088	59,800,816	61,630,608	63,563,472	65,600,416			
Interest Accrued @ 1.788%	1,142	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842	12,842			
Interest Rate Payment	(1,142)	(12,842)	(12,842)	(12,842)	(12,842)	(12,842)	(12,8											



California Housing Partnership Corporation

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California Housing Partnership Corporation

Capital Account Analysis and Tax Liability - Sale Price Equals Debt

Version: 8.07 PRC - Budget Update 09152025

UNITED PARTNER	Credit Period Year:															
	2025	2026	(7)	0	1	2	3	4	5	2033	6	7	8	9	10	11
SUMMARY OF LP ACCOUNTS AND LOSSES																
Total Losses Allocated to LP	0	0	0	1,405,128	5,742,502	3,853,802	3,874,763	3,856,662	3,838,132	3,822,567	3,812,567	3,802,567	3,792,567	3,782,567	3,772,567	3,762,567
LP Share of Annual Capital Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
Ending LP Minimum Gain Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM GAIN ANALYSIS																
Adjusted Basis	87,246,841	87,246,841	0	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841
LP Share of Annual Capital Balance	87,246,841	87,246,841	0	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841	87,246,841
Outstanding Nonrecourse Debt (Related Party)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outstanding Nonrecourse Debt (Unrelated Party)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Change in Minimum Gain	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minimum Gain - Partner (GP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
POTENTIAL LIMITED PARTNER LOSSES																
LP Share of Annual Capital Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
Annual Potential Losses Allocated to LP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) Related Party Losses Reallocated to GP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Potential LP Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP LOSS ANALYSIS - CAPITAL ACCOUNT SHARE																
Reopening LP Capital Account Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Capital Contributions	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
(Best) LP Cash Flow Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) Investment Tax Credits (Sole)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Capital Account Balance Available for Losses	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
Adjusted Potential LP Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
End of Year Capital Account Balance per Potential Losses	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
Actual Losses Allocated to LP (Minimum Gain Share)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP BRO7	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Cumulative DRO Amount	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP LOSS ANALYSIS - MINIMUM GAIN SHARE																
Beginning LP Minimum Gain Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Share of Annual Change in Minimum Gain	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Minimum Gain Balance Available for Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Potential LP Losses less Cap Acct Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allowable LP Minimum Gain Account Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Actual Losses Allocated to LP (Minimum Gain Share)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LOSSES ALLOCATED TO LP																
UNITED PARTNER CREDIT DELIVERY ANALYSIS	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
LP Share of Annual Capital Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
LP Share of Annual Capital Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
Reduction in LP LIFTC due to 70(b) Capital Shortfall	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITED PARTNER CAPITAL ACCOUNT																
Beginning LP Capital Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
(Best) Syndication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) LP Cash Flow Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) LP Cash Flow Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) LP Cash Flow Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) LP Cash Flow Distributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
End of Year Capital Account Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
UNITED PARTNER MINIMUM GAIN BALANCE																
Beginning LP Minimum Gain Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Share of Annual Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Best) Minimum Gain Chargeback Losses allocated to LP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
End of Year Minimum Gain Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITED PARTNER EXIT BENEFITABILITY ANALYSIS																
Netted Tax Basis	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
End of Year Capital Account Balance	5,511,227	5,511,227	0	7,140,351	28,815,004	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666	25,239,666
(Best) Syndication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Benefit(Liability) on Sale @ 51	1,457,368	1,457,368	0	1,457,368	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558	5,614,558

Version: 8.02 PHK+ Budget Update 09152025



California Housing Partnership Corporation

Villa Verde 4PCT

Investment Summary - LIHTC Investor

Version: 8.02 PHK+ Budget Update 09/15/2025

Assumptions																	
Marginal Tax Rate	21.0%																
YEAR	LIMITED PARTNER PAY-INS	AFTER-TAX VALUE OF LOSSES	TOTAL LTD PTR FEDERAL LIHTC	TOTAL LTD PTR CALIFORNIA LIHTC	TOTAL LTD PTR ENERGY CREDITS	TOTAL LTD PTR HISTORIC CREDITS	TAX BENEFIT/ (LIABILITY) UPON SALE	TOTAL LTD PTR TAX BENEFITS	CUMULATIVE RATIO OF BENEFITS TO LTD PTR PAY-INS	Credit Year							
2025	5,511,227	0	0	0	0	0	0	0	0.00	(2)							
2026	0	0	0	0	0	0	0	0	0.00	(1)							
2027	3,097,309	295,182	0	0	0	0	0	295,182	0.03	0							
2028	27,729,974	1,205,925	4,091,747	0	0	0	0	5,297,673	0.15	1							
2029	403,000	817,698	4,460,199	0	0	0	0	5,277,897	0.30	2							
2030		813,700	4,460,199	0	0	0	0	5,273,899	0.44	3							
2031		809,941	4,460,199	0	0	0	0	5,270,140	0.58	4							
2032		806,218	4,460,199	0	0	0	0	5,266,417	0.73	5							
2033		802,739	4,460,199					5,262,938	0.87	6							
2034		799,217	4,460,199					5,259,416	1.01	7							
2035		796,096	4,460,199					5,256,295	1.16	8							
2036		792,867	4,460,199					5,253,066	1.30	9							
2037		786,082	4,460,199					5,246,281	1.44	10							
2038		780,767	368,452					1,149,219	1.47	11							
2039		777,173	0				0	777,173	1.49	12							
2040		773,444	0				0	773,444	1.51	13							
2041		769,573	0				0	769,573	1.54	14							
2042		763,741	0				(5,088,469)	(4,324,728)	1.42	15							
2043		0	0				0	0	1.42	16							
TOTAL	36,741,510	12,590,364	44,601,989	0	0	0		52,103,884									

Net Quarterly Benefit Schedule

Version: 8.02 PHK+ Budget Update 09152025

LP EQUITY PAY-IN SCHEDULE

	AMOUNT	DATE	THRESHOLD
LP Admission (Const. Portion)	5,511,227	12/01/25	Initial Closing
Conversion Payment	27,729,974	12/01/26	Perm Conversion
860900.000%	403,000	07/01/29	8609
TOTAL LP CONTRIBUTIONS	36,741,510		

NET QUARTERLY BENEFITS

Internal Rate of Return: 9.75%

YEAR	INVESTMENT	TOTAL QUART. BENEFITS	NET QUART. BENEFITS	THRESHOLD
2025		0	0	
		0	0	
		0	0	
	(5,511,227)	0	(5,511,227)	LP Admission
2026		0	0	
		0	0	
		0	0	
		0	0	
2027		73,795	73,795	
		73,795	73,795	
		73,795	73,795	
	(3,097,309)	73,795	(3,023,514)	
2028		1,324,418	1,324,418	
		1,324,418	1,324,418	
		1,324,418	1,324,418	
	(27,729,974)	1,324,418	(26,405,556)	Perm Conversion
2029	(403,000)	1,319,474	1,319,474	Form 8609
		1,319,474	916,474	
		1,319,474	1,319,474	
		1,319,474	1,319,474	
2030	0	1,318,475	1,318,475	
	0	1,318,475	1,318,475	
	0	1,318,475	1,318,475	
	0	1,318,475	1,318,475	
2031	0	1,317,535	1,317,535	
	0	1,317,535	1,317,535	
	0	1,317,535	1,317,535	
	0	1,317,535	1,317,535	
2032	0	1,316,604	1,316,604	
	0	1,316,604	1,316,604	
	0	1,316,604	1,316,604	
	0	1,316,604	1,316,604	
2033		1,315,734	1,315,734	
		1,315,734	1,315,734	
		1,315,734	1,315,734	
		1,315,734	1,315,734	
2034		1,314,854	1,314,854	
		1,314,854	1,314,854	
		1,314,854	1,314,854	
		1,314,854	1,314,854	
2035		1,314,074	1,314,074	
		1,314,074	1,314,074	
		1,314,074	1,314,074	
		1,314,074	1,314,074	
2036		1,313,266	1,313,266	
		1,313,266	1,313,266	
		1,313,266	1,313,266	
		1,313,266	1,313,266	
2037		1,311,570	1,311,570	
		1,311,570	1,311,570	
		1,311,570	1,311,570	
		1,311,570	1,311,570	
2038		287,305	287,305	
		287,305	287,305	
		287,305	287,305	
		287,305	287,305	
2039		194,293	194,293	
		194,293	194,293	
		194,293	194,293	
		194,293	194,293	
2040		193,361	193,361	
		193,361	193,361	
		193,361	193,361	
		193,361	193,361	
2041		192,393	192,393	
		192,393	192,393	
		192,393	192,393	
		192,393	192,393	
2042		(1,081,182)	(1,081,182)	
		(1,081,182)	(1,081,182)	
		(1,081,182)	(1,081,182)	
		(1,081,182)	(1,081,182)	
2043		0	0	
		0	0	
		0	0	
		0	0	
TOTAL	36,741,510	52,103,884	15,362,374	

EXHIBIT D

SCHEDULE OF PERFORMANCE

1.	<u>Financing.</u> Borrower shall timely submit applications for financing for the Project.	Completed.
2.	<u>Additional Financing.</u> If necessary, Borrower shall re-apply for financing for the Project or apply for additional financing.	Following COUNTY approval and execution of the Agreement, but in no event later than December 31, 2026.
3.	<u>Project Budget and Plans.</u> Borrower shall submit to COUNTY the Project Budget and Plans.	A draft Project Budget and Plans shall be submitted not later than 120 days prior to the date proposed for Closing, with a final Project Budget delivered prior to Closing.
4.	<u>Financing Commitments and Documents.</u> Borrower shall submit to COUNTY financing commitments and draft legal agreements for all construction and permanent financing for the Project.	As soon as reasonably practical, but in no event later than 90 days prior to the Closing Date.
5.	<u>Escrow – Purchase of the Property.</u> If applicable, BORROWER shall open Escrow for the purchase of the Property.	At least 90 days prior to the date proposed for Closing but in no event later than 90 days prior to the Outside Closing Date.
6.	<u>Conditions Precedent to the Closing.</u> BORROWER shall satisfy all conditions precedent to Closing.	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.	<u>Closing Date.</u> The Deed of Trust and all liens required for construction financing for the Project shall be recorded in the Official Records of Riverside County provided all conditions precedent in Section 12 of Agreement 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 for the First Phase made prior to the Outside Closing Date.
8.	<u>Construction Commencement.</u> Borrower shall commence construction of the Project.	Within 90 days of the Closing Date.
9.	<u>Construction Completion.</u> Borrower shall complete construction of the Improvements for the Project (as shown on the Final Construction	Within 36 months of the Closing Date.

	Drawings upon which Borrower's building permit is based).	
10.	<u>Leasing.</u> Borrower shall have entered into leases with Qualified Tenants for the PLHA Units.	Within four (4) months of Notice of Completion.
11.	<u>Submission of Final actual project costs and Sources and Uses of Funds</u>	Within eleven (11) months from Notice of Completion.
12.	<u>Submission of Initial Tenant Checklist report (Exhibit G)</u>	Within 3 months from Notice of Completion.

DOCUMENT SUBMISSION SCHEDULE

Documents	Due Date
1. Construction Activities Reporting	Upon request, due by the 5 th of following month
2. Liability and Certificate of Workers' Compensation Insurance for Borrower and General Contractor (GC)	BORROWER – At Closing. GC –At Closing, but in no event later than the start of construction. Copies of Certificates must be filed and up-to-date throughout the course of the Project with COUNTY additionally insured.
3. Project Site Photos	Bimonthly, due by the 5 th of each month
4. The filing of the Notice of Completion	End of Construction
5. Certificate of Occupancy	End of Construction
6. Tenant Checklist Reporting	Close of Project; and Semi-Annually–Sept 30th & March 31 st
7. Conditional/Unconditional Release for Final from GC, and if applicable, Sub-contractors	Close of Project
8. Project Completion Report	Close of Project
9. Final Development Cost - Sources and Uses	Close of Project
10. Final Cost Certification by CPA	Close of Project and Audits Completed
11. Final 15/30 Year Cash Flow Projection	Close of Project
12. Affirmative Fair Housing Marketing Plan, HCD form 935.2A	Marketing Stage
13. Management Plan	Marketing Stage
14. Tenant Selection Policy	Marketing Stage
15. Copy of Lease Agreement	Marketing Stage
16. Flyers, Community Contacts, Outreach, Press Releases, Grand Opening info	Marketing Stage
17. Project Operating Budget	Annual submission
18. Audited Yearly Income Expense Report for the Project	Annual submission

Exhibit E

PLHA DEED OF TRUST

EXEMPT RECORDING FEE
Government Code Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
3403 Tenth Street, Suite #300
Riverside, CA 92501
Attn. Leah Rodriguez

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING
(WITH ASSIGNMENT OF RENTS)
PLHA Loan Funds**

This DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING WITH ASSIGNMENT OF RENTS ("Deed of Trust") is made this ____ day of _____, 2026 by VILLA VERDE I, L.P., a California limited partnership, (hereinafter referred to as "Trustor"), whose address is c/o Abode Communities, 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033. The trustee is _____ ("Trustee"). The beneficiary is the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (hereinafter called "Beneficiary"), whose address is 3403 Tenth Street, Suite #300, Riverside, CA 92501.

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

(A) That certain fee interest in the real property located at 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, also identified as Assessor's Parcel Number 768-400-001, and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (such interest in real property is hereafter referred to as the "Subject Property");

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

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

(D) All rents, issues, income, revenues, royalties and profits now or in the future payable with respect to or otherwise derived from the Trust Estate or the Trustorship, use,

management, operation leasing or occupancy of the Trust Estate, including those past due and unpaid (the "Rents");

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

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

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

remedies of a “secured party” under the UCC and other applicable California law. Trustor covenants and agrees that this Deed of Trust constitutes a fixture filing under Section 9334 and 9502(b) of the UCC.

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

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

(a) that certain Promissory Note Secured by Deed of Trust (PLHA Loan Funds) in favor of the Beneficiary (“County” therein) executed by Trustor (“Borrower” therein) of even date herewith (the “Note”) in the principal amount of \$6,115,252;

(b) that certain Loan Agreement for the Use of PLHA Program Funds dated _____, 2026 and recorded in the Official Records of the County of Riverside (“Official Records”) concurrently herewith, between Trustor (“Borrower” therein) and Beneficiary (“County” therein) (the “PLHA Loan Agreement”); and

(c) that certain Covenant Agreement (PLHA Loan Funds) dated on or about the date hereof and recorded concurrently herewith in the Official Records, between Trustor (“Borrower” therein) and Beneficiary (“County” therein) (“Covenant Agreement”).

(ii) payment of indebtedness of the Trustor to the Beneficiary in the original principal amount of **Six million, one hundred fifteen thousand, two hundred fifty-two and 00/100 dollars (\$6,115,252)** (the “PLHA Loan”), together with any interest or other amounts due according to the terms of the Note and/or the PLHA Loan Agreement.

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

TRUSTOR COVENANTS that the Trustor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the fee interest of the Property. Trustor warrants and will defend generally the title to the Property against all claims and demands, subject to such encumbrances of record.

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

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

2. That Trustor shall not permit or suffer the use of any of the Property for any purpose other than the use set forth in the PLHA Loan Agreement and Covenant Agreement.

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

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

4a. That upon default hereunder or under any of the Secured Obligations and after giving notice and opportunity to cure, Beneficiary shall be entitled to the appointment of receiver by any court having jurisdiction, without notice, to take possession and protect the Trust Estate described herein and operate the Real Property and collect the rents, profits and income therefrom.

5. **Payment of Principal and Interest; Prepayment and Late Charges.** Trustor shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any late charges due under the Note.

6. **Taxes and Insurance.** Trustor shall pay before delinquency all taxes and assessments affecting said Real 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 Deed of Trust; provided however, Trustor shall not be required to pay and discharge any such tax, assessment, charge or levy so long as (a) the legality thereof shall be promptly and actively contested in good faith and by appropriate proceedings and, (b) Trustor maintains reserves adequate to pay any liabilities contested pursuant to this **Section 6**.

a. Should Trustor fail to make any payment or to do any act herein provided, then Beneficiary or Trustee, but without obligation so to do and upon written notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, 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 or her reasonable fees.

7. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Beneficiary under **Section 5** shall be applied: first, to interest due; second, to principal due; and last, to any late charges due under the Note.

8. **Prior Deeds of Trust; Charge; Liens.** Trustor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Deed of Trust, and leasehold payments or ground rents, if any, subject to applicable cure periods directly to the person owed payment. Trustor shall pay these obligations in the manner provided in **Section 6**. Trustor shall promptly furnish to Beneficiary all notices of amounts to be paid under this Section. If Trustor makes these payments directly, Trustor shall promptly furnish to Beneficiary receipts evidencing the payments.

Except for the liens permitted in writing by the Beneficiary, or reflected in the lender's title policy provided to Beneficiary on or about the date hereof with respect to the Property, Trustor shall promptly discharge any other lien which shall have attained priority over this Deed of Trust unless Trustor: (1) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Beneficiary; (2) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Beneficiary's opinion operate to prevent the enforcement of the lien; or (3) bonds around the lien (4) secures from the holder of the lien an agreement satisfactory to Beneficiary subordinating the lien to this Deed of Trust. Except for the liens approved herein or reflected in the lender's title policy provided to Beneficiary on or about the date hereof with respect to the Property, if Beneficiary determines that any part of the Property is subject to a lien which may attain priority over this Deed of Trust, Beneficiary may give Trustor a notice identifying the lien. Trustor shall satisfy such lien or take one or more of the actions set forth above within 30 days of the giving of notice.

9. **Subordinate Priority Position.** This Deed of Trust shall be recorded in a subordinate priority position junior in priority to: (i) HCD Homekey+ Use Restriction, (ii) Regulatory Agreement and Declaration of Restrictive Covenants for the benefit of the California Municipal Finance Authority ("Governmental Lender"), (iii) upon recordation and conversion to the permanent phase, an HCD NPLH Regulatory Agreement (iv) the Covenant Agreement, (v) HACR RDA Regulatory Agreement, (vi) City of Coachella CFD Regulatory Agreement, (vii) Construction Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing executed by Borrower for the benefit of the Governmental Lender and assigned to [____], as Fiscal Agent, for the benefit of JPMorgan Chase Bank, N.A. and Low Income Investment Fund, in their capacities as Funding Lenders pursuant to an Assignment of Deed of Trust and Related Documents, (viii) HCD Homekey+ Deed of Trust, and (ix) City of Coachella Loan Deed of Trust, and (vix) Deed of Trust for the benefit of KeyBank, N.A. upon recordation and conversion to the permanent phase (collectively, "Senior Loan") The beneficiaries of each Senior Loan are collectively hereafter referred to as "Senior Lender" or "Senior Lien Holder". Beneficiary hereby agrees to execute any and all documents necessary to effectuate such priority, including, but not limited to subordination agreements first approved as to form and content by Beneficiary and Beneficiary's legal counsel.

10. **Hazard or Property Insurance.** Trustor shall keep the improvements now existing or hereafter erected on the Property insured against loss of fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Beneficiary requires insurance. This insurance shall be maintained in the amounts and for the periods as required in the PLHA Loan Agreement. The insurance carrier providing the insurance shall be chosen by Trustor subject to Beneficiary's approval which shall not be unreasonably withheld. If Trustor fails to maintain coverage described above, Beneficiary may, at Beneficiary's option, obtain coverage to protect Beneficiary's rights in the Property in accordance with **Section 12.**

a. All insurance policies and renewals shall be acceptable to Beneficiary and shall include a standard mortgage clause. All requirements hereof pertaining to insurance shall be deemed satisfied if the Trustor complies with the insurance requirements under this Deed of Trust and the PLHA Loan Agreement. Trustor shall promptly give to Beneficiary certificates of insurance showing the coverage is in full force and effect and that Beneficiary is named as additional insured. In the event of loss, Trustor shall give prompt notice to the insurance carrier, the Senior Lien Holder, if any, and Beneficiary. Beneficiary may make proof of loss if not made promptly by the Senior Lien Holder, if any, or the Trustor.

b. Unless Beneficiary and Trustor otherwise agree in writing and subject to the rights of senior lenders, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Trustor determines that such restoration or repair is economically feasible and there is no default continuing beyond the expiration of all applicable cure periods. If Trustor determines that such restoration or repair is not economically feasible or if a default exists after expiration of all applicable cure periods, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Trustor. If the Property is abandoned by Trustor, or if Trustor fails to respond to Beneficiary within 30 days from the date notice is mailed by Beneficiary to Trustor that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds at Beneficiary's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of Note. If under **Section 27** the Property is acquired by Beneficiary, Trustor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

d. Notwithstanding the above, the Beneficiary's rights to collect and apply the insurance proceeds hereunder shall be subject and subordinate to the rights of a Senior Lien Holder, if any, to collect and apply such proceeds in accordance with a Senior Lien Holder deed of trust.

11. **Preservation, Maintenance and Protection of the Property; Trustor's Loan Application; Leaseholds.** Trustor shall not destroy, damage or impair the Real Property, allow the Real Property to deteriorate, or commit waste on the Real Property; normal wear and tear excepted. Trustor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Beneficiary's good faith judgment could result in forfeiture of the Real Property or otherwise materially impair the lien created by this Deed of Trust or Beneficiary's

security interest. Trustor may cure such a default and reinstate, as provided in **Section 23**, by causing the action or proceeding to be dismissed with a ruling that, in Beneficiary's good faith determination, precludes forfeiture of the Trustor's interest in the Real Property or other material impairment of the lien created by this Deed of Trust or Beneficiary's security interest. Trustor shall also be in default if Trustor, during the loan application process, gave materially false or inaccurate information or statements to Beneficiary (or failed to provide Beneficiary with any material information) in connection with the loan evidenced by the Note, including, but not limited to representations concerning Trustor's use of the Real Property for affordable housing. If this Deed of Trust is on a leasehold, Trustor shall comply with all provisions of the lease. If Trustor acquires fee title to the Property, the leasehold and the fee title shall not merge unless Beneficiary agrees to the merger in writing.

The Trustor acknowledges that the Real Property is subject to certain use and occupancy restrictions (which may be further evidenced by a separate agreement recorded in the land records where the Property is located), limiting the Property's use to activities that comply with the PLHA Program (as defined in the PLHA Loan Agreement). The use and occupancy restrictions may limit the Trustor's ability to rent the Property. The violation of any use and occupancy restrictions may, if not prohibited by applicable law, entitle the Beneficiary to the remedies provided in **Section 27** hereof.

12. **Protection of Beneficiary's Rights in the Property.** If Trustor fails to perform the covenants and agreements contained in this Deed of Trust, or there is a legal proceeding that may significantly affect Beneficiary's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then, subject to any applicable grace periods or cure periods, Beneficiary may do and pay for whatever is necessary to protect the value of the Property and Beneficiary's rights in the Property. Beneficiary's actions may include paying any sums secured by a lien which has priority over this Deed of Trust, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Beneficiary may take action under this **Section 12**, Beneficiary does not have to do so.

Any amounts disbursed by Beneficiary under this **Section 12** shall become additional debt of Trustor secured by this Deed of Trust. Unless Trustor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Beneficiary to Trustor requesting payment.

13. **Reserved.**

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

15. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Real Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary, subject to the terms of a Senior Lien Holder Deed of Trust, if any.

a. In the event of a total taking of the Real Property, the proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Trustor. In the event of a partial taking of the Real Property in which the fair market value of the Real Property immediately before the taking is equal to or greater than the amount of the sums secured by this Deed of Trust immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing, the sums secured by this Deed of Trust shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Real Property immediately before the taking. Any balance shall be paid to Trustor. In the event of a partial taking of the Real Property in which the fair market value of the Real Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Deed of Trust whether or not the sums are then due. Notwithstanding the foregoing, so long as the value of Beneficiary's lien is not impaired, any condemnation proceeds may be used by Trustor for repair and/or restoration of the project.

b. If the Real Property is abandoned by Trustor, or if, after notice by Beneficiary to Trustor that the condemner offers to make an award or settle a claim for damages, Trustor fails to respond to Beneficiary within 30 days after the date the notice is given, Beneficiary is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Real Property or to the sums secured by this Deed of Trust, whether or not then due.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in **Sections 5 and 6** or change the amount of such payments.

16. Trustor Not Released; Forbearance By Beneficiary Not a Waiver. Except in connection with any successor in interest approved by Beneficiary in writing, extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Trustor shall not operate to release the liability of the original Trustor or Trustor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Trustor or Trustor's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

17. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Deed of Trust shall bind and benefit the successors and assigns of Beneficiary and Trustor, subject to the provisions of **Section 22**. Trustor's covenants and agreements shall be joint and several.

18. Loan Charges. If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Trustor which exceeded permitted limits

will be promptly refunded to Trustor. Beneficiary may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Trustor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

19. **Notices.** Any notice to Trustor provided for in this Deed of Trust shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Trustor's mailing address stated herein or any other address Trustor designates by notice to Beneficiary. All such notices to Trustor shall also be provided to any party requested by Trustor in writing, including any limited partner of Trustor at the address set forth in the PLHA Loan Agreement. Any notice to Beneficiary shall be given by first class mail to Beneficiary's address stated herein or any other address Beneficiary designates by notice to Trustor. Any notice required to be given to a Senior Lien Holder shall be given by first class mail to such other address the Senior Lien Holder designates by notice to the Trustor. Any notice provided for in this Deed of Trust shall be deemed to have been given to Trustor or Beneficiary when given as provided in this Section.

20. **Governing Law; Severability.** This Deed of Trust and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California. Each paragraph and provision of this Deed of Trust is severable from each other provision, and if any provision or part thereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect. To this end the provisions of this Deed of Trust and the Note are declared to be severable. Any action at law or in equity arising under this Deed of Trust or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement 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.

21. **Trustor's Copy.** Trustor shall be given one conformed copy of the Note and of this Deed of Trust.

22. **Transfer of the Property or a Beneficial Interest in Trustor.** Except as otherwise allowed under the PLHA Loan Agreement (a "Permitted Transfer"), if all or any part of the Real Property or any interest in it is sold or transferred (or if a beneficial interest in Trustor is sold or transferred and Trustor is not a natural person) without Beneficiary's prior written consent (including a transfer of all or any part of the Property to any person who, at initial occupancy of the Property, does not use the Real Property for activities that comply with the PLHA Loan Agreement) Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by applicable law as of the date of this Deed of Trust. Nothing in this Deed of Trust shall be deemed to require Beneficiary's approval of a conveyance of an easement interest in the Property for utility purposes.

a. If Beneficiary exercises the aforementioned option, Beneficiary shall give Trustor and the Senior Lien Holder, prior written notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Trustor must pay all sums secured by this Deed of Trust. If Trustor fails to pay these sums prior to the expiration of

this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Trustor.

b. SALE, ASSIGNMENT OR OTHER TRANSFER OF THE PROJECT. BORROWER hereby covenants and agrees not to sell, assign, transfer or otherwise dispose of the Project or any portion thereof, without obtaining the prior written consent of the COUNTY, which consent shall be conditioned upon (a) a County determination that transferee is a qualified and experienced operator of low income housing, and (b) solely upon receipt by the COUNTY of reasonable evidence satisfactory to the COUNTY in its sole discretion, that transferee has assumed in writing all of BORROWER'S duties and obligations under this Agreement, and is reasonably capable of performing and complying with the BORROWER's duties and obligations under this Agreement. Notwithstanding anything to the contrary contained herein, upon written notice to COUNTY, BORROWER may (i) lease for occupancy of all or any of the PLHA Units in accordance with this Agreement; (ii) grant easements or permits to facilitate the development of the Property in accordance with this Agreement; (iii) transfer the BORROWER'S limited partnership interest; (iv) remove and replace the BORROWER'S general partner(s) for cause in accordance with BORROWER'S amended and restated agreement of limited partnership; and (v) make transfers pursuant to that certain Purchase Option Agreement (collectively a "Permitted Transfer"). Notwithstanding the foregoing, the BORROWER shall be permitted to refinance the senior priority loan (for the same amount) plus the costs of such refinancing on terms reasonably satisfactory to the County (the "Refinanced Loan"), and the COUNTY agrees that the PLHA Deed of Trust and other documents evidencing and/or securing the COUNTY's PLHA Loan shall remain subordinate to any such Refinanced Loan. BORROWER acknowledges and agrees that the Covenant Agreement shall remain in a senior lien priority to maintain the affordability restrictions for Qualified Households through the Affordability Period. Nothing herein shall prohibit or otherwise limit the exercise of a senior lender's rights and remedies under the Senior Loan, including a foreclosure or deed-in-lieu of foreclosure and subsequent transfer thereafter. For the avoidance of doubt, a foreclosure or deed in lieu of foreclosure of the lien securing a Senior Loan and the subsequent sale of any property acquired pursuant to such foreclosure (and any financing obtained in connection therewith), shall not require the consent of COUNTY and shall not be deemed an event of default under this Agreement.

23. Trustor's Right to Reinstate. If Trustor meets certain conditions, Trustor shall have the right to have enforcement of this Deed of Trust discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (b) entry of a judgment enforcing this Deed of Trust. Those conditions are that Trustor: (a) pays Beneficiary all sums which then would be due under this Deed of Trust and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Real Property and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unchanged. Upon reinstatement by Trustor, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under **Section 22**.

24. Reserved.

25. **No Assignment.** Except in a case of a Permitted Transfer, the Note and this Deed of Trust shall not be assigned by Trustor without the Beneficiary's prior written consent.

26. **Hazardous Substances.** Trustor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Real Property. Trustor shall not do, nor allow anyone else to do, anything affecting the Real Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses, construction, and to maintenance of the Real Property.

a. Trustor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Trustor has actual knowledge. If Trustor learns or is notified in writing by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Real Property is necessary, Trustor shall promptly take all necessary remedial actions in accordance with Environmental Law.

b. As used in this **Section 26**, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials, excluding household products in normal quantities. As used in this **Section 26**, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

27. **Acceleration; Remedies.** Beneficiary shall give notice to Trustor prior to acceleration following Trustor's breach of any covenant or agreement in this Deed of Trust. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, which shall not be more than ten (10) calendar days from the date of the mailing of the notice for a monetary default, or a date, which shall not be more than thirty (30) calendar days from the mailing of the notice for a non-monetary default, by which the default must be cured (unless it is not reasonably capable of being cured within thirty (30) days, and Trustor (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then Trustor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in no event no more than one hundred twenty (120) days from the date of the notice of default); and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Trustor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Trustor to acceleration and sale. If the default is not cured by the Trustor on or before the date specified in the notice, and the Senior Lien Holder has not cured the default within that same period, subject to any non-recourse provisions then in effect, Beneficiary at its option may require immediate payment in full of all sums secured by this Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Beneficiary shall be entitled to collect all expenses incurred in pursuing the

remedies provided in this **Section 27**, including, but not limited to, reasonable attorneys' fees and costs of title evidence. Copies of all notices which are sent to the Trustor under the terms of this Deed of Trust shall also be sent to the Trustor's limited partners. Trustor's limited partners shall have the right, but not the obligation, to cure any default hereunder on behalf of Trustor, and any cure made or tendered by the limited partners shall be accepted or rejected on the same basis as if made by Trustor.

a. If Beneficiary invokes the power of sale, Beneficiary or Trustee shall mail copies of a notice of sale in the manner prescribed by applicable law to Trustor, the investor limited partner, the Senior Lien Holder and to the other persons prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property to any later time on the same date by public announcement at the time and place of any previously scheduled sale. Beneficiary or its designee may purchase the Property at any sale.

b. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Deed of Trust; and (c) any excess to the person or persons legally entitled to it.

28. **Release.** Upon payment of all sums secured by this Deed of Trust, Beneficiary shall release this Deed of Trust without charge to Trustor. Trustor shall pay any recordation costs. The lien of the Covenant Agreement shall not be released or reconveyed until the expiration of the term set forth therein notwithstanding the payment of all sums secured by this Deed of Trust.

29. **Substitute Trustee.** Beneficiary, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

30. **Reserved.**

31. **Removal, Demolition or Alteration of Personal Property and Fixtures.** Except to the extent permitted by the following sentence, no personal property or fixtures shall be removed, demolished or materially altered without the prior written consent of the Beneficiary. Trustor may remove and dispose of, free from the lien of this Deed of Trust, such personal property and fixtures as from time to time become worn out or obsolete, providing that, (a) the same is done in the ordinary course of business, and (2) either (i) at the time of, or prior to, such removal, any such personal property or fixtures are replaced with other personal property or fixtures which are free from liens other than encumbrances permitted hereunder and which have a value at least equal to that of the replaced personal property and fixtures (and by such removal replacement Trustor shall be deemed to have subjected such replacement personal property and fixtures to the lien of

this Deed of Trust), or (ii) such personal property and fixtures may not require replacement if functionally, economically or operationally obsolete and so long as the fair market value of and operational efficiency of the Project is not reduced or adversely effected thereby.

32. **Severability.** Each paragraph and provision of this Deed of Trust is severable from each other provision, and if any provision or part thereof is declared invalid by a competent court of law, the remaining provisions shall nevertheless remain in full force and effect.

[Remainder of Page Blank]

[Signatures on Following Page]

BY SIGNING BELOW, TRUSTOR accepts and agrees to the terms and covenants contained in this Deed of Trust.

TRUSTOR:

VILLA VERDE I, L.P., A California limited partnership

By: Villa Verde I GP, LLC,
a California limited company
Its: Managing General Partner

By: Abode Communities, a California nonprofit public benefit corporation,
Its: Sole Member

By: _____

Lara Regus
Its: Senior Vice President, Development

(TRUSTOR signature needs to be notarized)

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 OF PROPERTY

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 RIGHT-OF-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 A: Assessor's Parcel Number 768-400-001 and 84824 Calle Verde, Coachella

Exhibit F

PLHA NOTE

PROMISSORY NOTE SECURED BY DEED OF TRUST

PLHA LOAN FUNDS

\$6,115,252 (“**Loan Amount**”) _____, 2026 (“**Note Date**”)

FOR VALUE RECEIVED, VILLA VERDE I, L.P., a California limited partnership (“BORROWER”), promises to pay the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY”), at 3403 Tenth Street, Suite #300, Riverside, CA 92501, or order, the sum of Six million, one hundred fifteen thousand, two hundred fifty-two and 00/100 dollars (\$6,115,252 USD) (the “PLHA Loan” or “Note Amount”) which at the time of payment is due in funds lawful for the payment of public and private debts.

This Promissory Note Secured by Deed of Trust – PLHA Loan Funds (this “Note”) is given in accordance with that certain Loan Agreement for the Use of PLHA Program Funds executed by COUNTY and BORROWER, dated as of _____, 2026 and recorded in the Official Records of the County of Riverside (“Official Records”) on or about the date hereof, (the “PLHA Loan Agreement”). Except to the extent otherwise expressly defined in this Note, all capitalized terms shall have the meanings ascribed to such terms in the PLHA Loan Agreement. The Note is secured by a Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents executed by BORROWER for the benefit of the COUNTY dated _____, 2026 and recorded on or about _____, 2026 in the Official Records (the “PLHA Deed of Trust” or “Deed of Trust”). This Note, the PLHA Loan Agreement, the Deed of Trust, the Covenant (as hereinafter defined) and all agreements entered into in connection with the foregoing, and any amendments or modifications thereto, shall collectively be referred to herein as the “PLHA Loan Documents.”

The rights and obligations of the BORROWER and COUNTY under this Note shall be governed by the PLHA Loan Documents and the following terms:

1. The PLHA Loan evidenced by this Note and secured by the Deed of Trust are being made pursuant to the Permanent Local Housing Allocation (“PLHA”) Program Statutes, Final Guidelines, Notice Of Funding Availability, a Standard Agreement and applicable rules and regulations imposed by the Department of Housing and Community Development (“HCD”) on PLHA funding recipients (collectively, the “PLHA Program”). BORROWER agrees for itself, its successors and assigns, that the use of the Property shall be subject to the restrictions on rent and occupancy set forth in the PLHA Program regulations, the PLHA Loan Documents and that certain Covenant Agreement dated on or about the date hereof and recorded on or about the date hereof in the Official Records between BORROWER and COUNTY (“Covenant”).
2. That the PLHA Loan will accrue simple interest at a rate of three percent (3%) per annum, except in the case of default, as hereinafter provided, and shall be repaid on an annual basis

from the Project's Residual Receipts as defined herein. Interest will accrue 30 days from the date of recordation of the Notice of Completion in the Official Records.

3. This Note shall be repaid according to the following: a pro rata share of fifty (50%) of the Project's Residual Receipts shall be paid to COUNTY (pro rata with respect to the amount of the loan for the Project) annually in accordance with the terms set forth herein. The pro rata share of 11.84% to COUNTY ("Pro Rata Share"). Such payment of the Pro Rata Share of fifty percent (50%) of the Project's Residual Receipts to COUNTY shall continue until the COUNTY's PLHA Note is repaid in full, and the remaining fifty percent (50%) of the Project's Residual Receipts will be paid to BORROWER.
4. The Project's Residual Receipts shall be determined based on an annual review of audited financial statements for the Project. Annual audited financial statements shall be submitted by BORROWER within one hundred eighty (180) days following the close of the project fiscal year commencing on April 1 of the first full calendar year following the recordation of the Notice of Completion for the Project. All outstanding principal along with accrued interest shall be due upon the maturity date of the PLHA note and the expiration of the PLHA Loan Term (the "Maturity Date"). The first payment shall be due on July 1st in the first full calendar year following the 15th year after the date of the recordation of the Notice of Completion for the Project, to the extent of available Residual Receipts, as set forth herein. Subsequent payments shall be made on July 1st thereafter to the extent of available Residual Receipts until the sooner of full repayment of the PLHA Loan or the Maturity Date as set forth above.
5. The Project's Residual Receipts shall be determined based on an annual review of audited financial statements for the Project. Annual audited financial statements shall be submitted by BORROWER to COUNTY within one hundred eighty (180) days following the close of the project fiscal year commencing on April 1st of the first full calendar year following the recordation of the Notice of Completion. The term "Project Residual Receipts" as used herein shall mean the gross rental and other income from all residential and non-residential components of the Project, proceeds from loss of rent insurance, and any other income to the BORROWER derived from the ownership, operation and management of the Project, not including interest on required reserve accounts, loan proceeds, capital contributions and insurance proceeds used for repair/reconstruction, less the following operating expenses:
 - i) auditing and accounting fees;
 - ii) a reasonable property management fee not to exceed \$62.66 per unit per month, increased annually by an amount not to exceed the greater of (i) five percent (5.0%) or (ii) the increase in the Consumer Price Index for San Bernardino – Riverside – Ontario, CA area ("CPI");
 - iii) operating expenses (any expense reasonably and normally incurred in carrying out the Project's day-to-day activities, which shall include administration, on-site management, utilities, on-site staff payroll, payroll taxes, and maintenance);

iv) required deposits into replacement reserves in such amount as approved by COUNTY for the Project, established in a separate account from operating reserves, limited to a capitalized payment of \$14,500 and thereafter \$500 per unit per year for all Units in the Project, increased annually by an amount not to exceed the greater of (i) three percent (3%) or (ii) the increase in CPI;

v) required payment to the HCD Poole Transition Reserve in the amount of \$322,600;

vi) required operating reserve replenishments in an amount up to \$175,000 per year;

vii) payments of principal and interest on amortized loans and indebtedness senior to the PLHA Loan, which have been approved by COUNTY as KeyBank Tax Exempt Permanent Loan, HCD Homekey+, City of Coachella Capitalized CFD Fees, HACR, (collectively, the "Senior Debt");

viii) COUNTY's Annual PLHA Monitoring Fee in the total annual amount of \$11,600, increased annually by an amount equal to the increase in CPI (but in no event to exceed 5% per annum) The first Monitoring Fee payment will be made following the repayment of deferred developer fee. Any County Monitoring Fees unpaid for year will accrue and rollover to each following year not paid. Monitoring Fees will remain in place for remainder of Affordability Period contingent upon statutory guidance requiring cancellation of Monitoring Fee;

ix) repayment of any operating deficit loans made by a partner to the BORROWER and payment of any unpaid tax credit adjustment payments or payments to address an income tax liability of the limited partner of BORROWER as provided in the BORROWER's First Amended and Restated Agreement of Limited Partnership owed to a limited partner of BORROWER;

x) partnership management fees up to \$32,004 annually payable to a partner of BORROWER, increased annually by three percent (3%), and asset management fees up to \$7,500 annually payable to a partner of BORROWER, increased annually by three percent (3%) and any accrued and unpaid fees from prior years;

xi) payment of deferred developer fees pursuant to BORROWER's limited partnership agreement; and

xii) repayment of limited partner loans.

6. The PLHA Loan evidenced by this Note is secured by that certain PLHA Deed of Trust executed by BORROWER for the benefit of COUNTY, dated on or about the date hereof and recorded in the Official Records.
7. This Note may be prepaid in whole or in part by the undersigned at any time without prepayment penalty or premium, provided however notwithstanding such prepayment, BORROWER shall be required to adhere to the affordability restrictions contained in the Covenants until the expiration of the Term contained therein.

8. Subject to the provisions and limitations of this **Section 8**, the obligation to repay the Note Amount is a nonrecourse obligation of BORROWER. Neither BORROWER nor its shareholders, members or partners shall have any personal liability for repayment of the Note Amount, except as provided in this **Section 8**. The sole recourse of the COUNTY shall be the exercise of its rights against the Property (or any portion thereof) and any related security for the PLHA Loan; provided, however, that the foregoing shall not (i) constitute a waiver of any other obligation evidenced by this Note or the Deed of Trust; (ii) limit the right of the COUNTY to name BORROWER as a party defendant in any action or suit for judicial foreclosure and sale under this Note and the Deed of Trust or any action or proceeding hereunder so long as no judgment in the nature of a deficiency judgment shall be asked for or taken against BORROWER; (iii) release or impair either this Note or the Deed of Trust; (iv) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, any other remedy against the mortgaged Property or any other instrument securing this Note or as prescribed by law or in equity in case of default; (v) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, its remedies in respect of any deposits, insurance proceeds, condemnation awards or other monies or other collateral or letters of credit securing this Note; or (vi) affect in any way the validity of any guarantee or indemnity from any person of all or any of the obligations evidenced and secured by this Note and the Deed of Trust. Notwithstanding the first sentence of this **Section 8**, the COUNTY may recover directly from BORROWER or, unless otherwise prohibited by any applicable law, from any other party: (a) any actual damages, costs and expenses incurred by the COUNTY as a result of fraud, misrepresentation or any criminal act or acts of BORROWER or any general partner, member, shareholder, officer, director or employee of BORROWER, or of any general partner of such member or general partner; (b) any damages, costs and expenses incurred by the COUNTY as a result of any misappropriation of funds provided to pay costs as described in the PLHA Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds; (c) any misappropriation of rental proceeds resulting in the failure to pay taxes, assessments, or other charges that could create statutory liens on the Project and that are payable or applicable prior to any foreclosure under the Deed of Trust; (d) the fair market value of any personal property or fixtures removed or disposed of by the BORROWER other than in accordance with the Deed of Trust; (e) any and all amounts owing by BORROWER pursuant to any indemnity set forth in the PLHA Loan Agreement and/or Deed of Trust or the indemnification regarding Hazardous Substances pursuant to the PLHA Loan Agreement and/or Deed of Trust, and (f) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions.
9. The occurrence of any of the following events shall constitute an "Event of Default" under this Note after notice and opportunity to cure pursuant to the terms set forth in the PLHA Loan Agreement:
- a. Monetary Default. (1) BORROWER's failure to pay when due any sums payable under this Note or any advances made by COUNTY under the PLHA Loan Agreement, (2) BORROWER'S or any agent of BORROWER'S use of PLHA funds for costs other than those costs permitted under the PLHA Loan Agreement or for uses

inconsistent with terms and restrictions set forth therein, (3) BORROWER'S or any agent of BORROWER'S failure to make any other payment of any assessment or tax due under the PLHA Loan Agreement, and /or (4) default past any applicable notice and cure period under the terms of (i) any Deed of Trust executed by BORROWER in connection with any Senior Debt, and (ii) any other instrument or document secured against the Property;

b. Non-Monetary Default - Operation. (1) Discrimination by BORROWER or BORROWER'S agent on the basis of characteristics prohibited by the PLHA Loan Documents or applicable law, (2) the imposition of any encumbrances or liens on the Project without COUNTY's prior written approval that are prohibited under this agreement or that have the effect of reducing the priority or invalidating the lien of the PLHA Deed of Trust, (3) BORROWER's failure to obtain and maintain the insurance coverage required under the PLHA Loan Agreement, (4) any material default under the PLHA Loan Documents, or any document executed by the COUNTY in connection with the PLHA Program, and/or (5) default past any applicable notice and cure period under the terms of any Deed of Trust executed by BORROWER in connection with any Senior Debt and any other instrument or document secured against the Property;

c. General Performance of Loan Obligations. Any substantial or continuous or repeated breach by BORROWER or BORROWER'S agents of any material obligations on BORROWER imposed by the PLHA Loan Documents; and

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

10. COUNTY shall give written notice of default to BORROWER, specifying the default complained of by the COUNTY. BORROWER shall have ten (10) calendar days from the mailing of the notice for a monetary default and thirty (30) calendar days from the mailing of the notice for non-monetary default (unless it is not reasonably capable of being cured within thirty (30) days, and BORROWER (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then BORROWER shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in no event no more than one hundred twenty (120) days from the date of the notice of default), by which such action to cure must be taken. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. Notwithstanding anything to the contrary contained in the PLHA Loan Documents, COUNTY hereby agrees that BORROWER'S limited partner shall have the right, but not the obligation, to cure any defaults of the BORROWER hereunder and under any of the PLHA Loan Documents, and the COUNTY agrees to accept cures tendered by BORROWER'S limited partner on behalf of the BORROWER within the applicable cure periods set forth therein. Copies of all notices which are sent to the BORROWER under the terms of the PLHA Loan Documents shall also be sent to the BORROWER'S limited partner at: Wincopin Circle LLLP, c/o Enterprise Community Asset Management, Inc., 11000 Broken Land Parkway, Suite 700,

Columbia, MD 21044, Attention: General Counsel, with a copy to: Gallagher LLP, 218 North Charles Street, Suite 400, Baltimore, MD 21201, Attention: Jessica Weston.

11. Any failures or delays by COUNTY 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 COUNTY in asserting any of its rights and remedies shall not deprive COUNTY 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.
12. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations shall be completely performed and paid. In the event that any provision or clause of this Note conflicts with applicable law, such conflict will not affect other provisions of this Note which can be given effect without the conflicting provision, and to this end the provisions of this Note are declared to be severable.
13. BORROWER hereby waives diligence, presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of BORROWER hereunder, the COUNTY may extend any maturity date or the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note. BORROWER further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any deed of trust, security agreement, guaranty or other agreement now or hereafter securing this Note.
14. Should default be made in payment of principal and interest when due and such default shall continue beyond the applicable notice and cure period provided in the PLHA Loan Agreement, the whole sum of principal and interest shall become immediately due at the option of the holder of this Note. Principal and interest are payable in lawful money of the United States. If action be instituted on this Note, the undersigned promises to pay such sums as the Court may fix as attorney's fees.
15. 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.
16. 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 COUNTY.

17. The COUNTY 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.
18. Except as otherwise permitted in the PLHA Loan Documents, 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 COUNTY, which consent the COUNTY may give or withhold in its sole and absolute discretion. In the absence of specific written agreement by the COUNTY, no unauthorized assignment or transfer, or approval thereof by the COUNTY, shall be deemed to relieve BORROWER or any other party from any obligations under the PLHA Loan Agreement or this Note. This provision shall not affect or diminish the COUNTY's assignment rights under this Note.
19. Subject to the provisions of **Section 25** below, except as to the permitted deeds of trust identified in the Deed of Trust, BORROWER shall not encumber the Property for the purpose of securing financing either senior or junior in priority or subordinated to the Deed of Trust without the prior written approval of the COUNTY in its sole and absolute discretion.
20. The relationship of BORROWER and the COUNTY 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.
21. (a) Formal notices, demands and communications between the COUNTY and BORROWER shall be deemed sufficiently given if made in writing and dispatched by any of the following methods to the addresses of the COUNTY and BORROWER as set forth below: (i) registered or certified mail, postage prepaid, return receipt requested (in which event, the notice shall be deemed delivered on the date of receipt thereof); (ii) electronic facsimile transmission, followed on the same day by delivery of a "hard" copy via first-class mail, postage prepaid (in which event, the notice shall be deemed delivered on the date of its successful facsimile transmission as evidenced by a facsimile confirmation or "kick-out" sheet); or (iii) personal delivery, including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service (in which event, the notice shall be deemed delivered on the documented date of receipt). Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.

(b) The address of the COUNTY for purposes of receiving notices pursuant to this Note shall be 3403 Tenth Street, Suite #300, Riverside, California 92501, Attention: Assistant Director of Housing. The facsimile number for the COUNTY's receipt of notices is (951) 352-4852.

(c) The address of BORROWER for purposes of receiving notices pursuant to this Note is VILLA VERDE I, L.P., a California Limited Partnership:

c/o Abode Communities
2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033

Attention: Lara Regus, Senior Vice President

with copies to:

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

22. The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.
23. The undersigned, if comprising more than one person or entity, shall be jointly and severally liable hereunder.
24. This Note shall be binding upon BORROWER and its heirs, successors and assigns, and shall benefit the COUNTY and its successors and assigns.
25. The indebtedness secured by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by (i) the Promissory Note (Tax-Exempt) of even date herewith in the original principal amount of \$[42,578,583] and the Promissory Note (Taxable) of even date herewith in the original principal amount of \$[], each by Borrower for the benefit of the California Municipal Finance Authority, and assigned to [], as fiscal agent (collectively, "Senior Note"), which, upon conversion of the loan to the permanent phase shall be repaid and a senior loan made by KeyBank National Association in an amount not to exceed \$[], to the extent and in the manner provided in that certain Subordination and Standstill Agreement [of even date herewith] between COUNTY, Borrower, and Senior Lender (the "Subordination Agreement"). The documents evidencing and securing this Note shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of that certain Construction Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement securing the Senior Note as more fully set forth in the Subordination Agreement. The rights and remedies of the COUNTY and each subsequent holder of this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the COUNTY under the Subordination Agreement .] The indebtedness secured by this Note shall also be subordinate in right of payment to the prior payment in full of the following indebtedness: (i) HCD Homekey+ Deed of Trust \$9,962,708, (ii) City of Coachella Loan Deed of Trust \$20,313,662, and (iii) HACR RDA Deed of Trust \$2,104,640.
26. Reserved.

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[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, BORROWER has executed this Note as of the day and year first set forth above.

BORROWER:

VILLA VERDE I, L.P., A California limited partnership

By: Villa Verde I GP, LLC,
a California limited company
Its: Managing General Partner

By: Abode Communities, a California nonprofit public benefit corporation,
Its: Sole Member

By: _____
Lara Regus
Its: Senior Vice President, Development

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

Exhibit H

COVENANT AGREEMENT

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

Order No.
Escrow No.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing and Workforce Solutions
3403 Tenth Street, Suite #300
Riverside, CA 92501
Attn. Leah Rodriguez

SPACE ABOVE THIS LINE FOR RECORDERS USE

Permanent Local Housing Allocation (PLHA) PROGRAM
COVENANT AGREEMENT
(Villa Verde Apartments - Phase I)

This PLHA Program Covenant Agreement (Villa Verde Apartments - Phase I) (this “Covenant” or “Agreement”) is made and entered into as of the ____ day of _____, 2026 by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY”), and VILLA VERDE I, L.P., a California limited partnership (“BORROWER”).

RECITALS

WHEREAS, BORROWER owns that certain real property including any improvements located thereon, located at 84824 Calle Verde, Coachella, CA, Assessor’s Parcel 768-400-001, described in the legal description attached hereto as **Exhibit A** and incorporated herein by this reference (the “Property”);

WHEREAS, COUNTY and BORROWER entered into that certain Loan Agreement for the Use of PLHA Program Funds (Villa Verde Apartments - Phase I) dated _____, 2026 and recorded in the Official Records of the County of Riverside (“Official Records”) concurrently herewith (the “PLHA Loan Agreement” or “Agreement”) which provides for, among other things, new construction on the Property of an approximately 6.964

1 acre multi-family apartment complex and related amenities consisting a total of 116 apartment
2 units (each, a “Unit,” collectively, the “Units”). The construction on the Property of the Units and
3 such other improvements as specified in the PLHA Loan Agreement shall be referred to herein as
4 the “Project.” Capitalized terms not defined herein shall have the meaning ascribed to them in the
5 PLHA Loan Agreement;

6 WHEREAS, the State of California (the “State”), Department of Housing and Community
7 Development (“HCD”) issued a Notice of Funding Availability (“NOFA”), dated February 26,
8 2020, to provide approximately \$195,000,000 under the Permanent Local Housing Allocation
9 (“PLHA”) Program through its Entitlement and Non-entitlement Local Government Formula
10 Component from the Building Homes and Jobs Trust Fund for assistance to Local Governments
11 pursuant to Health and Safety Code section 50470 et seq. and Senate Bill (SB) 2 (Chapter 364,
12 Statutes of 2017);

13 WHEREAS, to implement the PLHA Program, HCD adopted and issued the HCD 2019
14 PLHA Final Guidelines (“Guidelines” or “PLHA Guidelines”);

15 WHEREAS, the PLHA Program (as hereinafter defined) provides a permanent source of
16 funding to all local governments in the State of California to help implement plans to increase the
17 affordable housing stock;

18 WHEREAS, HCD approved a funding allocation to the COUNTY for the PLHA Program,
19 subject to the terms and conditions of the PLHA Statutes, Guidelines, NOFA, PLHA Standard
20 Agreement for County’s Allocation and Delegating Cities, and applicable rules and regulations
21 imposed by HCD on PLHA funding recipients (collectively, the “PLHA Program”);

22 WHEREAS, pursuant to the PLHA Program, the County and HCD entered into that certain
23 Standard Agreement dated June 17, 2021 and numbered 20-PLHA-15541, including Exhibits A,
24 B, C, D and E (collectively, the “PLHA Standard Agreement for County’s Allocation”), as
25 amended thereafter, which allocates PLHA funding to the County for use in the County in the
26 estimated funding amount of \$23,977,026 for Allocation Years 2019-2023;

27 WHEREAS, pursuant to Section 300(c) of the HCD Guidelines, a local government may
28 delegate another local government to submit an application and administer the formula component

1 of PLHA funds on its behalf, provided the local governments enter into an agreement and the funds
2 are expended for eligible activities consistent with program requirements;

3 WHEREAS, the County has entered into legally binding agreements with the City of
4 Moreno Valley, City of Lake Elsinore, City of Indio, City of Cathedral City, City of Palm Springs,
5 City of Temecula, and City of Hemet (collectively, “Delegating Cities”) to administer and utilize
6 allocations in accordance with PLHA Guidelines for use in the County in the estimated funding
7 amount of \$41,291,148 for Allocation Years 2019-2023;

8 WHEREAS, BORROWER is an experienced developer of affordable housing that has
9 among its purposes the provision of decent housing that is affordable to low income persons; and

10 WHEREAS, in consideration of a loan of PLHA funds, BORROWER has agreed to restrict
11 at least forty nine percent (49%) of the Units in the Project or fifty-six (56) PLHA Units to rental
12 to and occupancy by qualified low- and very low-income households consistent with the PLHA
13 Program requirements and as set forth more specifically below.

14 NOW, THEREFORE, in consideration of the PLHA Loan funds and the mutual covenants
15 and agreements set forth herein and in the PLHA Loan Agreement, and for other good and valuable
16 consideration, the receipt and sufficiency of which are hereby acknowledged, BORROWER, on
17 behalf of itself and its successors, assigns, and each successor in interest to the Property or any
18 part thereof, hereby declares as follows:

19 1) RESTRICTIONS. The recitals set forth above are true and correct and
20 incorporated herein. This Covenant shall continue in full force and effect for the later of (i)
21 fifty-five (55) years from the recordation of the Notice of Completion for the last building for
22 which construction is completed for the Project on the Property, or (ii) July 1, 2081 (“Term”
23 or “Affordability Period”). For the duration of the Term, the Property shall be held, sold and
24 conveyed, subject to the following covenants, conditions, and restrictions:

25 a) BORROWER hereby covenants and agrees to restrict at least approximately forty
26 nine percent (49%) of the Units or fifty-six (56) of the Units constructed on the
27 Property shall be restricted to rental to and occupancy by qualified Low and Very
28 Low Income Households (collectively, “PLHA Units”) at an Affordable Rent (as

hereinafter defined). Eleven (11) one-bedroom PLHA Units shall be restricted to occupancy by Very Low Income Households at or below 50% of area median income. Forty-five (45) two-bedroom PLHA Units shall be rented to and occupied by Low Income Households at or below 80% of area median income. For purposes hereof:

(i) "Household" is one or more persons occupying an Affordable Unit.

(ii) "Low Income" has the meaning set forth in HSC Section 50079.5, which is a household whose incomes does not exceed 80% of the area median income, adjusted for actual family size.

(iii) "Very Low Income" has the meaning set forth in HSC Section 50105, which is a household whose incomes does not exceed 50% of the area median income, adjusted for actual family size.

(iv) "area median income" shall refer to the most recent area median family income published by HCD for Riverside County, available at the following link:

b) The PLHA Units shall be rented to and occupied by Very Low and Low Income Households at an Affordable Rent in compliance with the Multifamily Housing Program ("MHP") guidelines Section 7312 and the Section 7301 definition of "Affordable Rent" and the PLHA Program. Maximum income and Affordable Rent shall be determined in accordance with subsection d) below. COUNTY shall review and approve proposed rents prior to entry into leases for occupancy of the PLHA Units by BORROWER. BORROWER shall ensure the PLHA Units are rented to qualified applicants at the described rent levels herein during the Affordability Period. The maximum monthly allowances for utilities and services (excluding telephone) shall not exceed the utility allowance as described in c) below.

c) Utility Allowance: For Projects not receiving financing from tax credits, BORROWER shall use the most currently available Utility Allowances published

1 by the Housing Authority of the County of Riverside to establish maximum
2 monthly allowances for utilities and services in calculating Affordable Rents.
3 Projects assisted with tax credits may use the Utility Allowances published by the
4 Housing Authority of the County of Riverside or the California Utility Allowance
5 Calculator (CUAC) published annually by the Treasurer of the State of California.
6 The CUAC and use instructions can be found at:
7 <https://www.treasurer.ca.gov/ctcac/cuac/index.asp>.

8 d) Income and Affordable Rent limitations for Very Low Income Households and
9 Low Income Households must be calculated in accordance with the Multifamily
10 Housing Program (MHP) as required by the PLHA Program. BORROWER shall
11 utilize the most recently available “MHP Income and Rent Calculator” published
12 by HCD, available on the following web page:
13 [https://www.hcd.ca.gov/funding/income-limits/income-calculation-determination-](https://www.hcd.ca.gov/funding/income-limits/income-calculation-determination-guide)
14 [guide](https://www.hcd.ca.gov/funding/income-limits/income-calculation-determination-guide)

15 e) PLHA Loan Documents. The PLHA Loan Agreement, PLHA Note, PLHA Deed
16 of Trust, the Environmental Indemnity and any other agreement entered into by
17 COUNY and BORROWER in connection with the Project shall collectively be
18 referred to herein as the “PLHA Loan Documents”. BORROWER shall comply
19 with the terms and conditions of the PLHA Loan Documents, any other agreements
20 evidencing financing for the Project, and any instrument secured against the
21 Property. BORROWER shall strictly comply with all requirements of the PLHA
22 Program.

23 f) CTCAC. Notwithstanding anything contained herein to the contrary, if the Project has
24 received low income housing tax credits, then California Tax Credit Allocation
25 Committee (“CTCAC”) rent- and income-setting requirements shall control for the
26 term of the CTCAC extended use agreement.

27 2) SENIOR PRIORITY. This Covenant will be recorded in a third priority position junior to the
28 HCD Homekey+ Use Restriction, the Regulatory Agreement and Declaration of Restrictive

1 Covenants for the benefit of the California Municipal Finance Authority, and, upon conversion
2 to the permanent phase and recordation, the HCD NPLH Regulatory Agreement, and senior
3 to all Senior Lender deeds of trust.

4 3) COMPLIANCE WITH LAWS AND REGULATIONS. During the Term of this
5 Covenant, BORROWER, for itself and on behalf of its successors and assigns, shall insure that
6 the Project is constructed in accordance with and operated in compliance with the PLHA
7 Program and all applicable federal, state and local laws, regulations and ordinances, including,
8 but not limited to the following: all laws, ordinances, statutes, codes, rules, resolutions,
9 regulations, policy statements, orders, and decrees (including, without limitation, those relating
10 to land use, subdivision, zoning, environmental, labor relations and building and fire codes) of
11 the United States, the State of California, the County or any other political subdivision in which
12 the Property is located or which exercises jurisdiction over the BORROWER or the
13 construction, maintenance, management, use, or operation of the Project.

14 4) TENANT PROTECTIONS. BORROWER shall provide protection to the tenants
15 of the PLHA Units as follows:

16 a) Provide written lease agreement for not less than one year, unless
17 by mutual agreement between the tenant and BORROWER. COUNTY shall review
18 the initial form of the lease agreement prior to BORROWER executing any leases and,
19 provided that BORROWER uses the approved lease form, BORROWER shall be
20 permitted to enter into residential leases without COUNTY's prior written consent.

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

23 (1) *Agreement to be sued*. Agreement by the tenant to be sued, to admit
24 guilt or to a judgment in favor of BORROWER in a lawsuit brought in
25 connection with the lease.

26 (2) *Treatment of property*. Agreements by tenant that BORROWER may
27 take, hold, or sell personal property of household members without
28 notice to the tenant and a court decision on the rights of the parties.

1 This prohibition, however, does not apply to an agreement by the tenant
2 concerning disposition of personal property remaining in the housing
3 unit after the tenant has moved out of the unit. BORROWER may
4 dispose of this personal property in accordance with State law.

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

8 (4) *Waiver of notice.* Agreement of the tenant that BORROWER may
9 institute a lawsuit without notice to the tenant.

10 (5) *Waiver of legal proceeding.* Agreement by the tenant that the
11 BORROWER may evict the tenant or household members without
12 instituting a civil court proceeding in which the tenant has the
13 opportunity to present a defense, or before a court decision on the rights
14 of the parties.

15 (6) *Waiver of a jury trial.* Agreement by the tenant to waive any right to a
16 trial by jury.

17 (7) *Waiver of right to appeal court decision.* Agreement by the tenant to
18 waive the tenant's right to appeal, or to otherwise challenge in court, a
19 court decision in connection with the lease.

20 (8) *Tenant chargeable with cost of legal actions regardless of outcome.*
21 Agreement by the tenant to pay attorneys' fees or other legal costs even
22 if the tenant wins in a court proceeding by BORROWER against the
23 tenant. The tenant, however, may be obligated to pay costs if the tenant
24 loses.

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

28 c) Violence Against Women Reauthorization Act of 2013. (Pub. L.

113-4, 127 Stat. 54) ("VAWA 2013"). VAWA 2013 reauthorizes and amends the Violence Against Women Act of 1994, as previously amended, (title IV, sec. 40001-40703 of Pub. L. 103-322, 42 U.S.C. 13925 et seq.) VAWA 2013, among other things, bars eviction and termination due to a tenant's status as a victim of domestic violence, dating violence, or stalking, and requires landlords to maintain survivor-tenant confidentiality. VAWA 2013 prohibits a tenant who is a survivor of domestic violence, dating violence, sexual assault, and stalking from being denied assistance, tenancy, or occupancy rights based solely on criminal activity related to an act of violence committed against them. It extends housing protections to survivors of sexual assault, and adds "intimate partner" to the list of eligible relationships in the domestic violence definition. Protections also now cover an "affiliated individual," which includes any lawful occupant living in the survivor's household, or related to the survivor by blood or marriage including the survivor's spouse, parent, brother, sister, child, or any person to whom the survivor stands in loco parentis. VAWA 2013 allows a lease bifurcation so a tenant or lawful occupant who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, or others may be evicted or removed without evicting or removing or otherwise penalizing a victim who is a tenant or lawful occupant. If victim cannot establish eligibility, BORROWER must give a reasonable amount of time to find new housing or establish eligibility under another covered housing program. A Notice of Rights under VAWA 2013 for tenants must be provided at the time a person applies for housing, when a person is admitted as a tenant of a housing unit, and when a tenant is threatened with eviction or termination of housing benefits. Tenants must request an emergency transfer and reasonably believe that they are threatened with imminent harm from further violence if the tenant remains in the same unit. The provisions of VAWA 2013 that are applicable to HCD programs are found in title VI of VAWA 2013, which is entitled "Safe Homes for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking."

1 Section 601 of VAWA 2013 amends subtitle N of VAWA (42 U.S.C. 14043e et seq.)
2 to add a new chapter entitled "Housing Rights."

3 5) USE OF PROPERTY; CONSTRUCTION OF IMPROVEMENTS. During the
4 Affordability Period, BORROWER covenants and agrees to use the Property solely for the
5 construction and operation of the Project in accordance with the PLHA Loan Documents, and
6 to construct the Project in a timely manner and in accordance with the Schedule of Performance
7 attached to the PLHA Loan Agreement, as it may be amended from time to time. The proceeds
8 of the PLHA Loan shall be used solely for construction and permanent financing of the Units,
9 and not in connection with any non-residential facilities, services or activities.

10 6) MAINTENANCE OF THE IMPROVEMENTS. BORROWER, on behalf of
11 itself and its successors, assigns, and each successor in interest to the Property and Project or
12 any part thereof hereby covenants to and shall protect, maintain, and preserve the Property in
13 compliance with all applicable federal and state law and regulations and local ordinances. In
14 addition, BORROWER, its successors and assigns, shall maintain the improvements on the
15 Property in the same aesthetic and sound condition (or better) as the condition of the Property
16 at the time of the recordation of the Notice of Completion for the Project, reasonable wear and
17 tear excepted. This standard for the quality of maintenance of the Property shall be met
18 whether or not a specific item of maintenance is listed below. However, representative items
19 of maintenance shall include frequent and regular inspection for graffiti or damage or
20 deterioration or failure, and immediate repainting or repair or replacement of all surfaces,
21 fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and removal of
22 litter; sweeping of public sidewalks adjacent to the Property, on-site walks and paved areas
23 and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping in
24 a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as
25 necessary; cleaning windows on a regular basis; painting the buildings on a regular program
26 and prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular
27 basis and maintaining the roof in a leak-free and weather-tight condition; maintaining security
28 devices in good working order. In the event BORROWER, its successors or assigns fails to

1 maintain the Property in accordance with the standard for the quality of maintenance, the
2 COUNTY or its designee shall have the right but not the obligation to enter the Property upon
3 reasonable notice to BORROWER, correct any violation, and hold BORROWER, or such
4 successors or assigns responsible for the cost thereof, and such cost, until paid, shall constitute
5 a lien on the Property.

6 7) STRUCTURAL MODIFICATIONS. In order to protect and maintain the
7 architectural and structural integrity of the Project, no structural modification will be made to
8 the Project without a validly issued building permit in accordance with the requirements of the
9 County of Riverside Ordinances. Any application for a building permit pursuant to this section
10 and in connection with a proposed exterior modification to the Project shall be accompanied
11 by elevations and plans depicting the proposed modifications.

12 8) NONDISCRIMINATION. BORROWER shall not discriminate on the basis of
13 race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in the
14 solicitation, selection, hiring or treatment of any contractors or consultants, to participate in
15 subcontracting/subconsulting opportunities. BORROWER understands and agrees that
16 violation of this clause shall be considered a material breach of this Agreement and may result
17 in termination, debarment or other sanctions. This language shall be incorporated into all
18 contracts between BORROWER and any contractor, consultant, subcontractor, subconsultants,
19 vendors and suppliers. BORROWER shall comply with the provisions of the California Fair
20 Employment and Housing Act (Government Code Sections 12900 et seq.), the Federal Civil
21 Rights Act of 1964 (P.L. 88-352), as amended, and all Administrative Rules and Regulations
22 issued pursuant to said Acts and Orders with respect to its use of the Property.

23 BORROWER herein covenants by and for itself, its successors and assigns, and all persons
24 claiming under or through them, that this Covenant is made and accepted upon and subject to the
25 following conditions: There shall be no discrimination against or segregation of any person or
26 group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the
27 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and
28 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,

1 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall
2 the transferee itself or any person claiming under or through him or her, establish or permit any
3 such practice or practices of discrimination or segregation with reference to the selection, location,
4 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

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

11 a) In deeds: “The grantee herein covenants by and for himself or herself, his
12 or her heirs, executors, administrators, and assigns, and all persons claiming under or
13 through them, that there shall be no discrimination against or segregation of, any person or
14 group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955
15 of the Government Code, as those bases are defined in Sections 12926, 12926.1,
16 subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2
17 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or
18 enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming
19 under or through him or her, establish or permit any practice or practices of discrimination
20 or segregation with reference to the selection, location, number, use or occupancy of
21 tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The
22 foregoing covenants shall run with the land.”

23 b) In leases: “The lessee herein covenants by and for himself or herself, his or
24 her heirs, executors, administrators, and assigns, and all persons claiming under or through
25 him or her, and this lease is made and accepted upon and subject to the following
26 conditions: That there shall be no discrimination against or segregation of any person or
27 group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955
28 of the Government Code, as those bases are defined in Sections 12926, 12926.1,

1 subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2
2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure,
3 or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any
4 person claiming under or through him or her, establish or permit any such practice or
5 practices of discrimination or segregation with reference to the selection, location, number,
6 use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises
7 herein leased.”

8 c) In contracts: “There shall be no discrimination against or segregation of any
9 person or group of persons, on account of any basis listed in subdivision (a) or (d) of
10 Section 12955 of the Government Code, as those bases are defined in Sections 12926,
11 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and
12 Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use,
13 occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person
14 claiming under or through him or her, establish or permit any such practice or practices of
15 discrimination or segregation with reference to the selection, location, number, use, or
16 occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land.”

17 In addition to the obligations and duties of BORROWER set forth herein, BORROWER
18 shall, upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including
19 administrative and attorneys’ fees, incurred by COUNTY in connection with responding to or
20 defending any discrimination claim brought by any third party and/or local, state or federal
21 government entity, arising out of or in connection with the Agreement or this Covenant.

22 9) INSURANCE. Without limiting or diminishing the BORROWER’S obligation
23 to indemnify or hold the COUNTY harmless, BORROWER shall procure and maintain or
24 cause to be maintained, at its sole cost and expense, the following insurance coverage's during
25 the term of this Agreement. As respects to the insurance section only, the COUNTY herein
26 refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments,
27 their respective directors, officers, Board of Supervisors, employees, elected or appointed
28 officials, agents or representatives as Additional Insureds.

1 a) Builder's All Risk (Course of Construction) Insurance.

2 BORROWER shall provide a policy of Builder's All Risk (Course of Construction)
3 insurance coverage including (if the work is located in an earthquake or flood zone or if
4 required on financed or bond financing arrangements) coverage for earthquake and flood,
5 covering the COUNTY, BORROWER and every subcontractor, of every tier, for the entire
6 Project, including property to be used in the construction of the work while such property
7 is at off-site storage locations or while in transit or temporary off-site storage. Such policy
8 shall include, but not be limited to, coverage for fire, collapse, faulty workmanship, debris
9 removal, expediting expense, fire department service charges, valuable papers and records,
10 trees, grass, shrubbery and plants. If scaffolding, false work and temporary buildings are
11 insured separately by the BORROWER or others, evidence of such separate coverage shall
12 be provided to County prior to the start of the work. Such policy shall be written on an all
13 risk basis and a completed value form. Such policy shall cover the full insurable
14 value. Such policy shall also provide coverage for temporary structures (on-site offices,
15 etc.), fixtures, machinery and equipment being installed as part of the work. BORROWER
16 shall be responsible for any and all deductibles under such policy. Upon request by
17 COUNTY, BORROWER shall declare all terms, conditions, coverages and limits of such
18 policy. Such policy shall name the COUNTY as a loss payee as their interest may
19 appear. If the County so provides, in its sole discretion, the All Risk (Course of
20 Construction) insurance for the Project, then BORROWER shall assume the cost of any
21 and all applicable policy deductibles (currently, \$50,000 per occurrence) and shall insure
22 its own machinery, equipment, tools, etc. from any loss of any nature whatsoever.

23 b) Worker's Compensation Insurance. If the BORROWER has

24 employees as defined by the State of California, the BORROWER shall maintain statutory
25 Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of
26 California. Policy shall include Employers' Liability (Coverage B) including Occupational
27 Disease with limits not less than \$1,000,000 per person per accident. The policy shall be
28 endorsed to waive subrogation in favor of The County of Riverside. Policy shall name the

COUNTY as Additional Insureds.

c) Commercial General Liability Insurance. Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of BORROWER'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

d) Vehicle Liability Insurance. If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then BORROWER shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

e) General Insurance Provisions – All Lines.

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

ii) The BORROWER must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's

1 Risk Manager, BORROWER'S carriers shall either; 1) reduce or eliminate such self-
2 insured retention as respects this Agreement with the COUNTY, or 2) procure a bond
3 which guarantees payment of losses and related investigations, claims administration, and
4 defense costs and expenses.

5 iii) BORROWER shall cause BORROWER'S insurance carrier(s) to
6 furnish the County of Riverside with either 1) a properly executed original Certificate(s)
7 of Insurance and certified original copies of Endorsements effecting coverage as required
8 herein, and 2) if requested to do so orally or in writing by the County Risk Manager,
9 provide original Certified copies of policies including all Endorsements and all attachments
10 thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and
11 policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum
12 of thirty (30) days written notice shall be given to the County of Riverside prior to any
13 material modification, cancellation, expiration or reduction in coverage of such insurance.
14 If BORROWER insurance carrier(s) policies does not meet the minimum notice
15 requirement found herein, BORROWER shall cause BORROWER'S insurance carrier(s)
16 to furnish a 30 day Notice of Cancellation Endorsement.

17 iv) In the event of a material modification, cancellation, expiration, or
18 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
19 Riverside receives, prior to such effective date, another properly executed original
20 Certificate of Insurance and original copies of endorsements or certified original policies,
21 including all endorsements and attachments thereto evidencing coverage's set forth herein
22 and the insurance required herein is in full force and effect. BORROWER shall not
23 commence operations until the COUNTY has been furnished original Certificate (s) of
24 Insurance and certified original copies of endorsements and if requested, certified original
25 policies of insurance including all endorsements and any and all other attachments as
26 required in this Section. An individual authorized by the insurance carrier to do so on its
27 behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

28 v) It is understood and agreed to by the parties hereto that the

1 BORROWER'S insurance shall be construed as primary insurance, and the COUNTY'S
2 insurance and/or deductibles and/or self-insured retention's or self-insured programs shall
3 not be construed as contributory.

4 vi) If, during the term of this Agreement or any extension thereof, there
5 is a material change in the scope of services; or, there is a material change in the equipment
6 to be used in the performance of the scope of work; or, the term of this Agreement,
7 including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right
8 to adjust the types of insurance and the monetary limits of liability required under this
9 Agreement, if in the County Risk Management's reasonable judgment, the amount or type
10 of insurance carried by the BORROWER has become inadequate.

11 vii) BORROWER shall pass down the insurance obligations contained
12 herein to all tiers of subcontractors working under this Agreement.

13 viii) The insurance requirements contained in this Agreement may be met
14 with a program(s) of self- insurance acceptable to the COUNTY.

15 ix) BORROWER agrees to notify COUNTY of any claim by a third party
16 or any incident or event that may give rise to a claim arising from the performance of this
17 Agreement.

18 10) HOLD HARMLESS/INDEMNIFICATION. BORROWER shall indemnify and
19 hold harmless the County of Riverside, its Agencies, Districts, Boards, Special Districts and
20 Departments, their respective directors, officers, elected and appointed officials, employees,
21 agents and representatives (individually and collectively hereinafter referred to as
22 "Indemnitees") from any claim, liability, costs or fees (including, but not limited to, attorneys'
23 fees and costs, costs of investigation, defense and settlements or awards), resulting from any
24 act or failure to act of BORROWER, its officers, employees, subcontractors, agents or
25 representatives, in connection with, arising out of or in any way relating to this Agreement, the
26 PLHA Loan Documents or the Project, including, but not limited to, property damage, bodily
27 injury, death or any other claim or liability of any kind or nature whatsoever. BORROWER
28 shall defend the Indemnitees, at BORROWER's sole expense, in any claim or action based

1 upon such alleged acts or omissions unless such alleged acts or omissions are caused by
2 Indemnitees' willful misconduct or gross negligence. With respect to any action or claim
3 subject to indemnification herein, BORROWER shall, at its sole cost, have the right to use
4 counsel of its own choice and shall have the right to adjust, settle, or compromise any such
5 action or claim without the prior consent of COUNTY; provided, however, that any such
6 adjustment, settlement or compromise in no manner whatsoever limits or circumscribes
7 BORROWER's indemnification obligation to Indemnitees as set forth herein. BORROWER's
8 obligation hereunder shall be satisfied when BORROWER has provided to COUNTY the
9 appropriate form of dismissal relieving the Indemnitees from any liability for the action or
10 claim involved. The specified insurance limits required in this Agreement shall in no way limit
11 or circumscribe BORROWER's obligations to indemnify and hold harmless the Indemnitees
12 herein from third party claims. In the event there is conflict between this clause and California
13 Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such
14 interpretation shall not relieve BORROWER from indemnifying the Indemnitees to the fullest
15 extent allowed by law. The indemnification set forth in this paragraph shall survive the
16 expiration or earlier termination of this Covenant.

17 11) NOTICES. All Notices provided for in this Covenant shall be deemed received
18 when personally delivered, or two (2) days following mailing by certified mail, return receipt
19 requested. All mailing shall be addressed to the respective parties at their addresses set forth
20 below, or at such other address as each party may designate in writing and give to the other
21 party:

22 COUNTY
23 Director
24 Housing and Workforce Solutions
25 3403 Tenth Street, Suite #300
Riverside, CA 92501

26 BORROWER
27 VILLA VERDE I, L.P., a California Limited Partnership
c/o Abode Communities
28 2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033

1 Attention: Lara Regus, Senior Vice President

2 with copies to:

3 Bocarsly Emden Cowan Esmail & Arndt LLP

4 633 West Fifth Street, Suite 5880

5 Los Angeles, CA 90071

6 Attention: Nicole Deddens

7 12) REMEDIES. COUNTY shall have the right, in the event of any breach of any of
8 the terms and conditions of the Covenant, to exercise all available rights and remedies, and to
9 maintain any actions at law or suit in equity or other proper proceedings to enforce the curing
10 of such breach of agreement or covenant.

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

15 14) NOTICE AND OPPORTUNITY TO CURE. Prior to exercising any remedies
16 hereunder, the COUNTY shall give BORROWER notice of such default pursuant to the Notice
17 section above. Any monetary default shall be cured within ten (10) days of delivery of written
18 notice. Except as otherwise set forth herein, if a non-monetary default is reasonably capable of
19 being cured within thirty (30) days of delivery of such notice of default, BORROWER shall
20 have such period to effect a cure prior to exercise of remedies by COUNTY. If the non-
21 monetary default is such that it is not reasonably capable of being cured within thirty (30) days
22 of delivery of such notice of default, and BORROWER (a) initiates corrective action within
23 said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as
24 possible, then BORROWER shall have such additional time as is reasonably necessary to cure
25 the default prior to exercise of any remedies by the COUNTY; but in no event no later than
26 one hundred twenty (120) days from delivery of such notice of default. COUNTY, upon
27 providing BORROWER with any notice of default under this Covenant, shall, within a
28 reasonable time, provide a copy of such default notice to a Permitted Lender (as defined in
Section 19 below) or limited partner, if any, who has given written notice to COUNTY of its

1 interest in the Property and Project, provided, that notice to the limited partner shall be
2 provided at the notice address listed in Section 53 of the PLHA Loan Agreement. From and
3 after such notice has been delivered to a Permitted Lender and BORROWER's limited partner,
4 if any, such Permitted Lender or limited partner shall have the same period for remedying the
5 default complained of as the cure period provided to BORROWER pursuant to this **Section**
6 **14**. COUNTY shall accept performance by a Permitted Lender or limited partner as if the same
7 had been done by BORROWER.

8 If a violation of any of the covenants or provisions of this Covenant remains uncured
9 after the respective time period set forth in this **Section 14**, COUNTY and its successors and
10 assigns, without regard to whether COUNTY or its successors and assigns is an owner of any
11 land or interest therein to which these covenants relate, may institute and prosecute any
12 proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted
13 violation or to compel specific performance by BORROWER of its obligations hereunder.
14 No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage
15 or waive the right of any party entitled to enforce the provisions hereof or to obtain relief
16 against or recover for the continuation or repetition of such breach or violations or any similar
17 breach or violation hereof at any later time.

18 **15) SALE, ASSIGNMENT OR TRANSFER OF THE PROJECT OR PROPERTY.**

19 BORROWER hereby covenants and agrees not to sell, transfer, assign or otherwise dispose of
20 the Project, the Property or any portion thereof, without obtaining the prior written consent of
21 COUNTY, except as otherwise permitted pursuant to the PLHA Loan Documents, which such
22 consent may be granted or withheld in its discretion. Upon application for and such, sale
23 transfer or assignment, BORROWER shall demonstrate that the proposed transferee is
24 reasonably capable of performing and complying with BORROWER's duties and obligations
25 under the PLHA Loan Documents, including this Covenant. Any sale, assignment, or transfer
26 of the Project or Property shall be memorialized in an assignment and assumption agreement,
27 the form and substance of which shall have been first approved in writing by the COUNTY, in
28 its discretion. Such assignment and assumption agreement shall, among other things, provide

1 that the transferee has assumed in writing and in full, BORROWER's duties and obligations
2 under the PLHA Loan Documents, including this Covenant.

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

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

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

15 19) PERMITTED MORTGAGES. No violation or breach of the covenants,
16 conditions, restrictions, provisions or limitations contained in this Covenant shall defeat or
17 render invalid or in any way impair the lien or charge of any deed of trust or mortgage permitted
18 by the PLHA Loan Agreement or the lien or charge of a deed of trust made by BORROWER
19 for the benefit of any lender first approved in writing by the COUNTY including for the benefit
20 of the California Municipal Finance Authority (its successors and assigns, including [FISCAL
21 AGENT], JPMorgan Chase Bank, N.A. and Low Income Investment Fund and KeyBank,
22 National Association, the California Department of Housing and Community Development,
23 the City of Coachella, and the Housing Authority of Riverside County (each, a "Permitted
24 Lender") and nothing herein or in the PLHA Loan Agreement shall prohibit or otherwise limit
25 the exercise of a Permitted Lender's rights and remedies thereunder, including a foreclosure or
26 deed-in-lieu of foreclosure and subsequent transfer thereafter. For the avoidance of doubt, a
27 foreclosure or deed in lieu of foreclosure of the lien securing a Senior Loan and the subsequent
28 sale of any property acquired pursuant to such foreclosure (and any financing obtained in

1 connection therewith), shall not require the consent of COUNTY and shall not be deemed an
2 event of default under this Covenant Agreement.

3 20) COVENANT RUNS WITH PROPERTY. In accordance with California Civil
4 Code Section 1461 et seq., all conditions, covenants and restrictions contained in this Covenant
5 shall be covenants running with the land. The COUNTY shall be deemed the beneficiary of
6 the covenants, conditions and restrictions of this Covenant both for and in its own right and for
7 the purposes of protecting the interests of the community. The covenants, conditions, and
8 restrictions shall run in favor of the COUNTY, without regard to whether COUNTY has been,
9 remains, or is an owner of any land or interest therein in the Property.

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

14 22) MANAGEMENT. BORROWER shall be responsible for the operation of the
15 Project either by direct management or by contracting its managerial functions to a third party
16 property manager reasonably acceptable to COUNTY ("Property Manager"). The Property
17 Manager will be charged with managing the Project on behalf of the BORROWER. COUNTY
18 shall have the right to review and approve, which approval shall not be unreasonably withheld,
19 conditioned or delayed, any such entity and agreement therefor prior to its selection by the
20 BORROWER. BORROWER shall include in any such property management agreement a
21 provision providing for the termination of the agreement in the event that the Property Manager
22 violates any federal, state or local health and safety laws and regulations which are not cured
23 within thirty (30) days following the giving of notice of such violations by COUNTY or any
24 other governmental entity; provided, however, that in the case of a violation that cannot be
25 cured within such thirty (30) day period, that such cure shall be commenced within thirty (30)
26 days of notification and shall be diligently prosecuted to completion not later than sixty (60)
27 days after notification. BORROWER, its successors and assigns, upon notice from COUNTY,
28 shall indemnify, hold harmless and pay any costs and fees (including administrative and

attorneys' fees) incurred by COUNTY or the Indemnitees in connection with responding to or defending any discrimination claim brought by any third party and/or local, state or federal government entity, arising out of or in connection with the Project and/or this Agreement. COUNTY hereby approves Abode Communities, a California nonprofit corporation as the Property Manager for the Project.

23) COMPLIANCE WITH APPLICABLE LAWS. BORROWER 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 Code of Ordinances of Riverside County, 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.

24) PROJECT MONITORING AND EVALUATION.

a) Tenant Checklist. BORROWER shall submit a "Tenant Checklist Form" to COUNTY, in such form as may be required by COUNTY, and may from time to time be revised by COUNTY, summarizing the number and percentage of Very Low and Low Income Households who are tenants of the PLHA 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. BORROWER shall maintain financial, programmatic, statistical and other supporting records of its operations and financial activities in accordance with the requirements of the COUNTY and the PLHA Program,

1 and shall provide such records to COUNTY at least annually. Except as otherwise
2 provided for in this Covenant and in the PLHA Loan Agreement, BORROWER shall
3 maintain and submit records to COUNTY within ten (10) business days of COUNTY's
4 request which clearly documents BORROWER's performance under each requirement of
5 the PLHA Program.

6 b) Inspections. During the period of affordability, COUNTY may perform
7 annual on-site inspections of the rental housing included in the Project to determine
8 compliance with applicable State and local health, safety, and other applicable codes,
9 ordinances, and requirements, and the ongoing property standards established by the
10 participating jurisdiction and to verify the information submitted by the BORROWER,
11 upon forty-eight (48) hours prior written notice to BORROWER and subject to the rights
12 of tenants.

13 c) Written Selection Policies. BORROWER shall adopt written selection
14 policies and criteria that are approved in writing by COUNTY prior to entering into any
15 lease for an Affordable Unit in the Project, which selection policies shall be subject to all
16 applicable laws, including, if applicable, Section 42 of the Internal Revenue Code:

17 i) Are consistent with the purpose of providing housing for Very Low
18 Income Households and Low Income Households.

19 ii) Are reasonably related to program eligibility and the applicants'
20 ability to perform the obligations of the lease.

21 iii) Provide for:

22 (A) The selection of tenants from a written waiting list in the
23 chronological order of their satisfaction of all eligibility requirements,
24 insofar as is practicable; and

25 (B) The prompt written notification to any rejected applicant of
26 the grounds for any rejection;

27 iv) To the extent permitted by law, provide first priority in the selection
28 of otherwise eligible tenants to persons displaced by COUNTY (if any); and

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

d) Income Requirements and Certification. Prior to leasing an Affordable Unit and annually thereafter, BORROWER, at its sole expense, shall or shall cause the Property Manager, if any, engaged to manage the Project to certify the eligibility of each tenant applicant as a Very Low Income Household or Low Income Household in accordance with the PLHA Program. The BORROWER shall complete such certification on forms as may be reasonably required by COUNTY (which may include provision to COUNTY 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 with CTCAC requirements and applicable California law. BORROWER shall cause the Property Manager to submit such income certification, verification and such additional information as may reasonably be required by COUNTY, HCD or, if applicable, 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 California law or 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>. BORROWER and COUNTY agree and acknowledge that COUNTY may require such additional information, if any, required to comply with the PLHA Program and/or applicable California law regarding affordable housing.

e) Submission of Audited Financial Statements. BORROWER shall prepare and obtain an audited annual financial statement for the Project for each calendar year (the "Annual Audited Financial Statements") ending after completion of the development of

1 the Project. By no later than the April 1st following the year in which final certificate of
2 occupancy for the Project is issued, BORROWER shall submit such Annual Audited
3 Financial Statements to COUNTY for the immediately preceding calendar year.
4 Thereafter, by no later than each April 1st, BORROWER shall submit Annual Audited
5 Financial Statements to COUNTY for the immediately preceding year.

6 f) Monitoring Fee. BORROWER covenants and agrees to pay an annual
7 compliance monitoring fee to the COUNTY in the total annual amount of \$11,600
8 (increased annually by an amount equal to the increase of the Consumer Price Index (CPI)
9 for the San Bernardino-Riverside-Ontario, CA area, but in no event to exceed 5%
10 annually) (“Monitoring Fee”). The first Monitoring Fee payment is due on July 1st of each
11 year for the monitoring period of July 1st to June 30th commencing on the July 1st following
12 the issuance of a Certificate of Occupancy for the Project and may be pro-rated for a partial
13 first year. The Monitoring Fee will be due on each July 1st thereafter and will continue
14 until the expiration of the Affordability Period. The Monitoring Fee is to be adjusted
15 upwards annually, increased by an amount equal to the increase in CPI for the San
16 Bernardino-Riverside-Ontario, CA area. In the event of a decrease in the applicable CPI,
17 the Monitoring Fee currently in effect shall remain the same and shall not decrease.

18 25) ACCESS TO PROJECT SITE. Representatives of the COUNTY and HCD shall
19 have the right of access to the Property, upon 24 hours’ written notice to BORROWER (except
20 in the case of an emergency, in which case COUNTY or HCD shall provide such notice as
21 may be practical under the circumstances), without charges or fees, during normal business
22 hours to review the operation of the Project in accordance with this Covenant and the PLHA
23 Loan Agreement, subject to the rights of tenants.

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

27 27) RECITALS. The Recitals set forth above are true and correct and incorporated
28 herein by this reference.

1 28) ENTIRE UNDERSTANDING. This Covenant and the PLHA Loan Documents
2 contain the entire understanding and agreement of the parties hereto. There are no oral or
3 written representations, understandings, or ancillary covenants, undertakings or agreements,
4 which are not contained or expressly referred to within this Covenant, and the PLHA Loan
5 Documents, including all amendments and modifications thereto.

6 ///

7 ///

8 ///

9 [remainder of page intentionally blank]

10
11 (SIGNATURES ON THE NEXT PAGE)
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28

IN WITNESS WHEREOF, COUNTY and BORROWER have executed this Covenant as of the
dates written below.

COUNTY:

County of Riverside, a political
Subdivision of the State of California

By: _____
Heidi Marshall, Director
Housing & Workforce Solutions

Date: _____

(COUNTY Signature needs to be notarized)

APPROVED AS TO FORM:
MINH C. TRAN, County Counsel

By:  _____
 Amrit P. Dhillon, Deputy County Counsel

BORROWER:

VILLA VERDE I, L.P., A California limited partnership

By: Villa Verde I GP, LLC,
a California limited company
Its: Managing General Partner

By: Abode Communities, a California nonprofit public benefit corporation
Its: Sole member

By: _____
Lara Regus
Its: Senior Vice President, Development

(Signatures need to be notarized)

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)

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 OF PROPERTY

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 RIGHT-OF-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

Exhibit I

REQUEST FOR NOTICE OF DEFAULT

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
3403 Tenth Street, Suite #300
Riverside, CA 92501
Attn: Leah Rodriguez

SPACE ABOVE THIS LINE FOR RECORDERS USE

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 _____, 2026 and recorded concurrently herewith in the Official Records of the County of Riverside, California, executed by VILLA VERDE I, L.P., a California Limited Partnership, as Trustor in which _____ is named as Beneficiary, and _____ is named as Trustee, and describing land therein as all that certain real property situated in the County of Riverside, State of California, legally described as follows in **Exhibit A** which is attached hereto and by this reference incorporated herein.

All notices to be mailed to:

Attn: Leah Rodriguez
County of Riverside
Housing and Workforce Solutions
3403 Tenth Street, Suite #300
Riverside, California 92501

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.

COUNTY OF RIVERSIDE

By: _____
Juan Garcia, Deputy Director

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:

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

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

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 J

ENVIRONMENTAL INDEMNITY

ENVIRONMENTAL INDEMNITY

THIS ENVIRONMENTAL INDEMNITY (this "Indemnity"), dated as of _____, 2026, is made by VILLA VERDE I L.P, a California limited partnership (referred to as "Indemnitor"), whose address for purposes of giving notices is c/o Abode Communities, 2420 E. Cesar Chavez Ave #101, Los Angeles, CA 90033, Attention: Lara Regus, Senior Vice President, in favor of the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("COUNTY" or "County"), whose address for purposes of giving notices is 3403 Tenth Street, Suite #300, Riverside, CA 92501.

WITNESSETH

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

WHEREAS, Indemnitor and COUNTY have entered into that certain Loan Agreement for the Use of PLHA Program Funds (PLHA4.26.001 Villa Verde I, 84824 Calle Verde, Coachella, CA, Indio, CA), dated as of _____, 2026 (the "Loan Agreement"), pursuant to which COUNTY agreed to loan to Indemnitor, or its assignee, Six million, one hundred fifteen thousand, two hundred fifty-two and 00/100 dollars (\$6,115,252 USD) in PLHA Program funds (the "PLHA Loan") for the purpose of developing an approximately one-hundred eighty (116) unit multifamily rental affordable housing development and related improvements and amenities on the Property; and

WHEREAS, Indemnitor has agreed to execute and deliver to COUNTY this Indemnity to induce COUNTY to enter into the Loan Agreement and provide the PLHA Loan to Indemnitor.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual agreements hereinafter set forth, Indemnitor hereby agrees with COUNTY 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, “PLHA Loan Documents” shall refer to the Loan Agreement, any agreement entered into 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 PLHA Loan Documents.

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

(d) COUNTY shall have the right, upon reasonable notice and subject to rights of tenants, to conduct an environmental audit of the Property at COUNTY’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 COUNTY reasonably 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 COUNTY and its agents and employees access to the Property to remove, or otherwise to mitigate against the effects of, Hazardous Materials, provided, however, that COUNTY may exercise this right only if Indemnitor has failed to commence action to mitigate the effects of the Hazardous Materials within thirty (30) days of receipt of notice from COUNTY.

(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, COUNTY 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 COUNTY 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 that could reasonably have material adverse effect on the Property.

2.2 Indemnity. Indemnitor shall indemnify, protect, and hold COUNTY 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 COUNTY 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 on the Property;
- (b) The breach of any covenant made by Indemnitor in Section 2.1 hereof; or
- (c) The enforcement by COUNTY 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 (i) 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 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, or (ii) any Obligations arising from the gross negligence or intentional misconduct of COUNTY or any of its Indemnified Parties.

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 PLHA Loan Documents or affecting any of the rights of COUNTY with respect thereto. The obligations of Indemnitor hereunder shall be absolute and unconditional irrespective of:

- (a) The validity, regularity, or enforceability of the Loan Agreement or any other instrument or document executed or delivered in connection therewith;
- (b) Any alteration, amendment, modification, release, termination, or cancellation of the PLHA 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 PLHA Loan Documents;
- (c) Any exculpatory provision in any of the PLHA Loan Documents or any document delivered in connection therewith limiting COUNTY's recourse to property encumbered by the deed of trust securing Indemnitor's obligations under the PLHA Loan Documents, or to any other security, or limiting COUNTY'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 PLHA 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 COUNTY 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 PLHA Loan Documents, this Indemnity shall not terminate if any of the following shall have occurred:

(a) COUNTY 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 COUNTY, or any other interested party under the Loan Agreement 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 COUNTY protect, secure, perfect, or insure any security interest or lien in or on any property subject thereto,
- (f) Any requirement that COUNTY 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 COUNTY 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 COUNTY, including, without limitation, an election to proceed by non-judicial foreclosure or which destroys or otherwise impairs the subrogation rights of COUNTY or any other right of COUNTY 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 COUNTY:

County of Riverside
Department of Housing and Workforce Solutions
3403 Tenth Street, Suite #300
Riverside, CA 92501
Attn: Director

In the case of Indemnitor:

Villa Verde I L.P.
c/o Abode Communities
2420 E. Cesar Chavez Ave #101
Los Angeles, CA 90033
Attention: Lara Regus, Senior Vice President

with copies to:
Bocarsly Emden Cowan Esmail & Arndt LLP
633 West 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 COUNTY 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 COUNTY, 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 COUNTY, 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 COUNTY to exercise, and no delay in exercising, any right hereunder or under the PLHA 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 COUNTY 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 COUNTY hereunder, to the benefit of COUNTY, its respective directors, officers, employees, and agents, any successors to COUNTY'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 COUNTY's rights and remedies under the PLHA 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, COUNTY may, subject to, and in accordance with, the provisions of the PLHA Loan Documents, assign or otherwise transfer all or any portion of its rights and obligations under the PLHA 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 COUNTY herein or otherwise. None of the rights or obligations of Indemnitor hereunder may be assigned or otherwise transferred without the prior written consent of COUNTY, except as provided in the PLHA 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.

[Signatures on the Following Page]

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

INDEMNITOR:

VILLA VERDE I, L.P., A CALIFORNIA LIMITED PARTNERSHIP,

By: Villa Verde I GP, LLC,
a California limited company
Its: Managing General Partner

By: Abode Communities, a California
nonprofit public benefit corporation,
Its: Sole Member

By: _____
Lara Regus
Its: Senior Vice President, Development

Exhibit A
LEGAL DESCRIPTION

The land referred to in this report is situated in the County of Riverside, State of California, described as follows:

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 $89^{\circ}51'42''$ 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 $89^{\circ}57'04''$ EAST ALONG SAID CENTERLINE OF CALLE VERDE, A DISTANCE OF 109.68 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH $89^{\circ}57'04''$ 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 RIGHT-OF-WAY LINE OF CALLE TECHA THE FOLLOWING (5) COURSES:

1) SOUTH $00^{\circ}05'14''$ 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 $00^{\circ}05'14''$ WEST;

2) SOUTHEASTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF $90^{\circ}00'00''$, 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 $89^{\circ}54'46''$ WEST;

3) SOUTHERLY ALONG THE ARC OF SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF $06^{\circ}22'52''$, AN ARC DISTANCE OF 60.02 FEET;

4) SOUTH $06^{\circ}28'06''$ 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 $06^{\circ}23'04''$, 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 A: Assessor's Parcel Number 768-400-001 and 84824 Calle Verde, Coachella

Document Root (Read-Only)

Selected Document

2026030167 - NOE - Loan Agreement for the Use of PLHA Program Funds

Riverside County
Created - 3/4/2026 | Submitted - 3/4/2026 | Posted - 3/4/2026 | Received - 3/4/2026 | Published - 3/4/2026
Whitney N Mayo

Document Details

Public Agency

Riverside County

Document Type

Notice of Exemption

Document Status

Published

Title

Loan Agreement for the Use of PLHA Program Funds

Document Description

The Loan Agreement for the Use of PLHA Program Funds for \$6,165,252 will pay a portion of the construction costs for Villa Verde I Apartments located at 84824 Villa Verde, in the City of Coachella on 6.964 acres of land identified as Assessor's Parcel Number 768-400-001. The Project consists of 116 units, including 1 manager unit, consisting of 16 one-bedroom units, 56 two-bedroom units (including Manager unit), and 44 three-bedroom units. Amenities are shared with the adjoining Villa Verde II via a Reciprocal Easement Agreement. Under the County's PLHA program, 11 units will be restricted to very low-income households and 45 units will be restricted to low income households. Those will be restricted for a period of at least 55 years from the recordation of the Notice of Completion.

Attachments (Upload Project Documents)

3.19 - NOE - Loan Agreement for the Use of PLHA Program Funds.pdf

Contacts

Riverside County - *Juan Garcia*

4080 Lemon Street Suite 400
Riverside, CA 92501
Phone : (951) 955-8126
JUGarcia@rivco.org

Regions

Southern California

Counties

Riverside

Cities

Coachella

Location Details

Cross Streets

84824 Calle Verde

Parcel Number - 768-400-001

Other Location Info

84824 Calle Verde, Coachella, CA, Assessor's Parcel Number 768-400-001 Riverside County

https://ceqasubmit.lci.ca.gov/Document/Index/330827/1

1/2

Notice of Exemption
Exempt Status Ministerial
Type, Section Number or Code Number Sec. 21080(b)(1); 15268
Reasons why project is exempt Pursuant to Government Code Section 65913.4, the California Environmental Quality Act (CEQA) (Division 13 (commencing with section 21000) of the Public Resources Code) does not apply to actions taken by a state agency or local government to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income. The City of Coachella, after it reviewed and considered the information under Architectural Review 19-06 (Ministerial), the City of Coachella determined the project is statutorily exempt from environmental review pursuant to the provisions CEQA as "Ministerial Projects" (Section 15268 of CEQA Guidelines) involving no discretionary provisions in the Coachella Municipal Code. The project determined as exempt from environmental review under Streamlined Ministerial Approval process (SB35). In its independent judgment and analysis as a Responsible Agency under CEQA in issuing limited approvals the Loan Agreement is exempt from CEQA review.
County Clerk(s) Riverside

Signature

Title

Date

SCH Number 2026030167

From Thomas Hubbard <THOMAS.HUBBARD@lci.ca.gov>

Date Wed 3/4/2026 1:30 PM

To Mayo, Whitney <WMayo@Rivco.org>

Hello,

Thank you for submitting your notice through CEQA Submit. Your document has been successfully published.

To view your submission, use the following link.

<https://cegasubmit.lci.ca.gov/Document/Index/330827/1>

Please contact the SCH with any questions at state.clearinghouse@lci.ca.gov.

Thank you,



Thomas Hubbard | *he/him/his*

Jr. CEQA Analyst

**Governor's Office of Land Use & Climate
Innovation**

thomas.hubbard@lci.ca.gov

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****Note:** No reply, response, or information provided constitutes legal advice.

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