LOAN AGREEMENT

COUNTY GENERAL FUND - PROJECT NO. C27A12
DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1

by and between the

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

a public body, corporate and politic

and

2052 Lake Altadena, L.P.

a California limited partnership

for a loan in the initial principal amount of

$10,141,177

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LOAN AGREEMENT
COUNTY GENERAL FUND - PROJECT NO. C27A12
DR-MHP FUND – PROJECT NO. DRMHP1

Transaction Summary

Project Name: 2052 Lake Avenue Apartments

Borrower Name: 2052 Lake Altadena, L.P.
☒ Limited Partnership ☐ LLC ☐ Nonprofit Public Benefit Corporation ☐ Other ____

State of Formation of Borrower Entity: ☒ California; ☐ Delaware; ☐ Other _____ (specify)

Developer Name (if separate entity from Borrower): EAH Inc.

Project Address: 2052 Lake Avenue Altadena, CA 91001

Location (Jurisdiction): ☐ Incorporated Jurisdiction: _____ ☒ Unincorporated

Assessor's Parcel Number (APN): 5845-010-020

Census Tract: 4612.00 **Supervisorial District:** 5 **Size of Site**: 39,654 (square footage or acreage)

Project Description *(brief narrative of LACDA-funded uses):*

2052 Lake Avenue Apartments applied for Los Angeles County Development Authority (LACDA) funds and Project-Based Vouchers (PBVs) through NOFA Round 27 and was awarded 57 PBVs and a $7,000,000 Affordable Housing Trust Fund (AHTF) loan. Additionally, the Project was awarded $3,141,177 in Disaster Recovery-Multifamily Housing Program (DR-MHP) funds from the California Department of Housing & Community Development via a Disaster Recovery Program for Multifamily Rental Housing Request for Proposals issued by the LACDA.

2052 Lake Avenue Apartments ("**Project**") will be a 58-unit, new construction development located in the Altadena neighborhood within Unincorporated Los Angeles County. The Project's 58 units will be comprised of 57 income-restricted 1-bedroom units, which will serve homeless individuals, and one 2-bedroom unit reserved for a full-time onsite property manager. All 57 income-restricted units will be subsidized with Section 8 Project-Based Vouchers ("**PBV**") awarded by the Los Angeles County Development Authority ("**LACDA**").

The Project will be a 4-story, 58-unit, multifamily residential building using Type V-A construction including approximately 39,654 square feet. The one-bedroom units range from 527 square feet to 550 square feet. The manager's unit will be approximately 827 square feet. Parking will consist of approximately 18 tuck-under and surface parking spaces. There will be a community room located on the ground floor and there will also be approximately 2,549 square

feet of landscaping, including two courtyards. An office for resident services, one property management office, a reception desk, a designated mail area, one laundry room, and one storage room will also be located on the first floor. The building will have nine mobility units and six units with communication features.

Development Description
*(brief narrative describing the site and/or community and the non-LACDA funded uses)***:**

The subject property is located in a residential and light commercial neighborhood. The Project is within a third of a mile of the 662 Lake/Morada bus stop and within less than half a mile of Altadena Arts Magnet School and Eliot Arts Magnet School. The Altadena Library, Santa Catalina Branch Library, Altadena Triangle Park, and Washington Park are within a mile of the Project. The nearest healthcare facility is the Pasadena Urgent Care & Medical Center within 1.5 miles from the Project site and an Aldi grocery store is located within 0.20 miles away from the Project.

County General (CG) Funds

- **Loan Amount**: $7,000,000 Interest Rate: 3% simple, 10% Default
- Repayment term: 57 years Repayment type: Residual Receipts (34.51%)
- Use: ☐ Acquisition ☐ Predevelopment (disbursed pre-Construction period)
  ☒ Predevelopment (disbursed at Construction-close or during Construction period)
  ☐ Rehabilitation ☒ Construction (New) to Perm

DR-MHP Funds

- **Loan Amount**: $3,141,177 Interest Rate: 3% simple, 10% Default
- Repayment term: 57 years Repayment type: Residual Receipts (15.49%)
- Use: ☐ Acquisition ☐ Predevelopment (disbursed pre-Construction period)
  ☒ Predevelopment (disbursed at Construction-close or during Construction period)
  ☐ Rehabilitation ☒ Construction (New) to Perm

Project Financing Sources and Lien Priority Relative to the LACDA Loan:

Note: Final funding amounts are subject to change

Lender / Financier Type	**Construction Period**		**Permanent Period**	
	Funding Amount	***Priority***	***Funding Amount***	***Priority***
US Bank (Construction Lender)	$25,454,209	Senior, 1st	-0-	1st
LACDA – County General Funds (AHTF)	**$6,750,000**	**2nd**	**$7,000,000**	**2nd**
DR-MHP	**$2,827,059**	**3rd**	**$3,141,177**	**3rd**
Berkadia (Perm Lender)	-0-	N/A	$7,269,030	1st
Deferred Capitalized Operating Reserve	$291,628	N/A	-0-	N/A
Commitment Fee Refund	-0-		$76,970	N/A
Waived Permit Fees	$440,908	N/A	$440,908	N/A
Deferred Costs	$29,000	N/A	-0-	N/A
Deferred Developer Fee	$1,500,000	N/A	-0-	N/A
GP Capital	350,000	N/A	350,000	N/A
Tax Credit Equity Contribution	$2,151,635	N/A	$21,516,354	N/A
TOTALS:	**$39,794,439**		**$39,794,439**	

Project Type: Rental for

☐ Seniors ___ years and older; ☐ Families; ☒ Special Needs

UNITS: Affordability Term: Commencing on the date of the CC&Rs and ending fifty-five (55) years from the date of the Certificate of Completion, as defined below.

INCOME LIMITS TABLE

Household Income Level (% of Area Median Income)	1-BR units	2-BR units	**TOTAL UNITS**	**LACDA ASSISTED Units**			Special Needs Unit Type *
				Total	**CGF**	**DR-MHP***	
Thirty Percent Income (30%)	57	-	57	57	57	57	HM
Manager's Unit	-	1	1	-	-	-	-
TOTAL	**57**	**1**	**58**	**57**	**57**	**57**	**-**

*** Special Needs Unit Type Legend**

MI = Mentally Ill
H/A = HIV / AIDS
DD = Developmentally Disabled
TAY = Transition Age Youth (Includes Homeless Youth)
FQ = Frequent Users of Los Angeles County's Health and/or Mental Health Services
HM = Homeless
CH = Chronically Homeless
HV = Homeless Veterans
HS = Homeless Seniors

*Also referred to as the CDBG-DR units in Exhibit "AA"

THIS LOAN AGREEMENT (as amended, modified, supplemented, and replaced from time to time, collectively, "**Agreement**") is made as of the 16th day of January, 2024, by and between the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic ("**LACDA**"), and 2052 LAKE ALTADENA, L.P., a California limited partnership (listed in the Transaction Summary above) ("**Borrower**"). The LACDA and Borrower are sometimes referred to collectively herein as the "**Parties**" and each individually as a "**Party**."

R E C I T A L S

A. WHEREAS, Borrower desires to borrow the principal amount of **TEN MILLION ONE HUNDRED FORTY ONE THOUSAND ONE HUNDRED SEVENTY SEVEN DOLLARS ($10,141,177)** (the "**Loan**") from the LACDA for the purpose of providing construction and permanent financing in connection with the housing development ("**Project**") described in the Transaction Summary above, and as more particularly described in this Agreement. The LACDA's sources of funding for the Loan are (i) $7,000,000 from County General Funds authorized by the LACDA's Board of Commissioners ("**County General Funds**") and (ii) $3,141,177 from Disaster Recovery-Multifamily Housing Program ("**DR-MHP Funds**"). The Project will be developed on a site commonly known by the following street address: 2052 Lake Avenue, Altadena, CA, 91001 ("**Site**") legally described on Exhibit "B" to this Agreement. A detailed Project description is included in the Transaction Summary above and reduced site plans and elevations for the Project are attached as Exhibit "I".

B. WHEREAS, other sources of financing for the Project are anticipated to include, but may not be limited to (i) senior lien financing listed in the Transaction Summary above, if applicable, to which the LACDA shall expressly subordinate the lien of the LACDA's Deed of Trust ("**Senior Financing**"); (ii) financing junior in priority to the lien of the LACDA's Deed of Trust, as listed in the Transaction Summary above, if applicable, ("**Junior Financing**"); and (iii) other financing sources listed in the Transaction Summary above, if applicable, ("**Other Financing**").

C. WHEREAS, development and operation of the Project on the terms and conditions provided in this Agreement will provide affordable housing opportunities for low income persons as described in the Transaction Summary above. The Project will provide supportive services to the extent described in Section 8 below.

D. WHEREAS, as more particularly provided below, Borrower will deliver to the LACDA, among other items, the Deed of Trust, and the CC&Rs (as those terms are defined below) to, respectively, secure repayment of the Loan by Borrower as provided herein and to ensure that the affordability and habitability of the Project is maintained in accordance with the terms of those instruments and this Agreement.

E. WHEREAS, the LACDA desires to make the Loan to Borrower, on the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

A G R E E M E N T

1.0 LACDA LOAN.

The LACDA agrees, subject to the terms and conditions of this Agreement and in consideration of the representations, covenants and obligations of Borrower contained in this Agreement, the Notes, the Deed of Trust, the CC&Rs and any other documents, security instruments or agreements given in connection herewith (collectively such instruments, documents and agreements as amended, modified, supplemented, and replaced from time to time being referred to as the "**Loan Documents**") to make the Loan to Borrower, to be used solely for the purposes described herein.

Except that the Loan may be reduced if the LACDA determines that the full Loan amount is not needed for the Project's feasibility.

2.0 PROMISSORY NOTES; LOAN REPAYMENT.

2.1 Notes. As one of the conditions to disbursement of the Loan to Borrower under Section 6 below, Borrower shall execute Promissory Notes (as amended, modified, supplemented, and replaced from time to time, collectively, the "**Notes**") in the form of Exhibit "C-1" and "C-2" attached hereto, which Notes set forth terms and conditions for the repayment of the Loan. The Notes shall be secured by the Deed of Trust as provided below.

2.2 Interest. The disbursed and unpaid principal balance of the Loan shall bear interest commencing on the date on which such Loan proceeds are first disbursed for the account of Borrower as provided herein, and ending on the date paid, at the rate of three percent (3%) per annum, simple interest ("**Basic Rate**"). Interest shall be computed on the basis of actual number of days elapsed and a three hundred sixty (360) day year. Notwithstanding the foregoing, and without limiting any other remedy of the LACDA, amounts not paid by Borrower when due shall bear interest from the date due to the date paid at the rate of ten percent (10%) per annum ("**Default Rate**").

2.3 Payment Dates and Amounts; Term. As set forth in greater detail in the Notes, Borrower shall repay the Loan, together with accrued interest at the Basic Rate in arrears, in annual installments on or before June 1st of each calendar year for the Project's operating year that is two (2) years earlier. The initial payment for this Project will be made on or before June 1, 2027 and will be based on Residual Receipts, as defined in the Notes for the 2025 operating year. Annually, upon the receipt of the Project's Single-Asset Audit, as defined herein, the LACDA shall calculate the Residual Receipts and corresponding Loan payment. The LACDA will then issue a written payment request to the Borrower and payment is due from the Borrower

upon receipt of the payment request and no later than June 1st. All calculations and records are subject to audit by the LACDA.

Absent prepayment or acceleration, each of the annual payments due June 1, 2027 through and including June 1, 2080 shall be in an amount equal to fourteen and seventy-three hundredths percent (14.73%) of "**Residual Receipts**" (as defined in the Notes) for the Project's operating year that is two (2) years earlier . The balance of the Residual Receipts shall be allocated as follows: Borrower – fifty percent (50.0%), LACDA CGF – thirty-four and fifty-one hundredths percent (34.51%), and LACDA DR-MHP Funds – fifteen and forty-nine hundredths percent (15.49%).

In no event shall any Loan payment attributable to an Event of Default (as hereafter defined) or acceleration be deferred.

Notwithstanding any other provision of the Notes or of this Agreement, unless due sooner, the entire outstanding principal balance of the Loan together with any outstanding interest and any other sums payable under the Notes shall be due and payable in full on the date that is fifty-seven (57) years from the date of this Agreement (including any extensions thereto approved in writing by the LACDA, the ("**Maturity Date**").

The term of this Agreement ("**Term**") shall be from the date of this Agreement through and including the Maturity Date; including any extensions to the term approved in writing by the LACDA, provided, however, provisions in this Agreement which survive the expiration or earlier termination of this Agreement continue after the Term of this Agreement but in so doing are not intended to extend the overall Term of this Agreement.

2.4 Payments Due on Transfer or Refinance. In addition to the payments provided in Section 2.3 above, and subject to the terms of the Senior Financing, Borrower shall pay to the LACDA towards (but not to exceed) any outstanding amounts associated with the Loan, the "**Applicable Percentage**" of "**Net Proceeds**" of a Transfer and fifty percent (50%) of "**Net Refinancing Proceeds**" received from a "**Refinancing**", as such terms are defined in the Notes. The term "Transfer" is defined in Section 15 of this Agreement.

3.0 ACCELERATION.

Notwithstanding the payment terms set forth in Section 2 above, upon the occurrence of any Event of Default as set forth in Section 17 below, the entire outstanding principal balance of the Notes, together with any outstanding interest and other amounts payable thereunder, shall, at the election of the LACDA and upon notice to Borrower thereof, become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Borrower.

4.0 PREPAYMENT; APPLICATION OF PAYMENTS.

At any time after the disbursement of the Loan proceeds, Borrower may prepay all or a portion of the unpaid principal amount of the Loan and accrued interest and any other sums outstanding without penalty. Borrower hereby agrees and understands that the prepayment of the Notes shall not relieve Borrower of the duty to comply with the covenants described in Sections 10, 11 and 12 herein, and such obligations and covenants shall remain in full force and effect pursuant to their terms. All payments, including any prepayments or funds received upon acceleration pursuant to Section 3 above, shall be applied first toward any outstanding costs of collection or other amounts (excluding Loan principal or interest thereon) due under the Notes or this Agreement, then toward outstanding interest accrued at the Default Rate of ten percent (10%) per annum (simple interest), if any, then toward outstanding interest accrued at the Basic Rate, if any, and finally toward the remaining principal balance under the Notes.

5.0 SECURITY AND SOURCE OF PAYMENT.

5.1 Borrower's obligation to repay the Loan and any associated interest and other amounts payable under this Agreement or the Notes shall, at all times during which any amount remains outstanding, be secured by the deed of trust (as amended, modified, supplemented, and replaced from time to time, collectively, the "**Deed of Trust**"), in the form of Exhibit "D", attached hereto, recorded against Borrower's fee interest in the Site and the Project and creating a security interest therein and such other related rights as are described therein (collectively, referred to therein as the "**Mortgaged Property**"). The security interest in the Mortgaged Property granted to the LACDA pursuant to the Deed of Trust shall be subordinate only to the Senior Financing and such exceptions to title shown in the title report for the Mortgaged Property which are approved in writing by the LACDA.

5.2 Except to the extent any Event of Default hereunder results directly or indirectly from any willful misconduct, fraud or intentional misrepresentation by Borrower in connection with this Agreement or the Loan, the Loan is a nonrecourse obligation of Borrower, and in the event of the occurrence of an Event of Default, the LACDA's only recourse under the Deed of Trust shall be against the Mortgaged Property, the proceeds thereof, the rents and other income arising from its use and occupancy as provided in the Deed of Trust, and any other collateral given to the LACDA as security for repayment of the Loan such that neither Borrower nor any partner of Borrower shall have personal liability for repayment of the Loan.

5.3 At Close of Escrow, as defined below, Borrower shall also submit in form and substance satisfactory to the LACDA such additional instruments, documents or pledges required by the LACDA to further perfect, confirm or establish its security interest in the Mortgaged Property and interests related thereto, including but not limited to:

(1) Assignment of Construction Contracts and Documents; and

(2) Collateral Assignment of Architect's Contract

If the applicable Construction Contract and Architect Contract, as both are defined below, have not been executed before Close of Escrow, Borrower shall provide the documents noted in 5.3(1)

and (2) within thirty (30) days of executing the Construction Contract and/or the Architect Contract.

6.0 ESCROW; CONDITIONS FOR LOAN CLOSING AND DISBURSEMENT.

6.1 Escrow. Except to the extent the LACDA's Executive Director, or his designee, directs in writing that some or all of the deliveries shall occur outside of Escrow, delivery of the executed Notes to the LACDA, and recordation of the Deed of Trust and other Loan Documents (as described in Section 6.2 below) to be recorded shall be carried out through an escrow account ("**Escrow**") to be established by the Parties with a title or escrow company specifically approved in writing for this transaction by the LACDA ("**Escrow Holder**"). If Escrow is not opened prior to executing this Agreement, Borrower shall obtain the LACDA's approval of an Escrow Holder and open Escrow not later than thirty (30) days following execution of this Agreement.

The Parties may execute supplemental instructions to Escrow Holder consistent with the terms of this Agreement, but in the event of a conflict between the terms of this Agreement and any supplemental escrow instructions, the terms of this Agreement shall control. Except as otherwise expressly provided herein, any fees and costs incurred by Escrow Holder in the performance of its duties hereunder and agreed to be paid by the Parties shall be shared equally by the Parties.

6.2 Closing Conditions. The obligation of the LACDA to make disbursements of Loan proceeds under this Agreement shall be expressly subject to satisfaction of all of the following conditions (collectively, the "**Closing Conditions**"):

(1) General Conditions.

(a) Execution of this Agreement by the LACDA and Borrower, and delivery of a fully-executed copy to Escrow Holder;

(b) Borrower's due execution and deposit into Escrow of the Notes;

(c) Borrower's due execution (with notary acknowledgment) and deposit into Escrow of the Covenants, Conditions and Restrictions or Regulatory Agreement (as amended, modified, supplemented, and replaced from time to time, collectively, "**CC&Rs**") in the form attached hereto as Exhibit "E-1", Senior Regulatory Agreement (the "**DR-MHP Senior Regulatory Agreement**"), Exhibit "E-2" Agreement Containing Covenants, Conditions, and Restrictions (the "**LACDA CC&R**") and Exhibit "E-3" Regulatory Agreement ("**DR-MHP Regulatory Agreement**"). Except as expressly permitted to the contrary by the LACDA the terms and conditions of the CC&Rs shall be superior to any and all conflicting covenants, conditions, restrictions or other agreements relating to the Site or the Borrower;

(d) Borrower's due execution and due execution of all other parties thereto (with notary acknowledgment if required by LACDA or the Title Company,

defined below) and deposit into Escrow of the Deed of Trust and any other security instruments or agreements required by the LACDA in connection with and as security for the full and prompt performance by Borrower of the obligations set forth in the Notes and this Agreement, including but not limited to UCC-1 Financing Statements, collateral assignment of architect agreement, and assignment of construction contracts and documents.

(e) Receipt by the LACDA from Borrower of such other documents, certifications and authorizations as are reasonably required by the LACDA, in form and substance satisfactory to the LACDA, evidencing that (i) this Agreement and the other Loan Documents are duly and validly executed by Borrower and constitute the valid and enforceable obligation of Borrower pursuant to their respective terms, and (ii) execution and delivery of the Loan Documents, and the performances thereunder by Borrower, will not breach or violate any applicable law or governmental regulation nor constitute a default under any instrument or agreement to which Borrower is a party (and if requested by the LACDA, an opinion of legal counsel acceptable to the LACDA opining as to the issues described in this subsection and such other matters as required by the LACDA's legal counsel);

(f) **COMMONWEALTH LAND TITLE COMPANY** ("**Title Company**") shall have assured the LACDA in writing that upon recordation of the Deed of Trust there will be provided to the LACDA, at Borrower's sole expense, an LP 10 Policy ("**Title Policy**"), with endorsements required by the LACDA, including but not limited to CLTA Nos. 100.2 (or ALTA 9)(comprehensive), 102.6 (restrictions encroachments), 103.3 (if survey shows any encroachments), 103.5 (water rights), 103.7 (access to public street), 110.9 (no environmental liens), 116 (street assessment), 116.1 (survey), 116.4 (contiguity if multiple parcels), 116.7 (subdivision compliance), 122 (future advance priority if multiple loan advances), 129.1 (tax parcel), 111.4 (mortgage impairment after conveyance/HUD required), 111.5 (variable rate), 132.6 (usury), SE-188 (lack of signatures), and such other endorsements as the LACDA shall require, issued by the Title Insurance Company in the amount of the Loan, insuring the LACDA's interest in the Mortgaged Property as beneficiary under the Deed of Trust, and specifically insuring that the lien of the Deed of Trust and the CC&R's against the Mortgaged Property are subject only to the Senior Financing and any exceptions to title applicable to the Mortgaged Property which were expressly approved in writing by the LACDA (collectively with the Senior Financing, "**Permitted Senior Encumbrances**").

(g) Borrower, the LACDA, and any lender, creditor or lienholder with respect to the Junior Financing and Other Financing which is of record in the Los Angeles County Recorder's office (if applicable) have each duly executed (with notary acknowledgment) and deposited into Escrow for recordation at the Close of Escrow a subordination agreement ("**Subordination Agreement**") in the form attached hereto as Exhibit "F", confirming or establishing the priority of the lien, terms and conditions of the LACDA's Deed of Trust and other Loan Documents;

(h) No Event of Default shall exist under this Agreement and no default or event or circumstances shall exist which, with the giving of notice or passage of time or both would become a default under, any other Loan Document, or any other agreement or instrument relating to the Senior Financing, Other Financing, or Junior Financing;

(i) Borrower has demonstrated to the satisfaction of the LACDA Executive Director (or his or her designee) that all construction and permanent financing sources for development and operation of the Project, including but not limited to Borrower's equity, are or will be available in sufficient amounts to provide for full and timely completion and ongoing operation of the Project;

(j) If applicable, Borrower shall have furnished the LACDA with a copy of a fully executed contract for the design and related services for the construction of the Project ("**Architect Contract**") entered into with the Project's architect ("**Architect**") duly licensed as an architect in the State of California and the Architect and Architect Contract have been previously approved in writing by the LACDA;

(k) Borrower shall have furnished the LACDA with evidence satisfactory to the LACDA evidencing the insurance coverages required by Section 10.10 and outlined in Exhibit "N" – Insurance Requirements below;

(l) Borrower shall have furnished the LACDA and obtained the LACDA's approval of all soils, geologic reports and other development related reports existing with respect to the Site. The consultants preparing such reports shall all be duly licensed to perform such work in the State of California, carry professional errors and omissions acceptable to the LACDA, and provide a reliance letter in favor of the LACDA in form and substance acceptable to the LACDA with regard to all reports prepared. Borrower hereby acknowledges that the LACDA's review and approval of such reports and of any other contract, document or other matter under this Agreement is solely for the benefit of the LACDA, and should not be relied upon as any assurance or warranty of the correctness, adequacy or appropriateness of any such matter;

(m) Borrower shall have provided to the LACDA, in form satisfactory to the LACDA, copies of (i) Borrower's governing partnership agreement, operating agreement, or articles and bylaws, together with a certification by the managing member, managing general partner, or president that such agreement or articles and bylaws has not been amended or modified except as described in the certification, (ii) a good standing certificate from the California Secretary of State, certifying that Borrower is duly qualified and in good standing, and (iii) all other documents necessary to evidence to the LACDA's satisfaction that the individuals and entities executing this Agreement and the other Loan Documents, and other entities on whose behalf such documents are executed, are fully authorized to do so and to bind the respective entities, including Borrower, to the terms hereof and thereof; (and if Borrower is managed or operated by a corporate,

limited liability or partnership entity then such entity shall provide the same information and evidence);

(n) If applicable, Borrower shall have obtained the LACDA's written approval of a Multi-Party Construction Disbursement Agreement and supplemental instruction to Escrow Holder specifying the applicable payees and uses of Loan proceeds when disbursed by Escrow Holder for the account of Borrower pursuant to this Agreement;

(o) Borrower shall have furnished the LACDA and obtained the LACDA's approval of an operating budget and management plan for the Project. The Management Plan shall include a preliminary Operating Budget, in a format mandated by the LACDA and attached to this Agreement as Exhibit "K" and approved by the LACDA at its sole discretion. In the event the preliminary Operating Budget is proposed for revision, any such revision must be submitted to the LACDA no later than ninety (90) days prior to occupancy of the Project and shall be approved by the LACDA at its sole discretion;

(p) Borrower shall have furnished the LACDA with a certification from the holders of any of the Senior Financing certifying that such holders consent to the Loan and that Borrower is not in default under any loan comprised within the Senior Financing;

(q) Borrower shall have provided the LACDA with documentation satisfactory to the LACDA that all environmental mitigation measures stipulated to ensure the Project's compliance with the National Environmental Protection Act ("**NEPA**") and/or the California Environmental Quality Act ("**CEQA**") have been completed;

(r) Any other due diligence submittals required by the LACDA at the LACDA's sole discretion; and

(s) Borrower shall have delivered or caused the delivery of such documents, evidence and agreements or taken such actions as required by the LACDA to confirm, secure, or further confirm or secure the transactions contemplated by this Agreement, at the LACDA's sole discretion.

(2) Construction Financing Conditions. The following additional Closing Conditions must be met if the Loan provides construction financing:

(a) Borrower shall have commenced or be ready to commence Project construction, and shall have furnished the LACDA with copies of:

(i) a fully executed contract for the construction of the Project and all amendments thereto ("**Construction Contract**") entered into with a general

contractor ("**General Contractor**") duly licensed as a general contractor in the State of California and the General Contractor and Construction Contract and the General Contractor and Construction Contract shall have been previously approved by the LACDA;

(ii) a payment and performance bond with respect to the Project posted by the General Contractor which is in the amount of the contract price identified in the Construction Contract, is issued by a surety reasonably acceptable to the LACDA, is in form and content reasonably approved by the LACDA and names the LACDA, Borrower, Senior, Junior, and Other Lenders and, as applicable, the Secretary of Housing and Urban Development as additional obligees; and a performance bond for one hundred percent (100%) of the contract price, guaranteeing the completion of the Project development which is in form and content reasonably approved by the LACDA, is issued by a surety acceptable to the LACDA, and names the LACDA, Borrower, Senior, Junior, and Other Lenders and, as applicable, the Secretary of Housing and Urban Development as additional obligees;

(iii) any other plans, documents, drawings and approvals requested by the LACDA and/or required under Exhibit "P" to this Agreement, entitled "Construction Requirements" have been submitted to and approved by the LACDA.

(b) Borrower shall have completed the LACDA's Design Review Process in accordance with Exhibit "S", entitled "Design Guidelines".

(c) If applicable, Borrower shall demonstrate that it has met all applicable relocation requirements outlined in Section 10.13 of this Agreement.

(d) Borrower shall have furnished the LACDA with the documents outlined in Section 5.3 of the Agreement.

(e) If applicable, Borrower shall be in compliance with all Local and Targeted Worker Hiring Program Requirements as outlined in Section 10.1(2) and Exhibit "W."

(f) Borrower shall have certified and demonstrated to the LACDA that it has completed all discretionary processes and obtained all discretionary approvals (including the approval for the issuance of a building permit or, as applicable, a grading permit) from the jurisdiction where the Project is located and from any other governmental entity with permitting authority over the Project, necessary for development of the Project in accordance with the Plans as defined herein.

(3) Permanent Financing Conditions. The following additional Closing Conditions must be met if the Loan provides permanent financing:

(a) Borrower shall have achieved Completion of the Project as defined in Section 10.12;

(b) Borrower shall have satisfied the requirements outlined in Exhibit "G" (Permanent Conversion Requirements).

(c) Borrower shall not pay any loan origination fee, breakage fee, yield maintenance fee or other similar fee related to or arising from the Project's permanent financing set forth on the Transaction Summary (the "**Permanent Loan Fees**") exceeding 1% of the original principal amount of such permanent financing from the Project's funding sources set forth on the Transaction Summary (whether in the form of loans, grants, subsidies, or other sources), without the LACDA's prior written approval, which approval may be withheld at LACDA's sole discretion; however, Borrower may pay Permanent Loan Fees exceeding 1% from funds other than the Project's funding sources.

6.3 Close of Escrow. When, and only when, Escrow Holder has confirmed that the applicable Closing Conditions set forth in Section 6.2 above have been satisfied, and has received written certification from the LACDA's Executive Director, or his designee, that all other Closing Conditions have been timely satisfied, waived or delayed for satisfaction as outlined in Section 6.6 below, then Escrow Holder shall carry out the close of Escrow ("**Close of Escrow**") by:

(1) causing the Deed of Trust, the CC&Rs and the Subordination Agreements (if any) to be recorded in the Official Records of Los Angeles County, California;

(2) delivering the executed original Notes to the LACDA;

(3) causing the Title Policy to be issued to the LACDA in the form and amount specified above;

(4) disbursing Loan proceeds to the extent provided for pursuant to the supplemental instructions to Escrow Holder approved pursuant to Section 6.1 above; and

(5) promptly following recordation, delivering conformed copies of the recorded documents to the LACDA and Borrower.

6.4 Conditions Precedent to Close of Escrow. The Close of Escrow shall not occur prior to satisfaction of all conditions precedent to the closings for the Senior Financing and the Junior Financing. Notwithstanding any other provision, Escrow Holder shall disburse proceeds of the Loan prior to the closings for the Senior Financing and the Junior Financing only if expressly directed by written instructions from the LACDA.

6.5 Closing Deadline and Right of Rescission. Time is of the essence with respect to the rights and obligations of the Parties under this Agreement. If the Close of Escrow does not

occur on or before the date ("**Closing Deadline**") which is **January 22, 2024**, then the Escrow and this Agreement shall terminate and Escrow Holder shall promptly return all funds and documents to the Party depositing them, all escrow charges shall be paid by Borrower, any fees paid by Borrower to the LACDA shall not be refunded, and any other fees or expenses incurred by either party in connection with the Close of Escrow shall be the responsibility of that party. Provided however, the LACDA may in its sole discretion allow an extension of the Closing Deadline subject to terms and conditions established by the LACDA.

6.6 Post-Escrow Closing Disbursements.

(1) RESERVED

(2) General Disbursement Conditions. Loan proceeds not disbursed at Close of Escrow will be held by the LACDA. Future disbursements, except at Conversion to Permanent Financing (as defined below), will be made as reimbursement for actual expenses incurred and will not be made until Borrower has met all applicable Closing Conditions as defined in Section 6.2 above and any additional conditions at the LACDA's discretion and Borrower has submitted and the LACDA has approved the following:

(a) Disbursement Request / Demand letter, which shall include, (i) a certification by Borrower that there are no defaults under the Agreement or any other Loan Documents or the loan or grant documents pertaining to any other loans or grants related to the Project, its partnership agreement, or other governing documents, or any agreements with its investors and no event or condition exists which, with the giving of notice, passage of time or both would result in a default thereunder, (ii) reaffirmation that the representations and warranties made by Borrower in the Agreement and the other Loan Documents are true and correct as of the date of such request or letter, and (iii) a certification by Borrower that all information and materials provided to the LACDA in connection with the request or letter are true and complete and do not omit any material information;

(b) Wiring instructions;

(c) Complete Project development budget including sources and uses and noting prior and current draws and any reallocations to the budgeted line items;

(d) Itemized list of all expenses included in the current draw;

(e) Invoices or other evidence of obligation for all expenses included in the current draw;

(f) Proof of payment for all expenses included in the current draw (i.e., cancelled checks, receipts);

(g) If applicable, Borrower shall be in compliance with all Local and Targeted Worker Hiring Program Requirements as outlined in Section 10.1(2) and Exhibit "W"; and

(h) Any additional requirements established at the LACDA's sole discretion.

Collectively these items make up the draw disbursement request ("**Draw Disbursement Request**")

(3) Other Disbursement Conditions. Along with submitting the Draw Disbursement Request outlined earlier in this Section 6.6, the following additional requirements must be met:

(a) RESERVED

(a) Construction-period Hard Cost Disbursements

(i) Payment request from General Contractor on AIA G702 form, with such changes as required by the LACDA, and executed by all required signatories;

(ii) Payment detail spreadsheet on AIA G703 form;

(iii) A separate statement signed by the general contractor and the architect that there are no defaults under their respective agreements with Borrower and their respective subcontractors and no event or condition exists which with the giving of notice, passage of time or both would result in a default thereunder;

(iv) List of subcontractors and suppliers in the current draw and their payment request amounts;

(v) Conditional lien releases for the current payment request from General Contractor, subcontractors and suppliers;

(vi) Unconditional lien releases for the previous payment requests from General Contractor, subcontractors and suppliers;

(vii) If applicable, evidence of compliance with prevailing wage laws; and

(viii) A certification from Borrower in a form acceptable to the LACDA regarding (a) the actual construction costs compared

to budgeted costs; (b) percentage of Project completion and estimated cost to complete the Project, and (c) that Borrower is not in default under any of the Loan Documents or the loan or grant documents pertaining to any other loans or grants related to the Project, its partnership agreement, or other governing documents, or any agreements with its investors.

(ix) At the LACDA's sole discretion, Loan proceeds used for Construction-period hard cost payments are subject to a ten percent (10%) withholding ("**Retention Proceeds**") until Completion of the Project is achieved, as defined in Section 10. 12 below.

(b) Release of Funds at Conversion to Permanent Financing.

The LACDA will withhold ten percent (10%) of the DR-MHP funds in the Loan ("**Permanent Conversion Funds**") until Conversion to Permanent Financing, as defined in Section 7, is complete. The Permanent Conversion Funds will only be released upon the full satisfaction of all Permanent Conversion Requirements, as defined in Section 7.

(c) Multiple Funding Sources.

With regard to any disbursement request if more than one funding source has been used in the Loan, Borrower shall only use the funds drawn for the permitted purposes for the respective Loan funding source. Borrower shall identify the Loan funding source for each amount to be drawn, shall account for the aggregate sums previously drawn for each Loan funding source, and shall represent and warrant that all prior advances have been properly applied, that the total of all prior advances and the requested advance does not exceed the funding to be made by the respective funding source, and that the information contained in and related to the current draw request is true and complete.

(d) Other Conditions.

Following Close of Escrow, one hundred fifty thousand dollars ($150,000) of the Loan Amount will be held by the LACDA until Borrower has satisfied the LACDA's requirements for Design Standards (as noted in Section 10.19 of this Agreement).

(e) Other Conditions.

Following Close of Escrow, one hundred thousand dollars ($100,000) of the Loan Amount will be held by the LACDA for Labor Compliance Section 3 monitoring.

7.0 CONVERSION TO PERMANENT FINANCING

No later than forty-five (45) days prior to the "**Conversion to Permanent Financing**", which shall mean the date following the completion of construction on which Borrower effects the partial payoff of any construction loan to an amount supported by Project operations or the full payoff of any construction loan if the Project's operations will not support such financing, Borrower shall submit the documents listed in Exhibit "G" to the LACDA for review (the "**Permanent Conversion Requirements**"). The Loan shall be considered "**Permanent Financing**" at such time when documentation of the Permanent Conversion Requirements have been reviewed and approved by the LACDA and provided no Event of Default shall exist under the Agreement or any other Loan Document.

8.0 SUPPORTIVE SERVICES.

As an additional condition to obtaining the Loan, Borrower agrees to provide at Borrower's sole cost and expense throughout the Term services as referenced in Borrower's approved funding application submitted to the LACDA and its amendments ("**Application**"), as set forth in the form attached hereto as Exhibit "L". Borrower shall demonstrate, to the LACDA's reasonable satisfaction, the availability of resources and its commitment to provide funding for supportive services in an annual amount equal to or greater than the amount represented in Exhibit "L" and Exhibit "K" of this Agreement.

As more particularly provided therein, Exhibit "L" sets forth Borrower's obligation to provide supportive services for residents of the Project. Failure to comply with the terms of Exhibit "L" prior to expiration of any applicable notice and cure period will be deemed to be a default under this Agreement. Borrower shall not make changes to the supportive services outlined in Exhibit "L" without the prior written consent of the LACDA.

It is further noted that supportive services are provided to the Project through the Los Angeles County Department of Health Services (**"DHS"**), which is making direct subsidy payments to the supportive service provider for the Project. In the event of a decrease or termination of the DHS subsidy, except if (i) such reduction arises from a default by Borrower or other failure to comply with agreements, laws and regulations applicable to Borrower or (ii) any of the limiting conditions noted below exist, the required supportive services in Exhibit L will be revised based on then available funding resources. At such time, the LACDA agrees to review a revised supportive service plan submitted by Borrower based on available funding resources. The limiting conditions are (i) alternative funding is available, (ii) the Project is not in full compliance with all the terms of the Loan, and (iii) the request by Borrower does not meet the requirements of all funding sources for the Project.

9.0 PURPOSE OF LOAN

The Loan proceeds shall be used by Borrower only to provide construction and permanent financing in connection with the Project. In no event shall Borrower use or otherwise invest the proceeds of the Loan except as expressly provided in this Agreement. Borrower shall provide proof acceptable to the LACDA that the Loan proceeds have been used solely for the purposes indicated in this paragraph and in accordance with this Agreement.

The Borrower shall remain in compliance with Exhibit "AA" - Federal Program Requirements throughout the Term of the Loan.

10.0 COVENANTS OF BORROWER.

As additional consideration for the making of the Loan by the LACDA, Borrower covenants as follows throughout the Term of the Loan:

10.1 Compliance with Laws.

(1) Applicable Governmental Restrictions. Borrower shall comply with all Applicable Governmental Restrictions. As used herein, "**Applicable Governmental Restrictions**" shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, directives, writs, injunctions, orders, decrees, rulings, conditions of approval, or authorizations, now in force or which may hereafter be in force, of any governmental entity, agency or political subdivision as they pertain to the Borrower, performance of this Agreement or development or operation of the Project, including specifically but without limitation all code and other requirements of the jurisdiction in which the Project is located; CEQA; the laws specified in Section 13 below; the Federal Program Requirements included in Exhibit "Z"; fair housing laws, prevailing wage laws (e.g. Cal. Labor Code 1720 et seq. and the federal Davis-Bacon Act (40 U.S.C. 276a), and any other applicable federal, state and local laws. Borrower shall indemnify, defend (with counsel acceptable to the indemnified parties) and hold the LACDA and the County of Los Angeles ("**County**"), and each of their elected and appointed officers, officials, representatives, employees, and agents harmless from any suit, cost, attorneys' fees, claim, administrative proceeding, damage, wage award, fine, penalty or liability arising (whether by negligence, willful act or otherwise) out of or relating to Borrower's failure to comply with any Applicable Governmental Restrictions, including, without limitation, the nonpayment of any prevailing wages required to be paid, failure to maintain wage records, failure to post prevailing wage schedules, or other acts or omissions, regardless of whether they are the responsibility of the contractor or the party awarding the contract. Borrower is solely responsible for determining the applicability of laws, and should not rely on statements by the LACDA. Borrower acknowledges that the LACDA has not represented that the Project is not a "public work" as defined in Labor Code Section 1720 et seq.; and Borrower shall notify the LACDA and Borrower's contractors and subcontractors immediately upon learning of any investigation or determination by the California Department of Industrial Relations relating to whether or not the Project is a "public work".

(2) Local Worker Hiring. Unless the Project is already subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3) or is located in a local jurisdiction with an existing local hire program, the Project must comply with the Local and Targeted Worker Hiring Program Requirements and use the specified forms for reporting compliance as outlined in Exhibit "W" to this Agreement (as amended, modified, supplemented, and replaced from time to time.)

10.2 Revenue Disclosures. Borrower shall make available for inspection and audit to the LACDA's representatives, upon seventy-two (72) hours written request, from time to time during the Term, at Borrower's offices, or, if requested by the LACDA, at another location within Los Angeles County, all of the books and records relating to the operation of the Project and this Agreement. All such books and records shall be maintained by Borrower until the end of the Term; provided that in the event any litigation, claim or audit is started before the expiration of the Term, said books and records shall be retained until all litigation, claims, or audit findings involving said books and records shall have been resolved.

10.3 Other Reports. Upon seventy-two (72) hours written notice, any time during the Term, Borrower shall prepare and submit to the LACDA, any financial, program progress, monitoring, evaluation or other reports (including, but not limited to, documents related to construction and project financing) reasonably required by the LACDA or its representatives as they relate to the Project or this Agreement; provided, however, if such requested reports are not capable of being prepared and submitted to the LACDA within such seventy-two (72) –hour period, then within a reasonable time thereafter. Borrower shall ensure that its employees, agents, officers, and board members furnish such information, which in the reasonable judgment of the LACDA representatives, may be relevant to a question of compliance with this Agreement, the CC&Rs or the Deed of Trust. Borrower shall retain all existing records and data relating to the Project until expiration of the Term. In the event any litigation, claims or audit is started during the Term, said books and records shall be retained until all litigation, claims or audit findings involving said books and records have been resolved.

10.4 Single-Asset Audit. On or before July 1st of the year following the commencement of Project operations and on or before each subsequent July 1st thereafter during the Term of the Agreement, Borrower will be required to submit a Single-Asset Audit. "**Single-Asset Audits**" are cash-based audits of operations at the Project defined in this Agreement and cover a 12-month period. The Single-Asset Audit is to be prepared by an Independent Certified Public Accountant and to be conducted in accordance with Generally Accepted Auditing Standards. If the Borrower does not provide the Single-Asset Audit on July 1st as outlined in this paragraph, this will be considered an Event of Default as defined in Section 17.0 of this Agreement.

10.5 Annual Financial Statements. Along with the Single-Asset Audit defined in Section 10.4 above, the Borrower shall deliver to the LACDA, on forms prepared and provided by the LACDA from time to time, a statement certified by Borrower's accountant (the "**Annual Statement**"), separately setting forth (i) the aggregate Gross Rents (as defined in the Notes) received during the Project's previous operating year, (ii) the aggregate Operating Expenses (as

defined in the Notes) expended during the Project's previous operating year, and (iii) the resulting Residual Receipts (as defined in the Notes).

If applicable, a copy of the annual financial statements of Borrower in the form required by the United States Department of Housing and Urban Development ("**HUD**") for affordable housing projects subject to HUD regulations shall be furnished to the LACDA and shall satisfy the forgoing requirement of this section.

If Borrower provides any written reports, statements or other documents, regarding the financial conditions, operating conditions, management conditions or projections thereof related to all or any part of the Project to other parties including lenders, investors, or credit rating agencies, Borrower shall concurrently provide copies to the LACDA.

10.6 Indemnification. In addition to any other rights or defenses the Public Agencies (defined below) may have under or arising from this Agreement or any applicable laws, Borrower agrees to indemnify, defend (with counsel approved by the LACDA) and hold harmless the LACDA, the County and each of their elected and appointed officers, officials, representatives, employees, and agents (hereinafter collectively referred to as "**Public Agencies**") from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorneys' fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death , that arise (whether by negligence, willful act or otherwise) out of, pertain to, or relate to this Agreement or any of the other Loan Documents, the services and/or materials provided pursuant to this Agreement or any of the other Loan Documents, the Mortgaged Property, or Project (hereinafter collectively referred to as "**Liabilities**"). Borrower shall not be required to indemnify, defend, and hold harmless the Public Agencies from any Liabilities that arise from the sole negligence or willful misconduct of the Public Agencies, Public Agencies' officers or employees. Such indemnification language shall also be incorporated in Borrower's contracts with entities that Borrower has contracted with for purposes of this Agreement in favor of the Public Agencies, except for Design Professionals. ("**Design Professionals**" shall include, but not be limited to, the following: architects, structural engineers, civil engineers, geotechnical engineers and environmental consultants). However Public Agencies may waive this requirement in the event that such contracts were entered into prior to the execution of this Agreement. Borrower waives and releases any rights it may have to any express or implied indemnification from any of the Public Agencies under or arising from this Agreement or the other Loan Documents or any applicable laws

In the event that Borrower is acting as a Design Professional, Borrower further agrees to indemnify, defend (with counsel approved by Public Agencies) and hold harmless the Public Agencies from and against any and all Liabilities that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Borrower for the performance of professional services pertaining to this Agreement. Such indemnification language, in favor of the Public Agencies, shall also be incorporated in Borrower's contracts with any Design Professionals in favor of the Public Agencies, however Public Agencies may waive this requirement in the event that such contracts were entered into prior to the execution of this Agreement.

These indemnification provisions shall remain in full force and effect and survive the termination and/or expiration of this Agreement. Borrower agrees to require, through its contractual language, any entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of the Public Agencies, as applicable to each of them. Borrower waives and releases any rights it may have to any express or implied indemnification from any of the Public Agencies under or arising from this Agreement or any applicable laws.

10.7 Audit by State and Federal Agencies. In the event this Agreement or the Loan is subjected to audit, monitoring or other inspections by appropriate state and federal agencies, during or after the Term of this Agreement, Borrower shall comply with such inspections and pay on behalf of itself and the LACDA the full amount of the cost to the inspecting agency which result from such inspections, if any, unless such inspection and any resulting liability arises solely from the gross negligence or willful misconduct of the LACDA.

10.8 Program Evaluation and Review. Borrower shall allow the LACDA and its authorized representatives to inspect and monitor its facilities and program operations as they relate to the Project or this Agreement, including the interviewing of Borrower's staff, tenants, and other program participants, as reasonably required by the LACDA during the Term.

10.9 Hazardous Materials. Borrower represents and warrants that it has not deposited (which term shall include use, disposal, storage, or release) Hazardous Materials (as defined below) in, on or upon the Site and Borrower covenants that it shall not deposit or permit the deposit of Hazardous Materials in, on or upon the Site or the Project. Borrower further covenants to promptly perform and complete all Remedial Work, at its expense (subject to any reimbursement it may be able to obtain from third parties) any Hazardous Materials located in, on or upon the Site or the Project as of the date hereof or which are deposited in, on or upon the Site or the Project from and after the date hereof and during Borrower's ownership of the Site or the Project, including any asbestos, lead-based paint and any other Hazardous Materials located in the Project, to the extent required by and in accordance with the requirements of all Applicable Governmental Restrictions, including, without limitation, all applicable environmental laws. The foregoing shall not be construed or understood to prohibit Borrower from allowing Hazardous Materials to be brought upon the Project so long as they are materials which are customary to the normal course of business in the operation of a well-designed housing facility and so long as such materials are deposited in accordance with all Applicable Governmental Restrictions. Except with respect to any Environmental Liabilities solely caused by the gross negligence or willful misconduct of the LACDA, Borrower shall indemnify, defend (with counsel approved by the LACDA) and hold the Public Agencies and each of their respective members, directors, agents, officers, representatives and employees (the "**LACDA Indemnitees**") harmless from and against any liability, demands, damages, claims, causes of action, fees (including reasonable attorneys' fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death, that arise (whether by negligence, willful act or otherwise) out of, pertain to, or relate to, or arising directly or indirectly out of the presence of Hazardous Materials in, on or upon the Site or the Project, existing as of the date hereof or deposited (or claimed to have been deposited) in, on or upon the Site or the Project from and after the date hereof and during Borrower's ownership of

the Site or the Project, including without limitation any Liabilities arising out of any deposits of Hazardous Materials described in (i) and (ii) hereinabove or out of Borrower's failure to remove or remediate all such Hazardous Materials in, on or upon the Site and the Project, as required above (collectively, "**Environmental Liabilities**").. Except with respect to any claims solely caused by the LACDA Indemnitees, Borrower hereby releases and forever discharges each and all of the LACDA Indemnitees from all present and future claims, demands, suits, legal and administrative proceedings and from all losses and liabilities arising out of or in any way connected with Borrower's ownership of the Site or the Project, operation of the Project, or any condition of environmental contamination in, on, under, upon or around the Site, or the existence of Hazardous Materials in any state in, on, under, upon or around the Site, and in conne0ction with such release and waiver Borrower is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

For purposes of this Agreement, the term "**Hazardous Materials**" means, without limitation, any substance, chemical, material or waste now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," or "pollutant" within the meaning of or regulated or addressed under any Environmental Law. Without limiting the generality of the foregoing, Hazardous Materials includes: Significant Mold; petroleum and petroleum products and compounds containing them or derived from them, including natural gas, gasoline, diesel fuel, oil and other fuels and petroleum products or fractions thereof; radon; carcinogenic materials; explosives; flammable materials; infectious materials; corrosive materials; mutagenic materials; radioactive materials; polychlorinated biphenyls (PCBs) and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials in any form that is or could become friable; underground or above-ground storage tanks, whether empty or containing any substance; pipelines constructed for the purpose of transporting Hazardous Materials, whether empty or containing any substance; any substance the presence of which on, under or about the Mortgaged Property is regulated or prohibited by any governmental authority; any substance that is designated, classified or regulated pursuant to any Environmental Law; and any medical products or devices, including those materials defined as "medical waste" or "biological waste" under relevant statutes or regulations pertaining to any Environmental Law.

"**Environmental Law**" means any federal, state or local law, ordinance, rule or regulation, which now or in the future regulate the use, handling, disposal, transport, exposure, release or remediation of Hazardous Materials, including, without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 9601 et seq.), (ii) the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), (iii) the Clean Air Act (42 U.S.C. Section 7401 et seq.), (iv) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. Section 6902 et seq.), (v) the

Toxic Substances Control Act (15 U.S.C. Section 2601-2629), (vi) the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.), (vii) the Carpenter-Presley-Tanner Hazardous Substance Account Act (CA Health & Safety Code Section 25300 et seq.), (viii) the Hazardous Waste Control Law (CA Health & Safety Code Section 25100, et seq.), (ix) the Porter-Cologne Water Quality Control Act (CA Water Code Section 13000 et seq.), (x) the Safe Drinking Water and Toxic Enforcement Act of 1986, (xi) the Hazardous Materials Release Response Plans and Inventory (CA Health & Safety Code Section 25500 et seq.), or (xii) the Air Resources Law (CA Health & Safety Code Section 39000 et seq.).

"**Remedial Work**" means any investigation, site monitoring, containment, abatement, clean-up, removal, restoration or other remedial work in connection with any Hazardous Materials, any Environmental Laws, or any order of or agreement with any governmental authority that has or acquires jurisdiction over the Mortgaged Property, or the use, operation or improvement of the Mortgaged Property under any Environmental Law or as recommended in writing by an environmental professional, certified industrial hygienist or person with similar qualifications with respect to Significant Mold.

"**Significant Mold**" means any mold, fungus, bacterial, viral, or microbial matter or pathogenic organisms at, in or about the Mortgaged Property of a type or quantity that: (i) results in, or should reasonably result in, Remedial Work or a significant risk to human health or the environment as determined by a written analysis prepared by an environmental professional, certified industrial hygienist or person with similar qualifications reasonably acceptable to the LACDA; (ii) is required or recommended to be addressed pursuant to Environmental Law, or written recommendation of an environmental professional, certified industrial hygienist or person with similar qualifications; or (iii) would materially and negatively impact the value of the Mortgaged Property.

10.10 Insurance. Without limiting Borrower's indemnifications of the Public Agencies provided in this Agreement, Borrower and/or the entities with which Borrower contracts, shall procure and maintain at their own expense the insurance described in Exhibit "N" – Insurance Requirements for the duration of this Agreement, unless otherwise set forth herein.

10.11 Other Loans. Borrower shall comply with all monetary and nonmonetary covenants associated with any loan secured by an interest in the Site or the Project ("**Other Secured Obligations**") including but not limited to the Senior Financing, the Junior Financing and the Other Financing. Borrower shall provide to the LACDA a copy of any notice of default within five (5) business days after receiving any notice of a default or alleged default of such covenants by Borrower, and Borrower shall promptly cure any such default and cooperate in permitting the LACDA, to the extent the LACDA in its sole discretion elects to do so, to cure or assist in curing the default. Borrower shall promptly advise the LACDA on the status of any efforts to cure such default, and the completion of any cure. If Borrower for any reason suspends making payments to the LACDA under the Loan Documents due to a default under any Other Secured Obligation, Borrower shall suspend making payments to any Junior Financing or to any constituent owners of Borrower or their affiliates, including profit distributions, for as long as payments to the LACDA are suspended. All amounts due under the Loan Documents shall

continue to accrue regardless of any such suspension and if applicable late payment charges and default interest shall be applied until such Loan Document payments are received by the LACDA. The proceeds from any Other Secured Obligations shall only be used for the Project. Any reasonable cost or expenditure incurred by the LACDA in providing or assisting in a cure of a default under any Other Secured Obligation shall at the LACDA's sole discretion be immediately due or deemed added to the outstanding principal amount of the Loan. Borrower shall not agree to or allow any Material Change in its Other Secured Obligations, now or hereafter existing, without (i) providing thirty (30) day's prior notice to the LACDA of such proposed action, (ii) providing the LACDA with true and complete copies of all documentations related to such action, (iii) obtaining the prior written consent of the LACDA to such action. A "**Material Change**" shall mean:

> (i) an increase in the maximum principal amount or applicable interest rate of the Other Secured Obligation for any purpose other than in accordance with documentation for such Other Secured Obligation provided to the LACDA by Borrower; (ii) a shortening or acceleration of the maturity date of the Other Secured Obligation (other than an acceleration upon the occurrence of a default under such Other Secured Obligation) or the date on which any portion of the Other Secured Obligation is due and payable; (iii) an elimination or curtailment of the terms of any notice or cure period afforded to Borrower under the Other Secured Obligation; (iv) the addition of any provisions to cross-default or cross collateralize the Other Secured Obligation with any other loan that has been or is made by such lender with respect to matters unrelated to the Project; or (v) and amendment, modification or other change in the terms or conditions of the Other Secured Obligation which materially increases the risk of a default thereunder.

10.12 Construction Requirements. Following the Close of Escrow, Borrower shall cause the Project construction work to commence promptly, proceed diligently, and achieve Completion of the Project, as defined below, no later than March 1, 2026, subject to extension for up to an additional twelve (12) months to the extent of force majeure delays beyond Borrower's reasonable control.

"**Completion of the Project**" shall be deemed to have occurred when the LACDA has received satisfactory evidence that all final permits and certificates necessary to the operation of the Project as contemplated herein have been obtained and that the Project has been completed in compliance with this Agreement and as represented in the Application. This evidence shall include, without limitation, the following, each of which is subject to the LACDA's review and approval:

(1) a signed certificate of substantial completion from the Project's architect or General Contractor, in a form reasonably acceptable to the LACDA, certifying to the LACDA that construction was completed substantially in accordance with the requirements of the plans and specifications (as approved through the LACDA's Design Review Process as referenced in Exhibit "S") and this Agreement, and all other related on-site and off-site improvements have been completed;

(2) a certificate of occupancy (or temporary certificate of occupancy, if applicable, which permits the use and occupancy of the Project for its intended purposes) and other final permits and licenses necessary to permit the use and occupancy of the Project for its intended purposes, which have been issued by proper governmental agencies and there are no conditions which prevent Borrower from entering into lease agreements with Eligible Households allowing for their immediate occupancy of the Project;

(3) unconditional waivers and releases upon final payment, in statutory form, showing no amounts in dispute, have been received from the General Contractor, all subcontractors, and all other persons or entities providing services or furnishing materials in connection with the Project;

(4) a copy of the notice of completion given to all required recipients and recorded in compliance with California Civil Code Section 8182 and evidence of its required recording and delivery have been delivered to the LACDA;

(5) expiration of all applicable statutory periods for the enforcement of any mechanics' liens pursuant to applicable California laws and Borrower has requested the issuance to the LACDA by the title company, and the title company has issued a Mechanics' Lien – Notice of Completion Endorsement from Title Company certifying that the Mortgaged Property is free from liens;

(6) a certification in a form acceptable to the LACDA from the Borrower that all of the work has been performed in accordance with applicable laws and the Loan Documents including but not limited to Exhibit "P".

(7) the Project complies with the requirements and property standards for all sources of funds used for the Project (including 24 CFR Part 92 and the property standards within 24 CFR 92.251, if applicable to the source funds);

(8) as-built plans and specifications for the Project have been delivered to the LACDA and/or Borrower has committed to deliver them to the LACDA on or before Conversion to Permanent Financing;

(9) if applicable, the supportive services plan for the Project has been approved; and

(10) Borrower shall provide the updated master budget for the Project which shall include a detailed breakdown for any Project cost savings and/or overruns; and

(11) Any other LACDA requirements at the LACDA's sole discretion.

Upon the Completion of the Project, Borrower shall provide all evidence necessary and reasonably requested by the LACDA to show that Project Completion has occurred. Upon receipt of Borrower's written request of issuance of Certificate of Completion

and in reliance on the materials provided to LACDA by Borrower the LACDA shall prepare a "**Certificate of Completion**" substantially in the form attached hereto as EXHIBIT "G-1".

Construction shall proceed in accordance with Exhibit "P", Construction Requirements, and shall conform to the layout and design represented in Borrower's approved Application.

Any material construction, demolition or renovation of the Project or the Site after Completion of the Project shall require the prior written consent of the LACDA, not to be unreasonably withheld. For purposes of this Section material shall include: any work (or series of related work) which has a reasonably expected aggregate cost of one hundred thousand dollars ($100,000) or more; any alteration of the square footage of the improvements; any structural changes in the improvements; any changes which result in a change in the number of units located at the Site; any work which would result in an increase in the cost of or cause the loss of insurance covering the Project; any reduction in available parking spaces for the Project; or any work requiring a change in the land use entitlements for the Project including but not limited to zoning, subdivisions or lot splits, or conditional use permits; or any work requiring the relocation of the occupants of five percent (5%) or more of the aggregate number of units in the Project.

10.13 Relocation Requirements. If applicable, Borrower shall be responsible for assuring compliance with all relocation requirements as governed by State relocation laws and regulations for projects funded in whole or in part with funding from the state or the local jurisdiction, including the California Relocation Assistance Law (California Government Code Section 7260 et seq.), Section 33410 et seq. of the California Health and Safety Code, the State Department of Housing and Community Development's implementing regulations known as the California Relocation Assistance and Property acquisition Guidelines (Title 25, California Code of Regulations, Section 6000 et seq.) and the LACDA's Relocation Policies and Procedures Manual.

In circumstances where both federal and state funds are contributed to a program or Project, it is the policy of the County to follow the requirements that provide the displaced person or household with the greatest benefit. For example, if in a mixed-funded project, the assistance or benefit under state law is more favorable to the displaced person or household, then the state law applies, and if the opposite is the case, then applicable federal laws and regulations (e.g., Section 4601 et seq. of Title 42 of the United States Code) shall apply. Any relocation assistance shall be provided through and in the manner directed by the LACDA, provided, however, that Borrower shall indemnify, defend (with counsel approved by the indemnified parties) and hold harmless the Public Agencies and each of their respective members, directors, agents, officers, representatives and employees for relocation payments, consulting fees and expenses incurred in connection with the Project. At the LACDA's election and sole discretion, the LACDA may hire a relocation consultant to coordinate the relocation. The fees and costs of the consultant shall be paid or reimbursed by Borrower.

10.14 Environmental Conditions. Borrower shall comply with any CEQA mitigation measures or other environmental conditions imposed by the LACDA as attached hereto in Exhibit "O", or any other applicable governmental authority in connection with the Project.

10.15 Deferred Developer Fee. Borrower agrees to make payments towards the Deferred Developer Fee according to the terms and conditions in the Notes.

10.16 Organizational Documents. Borrower's organizational documents shall mean the documents and agreements which govern the formation of Borrower, the powers and purpose of Borrower, and which describe how the Borrower will be managed including the limited partnership agreement and certificate of limited partnership; operating agreement and certificate of formation; or bylaws, shareholder agreements, and articles of incorporation; depending on Borrower's entity type.

(1) Borrower shall not amend, modify or terminate its organizational documents without the prior written consent of the LACDA, provided, however, that the LACDA's consent shall not be required for an amendment or modification made solely to effect a transfer permitted without the LACDA's consent under the Loan Documents, provided that a copy of any such amendment shall be submitted to the LACDA within thirty (30) days of the execution by all parties of such amendment.

(2) All equity contributions required to be made by the owners of Borrower shall be made in accordance with the sources and uses of funds information provided by Borrower to the LACDA and in accordance with the terms of the Borrower's limited partnership agreement as approved by the LACDA. Borrower shall promptly notify the LACDA if a scheduled equity contribution has not been made by the scheduled date and the reasons therefor which may include excuses permitted under the terms of the organizational documents.

(3) There shall be no default under the organizational documents of Borrower beyond any applicable cure period provided therein. Borrower shall notify the LACDA if there are any defaults and the status of the cure of any such defaults.

10.17 Notice Regarding Low-Income Housing Tax Credit Events. If the Project's financing includes LIHTCs (as defined below), Borrower agrees that it shall notify the LACDA of the occurrence of any event that has caused, will cause, or could with the passage of time cause, the rescission or reduction of a preliminary or final reservation of state or federal low-income housing tax credits ("**LIHTC**"), a reduction in the amount of limited partner equity reflected in the Transaction Summary above and in Exhibit "J", or the withdrawal of any limited partner (collectively "**Low-Income Housing Tax Credit Events**") within fifteen (15) days of the occurrence of such event or within fifteen (15) days of the date when Borrower gains specific knowledge of the occurrence of such event. The giving of notice by the applicable governmental agency that the LIHTC have been rescinded, terminated or materially reduced shall be a default under this Agreement as well as the occurrence of any act, event or circumstance in violation of the applicable laws regarding the requirements for obtaining or maintaining LIHTC. A material reduction in LIHTC shall mean a reduction that (1) causes the project to be financially infeasible, (2) cannot be absorbed by the current development budget, (3) causes the project to seek an additional source(s) of funds to make up for the shortfall, or (4) results in an amendment to the LACDA's loan documents or lien position. This provision shall not apply to fluctuations in

project costs that occur in the normal course of business during construction of the Project that affect the amount of the preliminary or final LIHTC reservation and/or the amount of limited partner equity.

10.18 Exit of Limited Partner. If the Project's financing includes LIHTCs, Borrower agrees to submit to the LACDA, for its approval, a detailed plan for the exit of any limited partner no later than sixty (60) days prior to the closing of any such transaction. At minimum, the plan shall include the following:

(1) A summary of applicable limited partner exit provisions in the limited partnership agreement, along with a true and complete copy of the limited partnership agreement and all amendments;
(2) A summary of any approvals required of Senior, Junior, and Other Financing providers to affect limited partner exit;
(3) A calculation of the exit / disposition price specified in the limited partner exit provisions of limited partnership agreement;
(4) Borrower's plan for financing the exit / disposition price;
(5) The outgoing and incoming limited partner's concurrence with the exit / disposition plan;
(6) Borrower's certification that no Event of Default exists and no event or circumstance exists with the giving of notice or the passage of time or both would result in an Event of Default;
(7) A detailed description of the effect of the partnership change on the capitalization and ability of Borrower to meet its financial obligations; and
(8) True and complete copies of all documents and agreements pertaining to the exit of the limited partner, including but not limited to, drafts of proposed amendments to the partnership agreement of Borrower as well as the executed final agreements pertaining to such transaction.

Borrower shall use its best efforts to provide the LACDA concurrently with the closing of said transaction(s) (but in no event later than thirty (30) days after the closing of such transaction) copies of all documents pertaining to the transaction, including any amendments to the organizational documents of Borrower or any constituent partners or members.

10.19 Design Standards. Borrower agrees that projects determined to be eligible for funding under the Application are required to utilize the LACDA's Design Guidelines and participate in the LACDA's Design Review Process. The Borrower agrees to conform to and ensure the Project architect complies with the process and timelines as required by the LACDA and as set forth in Exhibit "S".

Borrower agrees that in the event the Design Review Process is completed prior to completion or execution of this Agreement, the approved construction plans and specifications are to be referenced by name, date of approval and page numbers.

Furthermore, Borrower agrees that if significant changes are made to the LACDA-approved design during the design or construction phases, the LACDA may elect to reduce or rescind the loan commitment or reduce the Borrower's developer fee.

10.20 Archaeological Resource. In the event that archaeological resources are exposed during Project construction, all earth disturbing work within the Site must be temporarily suspended or redirected until a professional archaeologist has evaluated the nature and significance of the find and appropriate protective and remedial actions are taken by Borrower as required by applicable laws. After the find has been appropriately mitigated, work in the area may resume. Archaeological resource laws shall include the Federal Archaeological Resource Protection Act, and the California Archaeological Resources Preservation Act.

10.21 Endangered Species. In the event that endangered species or endangered species habitat are identified during Project construction, work at the Site shall be temporarily suspended until appropriate protective and remedial measures are instituted by Borrower in accordance with applicable laws and Borrower shall comply with such requirements during the Term of this Agreement. Endangered species and endangered species habitat laws shall include the Federal Endangered Species Act, the California Endangered Species Act, and the California Native Plant Protection Act.

10.22 Photography. Borrower may from time to time, and at no cost to the LACDA, provide to the LACDA and / or at Borrower's sole cost upon request by the LACDA shall provide to the LACDA, copies of any and all photographs, artwork, drawings, descriptions, video or other media or multimedia depicting the Mortgaged Property, Project, the Site, or aspects thereof (the "**Photos**"), which have been made by or are owned by Borrower or in which Borrower has the rights described below. Such copies shall be in the same format as Borrower's version or upon the LACDA's request shall be converted into a generally available alternate format. The LACDA is hereby granted a worldwide perpetual nonexclusive, royalty free right to use, modify, adapt, reproduce, perform, and distribute the Photos by any means or methods now or hereafter known. Borrower represents and warrants that it has all rights (including under any applicable intellectual property laws such as copyright or trademark) necessary to grant to the LACDA the rights described above. The LACDA is hereby granted the right to enter on to and access the Mortgaged Property to take, make or obtain any Photos with regard to the Mortgaged Property, Project or Site and the LACDA shall retain all rights and ownership under applicable intellectual property laws applicable thereto.

10.23 Significant Changes. Borrower will promptly notify the LACDA, if Borrower becomes aware of the occurrence of (each a "**Material Adverse Event**"): (i) any Event of Default or event or circumstance which with the passage of ten (10) days or less or giving of notice or both would become a default under any of the Loan Documents; (ii) the occurrence of any material adverse change in the financial condition of Borrower from its financial condition reflected in the financial statement provided to the LACDA on or before the date of this Agreement or any subsequent twelve (12) month period; or (iii) the occurrence of any material adverse change in the occupancy or operation of the Mortgaged Property. A Material Adverse Event shall include (a) the commencement of any litigation suit, arbitration, proceeding or

similar dispute where the reasonably estimated liability to Borrower is one hundred thousand dollars ($100,000) or more (in this regard the opinion of Borrower's legal counsel which set forth a dollar amount or range (consistent with opinions given in response to audit letter requests given to Borrower's accountants) may be relied upon by Borrower to estimate potential liability; (b) a breach of any agreement binding on Borrower where the reasonably estimate liability to Borrower is one hundred thousand dollars ($100,000) or more; (c) the occurrence of any event or circumstance which would cause Borrower to be insolvent, or bankrupt, as such terms are used in the California Code of Civil Procedure §493.010, Uniform Commercial Code or the US Bankruptcy Code; or (d) if a receiver is appointed for Borrower, the Site, Project or any part thereof. The occurrence or existence of a Material Adverse Event is a default under this Agreement.

10.24 Borrower Purpose.

Borrower's sole purpose is to acquire the Site, and develop, construct, and manage the Project. Borrower shall not take or allow any action whereby Borrower or all or any part of the Project or Site shall be responsible for any obligations, agreements or other liabilities arising from or related to any other projects of any affiliates of Borrower or its owners. It is intended that neither Borrower nor the Site or Project shall be substantively consolidated in any bankruptcy, voluntary or involuntary, by any other person or entity and Borrower shall not and shall not allow any other person to take any actions which would be a cause for substantive consolidation. Borrower shall not change its purpose to include any activities other than the acquisition of the Site, and development, construction, and management the Project.

10.25 Architectural Requirements. Borrower's contract with the Project's architect shall be drawn on the appropriate and most recent AIA form and ensure the Project's architect provides full contract administration services including attending meetings at the job site during the construction period.

11.0 USE OF MORTGAGED PROPERTY; LEASING AND MANAGEMENT.

11.1 Limitations on Tenants Notwithstanding anything to the contrary in this Agreement, Borrower hereby covenants on behalf of itself, and its successors and assigns, which covenants shall run with the land and bind every successor and assign in interest of Borrower, that, throughout the term of the CC&Rs, Borrower and such successors and assigns shall use the Site solely for the purpose of developing and operating the Project as a residential development as outlined in the Transaction Summary above and further described below.

Borrower agrees to comply with the CC&Rs and with any income, rent, and occupancy restrictions imposed by Senior, Junior, and Other Financing and by the California Tax Credit Allocation Committee ("**CTCAC**"), if applicable. If there is a conflict between the requirements of the Senior, Junior, and Other Financing, CTCAC and / or the LACDA, the most restrictive requirement will prevail. For example if one agreement requires occupancy by moderate income households and the other requires occupancy by lower income households, the

lower income requirement shall be followed or if one agreement requires supportive services and another does not then the supportive services requirements shall be followed.

Borrower, successors and assigns shall develop and operate the Site with the number of total units and, with not less than the total number of Assisted Units ("**Assisted Units**") set forth in the Income Limits Table in the Transaction Summary above ("**Income Limits Table**") and in the CC&Rs attached hereto as Exhibit "E". The Assisted Units shall be leased at an Affordable Housing Cost to Eligible Households who are at or below the Household Income Levels set forth in the Income Limits Table as such terms are defined below.

Assisted Units shall be dispersed throughout the Project, and shall be no less attractive or desirable on average (whether because of convenient access, views, amenities, or other reasons) than the other Project units, if any, that are not Assisted Units. Subject to the reasonable approval of the LACDA's Executive Director (or his or her designee) the location of the Assisted Units within the Project may be changed from time to time by Borrower. The covenants described in this Section 11.1 shall remain in effect throughout the term of the CC&Rs which shall commence on the date of the CC&Rs and terminate fifty-five (55) years from the date of the Certificate of Completion, notwithstanding the earlier repayment of the Loan by Borrower.

The covenants set forth in this Section 11.1 are independent covenants and are not affected by the earlier repayment of the Loan by Borrower.

Unless otherwise provided in the other Loan Documents, the special needs unit type designations for the Assisted Units used in the Income Limits Table shall have the meanings ascribed thereto in the guidelines and regulations related to the loan program providing funding for such Assisted Unit as shown on the Income Limits Table. If multiple loan programs cover a given Assisted Unit and are not consistent with one another, Borrower may notify the LACDA of the conflict and request that the LACDA provide guidance on such issue, provided Borrower remains responsible for compliance with the requirements of the applicable loan programs. If an applicable loan program does not define the applicable special needs unit type designation for a given Assisted Unit identified on the Income Limits Table or CC&Rs, Borrower shall notify the LACDA which shall establish such requirements.

All Assisted Units shall be leased only at an Affordable Housing Cost as hereinafter defined (households or people meeting the applicable criteria for the rental of an Assisted Unit are occasionally referred to as "**Eligible Households**" or "**Eligible Person**" or "**Eligible Persons**") and as outlined in the Income Limits Table in the Transaction Summary above.

"**Affordable Housing Cost**" shall mean, as to each Eligible Household, a rental rate which results in monthly payments (excluding any Operating Subsidy) which, including a reasonable utility allowance, do not exceed the maximum rents published by CTCAC and applicable to units of the size, occupancy, income limits and geographic location as the Assisted Units (unless applicable laws relating to the loan funds for a specific Assisted Unit requires a different standard to be applied). In cases where the Income Limits Table identifies an income

limit level which is not published by CTCAC the applicable maximum rent shall be reasonably calculated based on the information published by CTCAC. Borrower is responsible for applying the CTCAC published income limits and maximum rent table current at the time a given Assisted Unit is leased and when any other Affordable Housing Cost decisions requiring such information are made. If CTCAC stops publishing income limit and maximum rent information on an annual basis then the LACDA shall in its reasonable discretion select an alternative method for determining the applicable rents for the Assisted Units.

For CDBG-DR Units defined in Exhibit "AA" Affordable Housing Cost means the High HOME rental rate described in Exhibit "E-1" unless the CTCAC rate is more restrictive.

"**Area Median Income**" shall mean the median income for the Los Angeles /Long Beach Metropolitan Statistical Area, as adjusted for family size and defined and periodically adjusted by HUD (and by CTCAC as reflected in its periodically published income limit and maximum rent information), or any successor entity designated under state law as responsible for establishing such Area Median Income.

"**Household Income Levels**" are gross annual household income levels for a household or individual adjusted for family size. For purposes of this Agreement, Borrower shall use the income limits periodically published by CTCAC which correspond to the income limits set forth in the Income Limits Table when determining appropriate rents which are a component of Affordable Housing Cost. However, in some cases CTCAC does not publish income limits which correspond to all of the Household Income Levels in the Income Limits Table and in that case Borrower shall reasonably calculate the appropriate rent based on the information published by CTCAC and submit such calculation for the LACDA's written approval.

Borrower shall specifically provide in each Assisted Unit lease and shall strictly enforce the requirement that each Assisted Unit be occupied at all times by the Eligible Household who has leased that Assisted Unit, and that any other occupant of the unit be another qualified member of the lessee's household. The LACDA shall be identified as a third party beneficiary of that covenant and shall have the right to directly enforce that restriction in the event Borrower fails to do so. Prior to execution of any Assisted Unit lease with respect to the Project, Borrower shall submit to the LACDA and obtain its written approval of a standard form occupancy lease and Borrower shall thereafter use the approved form for all leases of Assisted Units in the Project, with only such further modifications thereto as are first submitted to and approved in writing by the LACDA.

Prior to initially leasing the Assisted Units, Borrower shall identify to the LACDA the CTCAC income limit and maximum rent publication which it intends to use to set the initial Assisted Unit rents and thereafter Borrower shall maintain records of the CTCAC income limit and maximum rent publication which Borrower has used in making any Assisted Unit rent determinations. Borrower shall at the LACDA's request provide with respect to each Assisted Unit, Borrower's (i) calculation of Affordable Housing Cost, (ii) all information related to Borrower's determination regarding the eligibility of each Eligible Household, and (iii) such

other information regarding compliance with the provisions of this Agreement. Borrower shall be responsible for the accurate calculation of Affordable Housing Cost and proper verification of eligibility notwithstanding the LACDA's review or approval of Borrower's calculations and verifications.

After the initial operating year, the Affordable Housing Cost for Assisted Units may be adjusted no more often than every twelve (12) months. The amount and method of adjustment for Assisted Units shall be in accordance with LIHTC as implemented by CTCAC provided that the annual increase rate shall not exceed such limits as established by TCAC from time to time and in no event shall the annual increase rate exceed 3%. Notwithstanding the previous paragraph, the Affordable Housing Cost for Assisted Units subsidized under Section 8 of the Housing Act of 1937 or any comparable federal or state rental assistance program may be adjusted more often than annually, as required by the respective rental assistance program.

The income and household size of all Eligible Households occupying Assisted Units shall be certified by the Borrower prior to occupancy and recertified annually thereafter in accordance with applicable rules, regulations, and procedures governing the LIHTC as implemented by TCAC and requirements established by the LACDA.

If, at the time of tenant recertification, the income of a household occupying an Assisted Unit exceeds the income limit designation for the Assisted Unit, the household will be subject to CTCAC requirements regarding over-income occupancy, including rent increases and replacement of the noncompliant Assisted Unit until such unit is again in compliance.

If the Loan includes a DR-MHP fund loan then Borrower shall comply with the provisions set forth on Exhibit "AA" to this Agreement, called the DR-MHP/CDBG-DR Requirements – Rider to Development Agreement, including but not limited to the guidelines, requirements, regulations and agreements referenced therein and in any exhibits thereto, including but not limited to the Regulations issued by HUD with regard to the Community Development Block Grant – Disaster Recovery program under Public Laws 115-254 and 116-20 and allocated to the State of California by HUD; DR18 Disaster Recovery Multifamily Housing Program Policies and Procedures Manual issued by HCD (as amended from time to time, collectively referred to as the "**DR-MHP Regulations**"). The DRM-MHP Regulations are included in the terms "Applicable Governmental Regulations" and "applicable laws" as used in the Loan Documents.

Notwithstanding any other provision of this Agreement to the contrary, in the event of a decrease or termination of the HUD Section 8 rental subsidy for the Project ("**Operating Subsidy**" and shown in the Cash Flow included in Exhibit "K" to this Agreement), except if such reduction arises from a default by Borrower or other failure to comply with agreements, laws and regulations applicable to Borrower, the LACDA agrees that, upon Borrower's request and the LACDA's approval, the maximum household income and the rents charged for the Assisted Units may be increased by an amount necessary to replace the reduction in the Operating Subsidy (based on each occupied unit), however in no event may (a) Eligible Persons and Eligible Households be adjusted to include persons and families whose gross annual household incomes exceed fifty percent (50%) of Area Median Income and (b) the maximum

annual rent, including a reasonable utility allowance, shall not be increased above thirty percent (30%) of fifty percent (50%) of Area Median Income.

Additionally, the Borrower may request the LACDA's approval of a change in the target population for Assisted Units, if none of the following limiting conditions exist: (i) alternative funding is available, (ii) the Project is not in full compliance with all the terms of the Loan, and/or (iii) the request by Borrower does not meet the requirements of all funding sources for the Project.

Changes in the target population are subject to the prior approval of the LACDA which may be given or reserved in its sole discretion. Any Borrower requests to change the target population for the Project, must include a written request to the LACDA which shall outline a plan that provides the following items along with any additional requirements from the LACDA:

(i) An explanation of the efforts the Borrower has made to secure other rental subsidies to sustain overall Project operations.

(ii) An explanation of the fiscal necessity of adjusting the number or use of the designated special needs units.

(iii) An explanation of changes made to the supportive services, described in Section 8 above and more particularly described in Exhibit "L", to ensure supportive services are appropriately provided to the Project's residents.

(iv) A process for changing the target population for all affected units (Assisted Units and non-Assisted Units) and continuing to market and rent all Project units to members of the target population originally contemplated (as outlined in the Income Limits Table and in the Application). This portion of the plan shall discuss changes in both maximum household incomes and rents and/or changes in the target population and changes to include alternate populations not requiring rental subsidies.

(v) The plan for continuing, throughout the term of the Agreement, to apply for other subsidies that will allow a return of all Project units to members of the target population and rents originally contemplated (as outlined in the Income Limits Table and in the Application).

If the Project is subject to Government Code Section 6561(c) which covers certain supportive housing developments as described therein, in an appropriate case, the number of residents required to live in supportive housing may be adjusted to the extent such adjustment is not in conflict with the any other regulations pertaining to the Assisted Units.

11.2 Required Submittals – Pre-Occupancy and Tenant Selection.

(1) At least ninety (90) days prior to occupancy and before the acceptance of tenant applications, Borrower shall have obtained the LACDA's written approval of (i) an

affirmative marketing plan, (ii) leasing guidelines, (iii) lease form, and (iv) form of and a summary of the rules, procedures and programs for the Project, including, specifically, the procedures to be employed by which the tenants of the Assisted Units (as defined in Section 11.1) in the Project shall be selected in the event that, at any given time, the number of Eligible Households applying to lease units at the Project exceeds the number of units available.

The affirmative marketing plan shall include Borrower's agreement to utilize the internet-based Los Angeles County Housing Resource Center (the "**Housing Resource Center**") at http://housing.lacounty.gov to advertise unit availability for special needs and non-special needs units, as outlined in the Sections below.

Any amendments, modifications, supplements or replacements to the affirmative marketing plan, leasing guidelines, lease form, and the form of and a summary of the rules, procedures and programs for the Project, shall be submitted to the LACDA for its prior written approval.

(2) Housing Resource Center – Non-special needs units

(a) Initial Lease-Up of Project: Borrower agrees to advertise all available non-special needs units and open waiting lists, and further agrees to register the Project and allow referrals from the Housing Resource Center at least thirty (30) days prior to leasing or at the same time the general public is allowed to apply for units, whichever comes sooner. Borrower will provide proof of Project registration in a format acceptable to the LACDA.

(b) Future Unit Availability at the Project: During the Term of this Agreement, Borrower will utilize the Housing Resource Center anytime the Project has a vacancy or open waiting list.

(c) Other Properties Owned by Borrower: Borrower further agrees to register all non-special needs properties located in Los Angeles County and advertise all available non-special needs units and open waiting lists on the Housing Resource Center for rental property in which:

i. Borrower or any of its general partners has any ownership interest, and
ii. The Public Agencies have provided any financing or the rental property has received a density bonus or any other public incentive from the County.

Borrower will comply with the requirement in this Subsection 11.2(2)(c) and submit evidence of compliance, acceptable to the LACDA, within three (3) months of the date of this Agreement.

(d) In cases where the Borrower requests exemption from the requirement to list a non-special needs property on the Housing Resource Center for any reason,

the LACDA may approve such exemption in writing upon review and approval of a written explanation and request for exemption.

(3) Housing Resource Center – Special needs units

In consideration of the LACDA's desire to coordinate the collection and dissemination of special needs housing information, if Borrower is utilizing the Loan for Special Needs housing, Borrower will register units on the Los Angeles County Housing Resource Center, for use by approved agencies and users under a password-protected Restricted Access search page.

(a) Initial Lease-Up of Project: Borrower agrees to register the Project and allow referrals from the Housing Resource Center – Restricted Access site beginning at such time referrals are accepted and continuing through the Term of the Agreement. Borrower will provide proof of Project registration in a format acceptable to the LACDA.

(b) Future Unit Availability at the Project: During the Term of this Agreement, Borrower will utilize the Housing Resource Center anytime the Project has a vacancy or open waiting list for special needs units that qualify under 3(a).

(c) Other Special Needs Units Owned by Borrower: Borrower further agrees to register all special needs properties located in Los Angeles County and advertise all available special needs units and open waiting lists on the Housing Resource Center Restricted Access Site for special needs permanent supportive housing properties in which:

i. Borrower or any of its general partners has any ownership interest, and
ii. The Public Agencies have provided any financing or the special needs permanent supportive housing property has received a density bonus or any other public incentive from the County.

Borrower will comply with the requirement in this Subsection 11.2(3)(c) and submit evidence of compliance, acceptable to the LACDA, within three (3) months of the date of this Agreement.

(d) In cases where the Borrower requests exemption from the requirement to list a special needs property on the Housing Resource Center for any reason, the LACDA may approve such exemption in writing upon review and approval of a written explanation and request for exemption.

11.3 Tenant Selection Process; Reports and Records Concerning Tenancies. Borrower shall maintain such records and satisfy such reporting requirements as may be reasonably imposed by the LACDA to monitor compliance with the tenanting requirements described in Section 11.1 above, including without limitation the requirement that Borrower deliver reports to the LACDA commencing at the close of the first full calendar year following the date of the initial occupancy of the Project, and continuing annually thereafter, setting forth the name of

each tenant, the unit occupied and the income of the tenant and the amount of rent payable by each tenant. Borrower shall also be required to have each prospective tenant complete a rental application prior to occupancy and to obtain evidence from each such tenant as may be reasonably required by the LACDA to certify such tenant's qualification for occupancy of the Project. Borrower's obligation to provide such reports shall remain in force and effect for the same duration as the use covenants set forth in Section 11.1.

11.4 Management of Project Subject to the terms and conditions contained hereinbelow, Borrower shall at all times during the operation of the Project pursuant to this Agreement retain an entity to perform the management and/or supervisory function ("**Manager**") with respect to the operation of the Project including day-to-day administration, maintenance and repair. Borrower shall, before execution or any subsequent amendment or replacement thereof, submit and obtain the LACDA's written approval of a management contract ("**Management Contract**") entered into between Borrower and an entity ("**Management Entity**") acceptable to the LACDA. Subject to any regulatory or licensing requirements of any other applicable governmental agency, the Management Contract:

(1) may be for a term of up to fifteen (15) years and may be renewed for successive terms in accordance with its terms, but may not be amended or modified without the written consent of the LACDA;

(1) will provide that the Management Entity shall be subject to termination for failure to meet project maintenance and operational standards set forth herein or in other agreements between Borrower and the LACDA. Borrower shall promptly terminate any Management Entity which commits or allows such failure, unless the failure is cured within a reasonable period in no event exceeding sixty (60) days from the giving of notice by the LACDA or Borrower to the Management Entity of such failure.

(2) will provide that (i) its books and records with regard to the Project shall be maintained in an office in Los Angeles County (exceptions to this location requirement may be requested by the Borrower to the LACDA for review and approval by the LACDA); (ii) such books and records shall be subject to review and copying by the LACDA and its representatives at any time during business hours and on business days upon the request of the LACDA given at least 48 hours in advance, and (iii) after the occurrence of an Event of Default or a default beyond any applicable cure period under any of the other Loan Documents, the LACDA may give notice to the Management Entity and the Management Entity shall comply with the directions of the LACDA in the place of Borrower with regard to the Management Agreement.

Borrower's obligation to retain a Management Entity shall remain in force and effect for the same duration as the use covenants set forth in Section 11.1.

11.5 Operations and Maintenance Borrower hereby covenants on behalf of itself, and its successors and assigns, which covenant shall run with the land and bind every successor and assign in interest of Borrower, that Borrower and such successors and assigns shall use the Site solely for the purpose of operating the Project and ancillary improvements thereon, in

accordance with and of the quality prescribed by this Agreement, the CC&Rs and the Deed of Trust.

Borrower covenants and agrees for itself, its successors and assigns, which covenants shall run with the land and bind every successor or assign in interest of Borrower, that during development of the Site pursuant to this Agreement and thereafter, neither the Site nor the Project, nor any portion thereof, shall be improved, used or occupied in violation of any Applicable Governmental Restrictions or the restrictions contained in this Agreement or the Deed of Trust. Furthermore, Borrower and its successors and assigns shall not maintain, commit, or permit the maintenance or commission on the Site or in the Project, or any portion thereof, of any nuisance, public or private, as now or hereafter defined by any statutory or decisional law applicable to the Site or the Project, or any portion thereof.

Borrower shall, at its expense, (i) maintain all improvements and landscaping on the Site in good working order, condition, and repair (and, as to landscaping, in a healthy and thriving condition) in accordance with the plans for the Project (which must be approved by the LACDA before being incorporated into the Construction Contract) (such approved plans, the "**Plans**") and all Applicable Governmental Restrictions, and (ii) manage the Project and Project finances reasonably prudently and in compliance with Applicable Governmental Restrictions so as to maintain a safe and attractive living environment for Project residents while maximizing Residual Receipts to the extent reasonably possible consistent with applicable rent and tenant requirements (including all recorded rent restrictions affecting the Project) and without compromising the safety and attractiveness of the living environment of the Project.

Borrower shall, prior to development of the Project, ensure the Site is secure, clean and free of debris, graffiti, and adequately maintained, subject to the LACDA's review and approval.

Prior to making any material change in (i) an affirmative marketing plan, (ii) leasing guidelines, (iii) lease form, or (iv) form of and a summary of the rules, procedures and programs for the Project, Borrower shall submit same to the LACDA for its review and approval.

11.6 Welfare Exemption. If Borrower is comprised in whole or in part of an organization exempted under 501(c)(3) of the Internal Revenue Code, Borrower hereby covenants on behalf of itself, and its successors and assignees, that it will take all actions necessary to obtain a welfare exemption, under Article XIII of the California constitution, for low-income housing properties for the Project within twelve (12) months of receipt of a certificate of occupancy. Borrower covenants on behalf of itself, and its successors and assignees, that it will take all actions necessary to maintain such exemption.

11.7 Delivery of Copies of Documents. All documents, agreements, certificates, reports, written information and other materials given by Borrower to the LACDA are without further action deemed certified by Borrower as being true and complete copies and unless expressly stated in writing to the contrary and do not omit any material information. If Borrower determines that any materials provided to the LACDA are not true and complete or omit any material information, Borrower shall notify the LACDA and update such information as appropriate. It is understood that budgets and projections submitted to the LACDA are not by this provision intended to be more than good faith and informed estimates by Borrower.

11.8 LACDA Monitoring Fee. On or before July 1st of each calendar year following the issuance of a certificate of occupancy for all or any part of the Project, Borrower shall pay to the LACDA an annual monitoring fee equal to Seven Thousand One Hundred Fifty Dollars ($7,150) with no annual escalations as shown in the cash flow included in Exhibit "K" of this Agreement ("**LACDA Monitoring Fee**"). The initial LACDA Monitoring Fee, covering the first year of operations of the Project, has been paid by Borrower prior to Close of Escrow. Subsequent payments of the LACDA Monitoring Fee shall be due on or before July 1st of each calendar year. The LACDA Monitoring Fee will terminate upon the expiration of the CC&Rs or the Maturity Date, whichever occurs later. The LACDA Monitoring Fee is intended to reimburse the LACDA for some of its costs and expenses related to compliance monitoring activities which may include but are not limited to Site inspections, reviewing and reporting regarding the leasing activity, reviewing Borrower Project related policies and procedures, review of the Project's Single-Asset Audit, and other activities conducted by the LACDA to ensure compliance with the requirements of the Loan Documents. This is not intended to be a limit or cap on the recovery of out of pocket and third party expenses incurred by the LACDA on such matters, staff costs and expenses in situations where the LACDA reasonably determines that unusual events or circumstance have occurred requiring the LACDA to incur greater time or expense including changes in applicable laws or Borrower's failure to promptly cooperate with LACDA, or costs related to the exercise of any of the LACDA's rights and remedies arising from the Loan Documents and or applicable laws.

12.0 BORROWER'S OBLIGATION TO REFRAIN FROM DISCRIMINATION.

There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry, or source of income in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall Borrower itself or any person claiming under or through Borrower establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants set forth herein shall remain in effect in perpetuity.

12.1 Form of Nondiscrimination and Nonsegregation Clauses.

Borrower shall refrain from restricting the rental, sale or lease of the Site or any portion thereof on the basis of race, color, creed, religion, sex, marital status, national origin, or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(1) In deeds: "The grantee" (or such term that describes the Borrower in the particular deed) "herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race,

color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(2) In leases: "The lessor" (or such term that describes the Borrower in the particular deed) "herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, national origin, sex, religion, marital or familial status, , handicap (disability) sexual orientation, ancestry or source of income, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

(3) In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry, or source of income, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the parties to this contract or any person claiming under or through them, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the premises."

13.0 OTHER REQUIREMENTS.

13.1 Borrower shall comply with the LACDA Requirements set forth on Exhibit "M" to this Agreement.

13.2 RESERVED

13.3 Borrower shall comply with the Pet-Friendly Housing Ordinance Number 2020-0001 ("**Pet-Friendly Ordinance**") of the Los Angeles County Municipal Code, Division 3, Chapter 8.70, as amended from time to time. Pursuant to the terms of the Pet-Friendly Ordinance, the Borrower shall allow tenants of a new or rehabilitated multifamily housing development financed, in whole or in part, by Los Angeles County and/or the LACDA on or after the effective date of the Pet-Friendly Ordinance, to have at least one pet in a rental unit consistent with applicable Federal and State Laws. Borrower shall incorporate pet policies to be included in the Project lease form and summary of rules, subject to the reasonable approval of the LACDA, and maintain and provide a copy such pet policy to tenants.

14.0 INDEPENDENT CONTRACTOR.

In their performance of this Agreement, all parties hereto will be acting in an independent capacity and not as agents, employees, partners, joint venturers, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose whatsoever, including workers' compensation liability. Borrower shall bear the sole responsibility and liability for furnishing or causing the General Contractor to furnish workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of Borrower pursuant to this Agreement.

15.0 ASSIGNMENT OF INTEREST IN THE SITE OR THE PROJECT.

15.1 Except as otherwise expressly permitted in this Section 15, without the prior written approval of the LACDA (or the LACDA's Executive Director), which approval the LACDA may withhold in its sole and absolute discretion, Borrower shall not (individually and collectively referred to as a "**Transfer**"): (i) directly or indirectly, by operation of law, voluntarily or involuntarily, sell, gift, encumber, assign, lease, sublease, license, or otherwise transfer or permit the transfer of or grant an option to transfer (collectively, "**Change**") all or any portion of its interest in the Site or the Project; (ii) change greater than forty-nine percent (49%) of the ownership and/or control of Borrower, in the aggregate, taking all transfers into account on a cumulative basis; (iii) change the ownership and/or control of Borrower's management, taking all transfers into account on a cumulative basis (the termination, removal or withdrawal of a general partner, if Borrower is a partnership, or a manager if Borrower is a limited liability company, is deemed a Transfer); (iv) change any of Borrower's rights or obligations under any of the Loan Documents; (v) winding up, liquidating or dissolving Borrower or its affairs or entering into any transaction of merger, reorganization, or consolidation of Borrower; or (vi) changing the organizational structure of Borrower. Any Transfer in violation of the provisions of this Agreement shall be a material default under this Agreement. Borrower hereby agrees that any purported Transfer not approved by the LACDA as required herein shall be a material default under this Agreement and all amounts principal, interest, or otherwise outstanding under the Loan Documents may be accelerated and deemed immediately due and owing provided however, the LACDA may elect in its sole discretion, to deem such Transfer ipso facto null and void, and no voluntary or involuntary successor to any interest of Borrower under such a proscribed Transfer shall acquire any rights pursuant to this Agreement or any of the other Loan Documents.

15.2 At any time Borrower desires to effect a Transfer hereunder which requires the prior consent of the LACDA, Borrower shall notify the LACDA in writing (the "**Transfer Notice**") and shall submit to the LACDA for its prior written approval (i) all proposed agreements and documents (collectively, the "**Transfer Documents**") memorializing, facilitating, evidencing and/or relating to the circumstances surrounding such proposed Transfer, and (ii) a certificate setting forth representations and warranties by Borrower and the proposed transferee to the LACDA sufficient to establish and ensure that all requirements of this Section 15 have been and will be met. No Transfer Documents shall be approved by the LACDA unless they expressly provide for the assumption by the proposed transferee of all of Borrower's obligations under the Loan Documents (except in cases where the transferee is not becoming a successor to the Borrower or is not becoming a general partner of Borrower, the transferee shall acknowledge the Loan Documents as binding upon Borrower). The Transfer Notice shall include a request that the LACDA consent to the proposed Transfer. The LACDA agrees to make its decision on Borrower's request for consent to such Transfer promptly, and use reasonable efforts to respond not later than thirty (30) days after the LACDA receives the last of the items required by this Section 15. In the event the LACDA consents to a proposed Transfer, then such Transfer shall not be effective unless and until the LACDA receives copies of all executed and binding Transfer Documents which Transfer Documents shall conform with the proposed Transfer Documents originally submitted by Borrower to the LACDA.

15.3 The LACDA's prior consent shall not be required for any lease by Borrower in the ordinary course of its business of an individual unit in the Project for occupancy by the tenant thereof in accordance with the leasing requirements set forth in the Loan Documents.

15.4 The LACDA's prior consent shall not be required with regard to the following Transfers if the Project receives funding through an allocation of LIHTCs:

(1) The LACDA hereby consents to the following transfers in furtherance of such LIHTC financing: (i) syndication of ownership interests in Borrower to an equity investor and subsequent transfers of ownership interests to such investor, provided the initial admission of the tax credit investor must occur not later than three (3) months after the date of this Agreement (it is the intent of the parties that, subject to Section 31 of this Agreement, any further syndications shall require the LACDA's prior consent) hereof and (ii) the grant in the limited partnership agreement (or operating agreement if the Borrower is a limited liability company) of Borrower or other agreement approved by the LACDA on or before the date of this Agreement and due exercise of a purchase option and/or right of first refusal with respect to the Project from Borrower to its general partners (or managers if the Borrower is a limited liability company), which may involve the sale of Borrower's interest in the Site or the Project and/or the Transfer of greater than forty-nine percent (49%) of Borrower's ownership and/or control.

(2) If the general partner (or manager if the Borrower is a limited liability company) of Borrower will be removed, this shall only be done pursuant to the terms of the limited partnership agreement (or operating agreement if the Borrower is a limited liability company) of Borrower, in the form approved by the LACDA, and the replacement general partner (or manager if the Borrower is a limited liability company) shall be approved by the

LACDA, which approval shall not be unreasonably withheld. At least sixty (60) days before the scheduled date of replacement of the general partner of Borrower (or manager if the Borrower is a limited liability company), Borrower shall provide evidence acceptable to the LACDA with regard to such successor general partner's (or manager's if the Borrower is a limited liability company) financial capability, management experience and history of compliance with affordable housing, landlord/ tenant, and health and safety laws, and such other information as requested by the LACDA.

15.5 Notwithstanding anything in this Agreement to the contrary, Borrower agrees that it shall not be permitted to make any Transfer, whether or not the LACDA's consent is required therefore and even if the LACDA has consented thereto without expressly waiving the following requirements, (i) if there exists an outstanding Event of Default under this Agreement or a default under any other Loan Document which has not been cured; (ii) any shortfall in the amount of any reserves to maintained pursuant to any of the Loan Documents shall be replenished; (iii) any amounts to be paid on account of such Transfer such as the Applicable Percentage of Net Proceeds or a portion of Net Refinancing Proceeds as described in the Notes shall be paid; (iv) such Transfer complies with the rules and regulation which pertain to the funding sources used for the Loan; (v) Borrower shall promptly notify the LACDA when such Transfer has occurred and not later than 10 days after such Transfer has closed deliver to the LACDA copies of all of the documents related to such Transfer; (vi) if the Transfer results in the change of ownership of the Property the transferee acknowledges and assumes the obligations of the owner under the CC&R and (vii) any third party guaranty or indemnity given in connection with or in furtherance of the Loan shall be reaffirmed by the parties thereto in an agreement that is in form and substance acceptable to the LACDA or a replacement guarantor/indemnitor acceptable to the LACDA shall enter into a replacement guaranty/indemnity in form and substance acceptable to the LACDA.

15.6 The provisions of this Section 15 shall apply to each and any Transfer and the LACDA's consent to a given Transfer shall not imply that the LACDA will consent to any subsequent Transfer.

16.0 ASSIGNMENT OF THIS AGREEMENT.

This Agreement shall be assignable by Borrower only if Borrower obtains the prior express written consent of the LACDA (or the LACDA's Executive Director), which consent may be withheld by the LACDA in its sole discretion. Notwithstanding anything to the contrary in this Agreement, no purported assignment of this Agreement and the Loan shall be effective if such assignment would violate the terms, conditions and restrictions of any Applicable Governmental Restrictions. The LACDA's consent to such assignment shall be expressly conditioned upon (i) the assignee's execution of such documents as required by the LACDA in its sole discretion including, without limitation, any and all documents deemed necessary by the LACDA to provide for said assignee's assumption of all of the obligations of Borrower hereunder and under the Loan Documents, and (ii) the LACDA's approval of the financial and credit-worthiness of such proposed assignee and the assignee's ability to perform all of the

Borrower's obligations under this Agreement and the Notes and all of the other Loan Documents.

Any attempt by Borrower to assign any performance or benefit under the terms of this Agreement, without the prior written consent of the LACDA as provided herein, shall be null and void and shall constitute a material breach of this Agreement. In accordance with the foregoing, in the event of (i) a sale or transfer of Borrower's interest in the Site, or (ii) a sale or transfer of more than forty-nine percent (49%) of its present ownership and/or control, in the aggregate, taking all transfers into account on a cumulative basis, or (iii) a sale or transfer of the Project, occurring without the written consent of the LACDA, the LACDA may, at its option, by written notice to Borrower, declare Borrower in default under this Agreement. Notwithstanding the foregoing, the LACDA consents to certain transfers as described in Section 15.4 hereof without Borrower obtaining any further consent from the LACDA.

17.0 EVENTS OF DEFAULT AND REMEDIES.

17.1. Borrower Events of Default. The occurrence of any of the following shall, following expiration of any applicable notice and cure periods, constitute an event of default by Borrower hereunder ("**Event of Default**"), each of which are acknowledged by Borrower to constitute a material default under this Agreement:

(1) The failure of Borrower to pay or perform any monetary covenant or obligation hereunder or under the terms of the Notes or the Deed of Trust or any other Loan Document, without curing such failure within ten (10) days after receipt of written notice of such default from the LACDA (or from any party authorized by the LACDA to deliver such notice as identified by the LACDA in writing to Borrower). Notwithstanding anything herein to the contrary, the herein described cure period shall not apply to a failure by Borrower to timely repay the Loan at the Maturity Date of the Notes;

(2) The failure of Borrower to perform any nonmonetary covenant or obligation hereunder or under the terms of the Notes or the Deed of Trust or any other Loan Document, without curing such failure within thirty (30) days after the giving of written notice of such default from the LACDA (or from any party authorized by the LACDA to give such notice as identified by the LACDA in writing to Borrower)

specifying the nature of the event or deficiency giving rise to the default and the action required to cure such deficiency; provided, however, that if any default with respect to a nonmonetary obligation is such that, through no fault of Borrower, it cannot be reasonably cured within a thirty (30) -day period, Borrower shall have a further period, as reasonably determined by the LACDA, to cure such default provided Borrower commences the cure within said thirty (30) -day period and diligently prosecutes such cure to completion but in no event shall the total cure period including the initial thirty (30) -day period be more than one hundred twenty (120) days in total , however, if the default, in the reasonable determination of the LACDA, relates to an to an immediate health or safety concern for the Project or its occupants then the LACDA shall only be required to provide such notice and cure period as the LACDA considers reasonable under the circumstances. Notwithstanding anything herein to the contrary, the herein

described notice requirements and cure periods shall not apply to any Event of Default described in Sections 17.1(3) through 17.1(10) below; or for nonmonetary covenants or obligations otherwise set forth in the Loan Documents where an express time period is otherwise provided;
;

(3) The falsity of any representation made by Borrower under the terms of or in connection with this Agreement, the Notes, the Deed of Trust, or any other Loan Documents, or the Application (a cure period does not apply to this subsection);

(4) Borrower or any constituent member or partner, or majority shareholder, of Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of its property, (ii) fail to pay or admit in writing its inability to pay its debts generally as they become due, (iii) make a general assignment for the benefit of creditors, (iv) be adjudicated as bankrupt or insolvent or (v) commence a voluntary case under the Federal bankruptcy laws of the United States of America or file a voluntary petition that is not withdrawn within ten (10) days of the filing thereof or answer seeking an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy or insolvency proceeding;

(5) If without the application, approval or consent of Borrower, a proceeding shall be instituted in any court of competent jurisdiction, under any law relating to bankruptcy, in respect of Borrower or any constituent member or partner, or majority shareholder, of Borrower, for an order for relief or an adjudication in bankruptcy, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of Borrower or of all or any substantial part of Borrower's assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by Borrower, in good faith, the same shall (i) result in the entry of an order for relief or any such adjudication or appointment, or (ii) continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days;

(6) Following initial Completion of the Project, voluntary cessation of the operation of the Project for a continuous period of more than thirty (30) days or the involuntary cessation of the operation of the Project in accordance with this Agreement for a continuous period of more than sixty (60) days;

(7) Borrower shall be in breach of the provisions of Section 15 or Section 16, Section 33 of the Deed of Trust, or the Transfers/Refinancing section of the Notes or the promissory notes for any other loans made pursuant to the Loan Agreement;

(8) Borrower shall be in default under the CC&Rs, the Senior Financing, the Junior Financing, the Other Financing, the Supportive Services Agreement (if applicable under Section 8 above) or any other secured or unsecured obligation relating to the Project, including affordable housing covenants required by other parties, beyond any applicable cure period provided in such agreements, if any;

(9) Borrower shall fail to pay or cause the payment of all real property taxes relating to the Project prior to their delinquency or fail to obtain and maintain the policies of insurance in the form and substance required by the Loan Documents; and

(10) The failure of Borrower to obtain the Senior or Junior Financing contemplated by the Loan Documents and the closing of such financing as of the date hereof or by such dates as approved by the LACDA.

17.2 LACDA Remedies. Upon the occurrence of an Event of Default hereunder, the LACDA may, in its sole discretion, take any one or more of the following actions:

(1) By notice to Borrower, declare the entire then unpaid principal balance of the Loan immediately due and payable, and the same shall become due and payable without further demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower. Upon such declaration, outstanding principal and (to the extent permitted by law) interest and any other sums outstanding in connection with the Loan shall thereafter bear interest at the Default Rate, payable from the date of such declaration until paid in full;

(2) Subject to the nonrecourse provisions of Section 5 above, take any and all actions and do any and all things which are allowed, permitted or provided by law, in equity or by statute, in the sole discretion of the LACDA, to collect the amounts then due and thereafter to become due hereunder and under the Notes or any other Loan Document, to exercise its rights under the Deed of Trust or any other Loan Document, and to enforce performance and observance(by specific performance or otherwise) of any obligation, agreement or covenant of the Borrower under this Agreement or under any other Loan Document.

(3) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default which is occasioned by Borrower's failure to pay money, whether under this Agreement or the Notes or any other Loan Document, the LACDA may, but shall not be obligated to, make such payment. If such payment is made by the LACDA, Borrower shall deposit with the LACDA, upon written demand therefor, such sum plus interest at the Default Rate. The Event of Default with respect to which any such payment has been made by the LACDA shall not be deemed cured until such repayment has been made by Borrower. Until repaid, such amounts shall have the security afforded disbursements under the Notes;

(4) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default described in Section 17.1(4) or 17.1(5) hereof, the LACDA shall be entitled and empowered by intervention in such proceedings or otherwise to file and prove a claim for the whole amount owing and unpaid on the Loan and, in the case of commencement of any judicial proceedings, to file such proof of claim and other papers or documents as may be necessary or advisable in the judgment of the LACDA and its counsel to protect the interests of the LACDA and to collect and receive any monies or other property in satisfaction of its claim;

(5) If the LACDA has not yet funded all amounts to be loaned or granted to Borrower under this Agreement or any other Loan Document or any other loan or grant agreement from the LACDA or managed thereby, the LACDA may suspend further payments under any such agreements or grants without liability to Borrower.

17.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the LACDA is intended to be exclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute; and may be exercised in such number, at such times and in such order as the LACDA may determine in its sole discretion. No delay or omission to exercise any right or power upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient by the LACDA. In order to entitle the LACDA to exercise any right or remedy reserved to it under this Agreement, no notice shall be required except as expressly provided herein.

17.4 LACDA Default and Borrower Remedies. Upon fault or failure of the LACDA to meet any of its obligations under this Agreement without curing such failure within thirty (30) days after receipt of written notice of such failure from Borrower specifying the nature of the event or deficiency giving rise to the default and the action required to cure such deficiency, Borrower may, as its sole and exclusive remedies:

(1) Demand and obtain payment from the LACDA of any sums due to or for the benefit of Borrower pursuant to the express terms of this Agreement;

(2) Bring an action in equitable relief seeking the specific performance by the LACDA of the terms and conditions of this Agreement or seeking to enjoin any act by the LACDA which is prohibited hereunder; and

(3) Bring an action for declaratory relief seeking judicial determination of the meaning of any provision of this Agreement.

Without limiting the generality of the foregoing, Borrower shall in no event be entitled to, and hereby waives, any right to seek indirect or consequential damages of any kind or nature from the LACDA or any of the other Public Agencies and each of their respective members, directors, agents, officers, representatives and employees arising out of or in connection with this Agreement, and in connection with such waiver Borrower is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

17.5 Limited Partner Right to Cure. Borrower, on behalf of and at the request of its limited partner(s) has requested the inclusion of the following cure rights for its limited partner(s) as follows:

If the Project's financing includes LIHTCs, notwithstanding anything to the contrary contained in this Agreement, the limited partner in Borrower shall have the right, but not the obligation, to cure any of Borrower's defaults under the Loan Documents within the same time period and subject to the same terms and conditions as a cure by Borrower.

The LACDA shall use reasonable efforts to provide a copy of any notice of default given to Borrower concurrently to the limited partner at the address provided therefor in this Agreement, provided however, the failure to give such notice or for the limited partner to receive such notice shall not adversely affect the validity of the notice of default given to Borrower or extend the time for a cure of such default.

In the event Borrower and the limited partner exercise or attempt to exercise any such cure, the LACDA shall (i) have the right in its sole discretion to accept the cure in whole or part of either Borrower or the limited partner (as well as any additional cures if a given cure is incomplete), (ii) the LACDA's rights under this Agreement or any other Loan Documents, shall not be waived, impaired or delayed by any disagreement, litigation or other conflict between Borrower, its limited partner and any other managers or partners, including but not limited to the LACDA's right to commence and prosecute a foreclosure on its collateral, (iii) all costs and expenses and any additional costs or expenses incurred by the LACDA arising from the provisions of this paragraph shall be an expense of Borrower, however the LACDA may require the limited partner to acknowledge and agree to be bound by the provisions of this section and pay costs incurred by the LACDA arising from a cure prosecuted by the limited partner, and at the LACDA's sole discretion any or all of such costs may be added to the outstanding loan amount, and (iv) the LACDA shall have no liability whatsoever to Borrower or the limited partner or any manager or other partner of Borrower arising from the exercise of the LACDA's rights under this paragraph. Borrower (and the limited partner, but only in cases where the limited partner has advanced a cure in conflict with any cure advanced by Borrower) hereby indemnify, defend (with counsel acceptable to the LACDA) and hold the LACDA harmless from any claim, cost, expense or other liability arising from this paragraph. The LACDA may extend the cure period for any default in its sole discretion and without prior notice to Borrower or the limited partner and the LACDA shall have no liability to any party on account of such extension.

18.0 BANKRUPTCY

Borrower represents and warrants to the LACDA that: Borrower is not insolvent as such term is defined under applicable creditor rights laws including the US Bankruptcy Code and the Uniform Commercial Code; the completion of the transactions contemplated by the Loan Documents shall not cause the insolvency thereof; and the transactions contemplated by the Loan Documents are not being taken by Borrower with the intent to defraud any of its creditors or otherwise constitute a fraudulent conveyance under any applicable laws including a "voidable transfer" under the Uniform Fraudulent Transfer Act (Civil Code §3439 et. seq.).

The LACDA shall have the continuing and exclusive right to apply or reverse and reapply any and all payments by the Borrower to any portion of the Loan, interest or any other monetary obligations arising from the Loan Documents. To the extent the Borrower makes a payment to the LACDA or the LACDA receives proceeds of any collateral, which is in whole or part subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then such amounts shall be revived and continue in full force and effect, as if such payment or proceeds had not been received by the LACDA

19.0 JOINT AND SEVERAL LIABILITY.

If, at any time during the Term of this Agreement, Borrower comprises more than one person or entity, all such persons and entities shall be jointly and severally liable for performance of every obligation of Borrower under this Agreement without offset or deduction or allocation of liability and any right of subrogation among such persons or entities shall be suspended unless and until the LACDA has been paid in full for all amounts related to this Agreement and all obligations of Borrower have been performed. It is not the intent of this provision that if Borrower is an entity such as a limited partnership or limited liability company that each of the constituent limited partners or members shall be liable under this provision.

20.0 RIGHT OF ACCESS AND INSPECTION.

The LACDA shall have the right at any time during normal business hours and from time to time to enter upon the Site for purposes of inspection. If the LACDA in its reasonable discretion determines that any work or materials are not in conformity with this Agreement or any Applicable Governmental Restrictions, or the Project is not being operated in conformity with this Agreement or any Applicable Governmental Restrictions, the LACDA may at its election, after notice to and consultation with the Borrower and affording the Borrower thirty (30) days after such notice to cure the matter (or without notice in the case of an emergency) (provided, however, that if such matter cannot be cured within a thirty (30) -day period, it shall be deemed cured if Borrower commences the cure within said thirty (30) -day period and diligently prosecutes such cure to completion thereafter) and the Borrower fails to cure the matter, itself cure the matter. In addition, during the course of construction, the LACDA may immediately stop the work and order replacement or correction of any work or materials not in conformity with this Agreement or any Applicable Governmental Restrictions. Inspection by the LACDA of the Project or the Site is not to be construed as an acknowledgment, acceptance or representation by the LACDA or the County that there has been compliance with any terms or provisions of this Agreement, or that the work will be free of faulty materials or workmanship.

21.0 CONFLICT OF INTEREST; NO INDIVIDUAL LIABILITY.

No official or employee of the LACDA shall have any personal interest, direct or indirect, in this Agreement or any other Loan Document, nor shall any official or employee of the LACDA participate in any decision relating to this Agreement or any other Loan Document which affects such official's or employee's pecuniary interest in any corporation, partnership or association in which such official or employee is directly or indirectly interested. No official or employee of the LACDA shall be personally liable in the event of a breach of this Agreement or any other Loan Document by an official or employee of the LACDA. Borrower shall within not less than ten (10) days after learning of any such conflict of interest or facts which reasonably indicate that a conflict of interest may exist, notify the executive director of the LACDA.

22.0 AMENDMENTS, CHANGES AND MODIFICATIONS.

This Agreement may not be amended, changed, modified, altered or terminated without the prior written consent of the parties hereto.

23.0 EXECUTION OF COUNTERPARTS.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same document. The submission of this Agreement, any of the other Loan Documents to Borrower for review or signature does not constitute a commitment by the LACDA to make the Loan to Borrower, and the Loan Documents shall have no binding force or effect unless and until they are executed and delivered by and between Borrower and the LACDA and all of the conditions set forth in this Agreement with regard to the effectiveness of this Agreement have been satisfied.

24.0 NOTICES.

All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under the Loan Documents shall be in writing and shall be given by personal delivery, facsimile, certified mail (return receipt requested), or overnight guaranteed delivery service, postage and delivery charges pre-paid and addressed or faxed as follows:

If to the LACDA: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to:
Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance

Fax No. (626) 943-3816

If to Borrower: 2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to: EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

If to Borrower's limited partner: U.S. Bancorp Community Development Corporation
USB Project No.: 30511
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management
Phone: (314) 335-2600

Notices shall be effective upon receipt, if given by personal delivery; upon receipt, if faxed, provided there is written confirmation of receipt (except that if received after 5 p.m., notice shall be deemed received on the next business day); the earlier of (i) three (3) business days after deposit with United States Mail, or (ii) the date of actual receipt as evidenced by the return receipt, if delivered by certified mail; and one (1) day after deposit with the delivery service, if delivered by overnight guaranteed delivery service. Each party shall promptly notify the other party of any change(s) of address or fax to which notice shall be sent pursuant to this Agreement. Notwithstanding the above, if a notice party refuses to accept notices given by courier or certified mail after two (2) attempts have been made to deliver notice by such means, then such notice shall be deemed received as of the date the first attempt at service of such notice was made. It is intended that notices given under any of the Loan Documents shall be made in the manner set forth in this Agreement, therefore if there is a conflict between the notice provisions of this Agreement and any other Loan Document, notice under such other Loan Document shall be deemed effective if made in accordance with the provisions of this Agreement unless such other Loan Document expressly states that the notice provisions contained therein are intended to prevail over the provisions in this Agreement.

25.0 SEVERABILITY.

The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

26.0 INTERPRETATION.

Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the paragraphs of this Agreement are for convenience only and do not define or limit any terms or provisions. Time is of the essence in the performance of this Agreement by Borrower. Each Party has been represented by counsel in the negotiation of this Agreement, and it shall not be interpreted in favor of or against any Party on account of relative responsibilities in drafting. As used in this Agreement, the word "includes or "including" means including without limitation, the word "or" is not exclusive and the words "herein," "hereof," "hereto" and hereunder refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (i) to articles, paragraphs, sections and exhibits mean the articles, paragraphs, sections and exhibits which are part of this Agreement, (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement and (iii) to a law includes all regulations, policies, or procedures, adopted by any governmental units or related entities which administer such law and means such law as amended from time to time and includes any successor laws. This Agreement is made solely for the benefit of the LACDA and Borrower and their respective permitted successors and assigns, and no other person or entity shall have or acquire any rights under this Agreement unless expressly stated to the contrary in this Agreement. The term business day shall mean weekdays except such weekdays which are designated as holidays on which banks chartered by the State of California or the federal government are closed to the public. Notwithstanding any other provision of this Agreement, nothing herein or in the Notes shall be deemed to require Borrower to pay interest in the amount of any applicable usury law or other legal limitation on interest, and the terms hereof and of the Notes shall be interpreted to require in each instance the lesser of (i) the amount stated in the Notes; and (ii) the maximum applicable legal limit, and if permitted by applicable law, payments of excess interest shall be considered payments or principal. Attached hereto for the convenience of the Parties as Exhibit "A" is a directory indicating the location of definitions for certain defined terms used in this Agreement.

27.0 NO WAIVER; CONSENTS.

Any waiver by the LACDA must be in writing and will not be construed as a continuing waiver. No waiver will be implied from any delay or failure by the LACDA to take action on account of any default of Borrower. Consent by the LACDA to any act or omission by Borrower will not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the LACDA's consent to be obtained in any future or other instance.

28.0 GOVERNING LAW.

This Agreement shall be governed by the laws of the State of California without application of its conflict of law rules.

29.0 REPRESENTATIONS, WARRANTIES AND ADDITIONAL COVENANTS OF BORROWER.

Borrower hereby represents, warrants and covenants to the LACDA as of the date hereof and at all times throughout the term of this Agreement and any extensions thereof that:

29.1 Organization and Standing. Borrower is a legal entity as described in the Transaction Summary above, duly formed, qualified to operate in California and validly existing and in good standing in the State of California, and has all requisite power and authority to enter into and perform its obligations under this Agreement, the Notes, the Deed of Trust, the CC&Rs, and all other Loan Documents.

29.2 Enforceability. This Agreement, the Notes, the Deed of Trust, the CC&Rs, and all other Loan Documents constitute the legal, valid and binding obligation of Borrower, without joinder of any other party.

29.3 Authorization and Consents. The execution, delivery and performance of this Agreement and all other Loan Documents is consistent with the operating agreement, partnership agreement, or articles and bylaws governing Borrower, and have been duly authorized by all necessary action of Borrower's members, partners, directors, officers and shareholders.

29.4 Due and Valid Execution. This Agreement and all other Loan Documents, will, as of the date of their execution, have been duly and validly executed by Borrower.

29.5 Licenses. Borrower will obtain and maintain all material licenses, permits, certificates of occupancy, consents and approvals required by all applicable governmental authorities to own and operate the Project.

29.6 Litigation and Compliance. There are no suits, other proceedings or investigations pending or threatened against, or affecting the business or the properties of Borrower or any constituent partners or members or shareholders (other than those as have been previously disclosed in writing to the LACDA) which could impair its ability to perform its obligations under this Agreement, nor is Borrower or any constituent partners or members or shareholders in violation of any laws or ordinances which could impair Borrower's ability to perform its obligations under this Agreement or any other Loan Document.

29.7 Default. There are no facts now in existence which would, with the giving of notice or the lapse of time, or both, constitute an Event of Default hereunder, as described in Section 17.

29.8 No Violations. The execution and delivery of this Agreement, the Notes or any other Loan Documents, and the performances thereunder by Borrower, as applicable, will not constitute a breach of or default under any instrument or agreement to which Borrower may be a party nor will the same constitute a breach of or violate any law or governmental regulation. There are no pending legal violations pertaining to the Project, the site or Borrower.

29.9 No Affiliation with Lenders. Borrower is not under common ownership or is otherwise affiliated with any lender extending any Project Loan (as defined in the Notes).

29.10 Information Accurate and No Change in Circumstances. All information and materials provided by Borrower or its representatives to the LACDA (including all information provided in connection with the Application) are true and complete and do not omit to state any material facts. There has been no material adverse change in the conditions or circumstances with regard to the Project, including, its financial feasibility, the Site conditions, other factors which may affect the timeliness of the completion of the Project, its costs, legal requirements applicable to the Project and its construction, community support for the Project or the projected vacancy absorption.

29.11 Attachments / Exhibits. The Exhibits listed in the Table of Exhibits, which follows the signature page of this Agreement, are attached to this Agreement and, by this reference, made a part hereof.

29.12 Patriot Act Compliance. Borrower and its constituent owners are not, nor have they ever been (i) listed on any Government Lists (as defined below), (ii) a person who has been determined by a Governmental Authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001) or any other similar prohibitions contained in the rules and regulations of OFAC or in any enabling legislation or other Presidential Executive Orders in respect thereof, (iii) indicted for or convicted of any felony involving a crime or crimes of moral turpitude or for any Patriot Act Offense, or (iv) under investigation by any Governmental Authority for alleged criminal activity. For purposes hereof, the term "**Patriot Act Offense**" shall mean any violation of the criminal laws of the United States of America or of any of the several states, or that would be a criminal violation if committed within the jurisdiction of the United States of America or any of the several states, relating to terrorism or the laundering of monetary instruments, including any offense under (A) the criminal laws against terrorism; (B) the criminal laws against money laundering, (C) Bank Representative Secrecy Act, as amended, (D) the Money Laundering Control Act of 1986, as amended, or (E) the Patriot Act. Patriot Act Offense also includes the crimes of conspiracy to commit, or aiding and abetting another to commit, a Patriot Act Offense. For purposes hereof, the term "**Government Lists**" shall mean (1) the Specially Designated Nationals and Blocked Persons Lists maintained by the Office of Foreign Assets Control ("**OFAC**"), (2) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC, or (3) any similar lists maintained by the United States Department of State, the United States Department of Commerce or any other Governmental Authority or pursuant to any Executive Order of the President of the United States of America.

29.13 Brokers. Borrower has not hired or dealt with any brokers or finders in connection with the Loan, other than those disclosed in writing to the LACDA and whose fees shall be paid by Borrower pursuant to separate agreements. Borrower shall indemnify, defend (with counsel approved by the LACDA), and hold the LACDA harmless from and against any and all suits, claims, liabilities, costs and expenses of any kind in any way relating to or arising from a claim

by any person or company asserting a claim for brokerage or finders fees arising in connection with the transactions contemplated herein. The provisions shall survive the expiration or earlier termination of this Agreement.

29.14 Borrower Cooperation. Borrower shall, at Borrower's sole cost and expense: (i) execute and deliver to the LACDA such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to evidence, preserve, perfect, and/or protect the transactions contemplated under and the LACDA's rights arising with regard to the Loan Documents, as the LACDA may reasonably require from time to time; and (ii) deliver such information, documents, certifications, agreements, reports and other materials, including causing third parties to take such actions, as the LACDA may reasonably require from time to time, to confirm compliance with the provisions of the Loan Documents, or in connection with any request for any consent or approval from the LACDA. Any request by the LACDA under this section shall be deemed reasonable if Borrower possesses or controls such information; takes such action or produces such information or materials for any other person or company; or is required to maintain such information or materials or take such actions under Applicable Governmental Restrictions.

30.0 APPROVALS.

Any consent to a transfer under Section 15 or 16 of this Agreement, and any other consent or approval by the LACDA under this Agreement or any of the Loan Documents, may be given by the LACDA's Executive Director without action of the LACDA's governing board unless the Executive Director in his or her sole discretion elects to refer the matter to the LACDA's governing board.

Except with respect to those matters set forth hereinabove providing for the LACDA's approval, consent or determination to be at the LACDA's "sole discretion" or "sole and absolute discretion," the LACDA hereby agrees to act reasonably with regard to any approval, consent, or other determination given by the LACDA hereunder. The LACDA agrees to give Borrower written notice of its approval or disapproval following submission of items to the LACDA for approval, including, in the case of any disapproved item, the reasons for such disapproval. Any review or approval of any matter by the LACDA or any the LACDA official or employee under this Agreement shall be solely for the benefit of the LACDA, and neither Borrower nor any other person shall rely upon such review or approval as an indication of the wisdom, soundness, safety, appropriateness, or presence or absence of any matter. Without limiting the generality of the foregoing, Borrower and not the LACDA shall be solely responsible for assuring compliance with laws, and the operation of the project.

31.0 TRANSFER OF LIMITED PARTNER INTEREST BY LIHTC INVESTOR.

Borrower has advised the LACDA that (i) at the Close of Escrow U.S. Bancorp Community Development Corporation, a Minnesota corporation, will be the initial tax credit investor and sole limited partner in Borrower ("**Initial Investor**"), (ii) within the time period described in the below paragraph Initial Investor intends to and Borrower has agreed that Initial

Investor may transfer its limited partnership interest in Borrower to a to be formed Affiliate of Initial Investor ("**Fund**") in which Affiliate of the Initial Investor shall be the managing member and shall remain liable for the obligations of the Fund to make the capital contributions required by the limited partner under the Borrower's limited partnership agreement in the form submitted to the LACDA prior to the Close of Escrow; (iii) because the transfer of the limited partner interest held by the Initial Investor to the Fund, an Affiliate of Initial Investor, will result in a change of the holder of the limited partner interest in Borrower currently held by Initial Investor, Initial Investor has requested the right to assign the Initial Investor limited partnership interest in Borrower without obtaining the prior consent of the LACDA provided Borrower and Initial Investor comply with the provisions of this Section 31.0. Based on the truth and completeness of the Borrower and Initial Investor and subject to the compliance with the following provisions the LACDA agrees to the proposed Transfer.

The LACDA hereby grants such consent to transfer the Initial Investor's limited partnership interest in Borrower subject to the following conditions: (a) Borrower shall deliver to the LACDA true and complete copies of all documents relating to such transfer including but not limited to any amendment to the limited partnership agreement of Borrower and an assignment and assumption agreement between the Initial Investor and the Fund; (b) the transferee shall assume all of the obligations of the Initial Investor under the Borrower's limited partnership agreement and any related documents including but not limited to all obligations to make the equity contributions set forth therein and such transfer shall be in compliance with the provision of the Borrower's limited partnership agreement; (c) Initial Investor shall remain obligated to make the capital contributions to the Borrower contemplated by the Borrower's limited partnership agreement if the Fund fails to timely and completely make such contributions; (d) the Fund and its owners shall be in compliance with and shall not be debarred from doing business with the Federal government, State of California, County of Los Angeles, or their respective related departments and agencies; (f) Borrower shall not be in default beyond any applicable grace period, under any of the Loan Documents; (g) all other third party consents to such transfer shall have been obtained; (h) the transferee shall be an Affiliate of Initial Investor; (i) such transfer shall be completed not later than ninety (90) days after the Initial Investor's receipt of IRS form 8609s for the Project; (j) aside from a return of its capital and any customary and reasonable fees in connection with such syndication, the Initial Investor and its Affiliates shall not receive any compensation in connection with the transfer of its limited partnership interest in Borrower; (k) Borrower shall give written notice to the LACDA when such transfer has occurred, provide the LACDA with copies of all documents and agreements relating to the transfer, and represent and warrant in such written notice to the LACDA that each of the conditions set forth in this section have been satisfied.

The LACDA consent to the transfer by Initial Investor described in this Section 31.0 shall terminate if CTCAC states that it will not issue an IRS form 8609 or the Borrower or Investor do not timely comply with the CTCAC regulations and conditions applicable to Borrower and the Project for the submission for the issuance of IRS form 8609.

LACDA shall not be required by this Section 31.0 to consent to any further transfers.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first above written.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

Executive Director or Designee

Emilio Salas
Printed Name

APPROVED AS TO FORM:

Dawyn R. Harrison, County Counsel

By: Behnaz Tashakorian
Senior Deputy

(Signatures Continue on Next Page)

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

TABLE OF EXHIBITS

Exhibit “A”	DIRECTORY OF DEFINED TERMS
Exhibit “B”	LEGAL DESCRIPTION OF THE SITE
Exhibit “C-1”	CGF PROMISSORY NOTE – C27A12
Exhibit “C-2”	DR-MHP PROMISSORY NOTE – DRMHP1
Exhibit “D”	DEED OF TRUST – C27A12, DRMHP1
Exhibit “E-1”	DR-MHP SENIOR REGULATORY AGREEMENT
Exhibit “E-2”	LACDA CC&RS
Exhibit “E-3”	DR-MHP REGULATORY AGREEMENT
Exhibit “F”	RESERVED
Exhibit “G”	PERMANENT CONVERSION REQUIREMENTS
Exhibit “G-1”	CERTIFICATE OF COMPLETION
Exhibit “H”	SCHEDULE OF PERFORMANCE
Exhibit “I”	SITE PLANS & ELEVATIONS
Exhibit “J”	DEVELOPMENT PROFORMA
Exhibit “K”	OPERATING BUDGET and CASH FLOW
Exhibit “L”	RESERVED
Exhibit “M”	LACDA REQUIREMENTS
Exhibit “N”	INSURANCE REQUIREMENTS
Exhibit “O”	ENVIRONMENTAL CONDITIONS
Exhibit “P”	LACDA CONSTRUCTION REQUIREMENTS
Exhibit “Q”	CONSTRUCTION SCHEDULE OF VALUES
Exhibit “R”	WAGE DETERMINATION – DAVIS BACON and PREVAILING WAGE
Exhibit “S”	DESIGN GUIDELINES
Exhibit “T”	ACCESSIBILITY AND AFFIRMATIVE MARKETING
Exhibit “U”	BABY SAFE FACT SHEET
Exhibit “V”	CHARITABLE CONTRIBUTIONS CERTIFICATION
Exhibit “W”	RESERVED
Exhibit “X”	FEDERAL LOBBYIST REQUIREMENTS CERTIFICATION
Exhibit “Y”	RESERVED
Exhibit “Z”	FEDERAL PROGRAM REQUIREMENTS
Exhibit “AA”	DR-MHP/CDBG-DR Requirements – Rider to Development Agreement

EXHIBIT "A" TO LOAN AGREEMENT

DIRECTORY OF DEFINED TERMS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

Each of the following terms is defined in the section of the Loan Agreement referenced in parentheses.

Affordable Housing Cost (Section 11.1)
Agreement (Preamble)
Annual Statement (Section 10.5)
Applicable Governmental Restrictions (Section 10.1)
Applicable Percentage (Section 2.4)
Application (Section 8)
Architect (Section 6.2(1)(j))
Architect Contract (Section 6.2(1)(j))
Area Median Income (Section 11.1)
Assignment (Section 2.4)
Assisted Units (Section 11.1)
Basic Rate (Section 2.2)
Borrower (Preamble)
CC&Rs (Section 6.2(1)(c))
CEQA (Section 6.2(1)(q))
Certificate of Completion (Section 10.12(10))
CGL (Exhibit N – Insurance Requirements)
Change (Section 15.1)
Close of Escrow (Section 6.3)
Closing Conditions (Section 6.2)
Closing Deadline (Section 6.5)
Commercial Space (Section 10.26)
Commercial Space Costs (Section 10.26(8))
Completion of the Project (Section 10.12)
Construction Contract (Section 6.2(2)(a))
Conversion to Permanent Financing (Section 7)
County (Section 10.1)
County General Funds (Recital A)
CTCAC (Section 11.1)
Deed of Trust (Section 5)
Default Rate (Section 2.2)
Deferred Developer Fee (Section 10.15)

Design Professional(s) (Section 10.6)
DHS (Section 8)
Draw Disbursement Request (Section 6.6(2))
DR-MHP Regulations (Section 11.1)
Eligible Households (Section 11.1)
Eligible Person(s) (Section 11.1)
Environmental Liabilities (Section 10.9)
Environmental Law (Section 10.9)
Escrow (Section 6.1)
Escrow Holder (Section 6.1)
Event of Default (Section 17.1)
Fund Section (31.0)
General Contractor (Section 6.2(2)(a))
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Income Limits Table (Section 11.1)
Initial Investor (Section 31.0)
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LACDA Indemnitees (Section 10.9)
LACDA Monitoring Fee (Section 11.8)
LESLI (Exhibit N – Insurance Requirements)
Liabilities (Section 10.6)
LIHTC (Section 10.17)
Loan (Recital A)
Loan Documents (Section 1)
Low-Income Housing Tax Credit Events (Section 10.17)
Management Contract (Section 11.4)
Management Entity (Section 11.4)
Manager (Section 11.4)
Material Adverse Event (Section 10.23)
Maturity Date (Section 2.3)
Mortgaged Property (Section 5.1)
NOFA (Section 6.2(2)(e))
NEPA (Section 6.2(1)(q))
Net Proceeds (Section 2.4)
Net Refinancing Proceeds (Section 2.4)
Notes (Section 2.1)
OFAC (Section 29.12)
Operating Expenses (Section 10.5)
Operating Subsidy (Section 11.1)

Other Financing (Recital B)
Parties (Preamble)
Party (Preamble)
Patriot Act Offense (Section 29.12)
Pet-Friendly Ordinance (Section 13.3)
Permanent Conversion Funds (Section 6.6(3)(c))
Permanent Conversion Requirements (Section 7)
Permanent Loan Fees (Section 6.2(3)(c))
Permitted Senior Encumbrances
(Section 6.2(1)(f))
Photos (Section 10.22)
Plans (Section 11.5)
Project (Recital A)
Public Agencies (Section 10.6)
Refinancing (Section 2.4)
Remedial Work (Section 10.9)
Residential Space (Section 10.26(8))
Residual Receipts (Section 2.3)
Retention Proceeds (Section 6.6 (3)(b)(ix))
Senior Financing (Recital B)
Significant Mold (Section 10.9)
Single-Asset Audits (Section 10.4)
Site (Recital A)
Subordination Agreement (Section 6.2(1)(g))
Term (Section 2.3)
Title Company (Section 6.2(1)(f))
Title Policy (Section 6.2(1)(f))
Transfer (Section 15.1)
Transfer Documents (Section 15.2)
Transfer Notice (Section 15.2)

EXHIBIT "B" TO LOAN AGREEMENT

LEGAL DESCRIPTION OF THE SITE

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT "C-1" TO LOAN AGREEMENT

PROMISSORY NOTE

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

PROMISSORY NOTE

COUNTY GENERAL FUND - PROJECT NO. C27A12

$7,000,000 January 16, 2024

For value received, the undersigned, 2052 LAKE ALTADENA, L.P., a California limited partnership ("Borrower") whose principal address is set forth herein below, promises to pay to the order of the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic ("LACDA") at 700 West Main Street, Alhambra, CA 91801 (or to such designee and/or at such other address as the LACDA may from time to time designate in writing), the principal sum of **SEVEN MILLION DOLLARS ($7,000,000.00)** (as amended, modified, supplemented, and replaced from time to time, collectively, the "Loan"), or such amount as may be advanced hereunder, plus accrued and unpaid interest as provided hereinbelow, and all other charges due hereunder, in accordance with the terms and conditions of that certain Loan Agreement dated as of January 16, 2024, entered into between Borrower and the LACDA (as amended, modified, and supplemented, and replaced from time to time, collectively, the "Loan Agreement"), and the terms and conditions of this Promissory Note (as amended, modified, supplemented, and replaced from time to time, collectively, this "Note"). As set forth in greater detail in the Loan Agreement, the purpose of the Loan is to provide Borrower with financing in connection with a housing project ("Project") on a site more particularly described in the Loan Agreement ("Site").

Unless otherwise defined in this Note, all initially-capitalized terms used herein without definition shall have the meanings given such terms in the Loan Agreement.

1. Interest.

1.1 Basic Interest. Except as provided in Section 1.4 below, the disbursed and unpaid principal balance of the Loan shall bear interest commencing on the date on which the Loan proceeds are first disbursed for the account of Borrower, and ending on the date paid, at the rate of three percent (3%) per annum, simple interest ("Basic Rate"). Interest shall be computed on the basis of actual number of days elapsed and a 360-day year.

2.2 Payment Dates and Amounts.

1.2.1 The Loan is not amortized. Interest will accrue on the funded balance until it is paid in full and a BALLOON PAYMENT will be required on the Maturity Date.

Except as otherwise provided in this Note, Borrower shall repay the Loan, together with accrued interest at the Basic Rate in arrears, in annual installments by June 1st of each year for the Project's operating year that is two (2) years earlier. The initial payment for this Project will be made on or before June 1, 2027 and will be based on Residual Receipts, as defined herein, for the 2025 operating year. Annually, upon the receipt of the Project's Single-Asset Audit, as defined in the Loan Agreement, the LACDA shall calculate the Residual Receipts and corresponding Loan payment. The LACDA will then issue a written payment request to the

Borrower and payment is due from the Borrower upon receipt of the payment request and no later than June 1st.

Payments shall first be applied to interest and then to the principal balance. Absent prepayment or acceleration, each of the annual payments due June 1, 2027 through and including June 1, 2080 shall be in an amount equal to thirty-four and fifty-one hundredths percent (34.51%) of Residual Receipts (as defined herein) for the Project operating year that is two (2) years earlier. The balance of the Residual Receipts shall be allocated as follows: Borrower – fifty percent (50.00%), and LACDA DR-MHP Funds – fifteen and forty-nine hundredths percent (15.49%).

In no event shall any Loan payment attributable to an Event of Default (as hereafter defined) or acceleration be deferred.

Notwithstanding any other provision of this Note, unless due sooner, the entire outstanding principal balance of the Loan together with any outstanding interest and any other sums payable under this Note shall be due and payable in full fifty-seven (57) years from the date of execution of this Note ("Maturity Date").

1.2.2 Deferred Developer Fee.

(a) The "Deferred Developer Fee" is defined as the amount of developer fee deferred for payment following Completion of the Project, as defined in the Loan Agreement. The amount of Deferred Developer Fee is shown in the project proforma included as Exhibit "J"- Development Proforma to the Loan Agreement and the cash flow included as Exhibit "K" – Operating Budget and Cash Flow to the Loan Agreement. Upon Conversion to Permanent Financing (as defined in the Loan Agreement), the Deferred Developer Fee is to be adjusted to the actual amount of the developer fee deferred as reflected in the Final Cost Certification, except that any increases must be reviewed and approved by the LACDA.

(b) For the first fifteen (15) years of Project operation, or a shorter period of time if the Deferred Developer Fee is paid in full in less than fifteen (15) years, prior to making the annual installment of Residual Receipts to the LACDA (as described above), Borrower shall make payments towards the Deferred Developer Fee. At the end of year fifteen (15), if the Deferred Developer Fee has not been paid in full, Borrower will provide for full pay-off of the remaining Deferred Developer Fee balance.

(c) The payment of interest on the Deferred Developer Fee is not allowed, unless it is paid out of Borrower's fifty percent (50.0%) share of Residual Receipts.

(d) Borrower has advised that its Senior Lender and limited partner may require a portion of the payment of the Deferred Developer Fee of approximately $307,800 to be deposited into a reserve for the payments due for Supportive Services to be paid by Borrower if the projected third party sources of payment for such Supportive Services are not available to pay for the required Supportive Services ("Supportive Services Reserve"). The establishment of the Supportive Services Reserve is not an Eligible Reserve and shall not reduce the amount of the Residual Receipts for the Project. If and to the extent the Supportive Services Reserve is released to pay the Deferred Developer Fee then at such time the provision of Section 1.2.2(b) shall apply to such payment of the Deferred Developer Fee.

1.3 Calculation of Residual Receipts. On or before July 1st of the year following the commencement of Project operations and on or before each subsequent July 1st thereafter, Borrower shall provide to the LACDA a Single-Asset Audit, as defined in the Loan Agreement, for the LACDA's Residual Receipts calculation. Borrower shall also provide, for inspection and copying, any records, receipts, account books, ledgers, checks, or other documents or other evidence requested by the LACDA for the purpose of calculating Residual Receipts.

1.4 Default Rate. Any amounts (including but not limited to amounts of principal and interest on the Loan) which Borrower does not pay when due under the terms of the Loan Agreement or this Note shall bear interest at the rate of ten percent (10%) per annum, simple interest ("Default Rate"), from the date due until the date paid.

1.5 Definition of Residual Receipts.

1.5.1 "Residual Receipts" shall mean, with respect to each operating year, the amount by which Gross Rents, as defined herein, for such operating year exceed the Operating Expenses, as defined herein, for that operating year.

1.5.2 With the exception of the "Excluded Items" (as defined below), "Gross Rents" shall mean, with respect to each operating year or portion thereof, all gross income, rentals, revenues, payments and consideration, of whatever form or nature, whether direct or indirect, received by or paid to or for the account or benefit of Borrower or any Affiliate (as defined below) of Borrower or any of their agents or employees, from any and all sources, resulting from or attributable to the ownership, operation, leasing and occupancy of the Project, determined on the basis of generally accepted accounting principles applied on a consistent basis, and shall include, but not be limited to:

(i) gross rentals paid by tenants of the Project under occupancy leases and payments and subsidies of whatever nature, including without limitation any payments, vouchers or subsidies from the United States Department of Housing and Urban Development (HUD) or any other person or organization, received on behalf of tenants under occupancy leases;

(ii) amounts paid to Borrower or any Affiliate of Borrower on account of Operating Expenses (as defined herein) for further disbursement by Borrower or such Affiliate to a third party or parties;

(iii) late charges and interest paid on rentals;

(iv) rents and receipts from licenses, concessions, vending machines, coin laundry and similar sources;

(v) other fees, charges or payments not denominated as rental but payable to Borrower in connection with the rental of office, retail, storage, or other space in the Project; and

(vi) consideration received in whole or in part for the cancellation, modification, extension or renewal of occupancy leases.

The term "Affiliate" shall mean any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with Borrower which, if Borrower is a partnership or limited liability company, shall include each of the constituent members or partners, respectively, thereof. The term "control" as used in the immediately preceding sentence, means, with respect to a person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation, and, with respect to a person that is not a corporation, possession directly or indirectly of the power to direct or cause the direction of the management or policies of the controlled person. Notwithstanding the foregoing, Gross Rents shall not include the following items ("Excluded Items"):

(aa) security deposits from tenants (except when applied by Borrower to rent or other amounts owing by tenants);

(bb) capital contributions to Borrower or its members, partners or shareholders by its or their members, partners or shareholders;

(cc) condemnation or insurance proceeds constituting 'Net Proceeds' as defined in Section 1.6 below;

(dd) funds received from any source (including but not limited to the Senior Financing and any Junior Financing or Other Financing) actually and directly used for acquisition and/or initial development of the Project; and

(ee) interest earned on all required Project Reserve Accounts.

1.5.3 "Operating Expenses" shall mean, with respect to each operating year or portion thereof, the sum of the following expenses to the extent reasonably paid by Borrower during such period:

(i) nonelective payments made with respect to the Senior Financing;

(ii) all taxes and assessments imposed upon the Project and required to be paid by Borrower but only to the extent such taxes and assessments are paid or set aside as a reserve by Borrower during such operating year;

(iii) all amounts paid or set aside as a reserve by Borrower on account of insurance premiums for insurance carried in connection with the Project, provided that if insurance on the Project is maintained as part of a blanket policy covering the Project and other properties, the insurance premium included in this definition shall be the portion of the premium fairly allocable to the Project for the period;

(iv) ownership and operating costs incurred by Borrower for the management, operation, cleaning, leasing, marketing, maintenance and repair of the Project (including without limitation, property management fees and administrative fees) properly chargeable against income according to generally accepted accounting principles, including without limitation wages, payroll

and accounting costs, utility and heating charges, material costs, maintenance costs, costs of services, water and sewer charges, travel expenses allocable to the Project, actual amount paid on account of supportive services, except such compensation shall not exceed zero dollars ($0) (as noted in Exhibit "K" – Operating Budget and Cash Flow of the Loan Agreement as "Supportive Services"), and license fees and business taxes; provided, however, that (A) the amount included as property management fees in Operating Expenses shall collectively not exceed sixty dollars ($60) per unit per month from the Project for such period (with no annual escalations), all or a portion of each of which may be paid to Borrower and/or an Affiliate of Borrower, (B) such property management fee shall only be paid on the basis of supporting documentation reasonably acceptable to the LACDA, and shall be paid after the payment of all other Operating Expenses, (C) partnership management fees and other fees payable to a partner in a tax credit limited partnership shall only be considered Operating Expenses to the extent they do not exceed fifteen thousand ($15,000) in the aggregate, plus annual escalations of three percent (3.5%), in any year, and (D) total ownership and operating costs do not exceed industry standards as approved by the LACDA;

(v) deposits toward Eligible Reserves (as defined in Section 1.5.5 below) which are funded from Gross Rents (and not any Excluded Items) provided however the disbursement of such reserves shall not be counted as Operating Expenses; and

(vi) to the extent not otherwise included in Operating Expenses, amounts paid from any account as a reserve account for the purpose for which such reserve was created so long as such purpose would constitute an Operating Expense, provided however any amounts paid into such account or reserve has not been previously included as an Operating Expense.

vii) the LACDA Monitoring Fee, as defined in the Loan Agreement, in the amount of Seven Thousand One Hundred Fifty Dollars ($7,150), with no annual escalations, as noted in the cash flow included as Exhibit "K" – Operating Budget and Cash Flow to the Loan Agreement;

1.5.4 Notwithstanding any provision of Section 1.5.3, the term "Operating Expenses" shall not include any of the following:

(i) salaries of employees of Borrower or Borrower's general overhead expenses, or expenses, costs and fees paid to an Affiliate of Borrower, to the extent any of the foregoing exceed the expenses, costs or fees that would be payable in a bona fide arms' length transaction between unrelated parties in the Los Angeles-Orange County area for the same work or services;

(ii) any amounts paid directly by a tenant of the Project to a third party in connection with expenses which, if incurred by Borrower, would be Operating Expenses;

(iii) optional or elective payments with respect to the Senior Financing;

(iv) any payments with respect to Junior Financing, Other Financing, or any other Project-related loan or financing other than the Senior Financing;

(v) expenses, expenditures, and charges of any nature whatsoever arising or incurred by Borrower prior to Completion of the Project with respect to the development, maintenance and upkeep of the Project, or any portion thereof, including, without limitation, all costs and expenses incurred by Borrower in connection with the acquisition of the Property, all predevelopment activities conducted by Borrower in connection with the Project, including without limitation, the preparation of all plans and the performance of any tests, studies, investigations or other work, and the construction of the Project and any on-site or off-site work in connection therewith;

(vi) any amounts incurred arising from the negligence or misconduct of Borrower or its Affiliates;

(vii) Any amount incurred arising from a default of Borrower under any of the Loan Documents or any Senior Financing or any Junior Financing;

(viii) any amounts paid which are reimbursed from any other sources; or

1.5.5 Reserves. This section describes the reserves which are considered Eligible Reserves. Further, unless expressly provided below to the contrary, all of the reserves described in this section shall be maintained and applied by Borrower throughout the term of the CC&Rs, notwithstanding the earlier repayment of the Loan by Borrower. The amount and uses of reserves established under this Agreement do not relieve Borrower from compliance with applicable laws and do not imply that the amounts and uses required under this Agreement will be adequate for the established purposes.

(a) Definitions.

(i) "Eligible Reserves" shall mean, with respect to each operating year or portion thereof, Operating Reserves, Replacement Reserves, and Capitalized Replacement Reserves, which meet the requirements set forth below and it shall be a default under this Note if Borrower fails to create and maintain these reserves in accordance with this section:

(A) Eligible Reserves shall be used only for the purposes described in this section. All Eligible Reserves shall remain an asset of the Project for the full Term of the Loan and shall not be transferred, released or distributed except for the purposes established therefor.

(B) The LACDA has approved a written request ("Reserve Request") submitted to the LACDA by Borrower to establish the Operating Reserve and/or Replacement Reserve, which identifies:

(1) the specific expenditure(s) sought to be reserved for;
(2) the reasons why it is necessary to provide a reserve for the expenditure(s); and

(3) each particular period, which shall in no event be for more than five (5) years from the date the LACDA approves the Reserve Request (the "Reserve Period"), during which the funds sought to be reserved are to be expended; and

(C) The LACDA has approved a written request ("Reserve Withdrawal Request") submitted to the LACDA by Borrower to draw down funds from the Operating Reserve and/or Replacement Reserve, which identifies:

(1) the specific expenditure(s) reserves will be used for; and
(2) each particular period, which shall in no event be for more than five (5) years from the date the LACDA approves the Reserve Request (the "Reserve Period"), during which the funds sought to be reserved are to be expended; and

(D) The Eligible Reserves shall each be segregated into special accounts for Operating Reserves ("Operating Reserve Account"), Replacement Reserves ("Replacement Reserve Account"), and Capitalized Replacement Reserves ("Capitalized Replacement Reserve Account") as the case may be any sometimes referred to as a "Reserve Account" and sometimes referred to collectively as the "Reserve Accounts"), established with a financial institution or other duly licensed escrow agent mutually acceptable to the Parties ("Escrow Agent").

(E) Borrower shall maintain detailed accounting records in accordance with generally accepted accounting practices for each of the Reserve accounts, including how and when funds have been spent, amounts spent, receipts or other reasonable evidence of the use of Eligible Reserves. Such records shall be available for inspection and copying upon demand by the LACDA.

(F) Any amount withdrawn from the Operating Reserve or Replacement Reserve account without submitting a Reserve Request approved by the LACDA is subject to a default and repayment of the reserve amount withdrawn.

(ii) "Operating Reserves" shall mean:

(A) fund advances (as provided for in Section 1.5.5(e)), including accumulated interest paid on the balance in the

Operating Reserve Account (as hereinafter defined), subject to the Operating Reserve Cap (as hereinafter defined), and

(B) actually set aside for:

(1) taxes and assessments, as described in Section 1.5.3(ii);
(2) insurance premiums, as described in Section 1.5.3(iii);
(3) operation of the Project as may, for reasons other than those described in this Subpart (a)(ii) of this Section 1.5.5, be required in connection with Senior Financing or by an investor limited partner; and
(4) any other purpose which itself constitutes an Operating Expense.

(iii) "Replacement Reserve" shall mean funds reserved as provided for in Section 1.5.3(v), including accumulated interest paid on the balance in the Replacement Reserve Account (as hereinafter defined), and actually set aside for replacement of roofing, furniture, fixtures, equipment, and other capital expenditures, which reserves shall be in an annual amount equal to the greater of: (a) three hundred dollars ($300) per unit (with no annual escalations), (b) such higher amount per unit as may be required by a tax credit investor or holder of Senior Financing or (c) as established from time to time by mutual agreement of the Parties.

(iv) "Capitalized Replacement Reserve" shall mean funds reserved as provided for in Section 1.5.3(v), including accumulated interest paid on the balance in the Capitalized Replacement Reserve Account (as hereinafter defined), and actually set aside for replacement of roofing, furniture, fixtures, equipment, and other capital expenditures.

(b) Release of Eligible Reserves. Eligible Reserves shall not be released to Borrower out of the applicable Reserve Account unless and until:

(i) the Borrower has submitted to the LACDA:

(A) a written disbursement request ("Disbursement Request") seeking the release of funds out of the Reserve Account for the particular expenditure(s) and with respect to the Reserve Period designated in the applicable Reserve Request previously approved by the LACDA;

(B) supporting documentation establishing, in the LACDA's sole determination, that but for the release of the funds requested in the Disbursement Request, sufficient funds would not otherwise be available to the Borrower for the designated expenditure(s); and

(ii) The LACDA has, in its sole and absolute discretion, approved in writing the Disbursement Request.

(c) Investment of Reserve Account. Funds in any Reserve Account established pursuant to this Section 1.5.5 shall be deposited in a banking institution whose deposits are insured by an agency of the federal government. Borrower may invest funds in a Reserve Account in domestic bank certificates which are insured by an agency of the federal government; in direct obligations of the federal government; in federal government agencies with an AA rating or better; federally guaranteed agencies, or in repurchase agreements which are direct obligations of the federal government or federal agencies; or which are collateralized by federal government obligations; or in short-term commercial paper receiving the highest rating from Moody's or from Standard and Poors. Borrower shall select the investment vehicles and maturities (not to exceed five years) on such investments so as to yield the maximum return, consistent with good business practice, including the need for available cash in the Reserve Account.

(d) Eligible Reserves Caps and Minimums. For purposes of calculating Eligible Reserves, the maximum and minimum amounts of the Eligible Reserves shall be:

(i) Operating Reserves: to be funded at Conversion to Permanent Financing in the following amount: two hundred ninety-one thousand and six hundred twenty-eight dollars ($291,628) plus accumulated interest ("Operating Reserve Cap"). Thereafter at the start of each year the Operating Reserve shall have a minimum balance of not less than three (3) months debt service for the Loan (assuming Residual Receipts are sufficient to pay debt service in full) and three (3) months operating expenses ("LACDA Operating Reserve Floor") based on the average monthly operating expenses for the Project in the preceding twelve (12) month period at all times. Should the LACDA Operating Reserve Floor fall below the minimum requirement, the Project should replenish the reserve from net cash flow.

(ii) Capitalized Replacement Reserves and Replacement Reserves: The Capitalized Replacement Reserves will be funded at Conversion to Permanent Financing in the following amount: twenty-nine thousand dollars ($29,000). Thereafter at the start of each year the Replacement Reserves shall be an amount equal to the greater of (a) three hundred dollars ($300) per unit (with no annual escalations), (b) such higher amount per unit as may be required by a tax credit investor or holder of Senior Financing or (c) as established from time to time by mutual agreement of the Parties ("Replacement Reserve Cap").

The above Eligible Reserve "Caps" and "Floors" may be adjusted at the LACDA's discretion.

(e) "Up Front" Reservation of Funds. In addition to funding Project reserves as provided for in Section 1.5.3(v), two hundred ninety-one thousand and six hundred twenty-eight dollars ($291,628) in Operating Reserves and twenty-nine thousand dollars ($29,000) in **Capitalized Replacement Reserves** may be funded by a capital contribution from the limited partner and Senior / Junior and Other Financing pursuant to the Borrower's limited partnership agreement and the Senior / Junior and Other Financing agreements, provided that:

(i) the reserves are placed into a Reserve Account (as defined in Section 1.5.5(a)(i)(D));

(ii) the reserves are not released except in accordance with Section 1.5.5(b); and

(iii) the Reserve "Caps" and "Floors" set forth in Section 1.5.5(d) continue to apply to Eligible Reserve balances for calculation of Residual Receipts regardless of the source of funding.

1.5.6 Changes to Allowable Operating Expenses and Eligible Reserves. The LACDA, at its sole discretion, may allow variances in the amount of Operating Expenses, noted in Section 1.5.3(iv) above, and the Eligible Reserve amounts, noted in Section 1.5.5 above, to amounts that are consistent with industry standards and the LACDA's underwriting guidelines.

2. Transfers/Refinancing.

2.1. Transfers and Acceleration of Loan Payment. Regardless of whether the consent of the LACDA was required or given to a Transfer, as such term is defined in the Loan Agreement; certain Transfers require a partial or full repayment of all amounts outstanding under the Loan Documents.

2.1.1. All amounts outstanding under the Loan Documents shall be due and owing upon a Transfer of title to the Project or Site or the imposition of the liens of mortgages or deed of trust on the Project or Site which are not made in an LACDA approved Refinancing.

2.1.2. A Transfer which is a Minor Assignment does not require a partial or full repayment of amounts outstanding under the Loan Documents.

2.1.3. A Transfer other than a Minor Assignment or a Refinancing shall be subject to a repayment of up to, but not greater than, the amounts outstanding under the Loan Documents equal to the Applicable Percentage of the Net Proceeds. However pursuant to Section 31.0 of the Loan Agreement the Initial Investor is permitted to make a Transfer to an Affiliate and provided the terms and conditions for such Transfer are complied with, a Transfer to such Affiliate within the described time period does not a require a repayment of the Loan.

2.1.4. A Transfer which is an approved Refinance shall be subject to a repayment of up to, but not greater than, the amounts outstanding under the Loan Documents equal to 50% of the Net Refinancing Proceeds.

2.2. Payments Due. Borrower shall pay to the LACDA towards (but not to exceed) all amounts then outstanding under the Loan Documents the amounts due described above: (a) no later than the date of close of escrow or other consummation of any Transfer; and (b) no later than the date of close of escrow or other consummation of a Refinancing.

2.3. A "Minor Assignment" shall mean any lease of an individual unit in the Project for occupancy by a residential tenant or, if applicable, lease of the commercial space and in the ordinary course of business for operation of the Project. Minor Assignments shall not be subject to the repayment provisions in this Section.

2.4. "Applicable Percentage" shall mean fifty percent (50%); provided, however, that the term Applicable Percentage shall mean one hundred percent (100%) with respect to a payment on the Loan attributable in whole or in part to a condemnation of, or event of damage, destruction or casualty with respect to, the Site, the Project or any portion of either. In the case of a sale of Borrower's interest in the Property to a third party other than the limited partners of Borrower the full amount of the Loan and any amounts outstanding under the Loan Documents shall be due upon such Transfer.

2.5. "Net Proceeds" of a Transfer shall mean (1) the proceeds received, directly or indirectly, by Borrower or any Affiliate or constituent member or partner, or shareholder, of Borrower or any Affiliate as a result of such Transfer, including, without limitation, cash, the amount of any monetary lien or encumbrance assumed or taken subject to by the assignee, the fair market value of any noncash consideration, including the present value of any promissory note received as part of the proceeds of such Transfer (such present value to be determined based upon a discount rate reasonably satisfactory to the LACDA), the entire condemnation award or compensation payable to Borrower or any Affiliate or constituent member or partner, or shareholder, of Borrower or any Affiliate in connection with a condemnation or taking in eminent domain of any part of the Site or the Project or any interest therein, all insurance proceeds or awards payable to Borrower or any Affiliate or constituent member or partner or shareholder of Borrower or any Affiliate in connection with any damage to or destruction of the Site or the Project or any part thereof not used for project restoration; less (2) the sum of (i) the actual, documented and reasonable expenses of effecting such Transfer, including reasonable brokerage commissions, title insurance premiums, documentary transfer taxes, and reasonable attorneys' fees, in each case actually paid in connection with the Transfer (provided that no deduction shall be allowed for payments to an Affiliate of the person or entity making the Transfer which are in excess of the amount that would be paid for the same or equivalent services in an arms' length transaction between unrelated parties acting reasonably), and (ii) the amount of any proceeds of the Transfer paid (excluding voluntary payments) towards the then-outstanding balance of the Senior Financing. Payments made to an owner of Borrower that is withdrawing as an owner of Borrower in connection with an Assignment which are a return of its outstanding equity investment in Borrower are not included as Net Proceeds provided evidence thereof is provided by Borrower's accountants or the withdrawing owner which is reasonably acceptable to the LACDA. Notwithstanding anything above to the contrary, the permissible deductions for purposes of calculating the Net Proceeds of an Transfer shall not include any foreign, U.S., state or local income taxes, franchise taxes, or other taxes based on income.

2.6. "Refinancing" shall mean creation or substantial modification of a loan ("Project Loan") secured by an encumbrance on the Site, the Project, or any portion thereof. The term "Refinancing" shall not include the creation of the Senior Financing or any other Project Loan, the proceeds of which are used solely for initial acquisition of the Site by Borrower or initial development of the Project.

2.7. "Net Refinancing Proceeds" shall mean the gross amount of the Project Loan obtained in connection with such Refinancing, after: (1) payment of the actual, documented and reasonable expenses of such Refinancing, including escrow fees, title policy expenses, legal expenses, survey fees, recording fees, commissions, and other usual and reasonable expenses of any such Refinancing (provided, that no deduction shall be allowed for payments in connection with such Refinancing which are in excess of the amounts that would be paid for the same or equivalent services in an arms' length transaction between unrelated parties acting reasonably); (2) deduction of amounts repaid (excluding voluntary payments) in connection with the Refinancing towards amounts outstanding under the Senior Financing; and (3) the cost of repairs and other capital improvements to the Project and associated costs which are funded by the new Project Loan as approved by the LACDA.

3. Acceleration.

Notwithstanding anything to the contrary contained herein or any other Loan Documents, upon the occurrence of an Event of Default as defined in this Note or the Loan Agreement, the entire outstanding principal balance of this Note, together with any outstanding interest and other amounts payable hereunder, shall, at the election of the LACDA and upon notice to Borrower thereof become immediately due and payable without presentment, demand, protest or other notices of any kind, all of which are hereby waived by Borrower.

4. Prepayment; Application of Payments.

At any time after the disbursement of the Loan proceeds, Borrower may prepay all or a portion of the unpaid principal amount of the Loan and accrued interest and any other sums outstanding without penalty upon thirty (30) days prior notice. All payments, including any prepayments or funds received upon acceleration pursuant to Section 3 above, shall be applied first toward any outstanding costs of collection or other amounts (excluding Loan principal or interest thereon) due under this Note or the Loan Agreement, then toward outstanding interest accrued at the Default Rate, if any, then toward outstanding interest accrued at the Basic Rate, if any, and finally toward the remaining principal balance under the Note. If multiple sources of funding are part of the Loan, the LACDA shall in its sole discretion decide on the allocation of any repayments to the various funding sources.

5. Security and Source of Payment.

Borrower's obligations under this Note and the Loan Agreement shall, at all times during which any amount remains outstanding, be secured by the deed of trust (as amended, modified, supplemented, and replaced from time to time, collectively, the "Deed of Trust") of even date herewith, and of which the LACDA is the beneficiary, recorded against Borrower's fee interest in the Site and the Project (collectively, the "Property"). The security interest in the Property granted to the LACDA pursuant to the Deed of Trust shall be subordinate only to the Senior Financing and such exceptions to title shown in the title report for the Property which are approved in writing by the LACDA. Except to the extent any Event of Default hereunder results directly or indirectly from any willful misconduct, fraud or intentional misrepresentation by Borrower in connection

with this Note, the Loan Agreement or the Loan, the Loan is a nonrecourse obligation of Borrower and, in the event of the occurrence of an Event of Default, the LACDA's only recourse under the Deed of Trust shall be against the Property, the proceeds thereof, the rents and other income arising from its use and occupancy as provided in the Deed of Trust, and any other collateral given to the LACDA as security for repayment of the Loan.

6. Obligation of Borrower Unconditional.

The obligation of Borrower to repay the Loan and all accrued interest thereon and all other sums due thereunder shall be absolute and unconditional, and until such time as all of the outstanding principal of, interest on and all other sums due under, this Note shall have been fully paid, Borrower agrees that it: (a) will use the funds solely for the purposes set forth herein; and (b) will not terminate or suspend any payment or obligations under this Note, the Loan Agreement, or any other document executed hereunder or in connection herewith for any cause, including without limitation, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, or any duty, liability or obligation arising out of or in connection with this Note, the Loan Agreement or any document executed hereunder or in connection herewith.

7. Purpose of Loan.

The Loan proceeds shall be used by Borrower only to provide construction and permanent financing for the housing development described in the Loan Agreement. In no event shall Borrower use or otherwise invest the proceeds of the Loan except as expressly provided in this Note.

8. Covenants of Borrower.

As additional consideration for the making of the Loan by the LACDA, Borrower covenants as follows:

8.1. Compliance with Loan Agreement and Deed of Trust. Borrower shall comply with all of its obligations under the Loan Agreement and the Deed of Trust. Any amounts payable by Borrower under the Loan Agreement or the Deed of Trust (other than amounts also payable hereunder) shall be deemed added to the principal amount of the Loan payable hereunder.

8.2. Other Loans. Borrower shall comply with all monetary and nonmonetary covenants associated with any loan secured by an interest in the Site or the Project. Borrower shall provide to the LACDA a copy of any notice of default within five business days after receiving any notice of a default or alleged default of such covenants by Borrower, and Borrower shall promptly cure any such default and cooperate in permitting the LACDA, to the extent the LACDA in its sole discretion elects to do so, to cure or assist in curing the default. Any cost or expenditure incurred by the LACDA in providing or assisting in such a cure shall be added to the outstanding principal amount of the Loan.

8.3. Construction Requirements. Borrower shall comply with the construction requirements set forth in Section 10.12 of, and Exhibit "P" to, the Loan Agreement.

9. Assignment of this Note.

Borrower's rights under this Note shall be assignable by Borrower only if Borrower obtains the prior express written consent of the LACDA, which consent may be withheld by the LACDA in its sole discretion. Notwithstanding anything to the contrary in this Note, no purported assignment of this Note and the Loan shall be effective if such assignment would violate the terms, conditions and restrictions of any Applicable Governmental Restrictions. The LACDA's consent to such assignment shall be expressly conditioned upon (i) the assignee's execution of such documents as required by the LACDA in its sole discretion, including, without limitation, any and all documents deemed necessary by the LACDA to provide for said assignee's assumption of all of the obligations of Borrower hereunder and under the Loan Documents, and (ii) the LACDA's approval of the financial and credit worthiness of such proposed assignee and the assignee's ability to perform all of the Borrower's covenants under this Note and the Loan Agreement and any of the other Loan Documents. With respect to projects funded through an allocation of state and/or federal low income housing tax credits, the LACDA has pre-approved certain transfers as provided in Section 15.4 and 31.0 of the Loan Agreement.

10. Events of Default and Remedies.

10.1. Borrower Events of Default. The occurrence of any of the following shall constitute an event of default by Borrower hereunder ("Event of Default"), each of which are acknowledged by Borrower to constitute a material default under this Note:

(1) The failure of Borrower to pay or perform any monetary covenant or obligation hereunder or under the terms of the Deed of Trust or any other Loan Document, without curing such failure within ten (10) days after receipt of written notice of such default from the LACDA (or from any party authorized by the LACDA to deliver such notice as identified by the LACDA in writing to Borrower). Notwithstanding anything herein to the contrary, the herein described cure period shall not apply to a failure by Borrower to timely repay the Loan at the Maturity Date of this Note;

(2) The failure of Borrower to perform any nonmonetary covenant or obligation hereunder or under the terms of the Deed of Trust or any other Loan Document, without curing such failure within thirty (30) days after the giving of written notice of such default from the LACDA (or from any party authorized by the LACDA to give such notice as identified by the LACDA in writing to Borrower) specifying the nature of the event or deficiency giving rise to the default and may include the action required to cure such deficiency; provided, however, that if any default with respect to a nonmonetary obligation is such that in the LACDA's reasonable determination such default (through no fault of Borrower) cannot be cured within a thirty (30) -day period, then provided Borrower has commenced the cure within said such thirty (30) -day period and is diligently prosecuting such cure, such thirty (30) –day period may be extended by the LACDA up to a maximum period of one hundred twenty (120) days after the giving of said notice of default. However, if the default is urgent relating to public health and safety or imminent material property damage, then notice of such default (notwithstanding the provisions of Section 14) may be given by the LACDA in any manner and Borrower's cure period shall be limited to such amount of time, as the LACDA considers appropriate under the circumstances.

Notwithstanding anything herein to the contrary, the herein described notice requirements and cure periods shall not apply to any Event of Default described in Sections 10.1 (3) through 10.1 (10) below or for nonmonetary covenants or obligations otherwise set forth in the Loan Documents where an express time period is otherwise provided;

(3) The falsity of any representation made by Borrower under the terms of or in connection with this Note, the Loan Agreement, the Deed of Trust, or any other Loan Documents, or the NOFA Application or contained in any materials provided by Borrower to the LACDA (a cure period does not apply to this subsection);

(4) Borrower or any constituent member or partner, or majority shareholder, of Borrower shall (a) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of its property, (b) fail to pay or admit in writing its inability to pay its debts generally as they become due, (c) make a general assignment for the benefit of creditors, (d) be adjudicated as bankrupt or insolvent or (e) commence a voluntary case under the Federal bankruptcy laws of the United States of America or file a voluntary petition that is not withdrawn within ten (10) days of the filing thereof or answer seeking an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy or insolvency proceeding;

(5) If without the application, approval or consent of Borrower, a proceeding shall be instituted in any court of competent jurisdiction, under any law relating to bankruptcy, in respect of Borrower or any constituent member or partner or majority shareholder of Borrower, for an order for relief or an adjudication in bankruptcy, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of Borrower or of all or any substantial part of Borrower's assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by Borrower, in good faith, the same shall (a) result in the entry of an order for relief or any such adjudication or appointment, or (b) continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days;

(6) Following initial Completion of the Project, voluntary cessation of the operation of the Project for a continuous period of more than thirty (30) days or the involuntary cessation of the operation of the Project in accordance with this Note for a continuous period of more than sixty (60) days;

(7) Borrower shall be in breach of the provisions Section 15 or Section 16 of the Loan Agreement, Section 33 of the Deed of Trust or any other deed of trust securing obligations under the Loan Agreement, or the Transfers/Refinancing Section of this Note or the promissory notes for any other loans made pursuant to the Loan Agreement;

(8) Borrower shall be in default under the CC&Rs, the Senior Financing, the Junior Financing, the Other Financing, the Supportive Services Plan (Exhibit "L" of the Loan Agreement, if applicable) or any other secured or unsecured obligation relating to the Project, or affordable housing covenants required by other parties, unless the default is cured within the cure period, if any, applicable thereto under the terms of the obligation which is in default.

(9) Borrower shall fail to pay or cause the payment of all real property taxes relating to the Project prior to their delinquency or shall fail to at all times while the Loan and any other amounts due under the Loan Documents are outstanding, fail to obtain and maintain the policies of insurance in the form and substance required by the Loan Documents; and

(10) The failure of Borrower to obtain the Senior or Junior Financing contemplated by the Loan Documents and the closing of such financing as of the date hereof or by such dates as approved by the LACDA.

10.2. LACDA Remedies. Upon the occurrence of an Event of Default hereunder, the LACDA may, in its sole discretion, take any one or more of the following actions:

(1) By notice to Borrower, declare the entire then unpaid principal balance of the Loan immediately due and payable, and the same shall become due and payable without further demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower. Upon such declaration, outstanding principal and (to the extent permitted by law) interest and any other sums outstanding in connection with the Loan shall thereafter bear interest at the Default Rate, payable from the date of such declaration until paid in full;

(2) Subject to the nonrecourse provisions of Section 4 above, take any and all actions and do any and all things which are allowed, permitted or provided by law, in equity or by statute, in the sole discretion of the LACDA, to collect the amounts then due and thereafter to become due hereunder and under any other Loan Document, to exercise its rights under the Deed of Trust or any other Loan Document, and to enforce performance and observance (by specific performance or otherwise) of any obligation, agreement or covenant of the Borrower under this Note or under any other Loan Document;

(3) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default, which is occasioned by Borrower's failure to pay money, whether under this Note, the Loan Agreement, or any other Loan Document, the LACDA may, but shall not be obligated to, make such payment. If such payment is made by the LACDA, Borrower shall deposit with the LACDA, upon written demand therefor, such sum plus interest at the Default Rate. The Event of Default with respect to which any such payment has been made by the LACDA shall not be deemed cured until such repayment has been made by Borrower. Until repaid, such amounts shall have the security afforded disbursements under this Note;

(4) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default described in Section 10.1 (4) or 10.1 (5) hereof, the LACDA shall be entitled and empowered by intervention in such proceedings or otherwise to file and prove a claim for the whole amount owing and unpaid on the Loan and, in the case of commencement of any judicial proceedings, to file such proof of claim and other papers or documents as may be necessary or advisable in the judgment of the LACDA and its counsel to protect the interests of the LACDA and to collect and receive any monies or other property in satisfaction of its claim;

(5) If the LACDA has not yet funded all amounts to be loaned or granted to Borrower under the Note or any other Loan Document or any other loan or grant agreement from

the LACDA, the LACDA or managed thereby, the LACDA may suspend further payments under any such agreements or grants without liability to Borrower.

10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the LACDA is intended to be exclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given under this Note or now or hereafter existing at law or in equity or by statute; and may be exercised in such number, at such times and in such order as the LACDA may determine in its sole discretion. No delay or omission to exercise any right or power upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient by the LACDA. In order to entitle the LACDA to exercise any right or remedy reserved to it under this Note, no notice shall be required except as expressly provided herein.

10.4. LACDA Default and Borrower Remedies. Upon fault or failure of the LACDA to meet any of its obligations under this Note without curing such failure within thirty (30) days after receipt of written notice of such failure from Borrower specifying the nature of the event or deficiency giving rise to the default and the action required to cure such deficiency, Borrower may, as its sole and exclusive remedies:

(1) Demand and obtain payment from the LACDA of any sums due to or for the benefit of Borrower pursuant to the express terms of this Note;

(2) Bring an action in equitable relief seeking the specific performance by the LACDA of the terms and conditions of this Note or seeking to enjoin any act by the LACDA which is prohibited hereunder; and

(3) Bring an action for declaratory relief seeking judicial determination of the meaning of any provision of this Note.

Without limiting the generality of the foregoing, Borrower shall in no event be entitled to, and hereby waives, any right to seek indirect or consequential damages of any kind or nature from the LACDA arising out of or in connection with this Note, and in connection with such waiver Borrower is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

10.5. Limited Partner Right to Cure. Borrower, on behalf of and at the request of its limited partner(s) has requested the inclusion of the following cure rights for its limited partner(s) as follows:

If the Project's financing includes LIHTCs, notwithstanding anything to the contrary contained in the Note, the limited partner in Borrower shall have the right, but not the obligation, to cure any

of Borrower's defaults under the Note within the same time period and subject to the same terms and conditions as a cure by Borrower.

The LACDA shall use reasonable efforts to provide a copy of any notice of default given to Borrower concurrently to the limited partner at the address provided therefor in this Note, provided however, the failure to give such notice or for the limited partner to receive such notice shall not adversely affect the validity of the notice of default given to Borrower or extend the time for a cure of such default.

In the event Borrower and the limited partner exercise or attempt to exercise any such cure, (i) the LACDA shall have the right in its sole discretion to accept the cure in whole or part of either Borrower or the limited partner (as well as any additional cures if a given cure is incomplete), (ii) the LACDA's rights under this Note or any other Loan Document, shall not be waived, impaired or delayed by any disagreement, litigation or other conflict between Borrower, its limited partner and any other managers or partners, including but not limited to the LACDA's right to commence and prosecute a foreclosure on its collateral, (iii) all costs and expenses and any additional costs or expenses incurred by the LACDA arising from the provisions of this paragraph shall be an expense of Borrower, however the LACDA may require the limited partner to pay costs incurred by the LACDA arising from a cure prosecuted by the limited partner, and at the LACDA's sole discretion any or all of such costs may be added to the outstanding loan amount, and (iv) the LACDA shall have no liability whatsoever to Borrower or the limited partner or any manager or other partner of Borrower arising from the exercise of the LACDA's rights under this paragraph and Borrower (and the limited partner but only in cases where the limited partner has advanced a cure in conflict with any cure advanced by Borrower)hereby indemnify, defend (with counsel acceptable to the LACDA) and hold the LACDA harmless from any claim, cost, expense or other liability arising from this paragraph. the LACDA may extend the cure period for any default in its sole discretion and without prior notice to Borrower or the limited partner and the LACDA shall have no liability to any party on account of such extension.

11. RESERVED.

12. Conflict of Interest; No Individual Liability.

No official or employee of the LACDA shall have any personal interest, direct or indirect, in this Note or any other Loan Document, nor shall any official or employee of the LACDA participate in any decision relating to this Note or any other Loan Document which affects such official's or employee's pecuniary interest in any corporation, partnership or association in which such official or employee is directly or indirectly interested. No official or employee of the LACDA shall be personally liable in the event of a breach of this Note or any other Loan Document by the LACDA. Borrower shall within not less than ten (10) days after learning of any such conflict of interest or facts which reasonably indicate that a conflict of interest may exist, notify the executive director of the LACDA.

13. Amendments, Changes and Modifications.

This Note may not be amended, changed, modified, or altered without the prior written consent of the parties hereto.

14. Notices.

All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Note shall be in writing and shall be given by personal delivery, facsimile, certified mail (return receipt requested), or overnight guaranteed delivery service and faxed or addressed as follows:

If to the LACDA: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

If to Borrower: 2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to: EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

If to Borrower's limited partner: U.S. Bancorp Community Development Corporation
USB Project No.: 30511
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management
Phone: (314) 335-2600

Notices shall be effective upon receipt, if given by personal delivery; upon receipt, if faxed, provided there is written confirmation of receipt (except that if received after 5 p.m., notice shall be deemed received on the next business day); the earlier of (i) three (3) business days after deposit with United States Mail, or (ii) the date of actual receipt as evidenced by the return receipt, if delivered by certified mail; and one (1) day after deposit with the delivery service, if delivered by overnight guaranteed delivery service. Each party shall promptly notify the other party of any change(s) of address to which notice shall be sent pursuant to this Note.

15. Severability.

The invalidity or unenforceability of any one or more provisions of this Note will in no way affect any other provision.

16. Interpretation.

Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the paragraphs of this Note are for convenience only and do not define or limit any terms or provisions. Time is of the essence in the performance of this Note by Borrower. Each Party has been represented by counsel in the negotiation of this Note, and it shall not be interpreted in favor of or against any Party on account of relative responsibilities in drafting. Notwithstanding any other provision of this Note, nothing herein or in this Note shall be deemed to require Borrower to pay interest in excess of the amount allowed by any applicable usury law or other legal limitation on interest, and the terms hereof and of this Note shall be interpreted to require in each instance the lesser of (i) the amount stated in this Note; and (ii) the maximum applicable legal limit, and if permitted by applicable law, payments of excess interest shall be considered payments or principal. Defined terms not otherwise defined herein shall have the meaning assigned to them by the Loan Agreement.

17. No Waiver; Consents.

Any waiver by the LACDA must be in writing and will not be construed as a continuing waiver. No waiver will be implied from any delay or failure by the LACDA to take action on account of any default of Borrower. Consent by the LACDA to any act or omission by Borrower will not be construed as consent to any other or subsequent act or omission or to waive the requirement for the LACDA's consent to be obtained in any future or other instance.

18. Governing Law.

This Note shall be governed by the laws of the State of California without application of its conflict of law rules.

19. Representations, Warranties and Additional Covenants of Borrower.

Borrower hereby represents, warrants and covenants to the LACDA that:

19.1. Organization and Standing. Borrower is a California legal entity as described in the Transaction Summary set forth in the Loan Agreement, duly formed, qualified to operate in California and validly existing and in good standing under all applicable laws, and has all requisite power and authority to enter into and perform its obligations under this Note, the Loan Agreement, the Deed of Trust, the CC&Rs, and all other Loan Documents.

19.2. Enforceability. This Note and all other Loan Documents constitute the legal, valid and binding obligation of Borrower, without joinder of any other party.

19.3. Authorization and Consents. The execution, delivery and performance of this Note and all other Loan Documents is consistent with the operating agreement, partnership agreement or articles and bylaws governing Borrower and have been duly authorized by all necessary action of Borrower's members, partners, directors, officers and shareholders.

19.4. Due and Valid Execution. This Note and all other Loan Documents, will, as of the date of their execution, have been duly and validly executed by Borrower.

19.5. Licenses. Borrower will obtain and maintain all material licenses, permits, certificates of occupancy, consents and approvals required by all applicable governmental authorities to own and operate the Project.

19.6. Litigation and Compliance. There are no suits, other proceedings or investigations pending or threatened against, or affecting the business or the properties of Borrower or any constituent partners or members or shareholders (other than those as have been previously disclosed in writing to the LACDA) which could impair its ability to perform its obligations under this Note, nor is Borrower or any constituent partners or members or shareholders in violation of any laws or ordinances which could materially impair Borrower's ability to perform its obligations under this Note or any other Loan Document.

19.7. Default. There are no facts now in existence which would, with the giving of notice or the lapse of time, or both, constitute an "Event of Default" hereunder, as described in Section 10.

19.8. No Violations. The execution and delivery of this Note, the Loan Agreement or any other Loan Documents, and the performances hereunder and thereunder by Borrower, as applicable, will not constitute a breach of or default under any instrument or agreement to which Borrower may be a party nor will the same constitute a breach of or violate any law or governmental regulation. There are no pending legal violations pertaining to the Project, the site or Borrower.

20. Approvals.

Except with respect to those matters set forth hereinabove providing for the LACDA's approval, consent or determination to be at the LACDA's "sole discretion" or "sole and absolute discretion," the LACDA hereby agrees to act reasonably with regard to any approval, consent, or other determination given by the LACDA hereunder. The LACDA agrees to give Borrower written notice of its approval or disapproval within a reasonable time following submission of items to the LACDA for approval, including, in the case of any disapproved item, the reasons for such disapproval.

Any review or approval of any matter by the LACDA or any LACDA official or employee under this Note shall be solely for the benefit of the LACDA, and neither Borrower nor any other person shall rely upon such review or approval as an indication of the wisdom, soundness, safety, appropriateness, or presence or absence of any matter. Without limiting the generality of the foregoing, Borrower and not the LACDA shall be solely responsible for assuring compliance with laws, the suitability of the Site for the Project, the adequacy of the plans, and the safety of the Project construction site, the completed Project, and the operation thereof.

Any consent to a Transfer under Section 15 or 16 of the Loan Agreement and any other consent or approval by the LACDA under this Note, the Deed of Trust, the Loan Agreement or any of the other documents executed in connection therewith, may be given by the LACDA's Executive Director without action by the LACDA's governing board, unless the Executive Director in his or her sole discretion elects to refer the matter to the LACDA's governing board.

21. Consent to Jurisdiction and Venue.

Borrower consents to, and by execution of this agreement submits to, the personal jurisdiction of all state and federal courts located in the State of California, in the County of Los Angeles, including the applicable United States District Court, for the purposes of any judicial proceedings which are instituted for the enforcement of or resolutions of any disagreements arising from this agreement or any other Agreement Document. Borrower agrees that such courts shall have the exclusive jurisdiction to resolve such actions and claims. Borrower agrees that venue is proper in any of such courts.

22. Waiver.

Borrower agrees that it will still be liable for repayment of this Note, subject to the nonrecourse provision of Section 5 above, even if the holder hereof does not follow the procedures of presentment, protest, demand, diligence, notice of dishonor and of nonpayment, which requirements are hereby waived. Failure of the LACDA or other holder hereof to exercise any right or remedy hereunder shall not constitute a waiver of any future or other default. No acceptance of a past due installment or indulgence granted from time to time shall be construed to be a waiver of, or to preclude the exercise of, the right to insist upon prompt payment thereafter or to impose late charges retroactively or prospectively, or to waive or preclude the exercise of any other rights which the LACDA may have.

23. Attachments / Exhibits.

Exhibit "A" – Key Figures, which follows the signature page of this Note, is attached and, by this reference, made a part hereof.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, Borrower has executed this Note as of the date and year first above written

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

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 Marin)

On January 9, 2024, before me, Cleopatra Herron, ~~Notary~~ Public, personally appeared Welton Jordan, 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 Cleopatra Herron

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

EXHIBIT A

Key Figures

	Total Amount for Project (Per Loan Agreement Exhibits "J" and "K")	**Amount Allowed per the "Cash Flow" definition in this Note**
Property Management Fee	not to exceed $60 per unit per month (with no annual escalations)	same
Partnership Management Fee	$15,000 (3.5% annual escalations)	same
Supportive Services	$0	n/a
LACDA Monitoring Fee	$7,150 (with no annual escalations)	Note: the fee for year 1 of operations was received prior to Close of Escrow. Subsequent payments shall be due July 1st of each calendar year starting in year 2 of operations.
Deferred Developer Fee	$0	n/a
Replacement Reserve	$421/unit	same Note: Tax credit investor has a higher requirement than LACDA as noted in the Cash Flow Statement (included in Ex. K of the Loan Agreement)
Operating Reserve	$291,628	n/a (not funded by cash flow)
Transition Reserve (other)	$0	n/a
Residual Receipts Split		
- Borrower	50.00%	
-LACDA (CGF)	34.51%	
-LACDA (DR-MHP)	15.49%	

EXHIBIT "C-2" TO LOAN AGREEMENT

PROMISSORY NOTE

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

PROMISSORY NOTE

DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND – PROJECT NO. DRMHP1

$3,141,177 January 16, 2024

For value received, the undersigned, 2052 LAKE ALTADENA, L.P., a California limited partnership ("Borrower") whose principal address is set forth herein below, promises to pay to the order of the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic ("LACDA") at 700 West Main Street, Alhambra, CA 91801 (or to such designee and/or at such other address as the LACDA may from time to time designate in writing), the principal sum of **THREE MILLION ONE HUNDRED FORTY-ONE THOUSAND ONE HUNDRED SEVENTY-SEVEN DOLLARS ($3,141,177.00)** (as amended, modified, supplemented, and replaced from time to time, collectively, the "Loan"), or such amount as may be advanced hereunder, plus accrued and unpaid interest as provided hereinbelow, and all other charges due hereunder, in accordance with the terms and conditions of that certain Loan Agreement dated as of January 16, 2024, entered into between Borrower and the LACDA (as amended, modified, and supplemented, and replaced from time to time, collectively, the "Loan Agreement"), and the terms and conditions of this Promissory Note (as amended, modified, supplemented, and replaced from time to time, collectively, this "Note"). As set forth in greater detail in the Loan Agreement, the purpose of the Loan is to provide Borrower with financing in connection with a housing project ("Project") on a site more particularly described in the Loan Agreement ("Site").

Unless otherwise defined in this Note, all initially-capitalized terms used herein without definition shall have the meanings given such terms in the Loan Agreement.

1. Interest.

1.1 Basic Interest. Except as provided in Section 1.4 below, the disbursed and unpaid principal balance of the Loan shall bear interest commencing on the date on which the Loan proceeds are first disbursed for the account of Borrower, and ending on the date paid, at the rate of three percent (3%) per annum, simple interest ("Basic Rate"). Interest shall be computed on the basis of actual number of days elapsed and a 360-day year.

2.2 Payment Dates and Amounts.

1.2.1 The Loan is not amortized. Interest will accrue on the funded balance until it is paid in full and a BALLOON PAYMENT will be required on the Maturity Date.

Except as otherwise provided in this Note, Borrower shall repay the Loan, together with accrued interest at the Basic Rate in arrears, in annual installments by June 1st of each year for the Project's operating year that is two (2) years earlier. The initial payment for this Project will be made on or before June 1, 2027 and will be based on Residual Receipts, as defined herein, for the 2025 operating year. Annually, upon the receipt of the Project's Single-Asset Audit, as defined in the Loan Agreement, the LACDA shall calculate the Residual Receipts and

corresponding Loan payment. The LACDA will then issue a written payment request to the Borrower and payment is due from the Borrower upon receipt of the payment request and no later than June 1st.

Payments shall first be applied to interest and then to the principal balance. Absent prepayment or acceleration, each of the annual payments due June 1, 2027 through and including June 1, 2080 shall be in an amount equal to fifteen and forty-nine hundredths percent (15.49%) of Residual Receipts (as defined herein) for the Project operating year that is two (2) years earlier. The balance of the Residual Receipts shall be allocated as follows: Borrower – fifty percent (50.0%), and LACDA CGF – thirty-four and fifty-one hundredths percent (34.51%).

In no event shall any Loan payment attributable to an Event of Default (as hereafter defined) or acceleration be deferred.

Notwithstanding any other provision of this Note, unless due sooner, the entire outstanding principal balance of the Loan together with any outstanding interest and any other sums payable under this Note shall be due and payable in full fifty-seven (57) years from the date of execution of this Note ("Maturity Date").

1.2.2 Deferred Developer Fee.

(a) The "Deferred Developer Fee" is defined as the amount of developer fee deferred for payment following Completion of the Project, as defined in the Loan Agreement. The amount of Deferred Developer Fee is shown in the project proforma included as Exhibit "J"-Development Proforma to the Loan Agreement and the cash flow included as Exhibit "K" – Operating Budget and Cash Flow to the Loan Agreement. Upon Conversion to Permanent Financing (as defined in the Loan Agreement), the Deferred Developer Fee is to be adjusted to the actual amount of the developer fee deferred as reflected in the Final Cost Certification, except that any increases must be reviewed and approved by the LACDA.

(b) For the first fifteen (15) years of Project operation, or a shorter period of time if the Deferred Developer Fee is paid in full in less than fifteen (15) years, prior to making the annual installment of Residual Receipts to the LACDA (as described above), Borrower shall make payments towards the Deferred Developer Fee. At the end of year fifteen (15), if the Deferred Developer Fee has not been paid in full, Borrower will provide for full pay-off of the remaining Deferred Developer Fee balance.

(c) The payment of interest on the Deferred Developer Fee is not allowed, unless it is paid out of Borrower's fifty percent (50.0%) share of Residual Receipts.

(d) Borrower has advised that its Senior Lender and limited partner may require a portion of the payment of the Deferred Developer Fee of approximately $307,800 to be deposited into a reserve for the payments due for Supportive Services to be paid by Borrower if the projected third party sources of payment for such Supportive Services are not available to pay for the required Supportive Services ("Supportive Services Reserve"). The establishment of the Supportive Services Reserve is not an Eligible Reserve and shall not reduce the amount of the Residual Receipts for the Project. If and to the extent the Supportive Services Reserve is released

to pay the Deferred Developer Fee then at such time the provision of Section 1.2.2(b) shall apply to such payment of the Deferred Developer Fee.

1.3 Calculation of Residual Receipts. On or before July 1st of the year following the commencement of Project operations and on or before each subsequent July 1st thereafter, Borrower shall provide to the LACDA a Single-Asset Audit, as defined in the Loan Agreement, for the LACDA's Residual Receipts calculation. Borrower shall also provide, for inspection and copying, any records, receipts, account books, ledgers, checks, or other documents or other evidence requested by the LACDA for the purpose of calculating Residual Receipts.

1.4 Default Rate. Any amounts (including but not limited to amounts of principal and interest on the Loan) which Borrower does not pay when due under the terms of the Loan Agreement or this Note shall bear interest at the rate of ten percent (10%) per annum, simple interest ("Default Rate"), from the date due until the date paid.

1.5 Definition of Residual Receipts.

1.5.1 "Residual Receipts" shall mean, with respect to each operating year, the amount by which Gross Rents, as defined herein, for such operating year exceed the Operating Expenses, as defined herein, for that operating year.

1.5.2 With the exception of the "Excluded Items" (as defined below), "Gross Rents" shall mean, with respect to each operating year or portion thereof, all gross income, rentals, revenues, payments and consideration, of whatever form or nature, whether direct or indirect, received by or paid to or for the account or benefit of Borrower or any Affiliate (as defined below) of Borrower or any of their agents or employees, from any and all sources, resulting from or attributable to the ownership, operation, leasing and occupancy of the Project, determined on the basis of generally accepted accounting principles applied on a consistent basis, and shall include, but not be limited to:

(i) gross rentals paid by tenants of the Project under occupancy leases and payments and subsidies of whatever nature, including without limitation any payments, vouchers or subsidies from the United States Department of Housing and Urban Development (HUD) or any other person or organization, received on behalf of tenants under occupancy leases;

(ii) amounts paid to Borrower or any Affiliate of Borrower on account of Operating Expenses (as defined herein) for further disbursement by Borrower or such Affiliate to a third party or parties;

(iii) late charges and interest paid on rentals;

(iv) rents and receipts from licenses, concessions, vending machines, coin laundry and similar sources;

(v) other fees, charges or payments not denominated as rental but payable to Borrower in connection with the rental of office, retail, storage, or other space in the Project; and

(vi) consideration received in whole or in part for the cancellation, modification, extension or renewal of occupancy leases.

The term "Affiliate" shall mean any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with Borrower which, if Borrower is a partnership or limited liability company, shall include each of the constituent members or partners, respectively, thereof. The term "control" as used in the immediately preceding sentence, means, with respect to a person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation, and, with respect to a person that is not a corporation, possession directly or indirectly of the power to direct or cause the direction of the management or policies of the controlled person. Notwithstanding the foregoing, Gross Rents shall not include the following items ("Excluded Items"):

(aa) security deposits from tenants (except when applied by Borrower to rent or other amounts owing by tenants);

(bb) capital contributions to Borrower or its members, partners or shareholders by its or their members, partners or shareholders;

(cc) condemnation or insurance proceeds constituting 'Net Proceeds' as defined in Section 1.6 below;

(dd) funds received from any source (including but not limited to the Senior Financing and any Junior Financing or Other Financing) actually and directly used for acquisition and/or initial development of the Project; and

(ee) interest earned on all required Project Reserve Accounts.

1.5.3 "Operating Expenses" shall mean, with respect to each operating year or portion thereof, the sum of the following expenses to the extent reasonably paid by Borrower during such period:

(i) nonelective payments made with respect to the Senior Financing;

(ii) all taxes and assessments imposed upon the Project and required to be paid by Borrower but only to the extent such taxes and assessments are paid or set aside as a reserve by Borrower during such operating year;

(iii) all amounts paid or set aside as a reserve by Borrower on account of insurance premiums for insurance carried in connection with the Project, provided that if insurance on the Project is maintained as part of a blanket policy covering the Project and other properties, the insurance premium included in this definition shall be the portion of the premium fairly allocable to the Project for the period;

(iv) ownership and operating costs incurred by Borrower for the management, operation, cleaning, leasing, marketing, maintenance and repair of the Project (including without limitation, property management fees and administrative fees) properly chargeable against income according to generally accepted accounting principles, including without limitation wages, payroll and accounting costs, utility and heating charges, material costs, maintenance costs, costs of services, water and sewer charges, travel expenses allocable to the Project, actual amount paid on account of supportive services, except such compensation shall not exceed zero dollars ($0) (as noted in Exhibit "K" – Operating Budget and Cash Flow of the Loan Agreement as "Supportive Services"), and license fees and business taxes; provided, however, that (A) the amount included as property management fees in Operating Expenses shall collectively not exceed sixty dollars ($60) per unit per month from the Project for such period (with no annual escalations), all or a portion of each of which may be paid to Borrower and/or an Affiliate of Borrower, (B) such property management fee shall only be paid on the basis of supporting documentation reasonably acceptable to the LACDA, and shall be paid after the payment of all other Operating Expenses, (C) partnership management fees and other fees payable to a partner in a tax credit limited partnership shall only be considered Operating Expenses to the extent they do not exceed fifteen thousand ($15,000) in the aggregate, plus annual escalations of three percent (3.5%), in any year, and (D) total ownership and operating costs do not exceed industry standards as approved by the LACDA;

(v) deposits toward Eligible Reserves (as defined in Section 1.5.5 below) which are funded from Gross Rents (and not any Excluded Items) provided however the disbursement of such reserves shall not be counted as Operating Expenses; and

(vi) to the extent not otherwise included in Operating Expenses, amounts paid from any account as a reserve account for the purpose for which such reserve was created so long as such purpose would constitute an Operating Expense, provided however any amounts paid into such account or reserve has not been previously included as an Operating Expense.

vii) the LACDA Monitoring Fee, as defined in the Loan Agreement, in the amount of Seven Thousand One Hundred Fifty Dollars ($7,150), with no annual escalations, as noted in the cash flow included as Exhibit "K" – Operating Budget and Cash Flow to the Loan Agreement;

1.5.4 Notwithstanding any provision of Section 1.5.3, the term "Operating Expenses" shall not include any of the following:

(i) salaries of employees of Borrower or Borrower's general overhead expenses, or expenses, costs and fees paid to an Affiliate of Borrower, to the extent any of the foregoing exceed the expenses, costs or fees that would be payable in a bona fide arms' length transaction between unrelated parties in the Los Angeles-Orange County area for the same work or services;

(ii) any amounts paid directly by a tenant of the Project to a third party in connection with expenses which, if incurred by Borrower, would be Operating Expenses;

(iii) optional or elective payments with respect to the Senior Financing;

(iv) any payments with respect to Junior Financing, Other Financing, or any other Project-related loan or financing other than the Senior Financing;

(v) expenses, expenditures, and charges of any nature whatsoever arising or incurred by Borrower prior to Completion of the Project with respect to the development, maintenance and upkeep of the Project, or any portion thereof, including, without limitation, all costs and expenses incurred by Borrower in connection with the acquisition of the Property, all predevelopment activities conducted by Borrower in connection with the Project, including without limitation, the preparation of all plans and the performance of any tests, studies, investigations or other work, and the construction of the Project and any on-site or off-site work in connection therewith;

(vi) any amounts incurred arising from the negligence or misconduct of Borrower or its Affiliates;

(vii) Any amount incurred arising from a default of Borrower under any of the Loan Documents or any Senior Financing or any Junior Financing;

(viii) any amounts paid which are reimbursed from any other sources; or

1.5.5 Reserves. This section describes the reserves which are considered Eligible Reserves. Further, unless expressly provided below to the contrary, all of the reserves described in this section shall be maintained and applied by Borrower throughout the term of the CC&Rs, notwithstanding the earlier repayment of the Loan by Borrower. The amount and uses of reserves established under this Agreement do not relieve Borrower from compliance with applicable laws and do not imply that the amounts and uses required under this Agreement will be adequate for the established purposes.

(a) Definitions.

(i) "Eligible Reserves" shall mean, with respect to each operating year or portion thereof, Operating Reserves, Replacement Reserves, and Capitalized Replacement Reserves, which meet the requirements set forth below and it shall be a default under this Note if Borrower fails to create and maintain these reserves in accordance with this section:

(A) Eligible Reserves shall be used only for the purposes described in this section. All Eligible Reserves shall remain an asset of the Project for the full Term of the Loan and shall not be transferred, released or distributed except for the purposes established therefor.

(B) The LACDA has approved a written request ("Reserve Request") submitted to the LACDA by Borrower to establish the Operating Reserve and/or Replacement Reserve, which identifies:

(1) the specific expenditure(s) sought to be reserved for;
(2) the reasons why it is necessary to provide a reserve for the expenditure(s); and
(3) each particular period, which shall in no event be for more than five (5) years from the date the LACDA approves the Reserve Request (the "Reserve Period"), during which the funds sought to be reserved are to be expended; and

(C) The LACDA has approved a written request ("Reserve Withdrawal Request") submitted to the LACDA by Borrower to draw down funds from the Operating Reserve and/or Replacement Reserve, which identifies:

(1) the specific expenditure(s) reserves will be used for; and
(2) each particular period, which shall in no event be for more than five (5) years from the date the LACDA approves the Reserve Request (the "Reserve Period"), during which the funds sought to be reserved are to be expended; and

(D) The Eligible Reserves shall each be segregated into special accounts for Operating Reserves ("Operating Reserve Account"), Replacement Reserves ("Replacement Reserve Account), and Capitalized Replacement Reserves ("Capitalized Replacement Reserve Account") as the case may be any sometimes referred to as a "Reserve Account" and sometimes referred to collectively as the "Reserve Accounts"), established with a financial institution or other duly licensed escrow agent mutually acceptable to the Parties ("Escrow Agent").

(E) Borrower shall maintain detailed accounting records in accordance with generally accepted accounting practices for each of the Reserve accounts, including how and when funds have been spent, amounts spent, receipts or other reasonable evidence of the use of Eligible Reserves. Such records shall be available for inspection and copying upon demand by the LACDA.

(F) Any amount withdrawn from the Operating Reserve or Replacement Reserve account without submitting a Reserve Request approved by the LACDA is subject to a default and repayment of the reserve amount withdrawn.

(ii) "Operating Reserves" shall mean:

(A) fund advances (as provided for in Section 1.5.5(e)), including accumulated interest paid on the balance in the Operating Reserve Account (as hereinafter defined), subject to the Operating Reserve Cap (as hereinafter defined), and

(B) actually set aside for:

(1) taxes and assessments, as described in Section 1.5.3(ii);
(2) insurance premiums, as described in Section 1.5.3(iii);
(3) operation of the Project as may, for reasons other than those described in this Subpart (a)(ii) of this Section 1.5.5, be required in connection with Senior Financing or by an investor limited partner; and
(4) any other purpose which itself constitutes an Operating Expense.

(iii) "Replacement Reserve" shall mean funds reserved as provided for in Section 1.5.3(v), including accumulated interest paid on the balance in the Replacement Reserve Account (as hereinafter defined), and actually set aside for replacement of roofing, furniture, fixtures, equipment, and other capital expenditures, which reserves shall be in an annual amount equal to the greater of: (a) three hundred dollars ($300) per unit (with no annual escalations), (b) such higher amount per unit as may be required by a tax credit investor or holder of Senior Financing or (c) as established from time to time by mutual agreement of the Parties.

(iv) "Capitalized Replacement Reserve" shall mean funds reserved as provided for in Section 1.5.3(v), including accumulated interest paid on the balance in the Capitalized Replacement Reserve Account (as hereinafter defined), and actually set aside for replacement of roofing, furniture, fixtures, equipment, and other capital expenditures.

(b) Release of Eligible Reserves. Eligible Reserves shall not be released to Borrower out of the applicable Reserve Account unless and until:

(i) the Borrower has submitted to the LACDA:

(A) a written disbursement request ("Disbursement Request") seeking the release of funds out of the Reserve Account for the particular expenditure(s) and with respect to the Reserve Period designated in the applicable Reserve Request previously approved by the LACDA;

(B) supporting documentation establishing, in the LACDA's sole determination, that but for the release of the funds requested in the Disbursement Request, sufficient funds would not otherwise be available to the Borrower for the designated expenditure(s); and

(ii) The LACDA has, in its sole and absolute discretion, approved in writing the Disbursement Request.

(c) Investment of Reserve Account. Funds in any Reserve Account established pursuant to this Section 1.5.5 shall be deposited in a banking institution whose deposits are insured by an agency of the federal government. Borrower may invest funds in a Reserve Account in domestic bank certificates which are insured by an agency of the federal government; in direct obligations of the federal government; in federal government agencies with an AA rating or better; federally guaranteed agencies, or in repurchase agreements which are direct obligations of the federal government or federal agencies; or which are collateralized by federal government obligations; or in short-term commercial paper receiving the highest rating from Moody's or from Standard and Poors. Borrower shall select the investment vehicles and maturities (not to exceed five years) on such investments so as to yield the maximum return, consistent with good business practice, including the need for available cash in the Reserve Account.

(d) Eligible Reserves Caps and Minimums. For purposes of calculating Eligible Reserves, the maximum and minimum amounts of the Eligible Reserves shall be:

(i) Operating Reserves: to be funded at Conversion to Permanent Financing in the following amount: two hundred ninety-one thousand and six hundred twenty-eight dollars ($291,628) plus accumulated interest ("Operating Reserve Cap"). Thereafter at the start of each year the Operating Reserve shall have a minimum balance of not less than three (3) months debt service for the Loan (assuming Residual Receipts are sufficient to pay debt service in full) and three (3) months operating expenses ("LACDA Operating Reserve Floor") based on the average monthly operating expenses for the Project in the preceding twelve (12) month period at all times. Should the LACDA Operating Reserve Floor fall below the minimum requirement, the Project should replenish the reserve from net cash flow.

(ii) Capitalized Replacement Reserves and Replacement Reserves: The Capitalized Replacement Reserves will be funded at Conversion to Permanent Financing in the following amount: twenty-nine thousand dollars ($29,000). Thereafter at the start of each year the Replacement Reserves shall be an amount equal to the greater of (a) three hundred dollars ($300) per unit (with no annual escalations), (b) such higher amount per unit as may be required by a tax credit investor or holder of Senior Financing or (c) as established from time to time by mutual agreement of the Parties ("Replacement Reserve Cap").

(e) "Up Front" Reservation of Funds. In addition to funding Project reserves as provided for in Section 1.5.3(v), two hundred ninety-one thousand and six hundred twenty-eight dollars ($291,628) in Operating Reserves and twenty-nine thousand dollars ($29,000) in **Capitalized Replacement Reserves** may be funded by a capital contribution from

the limited partner and Senior / Junior and Other Financing pursuant to the Borrower's limited partnership agreement and the Senior / Junior and Other Financing agreements, , provided that:

(i) the reserves are placed into a Reserve Account (as defined in Section 1.5.5(a)(i)(D));

(ii) the reserves are not released except in accordance with Section 1.5.5(b); and

(iii) the Reserve "Caps" and "Floors" set forth in Section 1.5.5(d) continue to apply to Eligible Reserve balances for calculation of Residual Receipts regardless of the source of funding.

1.5.6 Changes to Allowable Operating Expenses and Eligible Reserves. The LACDA, at its sole discretion, may allow variances in the amount of Operating Expenses, noted in Section 1.5.3(iv) above, and the Eligible Reserve amounts, noted in Section 1.5.5 above, to amounts that are consistent with industry standards and the LACDA's underwriting guidelines.

2. Transfers/Refinancing.

2.1. Transfers and Acceleration of Loan Payment. Regardless of whether the consent of the LACDA was required or given to a Transfer, as such term is defined in the Loan Agreement; certain Transfers require a partial or full repayment of all amounts outstanding under the Loan Documents.

2.1.1. All amounts outstanding under the Loan Documents shall be due and owing upon a Transfer of title to the Project or Site or the imposition of the liens of mortgages or deed of trust on the Project or Site which are not made in an LACDA approved Refinancing.

2.1.2. A Transfer which is a Minor Assignment does not require a partial or full repayment of amounts outstanding under the Loan Documents.

2.1.3. A Transfer other than a Minor Assignment or a Refinancing shall be subject to a repayment of up to, but no greater than, the amounts outstanding under the Loan Documents equal to the Applicable Percentage of the Net Proceeds. However pursuant to Section 31.0 of the Loan Agreement the Initial Investor is permitted to make a Transfer to an Affiliate and provided the terms and conditions for such Transfer are complied with, a Transfer to such Affiliate within the described time period does not a require a repayment of the Loan.

2.1.4. A Transfer which is an approved Refinance shall be subject to a repayment of up to, but no greater than, the amounts outstanding under the Loan Documents equal to 50% of the Net Refinancing Proceeds.

2.2. Payments Due. Borrower shall pay to the LACDA towards (but not to exceed) all amounts then outstanding under the Loan Documents the amounts due described above: (a) no

later than the date of close of escrow or other consummation of any Transfer; and (b) no later than the date of close of escrow or other consummation of a Refinancing.

2.3. A "Minor Assignment" shall mean any lease of an individual unit in the Project for occupancy by a residential tenant or, if applicable, lease of the commercial space and in the ordinary course of business for operation of the Project. Minor Assignments shall not be subject to the repayment provisions in this Section.

2.4. "Applicable Percentage" shall mean fifty percent (50%); provided, however, that the term Applicable Percentage shall mean one hundred percent (100%) with respect to a payment on the Loan attributable in whole or in part to a condemnation of, or event of damage, destruction or casualty with respect to, the Site, the Project or any portion of either. In the case of a sale of Borrower's interest in the Property to a third party other than the limited partners of Borrower the full amount of the Loan and any amounts outstanding under the Loan Documents shall be due upon such Transfer.

2.5. "Net Proceeds" of a Transfer shall mean (1) the proceeds received, directly or indirectly, by Borrower or any Affiliate or constituent member or partner, or shareholder, of Borrower or any Affiliate as a result of such Transfer, including, without limitation, cash, the amount of any monetary lien or encumbrance assumed or taken subject to by the assignee, the fair market value of any noncash consideration, including the present value of any promissory note received as part of the proceeds of such Transfer (such present value to be determined based upon a discount rate reasonably satisfactory to the LACDA), the entire condemnation award or compensation payable to Borrower or any Affiliate or constituent member or partner, or shareholder, of Borrower or any Affiliate in connection with a condemnation or taking in eminent domain of any part of the Site or the Project or any interest therein, all insurance proceeds or awards payable to Borrower or any Affiliate or constituent member or partner or shareholder of Borrower or any Affiliate in connection with any damage to or destruction of the Site or the Project or any part thereof not used for project restoration; less (2) the sum of (i) the actual, documented and reasonable expenses of effecting such Transfer, including reasonable brokerage commissions, title insurance premiums, documentary transfer taxes, and reasonable attorneys' fees, in each case actually paid in connection with the Transfer (provided that no deduction shall be allowed for payments to an Affiliate of the person or entity making the Transfer which are in excess of the amount that would be paid for the same or equivalent services in an arms' length transaction between unrelated parties acting reasonably), and (ii) the amount of any proceeds of the Transfer paid (excluding voluntary payments) towards the then-outstanding balance of the Senior Financing. Payments made to an owner of Borrower that is withdrawing as an owner of Borrower in connection with an Assignment which are a return of its outstanding equity investment in Borrower are not included as Net Proceeds provided evidence thereof is provided by Borrower's accountants or the withdrawing owner which is reasonably acceptable to the LACDA. Notwithstanding anything above to the contrary, the permissible deductions for purposes of calculating the Net Proceeds of an Transfer shall not include any foreign, U.S., state or local income taxes, franchise taxes, or other taxes based on income.

2.6. "Refinancing" shall mean creation or substantial modification of a loan ("Project Loan") secured by an encumbrance on the Site, the Project, or any portion thereof. The term "Refinancing" shall not include the creation of the Senior Financing or any other Project Loan, the

proceeds of which are used solely for initial acquisition of the Site by Borrower or initial development of the Project.

2.7. "Net Refinancing Proceeds" shall mean the gross amount of the Project Loan obtained in connection with such Refinancing, after: (1) payment of the actual, documented and reasonable expenses of such Refinancing, including escrow fees, title policy expenses, legal expenses, survey fees, recording fees, commissions, and other usual and reasonable expenses of any such Refinancing (provided, that no deduction shall be allowed for payments in connection with such Refinancing which are in excess of the amounts that would be paid for the same or equivalent services in an arms' length transaction between unrelated parties acting reasonably); (2) deduction of amounts repaid (excluding voluntary payments) in connection with the Refinancing towards amounts outstanding under the Senior Financing; and (3) the cost of repairs and other capital improvements to the Project and associated costs which are funded by the new Project Loan as approved by the LACDA.

3. Acceleration.

Notwithstanding anything to the contrary contained herein or any other Loan Documents, upon the occurrence of an Event of Default as defined in this Note or the Loan Agreement, the entire outstanding principal balance of this Note, together with any outstanding interest and other amounts payable hereunder, shall, at the election of the LACDA and upon notice to Borrower thereof become immediately due and payable without presentment, demand, protest or other notices of any kind, all of which are hereby waived by Borrower.

4. Prepayment; Application of Payments.

At any time after the disbursement of the Loan proceeds, Borrower may prepay all or a portion of the unpaid principal amount of the Loan and accrued interest and any other sums outstanding without penalty upon thirty (30) days prior notice. All payments, including any prepayments or funds received upon acceleration pursuant to Section 3 above, shall be applied first toward any outstanding costs of collection or other amounts (excluding Loan principal or interest thereon) due under this Note or the Loan Agreement, then toward outstanding interest accrued at the Default Rate, if any, then toward outstanding interest accrued at the Basic Rate, if any, and finally toward the remaining principal balance under the Note. If multiple sources of funding are part of the Loan, the LACDA shall in its sole discretion decide on the allocation of any repayments to the various funding sources.

5. Security and Source of Payment.

Borrower's obligations under this Note and the Loan Agreement shall, at all times during which any amount remains outstanding, be secured by the deed of trust (as amended, modified, supplemented, and replaced from time to time, collectively, the "Deed of Trust") of even date herewith, and of which the LACDA is the beneficiary, recorded against Borrower's fee interest in the Site and the Project (collectively, the "Property"). The security interest in the Property granted to the LACDA pursuant to the Deed of Trust shall be subordinate only to the Senior Financing and

such exceptions to title shown in the title report for the Property which are approved in writing by the LACDA. Except to the extent any Event of Default hereunder results directly or indirectly from any willful misconduct, fraud or intentional misrepresentation by Borrower in connection with this Note, the Loan Agreement or the Loan, the Loan is a nonrecourse obligation of Borrower and, in the event of the occurrence of an Event of Default, the LACDA's only recourse under the Deed of Trust shall be against the Property, the proceeds thereof, the rents and other income arising from its use and occupancy as provided in the Deed of Trust, and any other collateral given to the LACDA as security for repayment of the Loan.

6. Obligation of Borrower Unconditional.

The obligation of Borrower to repay the Loan and all accrued interest thereon and all other sums due thereunder shall be absolute and unconditional, and until such time as all of the outstanding principal of, interest on and all other sums due under, this Note shall have been fully paid, Borrower agrees that it: (a) will use the funds solely for the purposes set forth herein; and (b) will not terminate or suspend any payment or obligations under this Note, the Loan Agreement, or any other document executed hereunder or in connection herewith for any cause, including without limitation, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, or any duty, liability or obligation arising out of or in connection with this Note, the Loan Agreement or any document executed hereunder or in connection herewith.

7. Purpose of Loan.

The Loan proceeds shall be used by Borrower only to provide construction and permanent financing for the housing development described in the Loan Agreement. In no event shall Borrower use or otherwise invest the proceeds of the Loan except as expressly provided in this Note.

8. Covenants of Borrower.

As additional consideration for the making of the Loan by the LACDA, Borrower covenants as follows:

8.1. Compliance with Loan Agreement and Deed of Trust. Borrower shall comply with all of its obligations under the Loan Agreement and the Deed of Trust. Any amounts payable by Borrower under the Loan Agreement or the Deed of Trust (other than amounts also payable hereunder) shall be deemed added to the principal amount of the Loan payable hereunder.

8.2. Other Loans. Borrower shall comply with all monetary and nonmonetary covenants associated with any loan secured by an interest in the Site or the Project. Borrower shall provide to the LACDA a copy of any notice of default within five business days after receiving any notice of a default or alleged default of such covenants by Borrower, and Borrower shall promptly cure any such default and cooperate in permitting the LACDA, to the extent the LACDA in its sole discretion elects to do so, to cure or assist in curing the default. Any cost or expenditure incurred by the LACDA in providing or assisting in such a cure shall be added to the outstanding principal amount of the Loan.

8.3. Construction Requirements. Borrower shall comply with the construction requirements set forth in Section 10.12 of, and Exhibit "P" to, the Loan Agreement.

9. Assignment of this Note.

Borrower's rights under this Note shall be assignable by Borrower only if Borrower obtains the prior express written consent of the LACDA, which consent may be withheld by the LACDA in its sole discretion. Notwithstanding anything to the contrary in this Note, no purported assignment of this Note and the Loan shall be effective if such assignment would violate the terms, conditions and restrictions of any Applicable Governmental Restrictions. The LACDA's consent to such assignment shall be expressly conditioned upon (i) the assignee's execution of such documents as required by the LACDA in its sole discretion, including, without limitation, any and all documents deemed necessary by the LACDA to provide for said assignee's assumption of all of the obligations of Borrower hereunder and under the Loan Documents, and (ii) the LACDA's approval of the financial and credit worthiness of such proposed assignee and the assignee's ability to perform all of the Borrower's covenants under this Note and the Loan Agreement and any of the other Loan Documents. With respect to projects funded through an allocation of state and/or federal low income housing tax credits, the LACDA has pre-approved certain transfers as provided in Section 15.4 and 31.0 of the Loan Agreement.

10. Events of Default and Remedies.

10.1. Borrower Events of Default. The occurrence of any of the following shall constitute an event of default by Borrower hereunder ("Event of Default"), each of which are acknowledged by Borrower to constitute a material default under this Note:

(1) The failure of Borrower to pay or perform any monetary covenant or obligation hereunder or under the terms of the Deed of Trust or any other Loan Document, without curing such failure within ten (10) days after receipt of written notice of such default from the LACDA (or from any party authorized by the LACDA to deliver such notice as identified by the LACDA in writing to Borrower). Notwithstanding anything herein to the contrary, the herein described cure period shall not apply to a failure by Borrower to timely repay the Loan at the Maturity Date of this Note;

(2) The failure of Borrower to perform any nonmonetary covenant or obligation hereunder or under the terms of the Deed of Trust or any other Loan Document, without curing such failure within thirty (30) days after the giving of written notice of such default from the LACDA (or from any party authorized by the LACDA to give such notice as identified by the LACDA in writing to Borrower) specifying the nature of the event or deficiency giving rise to the default and may include the action required to cure such deficiency; provided, however, that if any default with respect to a nonmonetary obligation is such that in the LACDA's reasonable determination such default (through no fault of Borrower) cannot be cured within a thirty (30) -day period, then provided Borrower has commenced the cure within said such thirty (30) -day period and is diligently prosecuting such cure, such thirty (30) –day period may be extended by the LACDA up to a maximum period of one hundred twenty (120) days after the giving of said notice of default. However, if the default is urgent relating to public health and safety or imminent material property damage, then notice of such default (notwithstanding the provisions of Section

14) may be given by the LACDA in any manner and Borrower's cure period shall be limited to such amount of time, as the LACDA considers appropriate under the circumstances. Notwithstanding anything herein to the contrary, the herein described notice requirements and cure periods shall not apply to any Event of Default described in Sections 10.1 (3) through 10.1 (10) below or for nonmonetary covenants or obligations otherwise set forth in the Loan Documents where an express time period is otherwise provided;

(3) The falsity of any representation made by Borrower under the terms of or in connection with this Note, the Loan Agreement, the Deed of Trust, or any other Loan Documents, or the NOFA Application or contained in any materials provided by Borrower to the LACDA (a cure period does not apply to this subsection);

(4) Borrower or any constituent member or partner, or majority shareholder, of Borrower shall (a) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of its property, (b) fail to pay or admit in writing its inability to pay its debts generally as they become due, (c) make a general assignment for the benefit of creditors, (d) be adjudicated as bankrupt or insolvent or (e) commence a voluntary case under the Federal bankruptcy laws of the United States of America or file a voluntary petition that is not withdrawn within ten (10) days of the filing thereof or answer seeking an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy or insolvency proceeding;

(5) If without the application, approval or consent of Borrower, a proceeding shall be instituted in any court of competent jurisdiction, under any law relating to bankruptcy, in respect of Borrower or any constituent member or partner or majority shareholder of Borrower, for an order for relief or an adjudication in bankruptcy, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of Borrower or of all or any substantial part of Borrower's assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by Borrower, in good faith, the same shall (a) result in the entry of an order for relief or any such adjudication or appointment, or (b) continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days;

(6) Following initial Completion of the Project, voluntary cessation of the operation of the Project for a continuous period of more than thirty (30) days or the involuntary cessation of the operation of the Project in accordance with this Note for a continuous period of more than sixty (60) days;

(7) Borrower shall be in breach of the provisions Section 15 or Section 16 of the Loan Agreement, Section 33 of the Deed of Trust or any other deed of trust securing obligations under the Loan Agreement, or the Transfers/Refinancing Section of this Note or the promissory notes for any other loans made pursuant to the Loan Agreement;

(8) Borrower shall be in default under the CC&Rs, the Senior Financing, the Junior Financing, the Other Financing, the Supportive Services Plan (Exhibit "L" of the Loan Agreement, if applicable) or any other secured or unsecured obligation relating to the Project, or

affordable housing covenants required by other parties, unless the default is cured within the cure period, if any, applicable thereto under the terms of the obligation which is in default.

(9) Borrower shall fail to pay or cause the payment of all real property taxes relating to the Project prior to their delinquency or shall fail to at all times while the Loan and any other amounts due under the Loan Documents are outstanding, fail to obtain and maintain the policies of insurance in the form and substance required by the Loan Documents; and

(10) The failure of Borrower to obtain the Senior or Junior Financing contemplated by the Loan Documents and the closing of such financing as of the date hereof or by such dates as approved by the LACDA.

10.2. LACDA Remedies. Upon the occurrence of an Event of Default hereunder, the LACDA may, in its sole discretion, take any one or more of the following actions:

(1) By notice to Borrower, declare the entire then unpaid principal balance of the Loan immediately due and payable, and the same shall become due and payable without further demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower. Upon such declaration, outstanding principal and (to the extent permitted by law) interest and any other sums outstanding in connection with the Loan shall thereafter bear interest at the Default Rate, payable from the date of such declaration until paid in full;

(2) Subject to the nonrecourse provisions of Section 4 above, take any and all actions and do any and all things which are allowed, permitted or provided by law, in equity or by statute, in the sole discretion of the LACDA, to collect the amounts then due and thereafter to become due hereunder and under any other Loan Document, to exercise its rights under the Deed of Trust or any other Loan Document, and to enforce performance and observance (by specific performance or otherwise) of any obligation, agreement or covenant of the Borrower under this Note or under any other Loan Document;

(3) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default, which is occasioned by Borrower's failure to pay money, whether under this Note, the Loan Agreement, or any other Loan Document, the LACDA may, but shall not be obligated to, make such payment. If such payment is made by the LACDA, Borrower shall deposit with the LACDA, upon written demand therefor, such sum plus interest at the Default Rate. The Event of Default with respect to which any such payment has been made by the LACDA shall not be deemed cured until such repayment has been made by Borrower. Until repaid, such amounts shall have the security afforded disbursements under this Note;

(4) Subject to the nonrecourse provisions of Section 5 above, upon the occurrence of an Event of Default described in Section 10.1 (4) or 10.1 (5) hereof, the LACDA shall be entitled and empowered by intervention in such proceedings or otherwise to file and prove a claim for the whole amount owing and unpaid on the Loan and, in the case of commencement of any judicial proceedings, to file such proof of claim and other papers or documents as may be necessary or advisable in the judgment of the LACDA and its counsel to protect the interests of the LACDA and to collect and receive any monies or other property in satisfaction of its claim;

(5) If the LACDA has not yet funded all amounts to be loaned or granted to Borrower under the Note or any other Loan Document or any other loan or grant agreement from the LACDA, the LACDA or managed thereby, the LACDA may suspend further payments under any such agreements or grants without liability to Borrower.

10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the LACDA is intended to be exclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given under this Note or now or hereafter existing at law or in equity or by statute; and may be exercised in such number, at such times and in such order as the LACDA may determine in its sole discretion. No delay or omission to exercise any right or power upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient by the LACDA. In order to entitle the LACDA to exercise any right or remedy reserved to it under this Note, no notice shall be required except as expressly provided herein.

10.4. LACDA Default and Borrower Remedies. Upon fault or failure of the LACDA to meet any of its obligations under this Note without curing such failure within thirty (30) days after receipt of written notice of such failure from Borrower specifying the nature of the event or deficiency giving rise to the default and the action required to cure such deficiency, Borrower may, as its sole and exclusive remedies:

(1) Demand and obtain payment from the LACDA of any sums due to or for the benefit of Borrower pursuant to the express terms of this Note;

(2) Bring an action in equitable relief seeking the specific performance by the LACDA of the terms and conditions of this Note or seeking to enjoin any act by the LACDA which is prohibited hereunder; and

(3) Bring an action for declaratory relief seeking judicial determination of the meaning of any provision of this Note.

Without limiting the generality of the foregoing, Borrower shall in no event be entitled to, and hereby waives, any right to seek indirect or consequential damages of any kind or nature from the LACDA arising out of or in connection with this Note, and in connection with such waiver Borrower is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

10.5. Limited Partner Right to Cure. Borrower, on behalf of and at the request of its limited partner(s) has requested the inclusion of the following cure rights for its limited partner(s) as follows:

If the Project's financing includes LIHTCs, notwithstanding anything to the contrary contained in the Note, the limited partner in Borrower shall have the right, but not the obligation, to cure any of Borrower's defaults under the Note within the same time period and subject to the same terms and conditions as a cure by Borrower.

The LACDA shall use reasonable efforts to provide a copy of any notice of default given to Borrower concurrently to the limited partner at the address provided therefor in this Note, provided however, the failure to give such notice or for the limited partner to receive such notice shall not adversely affect the validity of the notice of default given to Borrower or extend the time for a cure of such default.

In the event Borrower and the limited partner exercise or attempt to exercise any such cure, (i) the LACDA shall have the right in its sole discretion to accept the cure in whole or part of either Borrower or the limited partner (as well as any additional cures if a given cure is incomplete), (ii) the LACDA's rights under this Note or any other Loan Document, shall not be waived, impaired or delayed by any disagreement, litigation or other conflict between Borrower, its limited partner and any other managers or partners, including but not limited to the LACDA's right to commence and prosecute a foreclosure on its collateral, (iii) all costs and expenses and any additional costs or expenses incurred by the LACDA arising from the provisions of this paragraph shall be an expense of Borrower, however the LACDA may require the limited partner to pay costs incurred by the LACDA arising from a cure prosecuted by the limited partner, and at the LACDA's sole discretion any or all of such costs may be added to the outstanding loan amount, and (iv) the LACDA shall have no liability whatsoever to Borrower or the limited partner or any manager or other partner of Borrower arising from the exercise of the LACDA's rights under this paragraph and Borrower (and the limited partner but only in cases where the limited partner has advanced a cure in conflict with any cure advanced by Borrower)hereby indemnify, defend (with counsel acceptable to the LACDA) and hold the LACDA harmless from any claim, cost, expense or other liability arising from this paragraph. the LACDA may extend the cure period for any default in its sole discretion and without prior notice to Borrower or the limited partner and the LACDA shall have no liability to any party on account of such extension.

11. RESERVED.

12. Conflict of Interest; No Individual Liability.

No official or employee of the LACDA shall have any personal interest, direct or indirect, in this Note or any other Loan Document, nor shall any official or employee of the LACDA participate in any decision relating to this Note or any other Loan Document which affects such official's or employee's pecuniary interest in any corporation, partnership or association in which such official or employee is directly or indirectly interested. No official or employee of the LACDA shall be personally liable in the event of a breach of this Note or any other Loan Document by the LACDA. Borrower shall within not less than ten (10) days after learning of any such conflict of interest or facts which reasonably indicate that a conflict of interest may exist, notify the executive director of the LACDA.

13. Amendments, Changes and Modifications.

This Note may not be amended, changed, modified, or altered without the prior written consent of the parties hereto.

14. Notices.

All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Note shall be in writing and shall be given by personal delivery, facsimile, certified mail (return receipt requested), or overnight guaranteed delivery service and faxed or addressed as follows:

If to the LACDA: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

If to Borrower: 2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to: EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

If to Borrower's limited partner: U.S. Bancorp Community Development Corporation
USB Project No.: 30511
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management
Phone: (314) 335-2600

Notices shall be effective upon receipt, if given by personal delivery; upon receipt, if faxed, provided there is written confirmation of receipt (except that if received after 5 p.m., notice shall be deemed received on the next business day); the earlier of (i) three (3) business days after deposit with United States Mail, or (ii) the date of actual receipt as evidenced by the return receipt, if

delivered by certified mail; and one (1) day after deposit with the delivery service, if delivered by overnight guaranteed delivery service. Each party shall promptly notify the other party of any change(s) of address to which notice shall be sent pursuant to this Note.

15. Severability.

The invalidity or unenforceability of any one or more provisions of this Note will in no way affect any other provision.

16. Interpretation.

Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the paragraphs of this Note are for convenience only and do not define or limit any terms or provisions. Time is of the essence in the performance of this Note by Borrower. Each Party has been represented by counsel in the negotiation of this Note, and it shall not be interpreted in favor of or against any Party on account of relative responsibilities in drafting. Notwithstanding any other provision of this Note, nothing herein or in this Note shall be deemed to require Borrower to pay interest in excess of the amount allowed by any applicable usury law or other legal limitation on interest, and the terms hereof and of this Note shall be interpreted to require in each instance the lesser of (i) the amount stated in this Note; and (ii) the maximum applicable legal limit, and if permitted by applicable law, payments of excess interest shall be considered payments or principal. Defined terms not otherwise defined herein shall have the meaning assigned to them by the Loan Agreement.

17. No Waiver; Consents.

Any waiver by the LACDA must be in writing and will not be construed as a continuing waiver. No waiver will be implied from any delay or failure by the LACDA to take action on account of any default of Borrower. Consent by the LACDA to any act or omission by Borrower will not be construed as consent to any other or subsequent act or omission or to waive the requirement for the LACDA's consent to be obtained in any future or other instance.

18. Governing Law.

This Note shall be governed by the laws of the State of California without application of its conflict of law rules.

19. Representations, Warranties and Additional Covenants of Borrower.

Borrower hereby represents, warrants and covenants to the LACDA that:

19.1. Organization and Standing. Borrower is a California legal entity as described in the Transaction Summary set forth in the Loan Agreement, duly formed, qualified to operate in California and validly existing and in good standing under all applicable laws, and has all requisite power and authority to enter into and perform its obligations under this Note, the Loan Agreement, the Deed of Trust, the CC&Rs, and all other Loan Documents.

19.2. Enforceability. This Note and all other Loan Documents constitute the legal, valid and binding obligation of Borrower, without joinder of any other party.

19.3. Authorization and Consents. The execution, delivery and performance of this Note and all other Loan Documents is consistent with the operating agreement, partnership agreement or articles and bylaws governing Borrower and have been duly authorized by all necessary action of Borrower's members, partners, directors, officers and shareholders.

19.4. Due and Valid Execution. This Note and all other Loan Documents, will, as of the date of their execution, have been duly and validly executed by Borrower.

19.5. Licenses. Borrower will obtain and maintain all material licenses, permits, certificates of occupancy, consents and approvals required by all applicable governmental authorities to own and operate the Project.

19.6. Litigation and Compliance. There are no suits, other proceedings or investigations pending or threatened against, or affecting the business or the properties of Borrower or any constituent partners or members or shareholders (other than those as have been previously disclosed in writing to the LACDA) which could impair its ability to perform its obligations under this Note, nor is Borrower or any constituent partners or members or shareholders in violation of any laws or ordinances which could materially impair Borrower's ability to perform its obligations under this Note or any other Loan Document.

19.7. Default. There are no facts now in existence which would, with the giving of notice or the lapse of time, or both, constitute an "Event of Default" hereunder, as described in Section 10.

19.8. No Violations. The execution and delivery of this Note, the Loan Agreement or any other Loan Documents, and the performances hereunder and thereunder by Borrower, as applicable, will not constitute a breach of or default under any instrument or agreement to which Borrower may be a party nor will the same constitute a breach of or violate any law or governmental regulation. There are no pending legal violations pertaining to the Project, the site or Borrower.

20. Approvals.

Except with respect to those matters set forth hereinabove providing for the LACDA's approval, consent or determination to be at the LACDA's "sole discretion" or "sole and absolute discretion," the LACDA hereby agrees to act reasonably with regard to any approval, consent, or other determination given by the LACDA hereunder. The LACDA agrees to give Borrower written notice of its approval or disapproval within a reasonable time following submission of items to the LACDA for approval, including, in the case of any disapproved item, the reasons for such disapproval.

Any review or approval of any matter by the LACDA or any LACDA official or employee under this Note shall be solely for the benefit of the LACDA, and neither Borrower nor any other person shall rely upon such review or approval as an indication of the wisdom, soundness, safety,

appropriateness, or presence or absence of any matter. Without limiting the generality of the foregoing, Borrower and not the LACDA shall be solely responsible for assuring compliance with laws, the suitability of the Site for the Project, the adequacy of the plans, and the safety of the Project construction site, the completed Project, and the operation thereof.

Any consent to a Transfer under Section 15 or 16 of the Loan Agreement and any other consent or approval by the LACDA under this Note, the Deed of Trust, the Loan Agreement or any of the other documents executed in connection therewith, may be given by the LACDA's Executive Director without action by the LACDA's governing board, unless the Executive Director in his or her sole discretion elects to refer the matter to the LACDA's governing board.

21. Consent to Jurisdiction and Venue.

Borrower consents to, and by execution of this agreement submits to, the personal jurisdiction of all state and federal courts located in the State of California, in the County of Los Angeles, including the applicable United States District Court, for the purposes of any judicial proceedings which are instituted for the enforcement of or resolutions of any disagreements arising from this agreement or any other Agreement Document. Borrower agrees that such courts shall have the exclusive jurisdiction to resolve such actions and claims. Borrower agrees that venue is proper in any of such courts.

22. Waiver.

Borrower agrees that it will still be liable for repayment of this Note, subject to the nonrecourse provision of Section 5 above, even if the holder hereof does not follow the procedures of presentment, protest, demand, diligence, notice of dishonor and of nonpayment, which requirements are hereby waived. Failure of the LACDA or other holder hereof to exercise any right or remedy hereunder shall not constitute a waiver of any future or other default. No acceptance of a past due installment or indulgence granted from time to time shall be construed to be a waiver of, or to preclude the exercise of, the right to insist upon prompt payment thereafter or to impose late charges retroactively or prospectively, or to waive or preclude the exercise of any other rights which the LACDA may have.

23. Attachments / Exhibits.

Exhibit "A" – Key Figures, which follows the signature page of this Note, is attached and, by this reference, made a part hereof.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, Borrower has executed this Note as of the date and year first above written

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

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 Marin)

On January 9th, 2024, before me, Cleopatra Herron, Notary Public, personally appeared Welton Jordan, 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 Cleopatra Herron

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

EXHIBIT A

Key Figures

	Total Amount for Project (Per Loan Agreement Exhibits "J" and "K")	**Amount Allowed per the "Cash Flow" definition in this Note**
Property Management Fee	not to exceed $60 per unit per month (with no annual escalations)	same
Partnership Management Fee	$15,000 (3.5% annual escalations)	same
Supportive Services	$0	n/a
LACDA Monitoring Fee	$7,150 (with no annual escalations)	Note: the fee for year 1 of operations was received prior to Close of Escrow. Subsequent payments shall be due July 1st of each calendar year starting in year 2 of operations.
Deferred Developer Fee	$0	n/a
Replacement Reserve	$421/unit	same Note: Tax credit investor has a higher requirement than LACDA as noted in the Cash Flow Statement (included in Ex. K of the Loan Agreement)
Operating Reserve	$291,628	n/a (not funded by cash flow)
Transition Reserve (other)	$0	n/a
Residual Receipts Split		
- Borrower	50.00%	
-LACDA (CGF)	34.51%	
-LACDA (DR-MHP)	15.49%	

EXHIBIT "D" TO LOAN AGREEMENT

DEED OF TRUST

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

OFFICIAL BUSINESS

Document entitled to free
recording per Govt. Code
Sections 27383 and 27388.1.

Recording Requested by and
When Recorded Mail To:

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
700 West Main Street
Alhambra, CA 91801
Attn.: Director of Housing Investment and Finance

(Space Above Line for Recorder's use)

DEED OF TRUST

(COUNTY GENERAL FUND - PROJECT NO. C27A12)
(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND – PROJECT NO. DRMHP1)

DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING

THIS INSTRUMENT IS A "CONSTRUCTION DEED OF TRUST" WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTION 3097(j).

THIS INSTRUMENT IS ALSO TO BE FILED AND INDEXED IN THE REAL ESTATE RECORDS AS A "FIXTURE FILING," AS DEFINED IN CALIFORNIA UNIFORM COMMERCIAL CODE SECTION 9-102(a) (40) AND COVERS GOODS THAT ARE OR ARE TO BECOME FIXTURES. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS UNDER THE NAMES OF BORROWER, AS "DEBTOR," AND LENDER AS "SECURED PARTY."

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (as amended, modified, supplemented, and replaced from time to time, collectively, the "**Deed of Trust**") is made as of January 16, 2024, by and between **2052 LAKE ALTADENA, L.P.**, a California limited partnership, as trustor ("**Trustor**" or "**Borrower**"), whose address is 22 Pelican Way, San Rafael, CA 94901 Attention: Title; **COMMONWEALTH LAND TITLE COMPANY, a California corporation**, as trustee

("**Trustee**"); and the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body corporate and politic, as beneficiary (including its agents, successors and assigns, "**Beneficiary**" or "**LACDA**").

R E C I T A L S

A. Beneficiary is making a loan (as amended from time to time, the "**Loan**") to Trustor pursuant to that certain Loan Agreement entered into by Trustor and Beneficiary of even date herewith (as amended, modified, supplemented, and replaced from time to time, collectively the "**Loan Agreement**") which Loan Agreement may describe other loans made by Beneficiary to Trustor. The Loan is evidenced by the following promissory note(s) of even date herewith executed by Trustor to the order of Beneficiary in the principal amount set forth in the Loan Agreement (referred to as the "**Note**"):

[include a reference for each Promissory Note]

(i) Promissory Note (Disaster Recovery-Multifamily Housing Program Fund - Project No. DRMHP1) (as amended, modified, supplemented, and replaced from time to time, collectively, the "**DR-MHP Note**"):

(ii) Promissory Note (County General Fund - Project No. C27A12) (as amended, modified, supplemented, and replaced from time to time, collectively, the **"CGF Note"**):

The Note has a maturity date of (absent acceleration thereof as provided in the Loan Documents) and if there are multiple promissory notes the furthest maturity date is January 16, 2081. (Unless otherwise defined in this Deed of Trust, all initially-capitalized terms used herein without definition shall have the meanings given such terms in the Loan Agreement.)

B. Trustor intends to use the Loan proceeds for the purpose of providing construction and permanent financing for the housing development described in the Loan Agreement (the "**Project**"). The Project will be developed on a site legally described on Attachment "1" to this Deed of Trust (the "**Property**").

C. The information required in connection with the Fixture Filing and by California Civil Code Section 3097(j) is as follows:

1.	Name and Address of secured party/creditor (Lender):	Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn.: Director of Housing Investment and Finance
2.	Name and Address of debtor (Borrower):	2052 Lake Altadena, L.P. c/o EAH Inc. 22 Pelican Way San Rafael, CA 94901

3.	Debtor's Organizational Identification Number/State of formation:	202250500805 /CA

NOW THEREFORE, in consideration of the Loan, Trustor hereby irrevocably grants, conveys, transfers and assigns to Trustee, its successors and assigns, in trust, with power of sale and right of entry and possession as provided below, all of its present and future estate, right, title and interest in and to the Property, together with all right, title and interest of Trustor therein and in and to, and grants to Beneficiary a security interest in, the following:

(A) All development rights, air rights, water, water rights, and water stock relating to the Property.

(B) All present and future structures, buildings, improvements, appurtenances and fixtures of any kind on the Property, including but not limited to all apparatus, attached equipment and appliances used in connection with the operation or occupancy of the Property, such as heating and air-conditioning systems and facilities used to provide any utility services, ventilation, vehicular cleaning, storage or other services on the Property, and all signage, carpeting and floor coverings, partitions, generators, screens, awnings, boilers, furnaces, pipes, plumbing, vacuum systems, brushes, blowers, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, heating, ventilating, air conditioning and air cooling equipment, and gas and electric machinery and equipment, it being intended and agreed that all such items will be conclusively considered to be a part of the Property conveyed by this Deed of Trust, whether or not attached or affixed to the Property.

(C) All appurtenances of the Property and all rights of Trustor in and to any streets, roads or public places, easements or rights of way, relating to the Property.

(D) All of the rents, royalties, profits and income related to the Property, to the extent not prohibited by any applicable law.

(E) All proceeds and claims arising on account of any damage to or taking of the Property and all causes of action and recoveries for any loss or diminution in value of the Property.

(F) All existing and future goods, inventory, equipment and all other personal property of any nature whatsoever now or hereafter located on the Property which are now or in the future owned by Trustor and used in the operation or occupancy of the Property or in any construction on the Property but which are not effectively made real property under Clause (B) above, including but not limited to all appliances, furniture and furnishings, building service equipment, and building materials, supplies, equipment, machinery, plumbing and plumbing material and supplies, concrete, lumber, hardware, electrical wiring and electrical material and supplies, roofing material and supplies, doors, paint, drywall, insulation, cabinets, ceramic material and

supplies, flooring, attached appliances, fencing, landscaping and all other materials, supplies and property of every kind and nature.

(G) All present and future accounts, general intangibles, chattel paper, contract rights, deposit accounts, instruments and documents as those terms are defined in the California Uniform Commercial Code, now or hereafter relating or arising with respect to the Property and/or the use thereof or any improvements thereto, including without limitation: (i) all rights to the payment of money, including escrow proceeds arising out of the sale or other disposition of all or any portion of the estate of Trustor upon the Property now or hereafter existing thereon; (ii) all plans, specifications and drawings relating to the development of the Property and/or any construction thereon; (iii) all use permits, licenses, occupancy permits, construction and building permits, and all other permits and approvals required by any governmental or quasi-governmental authority in connection with the development, construction, use, occupancy or operation of the Property; (iv) any and all agreements relating to the development, construction, use, occupancy and/or operation of the Property between Trustor and any contractor, subcontractor, project manager or supervisor, architect, engineer, laborer or supplier of materials; (v) all lease or rental agreements; (vi) all names under which the Property is now or hereafter operated or known and all rights to carry on business under any such names or any variant thereof; (vii) all trademarks relating to the Property and/or the development, construction, use, occupancy or operation thereof; (viii) all goodwill relating to the Property and/or the development, construction, use, occupancy or operation thereof; (ix) all reserves, deferred payments, deposits, refunds, cost savings, bonds, insurance policies and payments of any kind relating to the Property; (x) all loan commitments issued to Trustor in connection with any sale or financing of the Property; (xi) all funds deposited with Beneficiary by Trustor, and all accounts of Trustor with Beneficiary, including all accounts containing security deposits and prepaid rents paid to Trustor in connection with any leases of the Property, and all proceeds thereof; and (xii) all supplements, modifications and amendments to the foregoing.

(H) All of the right, title and interest of Trustor in and to all sales contracts of any nature whatsoever now or hereafter executed covering any portion of the Property, together with all deposits or other payments made in connection therewith.

(I) All of the right, title and interest of Trustor in and to any construction contracts, plans and specifications, building permits, and all other documents necessary for completion of the improvements to the construction of the Property.

(J) All water stock relating to the Property, all shares of stock or other evidence of ownership of any part of the Property that is owned by Trustor in common with others, and all documents of membership in any owner's or members' association or similar group having responsibility for managing or operating any part of the Property.

(K) All rights, title, interests, estates or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in any of the rights and privileges described above or any portion thereof, including, without limitation, any greater estate in the Property or any

portion thereof and any profits or proceeds therefrom, and any accretions or improvements to such rights or claims.

Trustor's interest in the Property, and its ownership and/or other interests in the Project and the other property interest or rights (real and personal property) described in the immediately preceding paragraphs (A) through (K) are sometimes referred to collectively as the "**Mortgaged Property**."

Trustor does hereby covenant , represent and warrant to Trustee and Beneficiary, that Trustor is lawfully seized of the Mortgaged Property, and that the Mortgaged Property is unencumbered, except as shown on the schedule of exceptions to coverage in the title policy issued to and accepted by Beneficiary contemporaneously with the execution and recordation of this Deed of Trust and insuring Beneficiary's interest in the Mortgaged Property, has good and valid title to bargain, sell and convey Trustor's interest in the Mortgaged Property in manner and form as above written; and Trustor warrants and will defend same to Beneficiary, forever, against all lawful claims and demands whatsoever except as stated above.

THIS DEED OF TRUST IS FOR THE PURPOSE OF SECURING:

(1) Payment of the indebtedness (including, without limitation, interest, default interest, and late fees thereon) evidenced by the Note, and any extension or renewal, restatement, or modification thereof;

(2) Performance of each agreement and obligation of Trustor contained in the Loan Documents (as defined in the Loan Agreement), and any extension, renewal or modification of such Loan Agreement or any of the other Loan Documents;

(3) Any and all additional advances made by Beneficiary to protect or preserve the Mortgaged Property or the lien or security interest created hereby on the Mortgaged Property, or for taxes, assessments or insurance premiums as hereinafter provided or for performance of any of Trustor's obligations hereunder or under the other Loan Documents or for any other purpose provided herein or in the other Loan Documents (whether or not the original Trustor remains the owner of the Mortgaged Property at the time of such advances); and

(4) Any and all other indebtedness, which is expressly stated to be secured hereby now owing or which may hereafter be owing by Trustor to Beneficiary, however and whenever incurred or evidenced, direct or indirect, absolute or contingent, or due or to become due, and all renewals, modifications, consolidations, replacements and extensions thereof.

Notwithstanding the above, this Deed of Trust does not secure any indemnification obligations of Trustor related to hazardous materials and violations of environmental laws contained in the Loan Documents or the Loan Documents. Further this Deed of Trust does not secure the performance of the obligations contained in the CC&Rs or any other affordable housing covenants, conditions, and restrictions which may be recorded with regard to the

Mortgaged Property which may be enforced by Beneficiary pursuant to the Loan Agreement, (collectively the "**Affordable Housing Covenants**") and a foreclosure, deed in lieu of foreclosure, reconveyance or similar action regarding this Deed of Trust or the repayment of the Loan secured hereby shall not discharge or otherwise terminate the obligations set forth in the Affordable Housing Covenants. Trustor however understands and agrees that a violation of the obligations set forth in the Affordable Housing Covenants is a material default under this Deed of Trust.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Payment of Secured Obligations. To pay when due (a) the principal of, and the interest on, the indebtedness evidenced by the Note, (b) charges, fees and all other sums as provided in the Loan Documents, and (c) the principal of, and interest on, any future advances secured by this Deed of Trust.

2. Maintenance, Repair, Alterations. To keep the Mortgaged Property in good condition and repair; to complete promptly and in a good and workmanlike manner all buildings and other improvements to be constructed on the Property, including specifically all buildings and improvements described in the Loan Agreement, and promptly restore in like manner any structure that may be damaged or destroyed thereon; to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Property or any part thereof or requiring any alterations or improvements thereon; not to commit or permit any waste or deterioration of the Mortgaged Property; to keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; not to commit, suffer or permit, to the extent Trustor is able by the exercise of commercially reasonable best efforts, any act to be done in or upon the Mortgaged Property in violation of any law, ordinance or regulation.

3. Insurance. To provide, maintain at its expense and deliver to Beneficiary at all times until payment in full of all obligations secured hereby, insurance as required by the Loan Agreement. In the event of any loss or damage, Trustor shall give immediate notice thereof to Beneficiary, and Beneficiary may thereupon make proof of such loss or damage, if the same is not promptly made by Trustor. Trustor and Beneficiary hereby agree to cooperate in making any adjustment and compromise of any loss covered by the aforementioned insurance policies upon the Mortgaged Property, and Trustor hereby assigns all policies and authorizes and empowers Beneficiary, at Beneficiary's option, to collect and receive the proceeds, and endorse checks and drafts issued therefor. Beneficiary agrees that in the event of any loss covered by insurance policies on the Mortgaged Property subject to this Deed of Trust, provided there is no material default (or such existing default will be cured by the proceeds of such insurance) in the observance or performance of any of the covenants and agreements contained herein or in the Note or any future notes secured hereby, or in any other agreement with or for the benefit of the Beneficiary in connection with any indebtedness secured hereby, the proceeds of such insurance

shall be used for the repair or restoration of the Mortgaged Property and will be disbursed in accordance with such protective terms and conditions as Beneficiary may impose.

Trustor hereby fully assigns to Beneficiary all current and future claims it may have under any policy of insurance related to the Mortgaged Property or the Project, regardless of whether such insurance was required to be maintained under the Loan Documents. Any and all unexpired insurance shall inure to the benefit of and pass to the purchaser of the Mortgaged Property at any foreclosure sale, or any Trustee's sale held pursuant hereto.

Further, Beneficiary may at any time in its sole discretion require Trustor to submit satisfactory evidence of insurance policies obtained pursuant to this Paragraph 3 and Trustor's compliance with all the provisions of said policies.

4. Lawsuits. To appear in and defend, or otherwise take such action therein as the Beneficiary and Trustee or either of them may deem advisable with respect to, any action or proceeding affecting the security for the Loan in which Beneficiary or Trustee may appear.

5. Beneficiary Statement. To pay all charges for all court costs and expenses which Beneficiary may elect to advance in order to keep unimpaired, protect, and preserve the title thereto; and to pay for any statement provided for by law in effect at the date hereof regarding the obligations secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

6. Condemnation. That all judgments, awards of damages and settlements, hereafter made as a result of or in lieu of any condemnation or other proceedings for public use of, or for any damage to, the Mortgaged Property or the improvements thereon, are hereby assigned to Beneficiary as well as the right to negotiate with and enter into settlements of claims on behalf of and binding on Trustor with any person or party asserting or claiming any condemnation eminent domain or similar powers. If (i) Trustor is not in material default hereunder or any of the other Loan Documents (or such default will be cured with the proceeds from the foregoing), and (ii) the taking is a partial taking, all proceeds thereof (net of Beneficiary's costs and expenses incurred in connection therewith) shall be applied to restoring the Mortgaged Property, and the judgments, awards of damages and settlements will be disbursed in accordance with such protective terms and conditions as Beneficiary may impose. In the event (i) Trustor is in material default hereunder (and such default will not be cured with the proceeds of the foregoing), (ii) the taking is a total taking, or (iii) the taking is a partial taking and Beneficiary has reasonably determined that restoration of the Mortgaged Property is not practicable, the proceeds shall be paid to Beneficiary to the extent of those monies due and owing under the Note, this Deed of Trust, or any of the other Loan Documents, and Beneficiary is hereby authorized to receive such monies. Trustor agrees to execute such further assignments of any such award, judgment or settlement which may be received by Trustor. Subject to any prior rights of creditors under the Senior Financing (as defined in the Loan Agreement), Beneficiary may apply any and all such sums to the indebtedness secured hereby in such manner as it elects or, at its option, the entire amount so received by it or any part thereof may be released. Neither the application nor the release of any such sums shall cure or waive any default

or notice of default hereunder or invalidate any act done pursuant to such notice. Trustor hereby waives the benefits of California Code of Civil Procedure Section1265.225 and any similar, related or successor laws which conflict with the provisions of this Deed of Trust.

7. Permitted Acts of Beneficiary. That without affecting the liability of any person, including Trustor (other than any person released pursuant hereto), for the payment of any indebtedness secured hereby, Beneficiary is authorized and empowered as follows: Beneficiary may at any time, and from time to time, either before or after the maturity of the obligations secured hereby, and without notice (a) release any person liable for the payment of any of the indebtedness, (b) make any agreement extending the time or otherwise altering the terms of payment of any of the indebtedness, (c) accept additional security therefor of any kind, or (d) release any property, real or personal, securing the indebtedness.

8. Reconveyance of Property. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall reconvey, without warranty, the Mortgaged Property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

9. Default and Trustee's Sale. That upon the occurrence of an Event of Default under this Deed of Trust (as defined in Section 18 below) Beneficiary may declare all principal remaining unpaid, all interest then earned and remaining unpaid, and all sums other than principal or interest secured hereby, immediately due and payable (and thenceforth at the option of the Beneficiary and except as otherwise prohibited by law, the entire balance of the unpaid principal shall bear interest at the Default Rate of interest per annum set forth in the Note until paid) and may proceed to exercise the power of sale granted by this Deed of Trust by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said Mortgaged Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Mortgaged Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Mortgaged Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. If the Mortgaged Property includes more than one parcel, Trustee may in its sole discretion sell such parcels at the same or at different times and in such order as Trustee in its sole discretion elects. Trustee shall deliver to such purchaser its deed conveying the Mortgaged Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any

matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at such sale. At such sale the Beneficiary may credit bid up to the full amount of the outstanding indebtedness secured by this Deed of Trust.

After deducting all costs, fees and expenses of Trustee, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: first, all sums expended by the Beneficiary under the terms hereof or under the Note, not then repaid, with accrued interest at the Default Rate, as defined in the Note; second, all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

10. Substitute Trustees. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the Office of the Recorder of the County of Los Angeles, and by otherwise complying with the provisions of California Civil Code Section 2934a, or any successor section, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, right, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

11. Successors Bound. That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, assigns, trustees and receivers. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

12. Evidence of Title. That if, because of any default hereunder, or because of the filing or contemplated filing of any legal proceedings affecting the Mortgaged Property, Beneficiary deems it necessary to obtain an additional evidence of title or to cure any defect in title, Beneficiary may procure such evidence or cure such defect, pay the cost thereof, and shall have an immediate claim against Trustor therefor, together with a lien upon the Mortgaged Property for the amount so paid, with interest at the Default Rate. Beneficiary is further authorized to require an appraisal of the Mortgaged Property at any time that Beneficiary may reasonably request.

13. Default in Other Instruments; Bankruptcy. That default in the terms of any other instrument securing the debt secured hereby, and/or the filing or other commencement of any bankruptcy or insolvency proceedings including any assignment for the benefit of creditors or other proceedings intended to liquidate or rehabilitate, by, for or against Trustor shall after any applicable notice and cure period, constitute a default under this Deed of Trust.

14. Statute of Limitations. That the pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived by the Trustor, to the full extent permissible by law.

15. Severability. That the invalidity of any one or more covenants, phrases, clauses, sentences, paragraphs or sections of this Deed of Trust shall not affect the remaining portions of this Deed of Trust or any part hereof and this Deed of Trust shall be constructed as if such invalid covenants, phrases, sentences, paragraphs or sections, if any, had not been inserted herein.

16. Order of Application. That if the indebtedness secured hereby is now or hereafter becomes further secured by a security agreement, deed of trust, pledge, contract of guaranty or other additional securities, Beneficiary may to the full extent allowed by law, at its option, exhaust any one or more of said securities as well as the security hereunder, either concurrently or independently and in such order as it may determine, and may apply the proceeds received upon the indebtedness secured hereby without affecting the status of, or waiving any right to exhaust all or any other security including the security thereunder and without waiving any breach or default in any right or power, whether exercised hereunder or contained herein, or in any such other security.

17. Additional Covenants of Trustor.

a. Audit by State and Federal Agencies. In the event the Loan is subjected to audit, monitoring or other inspections by appropriate state and federal agencies, Trustor shall comply with such inspections and pay, on behalf of itself and Beneficiary, the full amount of the cost to the inspecting agency of such inspections (unless such inspection and any resulting liability arises solely from the gross negligence or willful misconduct of Beneficiary).

b. Program Evaluation and Review. Trustor shall allow Beneficiary's authorized personnel to inspect and monitor its facilities and program operations as they relate to the Project or the Loan Agreement, including the interview of Trustor's staff, tenants, and other program participants, as reasonably required by Beneficiary during the term of the Loan.

18. Default. The Trustor shall be in default under this Deed of Trust upon any of the following events which, if not cured within the applicable cure period provided, if any, shall constitute an event of default hereunder ("**Event of Default**"):

a. The failure of Trustor to pay or perform any monetary covenant or obligation hereunder or under the terms of any of the Loan Documents, without curing such failure within five (5) days and the tax credit investor limited partner of Trustor shall have five (5) days immediately thereafter after receipt of written notice of such default from Beneficiary (or from any party authorized by Beneficiary to deliver such notice as identified by Beneficiary in writing to Trustor). Notwithstanding anything herein to the contrary, the herein described cure period shall not apply to a failure by Trustor to timely repay the Loan at the Maturity Date set forth in the Note;

b. The failure of Trustor to perform any nonmonetary covenant or obligation hereunder or under the terms of any of the other Loan Documents, without curing such failure within thirty (30) days after the giving of written notice of such default from

Beneficiary (or from any party authorized by Beneficiary to give such notice as identified by Beneficiary in writing to Trustor) specifying the nature of the event or deficiency giving rise to the default and the action required to cure such deficiency; provided, however, that if any default with respect to a nonmonetary obligation is such that it cannot be cured within a thirty (30) -day period, it shall be deemed cured if Trustor commences the cure within said thirty (30) -day period and diligently prosecutes such cure to completion thereafter with the cure completed in any event within not more than ninety (90) days after the giving of said notice and the tax credit investor limited partner of Trustor shall have a period of thirty (30) days immediately after the cure period provided to Trustor has expired (or been waived by Trustor) to cure said deficiency. However, if the default, in the reasonable determination of Beneficiary, relates to an to an immediate health or safety concern for the Project or its occupants then Beneficiary shall only be required to provide such notice and cure period as Beneficiary considers reasonable under the circumstances. Notwithstanding anything herein to the contrary, the herein described notice requirements and cure periods shall not apply to any Event of Default described in Sections 18(c) through 18(g) below or for nonmonetary covenants or obligations otherwise set forth in the Loan Documents which expressly provide their own notice and cure periods;

c. The falsity of any representation made by Trustor under the terms of or in connection with any of the Loan Documents, or the NOFA Application (a cure period does not apply to this subsection);

d. Trustor or any constituent member or partner, or majority shareholder, of Trustor shall (a) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of its property, (b) fail to pay or admit in writing its inability to pay its debts generally as they become due, (c) make a general assignment for the benefit of creditors, (d) be adjudicated as bankrupt or insolvent or (e) commence a voluntary case under the Federal bankruptcy laws of the United States of America or file a voluntary petition that is not withdrawn within ten (10) days of the filing thereof or answer seeking an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy or insolvency proceeding;

e. If without the application, approval or consent of Trustor, a proceeding shall be instituted in any court of competent jurisdiction, under any law relating to bankruptcy, in respect of Trustor or any constituent member or partner, or majority shareholder, of Trustor, for an order for relief or an adjudication in bankruptcy, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of Trustor or of all or any substantial part of Trustor's assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by Trustor, in good faith, the same shall (a) result in the entry of an order for relief or any such adjudication or appointment, or (b) continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days;

f. Trustor shall allow or attempt to effect a Transfer (as defined in Section 33 below) other than in full compliance with the terms of this Deed of Trust (or otherwise in violation of Section 15 or 16 of the Loan Agreement);

g. Trustor shall be in default under the Affordable Housing Covenants, the Senior Financing, any Junior Financing or Other Financing (as all these terms are defined in the Loan Agreement), the Supportive Services Agreement (as defined in, and if applicable under, the Loan Agreement), any other obligation secured by a lien relating to the Mortgaged Property, or any agreement binding on Borrower which would have a material adverse effect on the Project or Borrower's ability to perform its obligations under the Loan Documents or to operate the Project (defaults with regard to agreements for the provision of services or materials of $100,000 or more or which have a term including extension options in excess of one (1) years are deemed material and adverse), unless the default is cured within the cure period, if any, applicable thereto under the terms of the obligation which is in default; or

h. Following initial Completion of the Project, as defined in the Loan Agreement, voluntary cessation of the operation of the Project for a continuous period of more than thirty (30) days or the involuntary cessation of the operation of the Project for a continuous period of more than sixty (60) days unless such period is extended by Beneficiary to allow for the restoration or repair of the Mortgaged Property in connection with the application of Beneficiary's rights under Sections 3 or 6 above.19. Acceleration/Receiver. In addition to any other remedies available to Beneficiary at law or equity, The entire principal and all accrued and unpaid interest on the Note shall be due and payable as therein set forth; provided, however, that the entire balance of the outstanding principal and all accrued and unpaid interest on the Note, together with any outstanding interest and other amounts payable thereunder, shall, at the election of Beneficiary and upon notice to Trustor thereof (except in the case of default described in Section 18 (c), (d), or (e) , in which case no notice shall be required), become immediately due and payable upon any Event of Default as set forth in the Note, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Trustor.

If an Event of Default has occurred and is continuing, Lender may, but shall not be required, regardless of the adequacy of Lender's security or the solvency of Borrower or absence of waste, apply to any court having jurisdiction for the appointment of a receiver for the Mortgaged Property to perform actions permitted under applicable laws including collection or rents and protection of the Mortgaged Property. The appointment of a receiver and the receiver's actions authorized by court order or applicable laws shall not make Lender a mortgagee-in-possession of the Mortgaged Property.

20. Breach by Trustor, Cure by Beneficiary or Trustee. In the event of Trustor's failure to comply with any or all of the promises and agreements set forth in this Deed of Trust or to make any payment or to do any act as provided in this Deed of Trust, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either in its sole judgment may deem necessary to protect the security hereof (including, without limitation, to procure insurance and pay the premiums

therefor; to pay unpaid water charges, sewer service charges, and other governmental or municipal charges and rates, and all or any part of the unpaid taxes, assessments, and reassessments, if in its judgment the same are just and valid; to pay the cost of appraisals, reappraisals, and extensions of title; to enter or have its agents enter upon the Mortgaged Property whenever reasonably necessary for the purpose of inspecting the Mortgaged Property or making repairs or installations as it deems necessary to preserve the Mortgaged Property or to protect the same from vandalism, without thereby becoming liable as a trespasser or mortgagee or beneficiary in possession, and to pay for such repairs and installations). Beneficiary and Trustee are hereby authorized to enter upon the Mortgaged Property for such purposes; to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; to 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, to pay necessary expenses, employ counsel of its choice and pay the reasonable fees of such counsel. Trustor agrees to pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of expenditure at the amount allowed by law in effect at the date hereof, and that Beneficiary shall have a lien upon the Mortgaged Property for the sums so expended and such interest thereon.

21. Security Agreement. That all property covered by this Deed of Trust be deemed to constitute real property or interests in real property to the maximum extent permitted under applicable law. To the extent that any tangible or intangible property, equipment or other property covered by this Deed of Trust is not considered real property, such property (the "**Personal Property**") shall constitute additional security and Trustor hereby grants Beneficiary a security interest in all of its Accounts; Chattel Paper; Contracts; Equipment; General Intangibles; Goods; Instruments and letters of credit; Inventory; Investment Property; Deposit Accounts; Causes of Action; money, cash, or cash equivalents as such terms are defined in the California Commercial Code and including with such property any rights, privileges, profits, proceeds, accretions or improvements thereto now or hereafter existing, but in all cases and subject to the prior liens of any Senior Lender. This Deed of Trust shall create in Beneficiary a security interest in such Personal Property and shall in respect thereof constitute a security agreement (the "**Security Agreement**"). Beneficiary shall be entitled to all of the rights and remedies in respect of any personal property included in the Mortgaged Property covered by this Deed of Trust afforded a secured party under the Uniform Commercial Code and other applicable laws. At Beneficiary's request Trustor will at any time and from time to time furnish Beneficiary for filing financing statements signed by Trustor in form satisfactory to Beneficiary or take other actions to confirm or perfect Beneficiary's security interest therein. Trustor acknowledges and agrees that thirty (30) days' notice as to the time, place and date of any proposed sale of any personal property shall be deemed reasonable for all purposes. Trustor agrees that the Security Agreement created hereby shall survive the termination or reconveyance of this Deed of Trust unless Beneficiary executes documentation expressly terminating the Security Agreement.

22. Assumption of Liability. Except as provided in Section 33 below, the assumption of liability for the payment of the indebtedness hereby secured by any successor in interest to Trustor in the Mortgaged Property (in the event Beneficiary elects not to accelerate the repayment of the Loan pursuant to any transfer or disposition of the Mortgaged Property by operation of law or otherwise) shall not release Trustor from any liability Trustor has hereunder or under the other Loan Documents for the payment of such indebtedness or any sums advanced under and secured by this Deed of Trust. Any forbearance or indulgence of Beneficiary, or extensions of time for the payment of all or any part of the indebtedness secured hereby, or the release of a part of the Mortgaged Property from the lien of this Deed of Trust, for, or without, payment of a consideration, shall not in any manner diminish or reduce the liability of Trustor (subject to the non-recourse provisions of Section 27) for the payment of the indebtedness now or hereafter secured hereby; and that any payments made upon the said indebtedness shall be deemed to have been made on behalf and for the benefit of all parties obligated to pay the same. The acceptance of payments in excess of the installments provided to be paid upon the Note or the consideration paid for any such release shall not alter or diminish the obligation of Trustor to thereafter make payments in the amounts and on the dates provided therein, until the same are fully paid.

23. Future Advances. That upon the request of the Trustor or its successor in ownership of the Mortgaged Property, Beneficiary may, at its option, at any time before full payment of the Note secured hereby, make further advances to the Trustor or its successors in ownership, and the same, with interest and late charges as permitted by law, shall be secured by this Deed of Trust; and provided further that if Beneficiary, at its option, shall make a further advance or advances as aforesaid, the Trustor or its successors in ownership agree to execute and deliver to Beneficiary a note to evidence the same, payable on or before the maturity of the indebtedness under the Note secured hereby and bearing such other terms as Beneficiary shall require.

Trustor further acknowledges and agrees: that this Deed of Trust is intended to, and shall, secure not only the original indebtedness under the Note, but any and all future advances made by Beneficiary to Trustor; that this Deed of Trust shall secure any unpaid balances of advances made with respect to the Mortgaged Property; that Beneficiary shall have the benefit of all statutes now existing or henceforth enacted to assure repayment of any such future advances plus interest thereon; that to secure the payment of said original indebtedness and future advances Beneficiary shall also have a lien upon all other personal property and securities now or hereafter in its possession belonging to Trustor; that all rights, powers and remedies conferred upon Beneficiary herein are in addition to each and every other right which Beneficiary has hereunder; that all rights, powers and remedies conferred upon Beneficiary in equity or by law may be enforced concurrently therewith; that Beneficiary shall be subrogated to the rights and seniority of any prior lien paid or released by reason of the application thereon of any of the proceeds hereof, and that each and all of the covenants, agreements, and provisions hereof shall bind the respective heirs, executors, administrators, successors, and assigns of Trustor and Beneficiary herein, and all others who subsequently acquire any right, title, or interest in the Mortgaged Property, or to this Deed of Trust and the indebtedness secured hereby.

24. Captions. That the captions of the sections of this Deed of Trust are for convenience only and shall not be considered in resolving questions of interpretation or construction.

25. Estoppel Certificates. That Trustor shall from time to time within ten (10) days after Beneficiary's written request furnish Beneficiary or any person designated by Beneficiary, a certified statement in form satisfactory to Beneficiary confirming as of the date of the certificate the unpaid principal balance and accrued interest on the Note and stating that Trustor is not in default hereunder (or describing any default), and stating that Trustor has no defense, right of set off or counterclaim in the payment of the indebtedness, or any part thereof, or the observance or performance of any obligation (or describing any such defense, set off or counterclaim). Any purchaser or assignee of the Note or this Deed of Trust or any interest therein may rely on such certificate.

26. Books and Records. That Trustor and all subsequent owners of the Mortgaged Property, if any, shall keep and maintain full and correct books and records in accordance with generally accepted accounting principles consistently applied showing in detail the earnings and expenses of the Mortgaged Property and shall at Trustor's cost and expense permit Beneficiary or its representatives to examine and copy such books and records and all supporting data and vouchers, from time to time at reasonable times, at Trustor's offices located in the County of Los Angeles. Trustor agrees that, notice given on a business day within twenty-four (24) hours of the requested visit, and a visit during ordinary business hours on business days shall be deemed a reasonable notice and a reasonable time to examine Trustor's books and records. At all times Trustor must maintain its books and records in an office located in Los Angeles County. It is a material obligation of Trustor to comply with the provisions of this section and no additional cure period shall apply to any default under this section.

27. Obligation Non-Recourse. Except to the extent any Event of Default hereunder results directly or indirectly from any willful misconduct, fraud or intentional misrepresentation by Trustor in connection with the Loan, the Loan is a non-recourse obligation of Trustor and in the event of the occurrence of an Event of Default, Beneficiary's only recourse under this Deed of Trust shall be against the Mortgaged Property, the proceeds thereof, the rents and other income arising from its use and occupancy as provided in the Deed of Trust, and any other collateral given to Beneficiary as security for repayment of the Loan.

28. Fixture Filing. This Deed of Trust is also a fixture filing with respect to the personal property which is or is to become fixtures on the Mortgaged Property, and is to be recorded in the real property records of Los Angeles County, California.

29. Assignment of Rents. All of the existing and future rents, royalties, income, and profits of the Mortgaged Property that arise from its use or occupancy are hereby absolutely and presently assigned to Beneficiary. However, until Trustor is in default under this Deed of Trust, Trustor will have a license to collect and receive those rents, royalties, income and profits. Upon any Event of Default by Trustor, Beneficiary may terminate Trustor's license in its discretion, at any time, without notice to Trustor, and may thereafter collect the rents,

royalties, income and profits itself or by an agent or receiver. No action taken by Beneficiary to collect any rents, royalties, income or profits will make Beneficiary a "mortgagee-in-possession" of the Mortgaged Property, unless Beneficiary personally or by agent enters into actual possession of the Mortgaged Property. Possession by a court-appointed receiver will not be considered possession by Beneficiary. All rents, royalties, income and profits collected by Beneficiary or a receiver will be applied first to pay all expenses of collection, and then to the payment of all costs of operation and management of the Mortgaged Property, and then to the payment of the indebtedness and obligations secured by the Deed of Trust in whatever order Beneficiary directs in its absolute discretion and without regard to the adequacy of its security. If required by Beneficiary, each lease or occupancy agreement affecting any of the Mortgaged Property must provide, in a manner approved by Beneficiary, that the tenant will recognize as its lessor any person succeeding to the interest of Trustor upon any foreclosure of this Deed of Trust. The expenses (including receivers' fees, if any, compensation to any agent appointed by Beneficiary, counsel fees, costs and compensation to any agent appointed by Beneficiary, and disbursements) incurred in taking possession and making such collection, shall be deemed a portion of the expense of this trust. The entering upon and taking possession of the Property, and/or the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Beneficiary may exercise any one or more of the remedies in this section without waiving its right to exercise any such remedies again or for the first time in the future. The foregoing shall be subject to the provisions of applicable law.

This Section 29 is intended to be a written assignment of an interest in leases, rents, issues, or profits of real property made in connection with an obligation secured by real property pursuant to California Civil Code Section 2938 and Beneficiary and Trustee shall have all of the rights and powers thereunder.

30. Applicable Law. This Deed of Trust shall be governed by, and construed in accordance with, the laws of the State of California.

31. Approvals. Except with respect to those matters set forth hereinabove providing for the Beneficiary's approval, consent or determination to be at the Beneficiary's "sole discretion" or "sole and absolute discretion," the Beneficiary hereby agrees to act reasonably with regard to any approval, consent, or other determination given by the Beneficiary hereunder. The Beneficiary agrees to give Trustor written notice of its approval or disapproval following submission of items to the Beneficiary for approval, including, in the case of any disapproved item, the reasons for such disapproval. Any consent to a transfer under Section 33 of this Deed of Trust, and any other consent or approval by Beneficiary under this Deed of Trust or any of the other Loan Documents, may be given by Beneficiary's Executive Director without action of Beneficiary's governing board unless the Executive Director in his or her sole discretion elects to refer the matter to the board.

32. Right of Entry. Beneficiary, Trustee and their agents and employees shall have the right, subject to the rights of tenants under existing and valid leases, to enter and

inspect, and/or take any action permitted hereunder with respect to the Mortgaged Property at all reasonable times and, except in the event of an emergency, upon reasonable notice.

33. Assignment of Interest/Transfers.

a. Except as otherwise permitted under this Section 33, without the prior written approval of the Beneficiary, which approval the Beneficiary may withhold in Beneficiary's sole and absolute discretion, Trustor shall not, individually and collectively referred to as a "**Transfer**": (i) directly or indirectly, by operation of law, voluntarily or involuntarily, sell, gift, encumber, assign, lease, sublease, license, or otherwise transfer or permit the transfer of or grant an option to transfer (collectively, "**Change**") all or any portion of its interest in the Mortgaged Property or the Project, (ii) change greater than forty-nine percent (49%) of the ownership and/or control of Trustor, in the aggregate, taking all transfers into account on a cumulative basis; (iii) change the ownership and/or control of Trustor's management, taking all transfers into account on a cumulative basis (the termination, removal or withdrawal of a general partner, if Trustor is a partnership, or a manager if Trustor is a limited liability company is deemed a Transfer), (iv) change any of its rights or obligations under any of the Loan Documents, (v) winding up, liquidating, or dissolving Trustor or its affairs or entering into any transaction of merger, reorganization, or consolidation of Trustor; or (vi) changing the organizational structure of Trustor. Any Transfer in violation of the provisions of this Deed of Trust shall be a material default under this Deed of Trust. Trustor hereby agrees that any purported Transfer not approved by the Beneficiary as required herein shall be a material default under this Deed of Trust and all amounts principal, interest, or otherwise outstanding under the Loan Documents may be accelerated and deemed immediately due and owing provided however, Beneficiary, may elect in its sole discretion, to deem such Transfer ipso facto null and void, and no voluntary or involuntary successor to any interest of Trustor under such a proscribed Transfer shall acquire any rights pursuant to the Loan Agreement or this Deed of Trust or any of the other Loan Documents, as such terms are used in the Loan Agreement.

b. The Beneficiary's prior consent shall not be required for any lease by Beneficiary in the ordinary course of its business of an individual unit in the Project for occupancy by the tenant thereof in accordance with the leasing requirements set forth in the Loan Agreement and any related documents, for occupancy by a residential tenant or, if applicable, lease of the commercial space.

c. Certain Transfers related to LIHTC financed borrowers may be made without the prior consent of Beneficiary as described in Section 15 of the Loan Agreement but as provided in the Loan Documents are subject to the other provisions regarding transfers or assignments of interests.

d. Notwithstanding anything in this Deed of Trust to the contrary, Trustor agrees that it shall not be permitted to make any Transfer, whether or not the LACDA's consent is required therefore and even if the LACDA has consented thereto without expressly waiving the following requirements, (i) if there exists an outstanding Event of Default under the Loan Agreement or a default under any other Loan Documents, including this Deed of Trust,

which has not been cured; (ii) any shortfall in the amount of any reserves to maintained pursuant to any of the Loan Documents shall be replenished; (iii) any amounts to be paid on account of such Transfer such as the Applicable Percentage of Net Proceeds or a portion of Net Refinancing Proceeds as described in the Note shall be paid; (iv) such Transfer complies with the rules and regulation which pertain to the funding sources used for the loans made under the Loan Agreement; (v) Borrower shall promptly notify the LACDA when such Transfer has occurred and not later than ten (10) days after such Transfer has closed deliver to the LACDA copies of all of the documents related to such Transfer; (vi) if the Transfer results in the change of ownership of the Mortgaged Property the transferee acknowledges and assumes the obligations of the owner under the Affordable Housing Covenants; and (vii) any third party guaranty or indemnity given in connection with or in furtherance of the Loan shall be reaffirmed by the parties thereto in an agreement that is in form and substance acceptable to the LACDA or a replacement guarantor/indemnitor acceptable to the LACDA shall enter into a replacement guaranty/indemnity in form and substance acceptable to the LACDA.

e. The provisions of this Section 33 shall apply to each and any Transfer and the LACDA's consent to a given Transfer shall not imply that the LACDA will consent to any subsequent Transfer.

f. Where a Transfer requires the prior consent of Beneficiary certain requirements therefor are described in Section 15 of the Loan Agreement and in the Note.

34. Tax Credit Provision. Notwithstanding anything to the contrary contained in the Loan Documents, the Beneficiary acknowledges and agrees that in the event of a foreclosure or deed-in-lieu of foreclosure (collectively, "**Foreclosure**") with respect to the Project, the following rule contained in Section 42(h)(6)(E)(ii) of the Internal Revenue Code of 1986, as amended, shall apply:

> For a period of three (3) years from the date of Foreclosure, with respect to any unit that had been regulated by a regulatory agreement with the California Tax Credit Allocation Committee, (i) none of the tenants occupying those units at the time of Foreclosure may be evicted or their tenancy terminated (other than for good cause), (ii) nor may any rent be increased except as otherwise permitted under Section 42 of the Code.

35. Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in or any other lien on the Mortgaged Property unless Beneficiary consents to a merger in writing.

36. No Waivers by Beneficiary or Trustee. No delay or omission of Beneficiary or Trustee in exercising any right or power accruing upon any default hereunder or any other Loan Document shall impair any such right or power or shall be construed to be a waiver of any default under such Loan Document or any acquiescence therein, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the

exercise of any other right or power. Acceptance of any payment after the occurrence of a default under any Loan Document shall not be deemed to waive or cure such default under such Loan Document; and every power and remedy given by the Loan Document to Lender or Trustee may be exercised from time to time as often as may be deemed expedient by Lender or Trustee. Without limiting the generality of the foregoing, any payment made by Beneficiary or Trustee for insurance premiums or taxes or any other amounts in connection with affecting the Mortgaged Property shall not constitute a waiver of Trustor's default in making such payments and shall not obligate Beneficiary or Trustee to make any further payments.

37. Conflicts; Construction.

a. In case of a conflict between any provision of any other Loan Documents and any provision of this Deed of Trust, the provisions of the Loan Agreement shall prevail. The provisions of the Loan Documents shall be liberally construed in favor of Beneficiary.

b. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS DEED OF TRUST, THE PROVISIONS OF THIS DEED OF TRUST SHALL BE CONSTRUED TO COMPLY WITH THE APPLICABLE LAWS, REGULATIONS, GUIDELINES, AND AGREEMENTS PERTAINING TO THE FUNDING SOURCES FOR THE LOAN (THE "REGULATIONS"). IF THERE IS ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THIS DEED OF TRUST AND THE REGULATIONS, THE PROVISIONS OF THE REGULATIONS SHALL PREVAIL, EXCEPT THAT IN THE EVENT THE PROVISIONS OF THIS DEED OF TRUST IMPOSE GREATER OBLIGATIONS UPON TRUSTOR OR REQUIRE HIGHER STANDARDS OF PERFORMANCE BY TRUSTOR AND SUCH GREATER OBLIGATIONS OR HIGHER STANDARDS ARE NOT EXPRESSLY PROHIBITED BY THE REGULATIONS, THEN THE GREATER OBLIGATIONS OR HIGHER STANDARDS SHALL APPLY AND SHALL NOT BE CONSIDERED A CONFLICT OR INCONSISTENCY BETWEEN THIS DEED OF TRUST AND THE REGULATIONS. TRUSTOR REPRESENTS AND WARRANTS THAT IT IS FAMILIAR WITH THE REGULATIONS AND SHALL CONTINUE TO KEEP ITSELF INFORMED OF ANY FUTURE AMENDMENTS, MODIFICATIONS OR OTHER CHANGES THERETO.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Deed of Trust as of the date first above written.

TRUSTOR:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

(Signatures Continue on Next Page)

CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

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

State of California
County of Marin }

On January 9th, 2024 before me, Cleopatra Herron, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Welton Jordan
Name(s) of Signer(s)

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

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

Place Notary Seal and/or Stamp Above

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 Cleopatra Herron
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

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BENEFICIARY:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

Emilio Salas
Executive Director or Designee

Emilio Salas
Printed Name

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 Los Angeles)

On January 11, 2024, before me, Gabriela Ochoa-Martinez, Notary Public, personally appeared Emilio Salas, 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 Gabriela Ochoa-Martinez

GABRIELA OCHOA-MARTINEZ
Notary Public - California
Los Angeles County
Commission # 2431283
My Comm. Expires Dec 17, 2026

Deed of Trust
ATTACHMENT 1

LEGAL DESCRIPTION OF PROPERTY
(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT "E-1" TO LOAN AGREEMENT

DR-MHP SENIOR REGULATORY AGREEMENT

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

FREE RECORDING IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 27383 and 27388.1

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801

Attn: Executive Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY MULTIFAMILY HOUSING PROGRAM

SENIOR REGULATORY AGREEMENT (Affordability Restrictions)

CONTRACT NUMBER 20-DRMHP-00022

This Senior Regulatory Agreement (Affordability Restrictions) (the **"Agreement"**) dated January 16, 2024, for reference purposes only, is made and entered into by and between 2052 Lake Altadena, L.P., a California limited partnership (the "**Developer**"), and Los Angeles County Development Authority (the **"Subrecipient"**)**,** pursuant to the requirements of the Community Development Block Grant - Disaster Recovery Multifamily Housing Program administered by the Department of Housing and Community Development, a public agency of the State of California (the "**Department**").

RECITALS:

A. Developer has applied to the Subrecipient's Community Development Block Grant – Disaster Recovery Multifamily Housing Program for financial assistance (the **"Assistance"**) for the development of a rental housing development located at 2052 Lake Avenue Altadena, CA 91001, consisting of a total of 57 Housing Units (the **"Development"**), of which 18 DR-MHP Assisted Units (the **"DR-MHP Assisted Units"**) will be occupied by eligible Households as provided in this Agreement. The Development is located on the real property described in Exhibit A hereto (the **"Property"**). The Subrecipient, with the Department's approval, has agreed to provide the Assistance under the Community Development Block Grant – Disaster Recovery Multifamily Housing Program (the "**Program**") and the Program Policies and Procedures Manual (the "**DR-MHP Policies and Procedures**"). The obligations imposed on the Developer by the Program and the DR-MHP Policies and Procedures are collectively referred to herein as the "**Program Requirements**."

B. Community Development Block Grant Disaster Recovery (CDBG-DR) funding was appropriated under Public Laws 115-254 and 116-20, and awarded by the U.S. Department of Housing and Urban Development (HUD) to the Department via Federal Register Notice 83 FR 4681. The Department serves as the lead agency and responsible entity for administering CDBG-DR funds. CDBG-DR supports the State of California's unmet recovery needs related to the Federal Emergency Management Agency (FEMA) Major Disaster Declarations DR-4407 and DR- 4382 in August 2018. HCD performed an unmet needs assessment that covered the areas affected by DR 4407 and DR 4382, and included data from FEMA, Small Business Administration (SBA), California's Department of Forestry and Fire Protection (CAL FIRE), and California Department of Insurance (CDI). The Department developed the DR-MHP Program. DR-MHP projects are funded to assist with meeting the unmet rental housing need, including the needs of individuals displaced from rental homes and individuals who became homeless as the result of the disasters.

C. As required by the Program, Subrecipient and the Department have entered into that certain Master Standard Agreement, numbered 20-DRMHP-00022, and dated September 23, 2021, which provides the overarching terms and conditions for implementing the Program and the terms of Assistance common to all projects to be completed by the Subrecipient (the **"Master Standard Agreement"**).

D. As required by the Program and the Master Standard Agreement, Department has issued to Subrecipient a Notice to Proceed for the Development, dated December 31, 2023, which provides the specific terms and conditions for the Development (the "**Notice to Proceed**").

E. As required by the Program, Developer and the Subrecipient have entered into that certain Development Agreement dated January 16, 2024, governing the terms and conditions of the Development and governing the terms of the Assistance for the Development (the "**Development Agreement**"). As required by the Program, Subrecipient has made a part of the Development Agreement the DR-MHP Rider to Development Agreement (the "**Development Agreement Rider**") to include terms required by the Department for the Development.

F. In addition to this Agreement and the Master Standard Agreement, Developer has executed or will execute each of the following documents in form approved by the Subrecipient:

1. Promissory notes evidencing the Loan specifying, inter alia, the principal amount thereof, the interest accruing thereon, and the terms of repayment thereof (the **"Note"**).

2. A deed of trust, assignment of rents, security agreement, and fixture filing securing the Note and naming the Department as beneficiary and the Developer as trustor and recorded or to be recorded against the Property (the **"Deed of Trust"**). The Deed of Trust shall have such priority and be subject only to such matters of record as may be approved in writing by the Department; provided, however, this Agreement shall be senior to and have priority over the Deed of Trust and the Senior Deed of Trust (defined below.)

3. The Department's customary regulatory agreement regulating and restricting the occupancy, rents, operation, ownership and management of the Development and Property in compliance with Program Requirements and recorded or to be recorded against the Property (the **"Junior Regulatory Agreement"**).

4. Such other documents and instruments as the Subrecipient and Department may reasonably require, including but not limited to, a Development Agreement.

G. The Master Standard Agreement, the Notice to Proceed, the Development Agreement, the Development Agreement Rider, the Junior Regulatory Agreement, this Agreement and such other documents and instruments as are reasonably required by the Subrecipient and Department are collectively referred to herein as the **"Program Legal Documents."**

H. The senior construction and permanent loan encumbering the Property (**"Senior Loan"**) is from U.S. Bank National Association, a national banking association (the "**Senior Lender**") in the amount of $25,454,209 which will be paid off at permanent-conversion and refinanced by a new loan from Berkadia Commercial Mortgage LLC, a Delaware limited liability company, and/or Federal Home Loan Mortgage Corporation or its successors and assigns (the "**Senior Permanent Lender**") in a maximum amount of $7,269,030 (the "**Senior Permanent Loan**"). The Senior Loan is evidenced by a promissory note and secured by a deed of trust to be recorded against the Property (**"Senior Deed of Trust**"). The construction term of the loan is for thirty-one (31) months, with certain extension rights as further described in the Senior Lender's loan agreement with Developer ("**Senior Loan Agreement**"). The Senior Permanent Loan will be fully amortized at forty (40) years and due in seventeen (17) years from the conversion of the construction phase to the permanent phase. Pursuant to applicable authority, the affordability restrictions of the Junior Regulatory Agreement being executed and recorded against the Property must be senior to the Senior Loan, the Senior Deed of Trust, and the Deed of Trust. Accordingly, this Agreement, which repeats and contains such affordability restrictions, and the Junior Regulatory Agreement shall both be executed in connection with the closing of the Loan and recorded in a manner which ensures that this Agreement shall be prior and senior to the Senior Loan, the Senior Deed of Trust, the Deed of Trust, and the Junior Regulatory Agreement.

I. As further consideration for the Assistance and in furtherance of the purposes of the Program, Developer has agreed to enter into this Agreement and consent to its recordation against the Development. The purpose and intent of this Agreement is to regulate and restrict the occupancy and rents of the Development in compliance with the Program Requirements and put such regulations on title for the term of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are true and correct and made a part of this Agreement.

2. Property. Developer is the owner in fee of the Property and all improvements now and hereafter located thereon.

3. Definitions. Unless the context requires otherwise, or the terms are defined herein, the terms used in this Agreement shall be governed by the definitions set forth in the Program Policies and Procedures and Master Standard Agreement. The following terms shall have the respective meanings assigned to them in this paragraph unless the context in which they are used clearly requires otherwise:

   a. Affordable Rents: means rents that are at or below the “High” HOME Program rents published by HUD for different metropolitan areas.

   b. Affordable Units: means a “dwelling" that is rented at an Affordable Rent to a household that earns less than 80 percent of Area Median Income adjusted for household size as calculated by HUD for different metropolitan areas within the State and published annually by the Department or HUD.

   c. Area Median Income (AMI): means the median family income for specific geographic areas, adjusted for household size, as calculated by HUD, and published annually by HCD for the CDBG program.

   d. Commercial Space: any nonresidential space located in or on the property of the Development that is, or is proposed to be, rented or leased by the owner of the Project, the income from which shall be included in Operating Income, as applicable, which ensures the fiscal integrity of the Development.

   e. Developer Fee: All Funds paid at any time as compensation for developing the Development, to include all development consultant fees, processing agent fees, developer overhead and profit, construction management oversight fees if provided by the developer, personal guarantee fees, syndicator consulting fees, and reserves in excess of those customarily required by multi-family housing lenders.

   f. Distributions: the amount of cash or other benefits received from the operation of the Development and available to be distributed to the Developer or any party having a beneficial interest in the Development after payment of all due and outstanding obligations incurred in connection with the Development.

   g. Disability: any disability, including mental or physical disability, that limits a major life activity, including a disability that falls within the definitions in Government Code (G.C.) Sections 11135, 12926, and 12926.1 or within the definition of disability used in the federal Americans with Disabilities Act of 1990, codified at 42 U.S.C. 12102.

   h. DR-MHP Assisted Units: An Affordable Unit that is subject to rent and occupancy restriction as a result of the financial assistance provided by DR-MHP, as specified in this Regulatory Agreement.

   i. Elderly Person: A person at least 62 years of age (24 CFR Part 5.100).

j. Extremely Low Income (ELI): ELI individuals or families whose income is at or below 30% of the area median income (AMI) or the federal poverty level, whichever is higher for the area of the Development.

k. Fiscal Year: the Fiscal Year for the Development shall mean the annual period commencing on January 1st and concluding on December 31st each year.

l. Household: One or more persons occupying a housing unit.

m. Initial Operating Year: the initial period of operation of the Development, beginning at the time of the initial occupancy of the completed project and ending on the last day of the Fiscal Year for the Development.

n. Low- to Moderate-Income (LMI): Low to moderate income people are those having incomes not more than the “moderate-income” level (80% Area Median Family Income) set by the federal government for the HUD-assisted Housing Programs. This income standard changes from year to year and varies by household size, county and the metropolitan statistical area.

o. Operating Expenses: the amount approved by the Subrecipient that is necessary to pay for the recurring expenses of the Development, such as utilities, maintenance, management, taxes, licenses, and Supportive Services costs, but not including debt service or required reserve account deposits.

p. Operating Income: all income generated in connection with operation of the Development including rental income for DR-MHP Assisted Units and non-DR-MHP Assisted Units, rental income for Commercial Space or commercial use, laundry and equipment rental fees, rental subsidy payments, and interest on any accounts, other than approved reserve accounts, related to the Development. "Operating Income" does not include security and equipment deposits, payments to the Developer for Supportive Services not included in the operating budget, cash contributed by the Developer, or tax benefits received by the Developer.

q. Ordinary Maintenance and Repair: means regular or usual care, upkeep or replacement of any part, or putting back together that which is deteriorated or broken, of an existing property, building or structure to effect the maintenance of a decent, safe, sanitary condition.

r. Project Closeout Documentation: required documentation to be submitted to the Department by the Subrecipient and includes, but is not limited to: project completion report, final activity report, recorded notice of completion, relocation report (if applicable) and a resolution from the governing body.

s. Reconstruction: Demolishing and re-building a housing unit on the same lot in substantially the same manner. Reconstruction is rehabilitation for purposes of DR-MHP.

t. Rent: means all mandatory charges, other than deposits, paid by the tenant for the use and occupancy of a DR-MHP Assisted Unit, plus a utility allowance established in accordance with HOME Regulations at 24 CFR 92.252(a).

u. Restricted Unit: DR-MHP Assisted Units and any units that are subject to Rent and occupancy restrictions that are comparable to those applicable to DR-MHP Assisted Units. Restricted Units include units subject to a TCAC regulatory agreement, and all units subject to similar long-term, low-income or occupancy restrictions imposed by other public agencies.

v. Special Needs or Special Needs Populations: means agricultural workers, individuals living with physical or sensory disabilities and transitioning from hospitals, nursing homes, development centers, or other care facilities; individuals living with developmental disabilities, serious mental illness or substance abuse disorders; individuals who are survivors of domestic violence, sexual assault, and human trafficking; individuals who are experiencing Homelessness; individuals with HIV; homeless youth as defined in Government Code (GC) Section 12957(e)(2); families in the child welfare system for whom the absence of housing is a barrier to family reunification, as certified by a county; frequent users of public health or mental health services, as identified by a public health or mental health agency; Frail Elderly Persons; or other specific groups with unique housing needs as determined by the Department. “Special Needs Populations” do not include seniors unless they otherwise qualify as a Special Needs Population.

w. Substantial Rehabilitation: Rehabilitation as defined in 24 CFR 5.100.

x. Supportive Housing: means housing with no limit on length of stay, that is occupied by the target population and that is linked to onsite or offsite services that assist the Supportive Housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

y. Supportive Services: social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits.

z. TCAC: means the California Tax Credit Allocation Committee.

aa. Uniform Relocation Assistance and Real Property Acquisition Act (URA) (42 U.S.C. Chapter 61): A federal law that establishes minimum standards for federally funded programs and Projects that require the acquisition of real property (real estate) or the displacement of persons from their homes, businesses, or farms.

bb. Unit: A residential unit that is used as a primary residence by its occupant.

4. Compliance with Program Requirements. The Developer agrees that at all times its actions regarding the Development and the use of funds provided under the Master Standard Agreement and the Notice to Proceed shall be in conformity with all Program

Requirements, including the requirements of this Agreement and the Program Legal Documents. The Developer acknowledges that it is familiar with the Program Requirements, the requirements imposed on the Developer in the Program Legal Documents, and has access to professional advice to the extent necessary to enable the Developer to fully comply with the Program Requirements and the applicable provisions of the Program Legal Documents.

5. Term of Agreement. This Agreement shall commence on the date hereof and remain in full force and effect and shall apply to the Development through and including the twentieth (20th) anniversary of the date of Department acceptance of the Project Closeout Documentation hereof regardless of any prepayment of the Loan or sale, assignment, transfer, or conveyance of the Development or the Property, unless terminated earlier by the Department or extended by the mutual consent of the parties.

6. DR-MHP Assisted Units, Restricted Units, Special Needs Populations Units, and Supportive Housing Units.

   a. For the full term of this Agreement, Developer shall provide within the Development, the number, type, and size of DR-MHP Assisted Units set forth in Exhibit B, Part II, attached hereto and incorporated herein.

   b. Restricted Units shall not differ substantially in size or amenity level from non-Restricted Units within the Development with the same number of bedrooms, and Restricted Units shall not be segregated from non-Restricted Units.

   c. Within the limits of subparagraph b. above, and subject to the requirements of subparagraph a. above, Developer may change the designation of a particular Unit from DR-MHP Assisted Unit to non-Assisted Unit, and vice versa, over time, only to address situations when a tenant in a DR-MHP Assisted Unit is no longer qualified to reside in that unit or if the unit is no longer habitable. Any other proposed changes to the unit designation must be approved in writing in advance by the Subrecipient.

7. Affirmative Marketing and Tenant Selection Procedures. Affirmative Marketing involves special outreach and advertising efforts designed to communicate the availability of DR-MHP assisted housing to those groups or individuals who might otherwise be unlikely to apply. Affirmative marketing efforts must be commenced by the Developer at least 90 days prior to initial or renewed occupancy for new construction and Substantial Rehabilitation Projects, respectively. The Department has determined that in addition to the required demographic analysis, individuals and families that were impacted by the disasters and Section 8 Housing Choice Voucher holders are least likely to apply. Examples of renters impacted by the disasters include renters that have lost rental units or have been displaced due to the impacts of DR-4344 and DR-4353. The Affirmative Marketing Plan shall be updated and submitted to Subrecipient for approval every five (5) years during the term of this Agreement.

   Developer shall rent DR-MHP Assisted Units in the Development to Eligible Households and otherwise operate the Property in accordance with the Management Plan developed by the Developer and approved by and on file with the Subrecipient and Department (the

"Management Plan") pursuant to paragraph 13 of this Agreement. The Management Plan shall, at minimum:

a. detail actions to be taken by Developer to affirmatively market all Units in a manner that ensures equal access to all persons in any category protected by federal, state, or local laws governing discrimination and without regard to any arbitrary factor;

b. specify reasonable criteria for determination of tenant eligibility, including household size;

c. require that eligible tenants be selected based on order of application, lottery, or other reasonable method approved by the Subrecipient;

d. require eligible applicants to be notified of eligibility and, based on turnover history, when a Unit may be available;

e. require ineligible applicants to be notified of the reason for their ineligibility;

f. specify procedures through which applicants deemed to be ineligible may appeal this determination;

g. require maintenance of a waiting list of eligible applicants;

h. specify procedures for obtaining information regarding prospective tenants' incomes as necessary to certify that such income does not exceed the income limit limitations; and

i. be made available to prospective tenants upon request.

8. Non-Discrimination. Developer shall not discriminate against any tenant or prospective tenant on the basis of any class or status prohibited by Government Code section 12920 and United States Code 42 U.S.C section 3601 – 3019, including: race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, genetic information, or any other arbitrary factor in violation of any federal, state, or local law governing discrimination in rental housing. The restriction of housing to elderly and Special Needs Populations is permitted where the housing is intended to benefit those targeted groups in compliance with applicable law and only with prior approval of the selection criteria by the Subrecipient.

9. Rental Agreement and Occupancy Procedures.

a. Each Eligible Household selected to occupy a DR-MHP Assisted Unit in the Development shall enter into a written rental or occupancy agreement with the Developer, the form of which shall be subject to approval by the Subrecipient and be consistent with the Program Requirements. Such rental agreement shall, inter alia, provide for good cause eviction, reference the appeal and grievance

procedures set forth in the Management Plan, and require the tenant annually recertify household income and size.

b. The Developer may establish reasonable rules of conduct and occupancy. Such rules shall be consistent with state law and the Program Requirements and shall not distinguish or discriminate between Restricted Units and non-Restricted Units. The rules shall be in writing and shall be given to each tenant upon occupancy. Any change to such rules shall become effective no less than thirty (30) days after giving written notice thereof to each household in the Development.

10. DR-MHP Assisted Unit Rents and Maximum Income.

a. For the Initial Operating Year, Developer shall charge Rents for the DR-MHP Assisted Units in the Development in accordance with Exhibit B hereto.

b. After the Initial Operating Year, Rents for DR-MHP Assisted Units may be adjusted no more often than every twelve (12) months. Developer shall provide tenants of DR-MHP Assisted Units not less than 30 days prior written notice, or a longer period as required by state or local law, before implementing any increase in rents. In no event shall the rents exceed the High HOME Rents as designated for the area and published by HUD. If the Project is assisted with tax credits, the amount and method of rent adjustment for DR-MHP Assisted Units shall be in accordance with the Tax Credit Allocation Committee (TCAC) policy or a longer period as required by state or local law.

c. Notwithstanding the previous subparagraph, Rents for DR-MHP Assisted Units subsidized under section 8 of the Housing Act of 1937 or any comparable federal or state rental assistance program may be adjusted as required by the respective rental assistance program, for as long as the DR-MHP Assisted Units continue to receive the rental assistance.

d. For DR-MHP Assisted Units in the Development that are covered by approved project-based rental assistance (if applicable), the Developer shall:

(1) In good faith timely apply for and accept all available renewals of project-based rental assistance; and

(2) If the project-based rental assistance is terminated, Rents for DR-MHP Assisted Units previously covered by this assistance, with written permission from the department, may be increased, but only to the minimum extent required for project feasibility, as determined by the Subrecipient and Department in their discretion. In addition, Rents for DR-MHP Assisted Units designated in Exhibit B, shall not in any event be increased to an amount in excess of the high HOME rent limit for the county, as published by the Department.

e. The maximum income of a Household occupying a DR-MHP Assisted Unit shall not exceed eighty percent (80%) of the Area Median Income at initial Household

income certification, consistent with Section 4.11 of the DR-MHP Policies and Procedures.

11. Certification of Tenant Income and Household Size.

a. The income and household size of all households occupying DR-MHP Assisted Units shall be certified by the Developer prior to occupancy and recertified annually thereafter in the manner specified in the Development's approved Management Plan and in accordance with applicable rules, regulations, and procedures governing the Program.

b. If, at the time of tenant recertification, the income of a household occupying a DR-MHP Assisted Unit exceeds the income level applicable to new tenants for respective DR-MHP Assisted Units, and, to the extent a rent increase for the household is permitted by statutes and regulations, the Developer shall:

(1) Increase the tenant's rent to the lesser of 30 percent of adjusted income, fair market rent, or the rent limitations of other funding programs governing the unit; and

(2) To the extent another non-DR-MHP Assisted Unit becomes available within the Development, designate the next available comparable non-DR-MHP Assisted Unit as a DR-MHP Assisted Unit at the income level originally applicable to the Household until the unit mix required by this Agreement is achieved. A Housing Unit shall be deemed "comparable" if it has the same number of bedrooms, the same or similar features, and is similar is size to the original DR-MHP Assisted Unit.

c. At any time, and from time to time during the term of this Agreement, the Department or Subrecipient or their designee(s) may, upon reasonable notice to Developer and accompanied by a representative of Developer, enter and inspect the physical premises of the Development and the Property and inspect and copy all accounting records pertaining to the Development's or Property's compliance with the covenants and agreements set forth in this Agreement and other Program Legal Documents. Upon request by the Department or Subrecipient, the Developer shall notify occupants of upcoming inspections of their Units in accordance with state law.

12. Management and Maintenance.

a. Developer is responsible for all maintenance, repair, and management functions, including without limitation, the following: selection of tenants; recertification of family income and size; evictions; collection of Rents; ordinary and extraordinary maintenance and repairs; and replacement of capital items. Developer shall maintain all Units, common areas and Commercial Space in a safe and sanitary manner in accordance with local health, building, and housing codes and the Management Plan described above.

b. Developer is responsible for operating the Development in accordance with the Management Plan. All amendments to this plan require prior written approval of the Subrecipient.

c. Developer may, with the prior written approval of the Subrecipient, contract with a management agent for the performance of the services or duties required in subparagraphs a. and b. of this paragraph. However, such an arrangement does not relieve the Developer of responsibility for proper and timely performance of these duties. Such contract shall be subject to prior written approval by the Subrecipient and shall contain a provision allowing the Developer to terminate the contract without penalty upon no more than thirty (30) days' notice. Upon a determination by the Subrecipient, and notice to the Developer thereof, that the contractor performing the functions required in subparagraphs a. and b. of this paragraph has failed to operate the Development in accordance with this Agreement and the approved Management Plan, the Developer shall exercise such right of termination forthwith and make immediate arrangements, which shall be subject to Subrecipient approval, for continuing performance of the functions required in subparagraphs a. and b. of this paragraph.

d. Upon a determination by the Subrecipient, and notice to the Developer thereof, that the Developer has failed to operate the Development in accordance with this Agreement, the Subrecipient may require the Developer to contract with a qualified management agent to operate the Development, or to make such other arrangements as the Subrecipient deems necessary to ensure performance of the functions required in subparagraphs a. and b. of this paragraph.

e. Developer shall operate, maintain and repair both Restricted and non-Restricted Units equally without regard to their designation as Restricted Units or non-Restricted Units.

13. Periodic Reports.

Developer shall submit to the Subrecipient such periodic reports as deemed necessary by the Subrecipient and the Department to monitor the Developer's compliance with the affordability provisions of this Agreement. The reports may include, but are not limited to:

a. an income and expense statement for the reporting period;

b. a summary of the occupancy of the Development, indicating the number and type of Units reserved for eligible Households, the number of vacant Units, income recertification, and the number of evictions completed or in process;

c. a report on maintenance or other issues anticipated to impact the current budget needs of the Development;

d. information on the status of waiting lists for the DR-MHP Assisted Units, including the number of households on lists for different Unit sizes and by income group, as well as evidence of compliance with Project's Affirmative Marketing Plan; and

e. any other information as required by the Subrecipient to accurately monitor Developer's performance hereunder.

14. Violation of Agreement by Developer.

a. In the event of the Developer's breach, violation, or default in the performance of any covenant, agreement, or obligation of the Developer set forth in this Agreement, the Subrecipient shall give the Developer written notice in the manner specified in this Agreement, specifying the nature of the violation, breach, or default and the action needed to cure. If the default, breach, or violation is not cured to the reasonable satisfaction of the Subrecipient pursuant to paragraph 15 below, the Subrecipient may declare a default hereunder and may, as its exclusive remedy pursuant to this Agreement or applicable law, apply to a court of applicable jurisdiction to seek Equitable Relief (as defined below). As defined herein, "Equitable Relief" shall mean seeking, applying for, pursuing, and obtaining any one or more of the following:

(1) An order for specific performance enforcing the covenants, agreements, and obligations of the Developer set forth herein, and in connection therewith, Developer acknowledges and agrees that the injury to the Subrecipient or Department arising from a failure or default under this Agreement would be irreparable and that the amount of compensation, which would provide adequate relief to the Subrecipient or Department, in light of the purposes and requirements of the Program, would be impossible to ascertain;

(2) A temporary restraining order, preliminary injunction, or permanent injunction with respect to or against the breach or violation of the covenants, agreements, and obligations set forth herein;

(3) Declaratory Relief;

(4) Conducting a Subrecipient or Department investigation or holding a Subrecipient or Department hearing to determine whether or what action, if any, is appropriate with respect to the project; and/or

(5) Seeking the payment and/or reimbursement of any and all court costs, attorneys' fees, witness fees, and the like incurred by the Subrecipient or Department in pursuing any or all of the foregoing.

(6) Seek such other appropriate remedies as may be available under the law.

b. The Equitable Relief remedies of the Subrecipient or Department referenced above are cumulative and non-exclusive, and the exercise of one or more of such remedies shall not be deemed an election of remedies and shall not preclude the exercise by the Subrecipient or Department of any one or more of its other remedies hereunder. The Subrecipient or Department hereby waives the right to seek any other remedy here under for breach, violation, or default of any of the

covenants set forth in this Agreement, provided, however, notwithstanding the foregoing or any other provision of this Agreement:

(1) The limitations of rights to Equitable Relief as provided above shall apply solely and exclusively to breaches, defaults, and violations of this Agreement only;

(2) The limitations on remedies set forth herein shall not limit what causes of action may be plead but shall circumscribe the relief available thereunder;

(3) The limitations set forth herein do not apply to the Junior Regulatory Agreement, or any of the other Loan Documents, or other actions at law that are not brought as a contract cause of action premised on this Agreement;

(4) Nothing contained herein shall restrict a court of competent jurisdiction from providing, on its own motion, any other remedial relief or orders with respect to any breach, violation, or default of the terms of this Agreement in addition to that contemplated by subsections (1),(2),(3),(4) and (5) of subparagraph a. of this paragraph..

(5) The tenants of the Assisted Units shall be considered third party beneficiaries of this Agreement and shall have such rights to seek Equitable Relief as set forth above as may be available to third party beneficiaries under the law.

15. Time to Cure. If a breach, violation, or default occurs with respect to the covenants set forth in this Agreement, prior to exercising the exclusive remedy described in paragraph 14 hereunder, the Subrecipient shall give Developer and its limited partner written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, Developer shall have such period to effect a cure prior to exercise of the Subrecipient's remedy. If the default is such that it is not reasonably capable of being cured within such 30-day period and if Developer (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Developer shall have such additional time, not to exceed an additional 180 days, to cure the default prior to exercise of the remedy by the Subrecipient. If Developer or its successor in interest is a limited partnership, if Developer fails to take corrective action or to cure the default within such a specified time, the Subrecipient shall give Developer written notice thereof, whereupon the limited partner may remove and replace the general partner with a substitute general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions.

16. Assignment of Subrecipient Rights. The Subrecipient retains the right at its sole discretion to assign all or part of its rights under this Agreement to another governmental entity or agency for the purpose of ensuring compliance and enforcement of Developer's duties and obligations hereunder. In addition, the Subrecipient may designate or hire an agent to act on its behalf in monitoring compliance and enforcing the provisions hereof. In the event Subrecipient assigns all or part of its rights for the purpose of ensuring compliance and enforcement, or designates or hires an agent to act on its behalf with respect to

monitoring and enforcement as described in this paragraph, Subrecipient shall remain obligated under, and ultimately responsible for fulfilling, the terms of this Agreement, and no such assignment shall relieve Developer of any of its duties or obligations under this Agreement or any of the other Program Legal Documents.

17. Amendment. This Agreement shall not be altered or amended except in writing, executed between or among all the parties hereto, with prior written approval by the Department.

18. Partial Invalidity. If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

19. Binding on Successors. This Agreement shall bind, and the benefits hereof shall inure to, the respective parties hereto, their legal representatives, executors, administrators, transferees, successors in interest and assigns, provided, however, that the Developer may not assign this Agreement or any of its obligations hereunder, voluntarily or by operation of law, without the prior written approval of the Subrecipient. The term "Developer" as used herein shall include and apply to any person or entity succeeding to the legal, equitable, proprietary, or possessory interest of Developer in the Development.

20. Recording Agreement. This Agreement, and all amendments hereto, shall be executed by each of the parties and their respective signatures acknowledged. This Agreement shall be recorded against the Property in the official records of the county(ies) in which the Development is situated, prior and superior to the lien of the Senior Lender, the Senior Deed of Trust, and all other matters of record except as may be approved by the Department, before construction begins, but not more than 180 days subsequent to the issuance of a Notice to Proceed by the Department.

21. Indemnification of Department; Civil Code §1542 Waiver.

    a. Developer agrees to indemnify and defend the Department and its agents, employees and officers against, and hold the Department and its agents, employees and officers harmless from, any and all costs, losses, damages, liabilities, claims, demands, actions, judgments, court costs and legal or other expenses (including attorneys' fees) of every name, kind and description, which the Department may incur as a direct or indirect consequence of any of the following: (1) the making of the Assistance to the Developer; (2) Developer's failure to perform any obligations as and when required by this Agreement or any of the other Program Legal Documents; (3) any failure at any time of any of Developer's representations or warranties to be materially true and correct; (4) any act or omission by Developer, any contractor, subcontractor, material supplier, engineer, architect or other person or entity with respect to the Property or the construction, management, maintenance or operation of the Development; or (5) the presence of any recognized environmental conditions at the Development or on the Property. Developer shall pay immediately upon the Department's demand any amounts owing under this indemnity together with interest from the date the indebtedness arises until paid at the rate of ten percent (10%) per annum. Developer's duty to indemnify and hold harmless includes the duties to defend as set forth in section 2778 of the Civil Code. Developer shall indemnify and hold harmless the

Department and its agents, officers and employees as set forth herein regardless of the existence or degree of fault or negligence whether active or passive, primary or secondary on the part of the Department, the Subrecipient, or their respective agents, officers, employees, contractors or subcontractor; provided, however, that Developer's duty to indemnify and hold harmless hereunder shall not extend to liability arising from the gross negligence or willful misconduct of the Department. Developer's duty to indemnify and defend the Department shall survive the term of this Agreement. In the event the United States Department of Housing and Urban Development ("HUD") acquires title to the Development, this indemnification provision will not apply to HUD.

b. The Developer waives and releases any and all rights to any types of express or implied indemnity against the Department or its agents, officers, or employees.

c. The Developer expressly waives the protections of section 1542 of the Civil Code in relation to subparagraphs a. and b. above. Said section 1542 provides as follows: "**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY".**

22. Indemnification of Subrecipient; Civil Code §1542 Waiver .

a. Developer agrees to indemnify the Subrecipient and its agents, employees and officers against, and holds the Subrecipient and its agents, employees and officers harmless from, any losses, damages, liabilities, claims, actions, judgments, court costs and legal or other expenses (including attorney's fees) of every name, kind and description, which the Subrecipient may incur as a direct or indirect consequence of: (1) the making of the Assistance to the Developer; (2) Developer's failure to perform any obligations as and when required by this Agreement or any of the other Program Legal Documents; (3) any failure at any time of any of Developer's representations or warranties to be materially true and correct; (4) any act or omission by Developer, any contractor, subcontractor, material supplier, engineer, architect or other person or entity with respect to the Property or the construction, management, maintenance or operation of the Development; or (5) the presence of any recognized environmental conditions at the Development or on the Property. Developer shall pay immediately upon the Subrecipient's demand any amounts owing under this indemnity together with interest from the date the indebtedness arises until paid at the rate of ten percent (10%) per annum. Developer's duty to indemnify and hold harmless includes the duties to defend as set forth in section 2778 of the Civil Code. Developer shall indemnify and hold harmless the Subrecipient and its agents, officers and employees as set forth herein regardless of the existence or degree of fault or negligence whether active or passive, primary or secondary on the part of the Subrecipient, or their respective agents, officers, employees, contractors or subcontractor; provided, however, that Developer's duty to indemnify and hold harmless hereunder shall not extend to liability arising from the gross negligence or willful misconduct of the Subrecipient. Developer's duty to indemnify the

Subrecipient shall survive the term of this Agreement. In the event HUD acquires title to the Development, this indemnification provision will not apply to HUD.

b. The Developer waives and releases any and all rights to any types of express or implied indemnity against the Subrecipient or its agents, officers or employees.

c. The Developer expressly waives the protections of section 1542 of the Civil Code in relation to subparagraphs a. and b. above. Said section 1542 provides as follows: **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**.

22. No Waiver. No waiver by the Department or Subrecipient of any breach or violation of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach or violation thereof or default thereunder. All waivers must be in writing and signed by the party making the waiver in order for such waiver to be effective.

23. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or the intent of this Agreement.

24. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California. All code references herein refer to the California Codes, unless specifically indicated otherwise.

25. Notice. Except for any notice required under applicable law to be given in another manner, any notices, demands, or communications between the parties hereto shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested, or delivered by express delivery service with delivery receipt, to the address of the respective party as set forth below or to such other address as the respective party may have designated by written notice given to the other party in the manner provided herein. Such written notices, demands, and communications shall be effective on the date shown on the delivery receipt as the date delivered, the date on which delivery was refused, or the date on which delivery was attempted.

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

Copies of any and all notices of default and any and all other notices that may be given by the Department or Subrecipient to Developer shall be sent, in the same manner as the notice is given to Developer, to Developer's limited partner (if applicable).

U.S. Bancorp Community Development Corporation

USB Project No.: 30511
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management

and

Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Attn: Jill H. Goldstein, Esq.

Developer's limited partner may change its address for receipt of copies of notices by giving notice in writing stating its new address to the Department or Subrecipient. Commencing on the tenth (10th) day after the giving of such notice, such newly designated address shall be effective for purposes of all such copies of notices required to be sent by the Department or Subrecipient to Developer's limited partner.

26. Attorneys' Fees. The prevailing party in any action to enforce this Agreement, including residents of Assisted Units, shall be entitled to reasonable attorneys' fees as determined by the trier of fact in that forum.

27. Subrecipient's Approval, etc. Whenever this Agreement or any of the other Program Legal Documents requires the approval, consent, or other determination by the Subrecipient or Department, the Subrecipient or Department shall act reasonably and in good faith.

28. Compliance with IRC section 42(h)(6)(E)(ii). In the event a regulatory agreement required by TCAC is recorded against the Property as a condition of the award of federal tax credits, the Department agrees to comply with the provisions set forth in Internal Revenue Code ("IRC") section 42(h)(6)(E)(ii). As of the date of this Agreement, IRC section 42(h)(6)(E)(ii) does not permit the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or any increase in the gross rent with respect to such unit not otherwise permitted under section 42 for a period of three (3) years after the date the building is acquired by foreclosure or instrument in lieu of foreclosure.

29. Special Conditions. The Developer agrees to comply with and be bound by the special conditions, if any, set forth in Exhibit C hereto.

30. Construction. Each party hereto acknowledges and agrees that it has had independent counsel review and participate in the drafting of this Agreement, and it hereby fully waives the application of any law, statute, or rule of construction or interpretation, including without limitation California Civil Code section 1654, to the effect that any ambiguities are to be construed against the drafting party.

31. Exhibits. The following exhibits are attached hereto, incorporated herein and made a part of this Agreement:

Exhibit A: Legal Description of the Property; and

Exhibit B: Unit Designation and Rent Schedule and requirements for DR-MHP Priority, Supportive Housing Units or Special Needs Population Units, Project Based Vouchers Rent Schedule.

[Signatures of the Developer and the Subrecipient follow on page 19 of these Affordability Restrictions. The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereby execute and enter into this Agreement as of the date first set forth above and agree to be bound hereby:

SUBRECIPIENT:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

Executive Director or Designee

Emilio Salas
Printed Name

Date: 1/11/2024

Mailing Address:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to:
Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

DEVELOPER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

Date: _____

Mailing Address:

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to:
EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

[All signatures must be acknowledged]

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 Los Angeles)

On January 11, 2024, before me, Gabriela Ochoa-Martinez, Notary Public, personally appeared Emilio Salas, 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 Gabriela Ochoa-Martinez

GABRIELA OCHOA-MARTINEZ
Notary Public - California
Los Angeles County
Commission # 2431283
My Comm. Expires Dec 17, 2026

IN WITNESS WHEREOF, the parties hereby execute and enter into this Agreement as of the date first set forth above and agree to be bound hereby:

SUBRECIPIENT:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

_____
Executive Director or Designee

_____
Printed Name

Date: _____

Mailing Address:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to:
Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

DEVELOPER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: Welton Jordan
Welton Jordan
Assistant Secretary

Date: 1/9/2024

Mailing Address:

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to:
EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

[All signatures must be acknowledged]

CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

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

State of California
County of Marin }

On January 9th, 2024 (*Date*) before me, Cleopatra Herron, Notary Public (*Here Insert Name and Title of the Officer*),

personally appeared Welton Jordan (*Name(s) of Signer(s)*),

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

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

Place Notary Seal and/or Stamp Above

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 Cleopatra Herron
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer – Title(s): _____	☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer is Representing: _____	Signer is Representing: _____

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EXHIBIT A TO REGULATORY AGREEMENT

LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT B TO REGULATORY AGREEMENT

I. UNIT DESIGNATIONS AND RENT SCHEDULE

Developer shall comply with Rent provisions of all regulatory agreements regulating the Property.

The Initial Operating Year ends at the end of the initial Fiscal Year, which is: December 31, 2025.

During the Initial Operating Year:

A. Developer shall charge Rents for DR-MHP Assisted Units that do not exceed Rents set forth in the schedule below; and

B. Developer shall charge Rents for Units other than Assisted Units in amounts not less than the amounts shown herein.

After the Initial Operating Year, Rents may be increased in accordance with paragraph 10 of this Agreement.

II. UNIT MIX

No. of Bedrooms	DR-MHP Assisted Units	Restricted Units (including DR-MHP Assisted Units)	Non-Restricted Units	Total Units	Rent	Utility Allowance	Net Rent (gross – util. allw.)	Annual Net Rent	Income Limit	
1	18	57	0	57	$709	$78	$631	$431,604	30%	AMI
									%	AMI
									%	AMI
									%	AMI
									%	AMI
									%	AMI
									Market Rate	
2	0	0	1	1	$0	$0	$0	$0	Mngr.	
Totals	18	57	1	58				$431,604		

The above Unit Mix chart is based on the following:

2023 “High HOME Program Rents and CDBG Income Limits” for Los Angeles County, California.

III. RESERVED

IV. DR-MHP PRIORITY PROVISIONS AND/OR SUPPORTIVE HOUSING UNITS REQUIREMENTS

A. For the full term of this Agreement, Developer shall restrict occupancy of 57 Units within the Development as Supportive Housing Units to be occupied by eligible Households experiencing Chronic Homelessness, as defined in 24 CFR 578.3. For these units, Developer shall select tenants in strict accordance with the criteria and procedures identified in the supportive services plan for the Development approved by the Subrecipient, as may be amended from time to time. For the full term of this Agreement, Developer shall make a good-faith effort to provide all the supportive services identified in the supportive services plan for the Development approved by the Subrecipient. At a minimum, Developer shall provide without cost to tenant the following services, or arrange for their provision: case management, mental health care, substance use services, education, employment and training, life skills, physical health care, benefits assistance, representative payee, legal assistance, adult day care, and childcare (if applicable). No later than ninety (90) days after the end of each Fiscal Year for the Development, Developer shall submit for Subrecipient review and approval a report on the Supportive Housing Units households in the Development. This report shall be on a form provided by the Subrecipient and shall include a listing of the number and type of Supportive Housing Units residents, a description of the supportive services provided to them, and such other matters as the Subrecipient may require.

V. SPECIAL NEEDS POPULATIONS DEVELOPMENT REQUIREMENTS

A. For the full term of this Agreement, Developer shall restrict occupancy of 57 units within the Development to the following Special Needs Population or Populations: Homeless Households.

B. For these units, Developer shall select tenants in strict accordance with the criteria and procedures identified in the supportive services plan for the Development approved by the Subrecipient, as may be amended from time to time. For the full term of this Agreement, Developer shall make a good-faith effort to provide all the supportive services identified in the supportive services plan for the Development approved by the Subrecipient. At a minimum, Developer shall provide without cost to tenant the following services, or arrange for their provision: case management, mental health care, substance use services, education, employment and training, life skills, physical health care, benefits assistance, representative payee, legal assistance, adult day care, and childcare (if applicable). .

C. No later than ninety (90) days after the end of each Fiscal Year for the Development, Developer shall submit for Subrecipient review and approval a report on the Special Needs Population households in the Development. This report shall be on a form provided by the Subrecipient and shall include a listing of the number and type of Special Needs Population residents, a

description of the supportive services provided to them, and such other matters as the Subrecipient may require.

EXHIBIT "E-2" TO LOAN AGREEMENT

CC&RS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

RECORDING REQUESTED BY AND
AFTER RECORDATION, MAIL TO:

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
700 West Main Street
Alhambra, CA 91801
Attn.: Director of Housing Investment and Finance

(Space Above Line for Recorder's use)

This Agreement is recorded at the request and for the benefit of the Los Angeles County Development Authority and is exempt from the payment of a recording fee pursuant to Government Code Section 27383 and 27388.1.

COVENANTS, CONDITIONS, AND RESTRICTIONS
(COUNTY GENERAL FUND – PROJECT NO. C27A12)

THIS AGREEMENT CONTAINING COVENANTS, CONDITIONS, AND RESTRICTIONS ("**Agreement**") is executed as of the 16th day of January, 2024 by and between the **LOS ANGELES COUNTY DEVELOPMENT AUTHORITY**, a public body, corporate and politic ("**LACDA**"), and **2052 LAKE ALTADENA, L.P.**, a California limited partnership ("**Owner**"), with reference to the following:

A. The LACDA and Owner are parties to a Loan Agreement (as amended, modified, supplemented, and replaced from time to time, collectively, the "**Loan Agreement**") dated as of the 16th day of January, 2024, on the terms and conditions of which Owner shall borrow from the LACDA, and the LACDA shall lend to Owner, the original principal amount of **SEVEN MILLION DOLLARS ($7,000,000.00)** (as amended, modified, supplemented, and replaced from time to time, collectively, the "**Loan**") for the purpose of providing financing for the housing development described in the Loan Agreement (the "**Project**"). The Project will be developed on a site legally described on Exhibit A to this Agreement (the "**Site**").

B. Unless otherwise expressly provided, all defined terms used in this Agreement shall have the defined meanings provided for in the Loan Agreement.

NOW THEREFORE, in consideration of the representations, covenants, and obligations of Owner contained in this Agreement, Owner, on behalf of itself and its successors and assigns, hereby covenants and agrees as follows:

(1) Term. This Agreement will be in effect as of the date of the Agreement and shall terminate fifty-five (55) years from the date of the Certificate of Completion (as extended from time to time, the "**Term**") notwithstanding (i) the earlier repayment or termination of the Loan or any other action taken with regard to the Loan, including but not limited to any

reconveyance of the deed of trust recorded against the Site which secures various obligations relating to the Loan or (ii) sale, assignment, transfer, conveyance or other alienation of the Site or Project, or any portion thereof or interest therein.

(2) Use of the Property.

a. Limitations on Tenants. Notwithstanding anything to the contrary in this Agreement, Owner hereby covenants on behalf of itself, and its successors and assigns, which covenants shall run with the land and bind every successor and assign in interest of Owner, that, throughout the Term, Owner and such successors and assigns shall use the Site solely for the purpose of developing and operating the Project as a residential development**.**

Owner, successors and assigns shall at all times during the term of this Agreement and any extensions thereof, develop and operate the Site with the number of total number of units and, with not less than the total number of Assisted Units ("**Assisted Units**") set forth in the Income Limits Table below.

Assisted Units shall be dispersed throughout the Project, and shall be no less attractive or desirable on average (whether because of convenient access, views, amenities, or other reasons) than the other Project units, if any, that are not Assisted Units. Subject to the reasonable approval of the LACDA's Executive Director (or his or her designee), the location of the Assisted Units within the Project may be changed from time to time by Owner.

All Assisted Units shall be leased only at an Affordable Housing Cost as hereinafter defined (households or people meeting the applicable criteria for the rental of an Assisted Unit are occasionally referred to as "**Eligible Households**" or "**Eligible Person**" or "**Eligible Persons**") and as outlined in the following table ("**Income Limits Table**"):

Household Income Level (% of Area Median Income)	1-BR units	2-BR units	**TOTAL UNITS**	**LACDA ASSISTED Units**		
				Total	**County General Fund**	**DR-MHP Fund**
Thirty Percent Income (30%)	57	-	57	57	**57**	**57**
Manager's Unit	-	1	1			
TOTAL	**57**	**1**	**58**	**57**	**57**	**57**

"**Affordable Housing Cost**" shall mean, as to each Eligible Household, a rental rate which results in monthly payments (excluding any Operating Subsidy) which, including a reasonable utility allowance, do not exceed the maximum rents published by California Tax Credit Allocation Committee ("**CTCAC**") and applicable to units of the size, occupancy, income limits and geographic location as the Assisted Units. In cases

where the Income Limits Table identifies an income limit level which is not published by CTCAC the applicable maximum rent shall be reasonably calculated based on the information published by CTCAC. Owner is responsible for applying the CTCAC published income limits and maximum rent table current at the time a given Assisted Unit is leased and when any other Affordable Housing Cost decisions requiring such information are made. If CTCAC stops publishing income limit and maximum rent information on an annual basis then the LACDA shall in its reasonable discretion select an alternative method for determining the applicable rents for the Assisted Units.

"**Area Median Income**" shall mean the median income for the Los Angeles /Long Beach Metropolitan Statistical Area, as adjusted for family size and defined and periodically adjusted by HUD (and by CTCAC as reflected in its periodically published income limit and maximum rent information), or any successor entity designated under state law as responsible for establishing such Area Median Income.

"**Household Income Levels**" are gross annual household income levels for a household or individual adjusted for family size. For purposes of this Agreement, Owner shall use the income limits periodically published by CTCAC which correspond to the income limits set forth in the Income Limits Table when determining appropriate rents which are a component of Affordable Housing Cost. However in some cases CTCAC does not publish income limits which correspond to all of the Household Income Levels in the Income Limits Table and in that case Owner shall reasonably calculate the appropriate rent based on the information published by CTCAC.

Owner shall specifically provide in each Assisted Unit lease and shall strictly enforce the requirement that each Assisted Unit be occupied at all times by the Eligible Household who has leased that Assisted Unit, and that any other occupant of the unit be another qualified member of the lessee's household. The LACDA shall be identified as a third party beneficiary of that covenant and shall have the right to directly enforce that restriction in the event Owner fails to do so. Prior to execution of any Assisted Unit lease with respect to the Project, Owner shall submit to the LACDA and obtain its written approval of a standard form occupancy lease and Owner shall thereafter use the approved form for all leases of Assisted Units in the Project, with only such further modifications thereto as are first submitted to and approved in writing by the LACDA.

Prior to initially leasing the Assisted Units, Owner shall identify to the LACDA the CTCAC income limit and maximum rent publication which it intends to use to set the initial Assisted Unit rents and thereafter Owner shall maintain records of the CTCAC income limit and maximum rent publication which Owner has used in making any Assisted Unit rent determinations. Owner shall at the LACDA's request provide, with respect to each Assisted Unit, Owner's (i) calculation of Affordable Housing Cost, (ii) all information related to Owner's determination regarding the eligibility of each Eligible Household, and (iii) such other information regarding compliance with the provisions of this Agreement. Owner shall be responsible for the

accurate calculation of Affordable Housing Cost and proper verification of eligibility notwithstanding the LACDA's review or approval of Owner's calculations and verifications.

After the initial operating year, the Affordable Housing Cost for Assisted Units may be adjusted no more often than every twelve (12) months. The amount and method of adjustment for Assisted Units shall be in accordance with the Low Income Housing Tax Credit Program ("**LIHTC**") as implemented by CTCAC provided that the annual increase rate shall not exceed such limits as established by CTCAC from time to time.

Notwithstanding the previous paragraph, the Affordable Housing Cost for Assisted Units subsidized under Section 8 of the Housing Act of 1937 or any comparable federal or state rental assistance program may be adjusted more often than annually, as required by the respective rental assistance program.

The income and household size of all Eligible Households occupying Assisted Units shall be certified by the Owner prior to occupancy and recertified annually thereafter in accordance with applicable rules, regulations, and procedures governing the LIHTC as implemented by CTCAC and requirements established by the LACDA.

If, at the time of tenant recertification, the income of a household occupying an Assisted Unit exceeds the income limit designation for the Assisted Unit, the household will be subject to CTCAC requirements regarding over-income occupancy, including rent increases and replacement of the noncompliant Assisted Unit until such unit is again in compliance.

Notwithstanding any other provision of this Agreement to the contrary, in the event of a decrease or termination of the HUD Section 8 rental subsidy for the Project ("**Operating Subsidy**" and shown in the Cash Flow included in Exhibit "K" to the Loan Agreement), except if such reduction arises from a default by Owner or other failure to comply with agreements, laws and regulations applicable to Owner, the LACDA agrees that, upon Owner's request and the LACDA's prior written approval, the maximum household income and the rents charged for the Assisted Units may be increased by an amount necessary to replace the reduction in the Operating Subsidy (based on each occupied unit), however in no event may (a) Eligible Persons and Eligible Households be adjusted to include persons and families whose gross annual household incomes exceed fifty percent (50%) of Area Median Income and (b) the maximum annual rent, including a reasonable utility allowance, shall not be increased above thirty percent (30%) of fifty percent (50%) of Area Median Income.

If the Project is subject to Government Code Section 6561(c) which covers certain supportive housing developments as described therein, in an appropriate case, the number of residents required to live in supportive housing may be adjusted to the extent such adjustment is not in conflict with the any other regulations pertaining to the Assisted Units.

b. Tenant Selection Process; Reports and Records Concerning Tenancies. Owner shall maintain such records and satisfy such reporting requirements as may be

reasonably imposed by the LACDA to monitor compliance with the tenanting requirements described in Paragraph (2)a above, including without limitation the requirement that Owner deliver reports to the LACDA commencing at the close of the first full calendar year following the date of the initial occupancy of the Project, and continuing annually thereafter, setting forth the name of each tenant, the unit occupied and the income of the tenant and the amount of rent payable by each tenant. Owner shall also be required to have each prospective tenant complete a rental application prior to occupancy and to obtain evidence from each such tenant as may be reasonably required by the LACDA to certify such tenant's qualification for occupancy of the Project. Owner's obligation to provide such reports shall remain in force and effect for the same duration as the use covenants set forth in this Paragraph (2).

c. Owner shall provide, in accordance with the Supportive Services Plan attached as an exhibit to the Loan Agreement, certain supportive services for residents of the Project, throughout the Term of this Agreement.

d. Owner's Obligation to Restore Affordability. If, prior to the expiration of the Term (as same may be extended) of this Agreement, the provisions of this Agreement are subjected to a foreclosure or deed in lieu of foreclosure or similar action by the holder of a lien on the Site that is senior in priority to the obligations under this Agreement, then the provisions of this Agreement and any amendments hereto, shall revive and be in full force and effect if the Owner or any affiliate of Owner shall obtain a direct or indirect ownership interest in all or any part of the Site. An "affiliate" shall mean with respect to the Owner or any successor thereto, any other person, trust, company, association or entity (a "**Person**") which directly or indirectly controls, is controlled by, or is under common control with the Person in question. For the purposes of the foregoing definition, "controls" (and the correlative terms "controlled by" and "under common control with") means possession by the applicable Person of the power to direct or cause the direction of the management and policies thereof, whether through ownership interests, by contract, by court order, by operation of law, by statute or otherwise, including, without limitation, the power to elect or appoint the executive officers, managers or general partners of an entity or the trustees of a trust. "**Affiliate**" shall also include, without limitation, relatives of any natural person. Owner hereby authorizes the LACDA and its representatives to re-record a copy of this Agreement or record a memorandum of this Agreement confirming the revival of the provisions of this Agreement in the applicable real estate records for the Site, in the event the provisions of this Agreement are revived.

(3) Management of Project. Subject to the terms and conditions contained hereinbelow, Owner shall at all times during the operation of the Project pursuant to this Agreement retain an entity to perform the management and/or supervisory functions ("**Manager**") with respect to the operation of the Project, including day-to-day administration, maintenance and repair. Owner shall, before execution or any subsequent amendment or replacement thereof, submit and obtain the LACDA's written approval of a management contract ("**Management Contract**") entered into between Owner and an entity ("**Management Entity**") acceptable to the LACDA. Subject to any regulatory or licensing requirements of any other applicable governmental agency, the Management Contract may be for a term of up to fifteen (15) years and may be renewed for successive terms in accordance with its terms, but may not be amended or modified without the written consent of the LACDA. The Management Contract shall also provide

that the Management Entity shall be subject to termination for failure to meet project maintenance and operational standards set forth herein or in other agreements between Owner and the LACDA. Owner shall promptly terminate any Management Entity which commits or allows such failure, unless the failure is cured within a reasonable period in no event exceeding sixty (60) days from the giving of notice by the LACDA or Owner to the Management Entity of such failure. Owner's obligation to retain a Management Entity shall remain in force and effect for the same duration as the use covenants set forth in Paragraph (2) of this Agreement. The Management Agreement shall also provide that (i) its books and records with regard to the Project shall be maintained in an office in Los Angeles County; (ii) such books and records shall be subject to review and copying by the LACDA and its representatives at any time during business hours and on business days upon the request of the LACDA given at least 48 hours in advance, and (iii) after the occurrence of an Event of Default or a default beyond any applicable cure period under any of the other Loan Documents, the LACDA may give notice to the Management Entity and the Management Entity shall comply with the directions of the LACDA in the place of Owner with regard to the Management Agreement.

(4) Operations and Maintenance. Owner hereby covenants on behalf of itself, and its successors and assigns, which covenant shall run with the land and bind every successor and assign in interest of Owner, that Owner and such successors and assigns shall use the Site solely for the purpose of operating the Project and ancillary improvements thereon, in accordance with and of the quality prescribed by this Agreement, the Loan Agreement and the Deed of Trust (as defined in the Loan Agreement).

Owner covenants and agrees for itself, its successors and assigns, which covenants shall run with the land and bind every successor or assign in interest of Owner, that during development of the Site pursuant to this Agreement and thereafter, neither the Site nor the Project, nor any portion thereof, shall be improved, used or occupied in violation of any Applicable Governmental Restrictions (as defined below) or the restrictions contained in this Agreement. Furthermore, Owner and its successors and assigns shall not maintain, commit, or permit the maintenance or commission on the Site or in the Project, or any portion thereof, of any nuisance, public or private, as now or hereafter defined by any statutory or decisional law applicable to the Site or the Project, or any portion thereof.

As used herein, "**Applicable Governmental Restrictions**" shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, directives, writs, injunctions, orders, decrees, rulings, conditions of approval, or authorizations, now in force or which may hereafter be in force, of any governmental entity, agency or political subdivision as they pertain to the performance of this Agreement or development or operation of the Project, including specifically but without limitation all code and other requirements of the jurisdiction in which the Project is located; the California Environmental Quality Act; the laws specified in the Loan Agreement; fair housing laws; prevailing wage laws (e.g., Cal. Labor Code 1720 et seq., and the federal Davis Bacon Act (46 U.S.C. 276a)), and any other applicable federal, state and local laws. Owner shall indemnify (with counsel approved by the LACDA), defend and hold the LACDA harmless against any suit, cost, attorneys' fees, claim, administrative proceeding, damage, award, fine, penalty or liability arising out of Owner's failure to comply with any Applicable Governmental Restrictions, including, without limitation, the nonpayment of any prevailing wages

required to be paid, failure to maintain wage records, failure to post prevailing wage schedules, or other acts or omissions, regardless of whether they are the responsibility of the contractor or the party awarding the contract.

Owner shall, at its expense, (i) maintain all improvements and landscaping on the Site in good working order, condition, and repair (and, as to landscaping, in a healthy and thriving condition) in accordance with the plans for the Project approved by the LACDA in accordance with the Loan Agreement and all Applicable Governmental Restrictions, and (ii) manage, own and operate the Project and Project finances reasonably prudently and in compliance with all Applicable Governmental Restrictions so as to maintain a safe and attractive living environment for Project residents while maximizing Residual Receipts to the extent reasonably possible consistent with applicable rent and tenant requirements (including all recorded rent restrictions affecting the Project) and without compromising the safety and attractiveness of the living environment of the Project.

(5) Performance of Maintenance.

a. Owner shall maintain in accordance with the LACDA Standards, as hereinafter defined, the private improvements, public improvements and landscaping to the curbline(s) on and abutting the Site. Said improvements shall include, but not be limited to, buildings, sidewalks and other paved areas, pedestrian lighting, landscaping, irrigation of landscaping, architectural elements identifying the Site and any and all other improvements on the Site and in the public right-of-way to the nearest curbline(s) abutting the Site.

b. To accomplish the maintenance, Owner shall either staff or contract with and hire licensed and qualified personnel to perform the maintenance work, including the provision of labor, equipment, materials, support facilities, and any and all other items necessary to comply with the requirements of this Agreement.

c. LACDA Standards: The following standards ("**LACDA Standards**") shall be complied with by Owner and its maintenance staff, contractors or subcontractors

(i) Ordinary Maintenance Standards - Owner shall maintain the dwelling units and Site in good repair, order and condition at all times in order to assure that the housing on the Site is kept in a decent, safe, and sanitary condition, and that the buildings, grounds, and equipment are to be maintained in a manner that will preserve their condition.

(ii) Annual Inspection Standards - Owner shall annually inspect the Site. The completed annual inspection will be documented and reported to the LACDA on an annual basis, and at the end of each year Owner shall submit to the LACDA a declaration certifying that the annual inspection was performed at the Site. Owner shall retain records of the inspection and make them available for review by the LACDA at the request of the LACDA.

(iii) Extraordinary Maintenance. Owner shall perform any extraordinary repairs or replacements necessary in order to maintain the Site, including extraordinary replacement of equipment, betterment, and additions. Extraordinary repairs or replacement consists of major repairs and rehabilitation involving substantial expenditures which usually are needed only at relatively long intervals of time, or are caused by such occurrences as earthquake, fire, obsolescence and, in some instances, neglect. Such items as replacement of roofs, replacement of corroded gas and heating lines, and rehabilitation of landscaping (ground-cover) would be considered in this category.

(iv) The LACDA may enter and inspect the premises at any time after notifying Owner seventy-two (72) hours prior to the planned inspection, and said notice shall be delivered to Owner at the address indicated in Paragraph (18)e below.

(6) Failure to Maintain Improvements. In the event Owner does not maintain the Site improvements to the curbline(s) in the manner set forth herein and in accordance with the LACDA Standards, the LACDA shall have the right to maintain such private and/or public improvements, or to contract for the correction of such deficiencies, after the giving of the Deficiency Notice and lapse of the Cure Period as described in Section 17 below.

In the event Owner fails to correct, remedy, or cure such maintenance deficiency after the Deficiency Notice and after the applicable Cure Period has lapsed, then the LACDA shall have the right to maintain such improvements. Owner agrees to pay the LACDA, upon demand, charges and costs incurred by the LACDA in connection with such maintenance. Until so paid, the LACDA shall have a lien on the Site for the amount of such maintenance charges and costs, which lien shall be perfected by the recordation of a "**Notice of Claim of Lien**" against the Site. Upon recordation of a Notice of a Claim of Lien against the Site, such lien shall constitute a lien on the fee estate in and to the Site prior and superior to all other monetary liens except: (i) all taxes, bonds, assessments, and other levies which by law would be superior thereto; (ii) the lien or charges of any mortgage, deed of trust, or other security interest then of record made in good faith and for value, it being understood that the priority for any such lien for costs incurred to comply with this Agreement shall date from the date of the recordation of the Notice of Claim of Lien. Any such lien shall be subject and subordinate to any lease or sublease of the interest of Owner in the Site or any portion thereof and to any easement affecting the Site or any portion thereof entered into at any time (either before or after) the date of recordation of such a Notice. Any lien in favor of the LACDA created or claimed hereunder is expressly made subject and subordinate to any mortgage or deed of trust made in good faith and for value, recorded as of the date of the recordation of the Notice of Claim of Lien describing such lien as aforesaid, and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of any such mortgage or deed of trust, unless the mortgage or beneficiary thereunder expressly subordinates his interest, or record, to such lien. No lien in favor of the LACDA created or claimed hereunder shall in any way defeat, invalidate, or impair the obligation or priority of any lease, sublease or easement unless such instrument is expressly subordinated to such lien. Upon foreclosure of any mortgage or deed of trust made in good faith and for value and recorded prior to the recordation

of any unsatisfied Notice of Claim of Lien, the foreclosure-purchaser shall take title to the Site free of any lien imposed herein by the LACDA that has accrued up to the time of the foreclosure sale, and upon taking title to the Site, such foreclosure-purchaser shall only be obligated to pay costs associated with this Agreement accruing after the foreclosure-purchaser acquires title to the Site. If the Site is ever legally divided with the written approval of the LACDA and fee title to various portions of the Site is held under separate ownerships, then the burdens of the maintenance obligations set forth herein and in the Agreement and the charges levied by the LACDA to reimburse the LACDA for the cost of undertaking such maintenance obligations of Owner and its successors and the lien for such charges shall be apportioned among the owners of the various portions of the Site under different ownerships proportionate to the square footage of the land contained in the respective portions of the Site owned by them. Upon apportionment, no separate owner of a portion of the Site shall have any liability for the apportioned liabilities of any other separate owner of another portion of the Site, and the lien shall be similarly apportioned and shall only constitute a lien against the portion of the Site owned by the owner who is liable for the apportioned lien and against no other portion of the Site. Owner acknowledges and agrees the LACDA may also pursue any and all other remedies available in law or equity. Owner shall be liable for any and all reasonable attorneys' fees, and other legal costs or fees incurred in collecting said maintenance costs.

(7) Representation and Warranties. Representations and Warranties. Owner hereby represents warrants and covenants to the LACDA as of the date hereof and at all times throughout the term of this Agreement and any extensions thereof that:

a. Owner is a legal entity as described above, duly formed, qualified to operate in California and validly existing and in good standing in the State of California, and has all requisite power and authority to enter into and perform its obligations under this Agreement.

b. This Agreement constitutes the legal, valid and binding obligation of Owner, without joinder of any other party.

c. The execution, delivery and performance of this Agreement is consistent with the operating agreement, partnership agreement, or articles and bylaws governing Owner, and have been duly authorized by all necessary action of Owner's members, partners, directors, officers and shareholders.

d. The execution, delivery and or recordation of this Agreement and the performances thereunder by Owner, will not constitute a breach of or default under any instrument or agreement to which Owner may be a party nor will the same constitute a breach of or violate any law or governmental regulation. There are no pending legal violations pertaining to the Project, the Site or Owner.

e. Owner has the sole fee simple ownership of the Site and there are no liens or encumbrances covering the Site or the improvements located thereon which are senior in priority to this Agreement except as approved by the LACDA.

f. Owner has copies of and is familiar with the laws and regulations applicable to the Assisted Units; it shall keep itself informed of any amendments, modifications, replacements or other changes thereto.

(8) Owner's Obligation to Refrain From Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants set forth herein shall remain in effect in perpetuity.

Owner shall refrain from restricting the rental, sale or lease of the Site or any portion thereof on the basis of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, national origin, sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, national origin,

sex, religion, marital or familial status, handicap (disability), sexual orientation, ancestry or source of income in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the parties to this contract or any person claiming under or through them, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the premises."

Nothing in this paragraph shall be construed or understood to limit, restrict or in any way waive the income requirements described in this Agreement.

(9) Covenants Run With the Land; Duration of Covenants. The covenants and agreements established in this Agreement, as amended from time to time, shall be covenants running with the land and shall, without regard to technical classification and designation, be binding on Owner and any successor-in-interest to Owner's interest in the Site, the Project, or any part thereof, for the benefit of and in favor of the LACDA, the County of Los Angeles, and their respective successors and assigns. The covenants of this Agreement shall remain in effect through the Term, notwithstanding the repayment of the Loan by Owner prior to the Maturity Date. The covenants contained in Paragraph (8) of this Agreement shall remain in effect in perpetuity. The covenants herein running with the land shall also be equitable servitudes upon the Site, Project, and each part thereof and shall bind each and every person having any interest in the Site, Project, or part thereof, whether such interest is fee, easement, leasehold, beneficial or otherwise, and each successor or assign of such person having any such interest in the Site, Project, or part thereof. Any successor owner or lessee of all or substantially all of the Site or Project shall as a condition to obtaining such interest be required to acknowledge and assume the responsibilities of owner under this Agreement.

The Improvements to the curbline(s) and the maintenance thereof touch and concern the Site and inure to the benefit of any and all present or successive owners of the Site. Therefore, whenever the word "owner" is used herein, it shall include the owner as of date of execution of this Agreement, and any and all successor owners or assigns of the Site, and the provisions hereof are expressly binding upon all such successive owners and assigns and the parties agree all such provisions shall run with the land. The LACDA shall cause a fully executed copy of this Agreement to be recorded in the Office of the Los Angeles County Recorder. Notwithstanding the foregoing, in the event Owner or its successors or assigns shall convey its interest in all or any portion of the Site, the conveying owner shall be free from and after the date of recording such conveyance of all liabilities, respecting the performance of the restrictions, covenants or conditions contained in this Agreement thereafter to be performed with respect to the Site, or any part thereof, it being intended that the restrictions, covenants and conditions shall be binding upon the record owners of the Site only during such time as that person is the owner of the Site, provided that the conveying owner shall remain liable for any actions prior to the date of the conveyance.

(10) Enforcement. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that the LACDA and its successors and assigns shall be deemed the beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right and for the purposes of protecting the

interests of the community and other parties, public or private, in whose favor and for whose benefit the covenants running with the land have been provided. Each covenant of Owner, shall, without regard to technical classification and designation, inure to the benefit of the successors, transferees and assigns of the LACDA for the entire period during which such covenants shall be in force and effect, and shall be binding upon the successors, transferees and assigns of Owner, whether by merger, consolidation, sale, transfer, liquidation, by operation of law, or otherwise. Each covenant in favor of the LACDA is for the benefit of the real property owned by the LACDA in the area surrounding the Site. The covenants herein running with the land shall also be equitable servitudes upon the Site and each part thereof and shall bind each and every person having any interest in the Site or part thereof, whether such interest is fee, easement, leasehold, beneficial or otherwise, and each successor or assign of such person having any such interest in the Site or part thereof. The LACDA shall have the right if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach to which it may be entitled, including but not limited to pursuit of actions for injunction or specific performance which Owner agrees may be pursued without the posting of any bonds. Except for the LACDA, the covenants and restrictions contained in this Agreement shall not benefit or be enforceable by any owner of any other real property or any person or entity having any interest in any such other real property.

(11) Compliance with Law. Owner shall comply with all Applicable Governmental Restrictions relating to the uses of or condition of the Site private improvements and public improvements to the curbline(s). Local laws for the purposes of this paragraph shall include only those ordinances which are nondiscriminatory in nature and applicable to the public welfare, health, safety and aesthetics. If any new local laws relating to the uses of or condition of the improvements create a condition or situation that constitutes a lawful nonconforming use as defined by local ordinance with respect to the Site or any portion thereof, then so long as the lawful nonconforming use status remains in effect (i.e., until such lawful status is properly terminated by amortization as provided for in the new local law or otherwise), Owner shall be entitled to enjoy the benefits of such lawful nonconforming use pursuant to the lawful nonconforming uses ordinance.

(12) Indemnification. The LACDA, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, and agents are hereinafter collectively referred to as "**Public Agencies**".

In addition to any other rights or defenses the Public Agencies may have under or arising from this Agreement or any applicable laws, Owner agrees to indemnify, defend (with counsel approved by the LACDA), and hold harmless the Public Agencies from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorneys' fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death, that arise (whether by negligence, willful act or otherwise) out of, pertain to, or relate to this Agreement, the services and/or materials provided pursuant to this Agreement, the Property, or Project (hereinafter collectively referred to as "**Liabilities**"). Owner shall not be required to indemnify, defend, and hold harmless the Public Agencies from any Liabilities that arise from the sole negligence or willful misconduct of the

Public Agencies, Public Agencies' officers or employees who are directly responsible to the Public Agencies. Such indemnification language shall also be incorporated in Owner's contracts with entities that Owner has contracted with for purposes of this Agreement in favor of the Public Agencies, however Public Agencies may waive this requirement in the event that such contracts were entered into prior to the execution of this Agreement. The rights of the Public Agencies with regard to or arising from this section shall survive the expiration or earlier termination of this Agreement. Owner waives and releases any rights it may have to any express or implied indemnification from any of the Public Agencies under or arising from this Agreement or any applicable laws.

(13) Bodily Injury and Site Damage Insurance Requirements. Owner shall indemnify, defend, assume all responsibility for and hold the LACDA, County of Los Angeles, and their respective officers, employees, and agents harmless from all claims or suits for, and damages to, property and injuries to persons, including accidental death (including attorneys' fees and court costs), which result from any of Owner's activities under this Agreement, whether such activities or performance thereof be by Owner or anyone directly or indirectly employed or contracted with or by Owner and whether such damage shall accrue or be discovered before or after termination of this Agreement.

Owner shall at all times keep the LACDA and County of Los Angeles insured against loss by fire and such other hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the LACDA, all at Owner's sole cost and expense. Without limiting the generality of the preceding sentence, Owner shall at all times obtain and maintain all hazard, liability and other insurance required by the Loan Documents even if the loans described in the Loan Agreement have been repaid. All insurance policies and renewals thereof shall be issued by a carrier and in form acceptable to the LACDA.

Owner shall furnish a certificate of insurance and endorsement countersigned by an authorized agent of the insurance carrier on a form of the insurance carrier setting forth the general provisions of the insurance coverage. This countersigned certificate and endorsement shall name the LACDA, the County of Los Angeles, and if available, their respective officers, agents, and employees, as additional insureds under the policy. The certificate by the insurance carrier shall contain a statement of obligations on the part of the carrier to notify the LACDA of any material change, cancellation or termination. Coverage provided hereunder by Owner shall be primary insurance and not contributing with any insurance maintained by the LACDA or the County of Los Angeles, and the policy shall contain such an endorsement. The insurance policy or the certificate of insurance shall contain a waiver of subrogation for the benefit of the LACDA and the County of Los Angeles. The LACDA shall not, by the fact of approving, disapproving, accepting, obtaining or failing to obtain any such insurance, incur any liability for the form or legal or economic sufficiency of any insurance contracts, solvency of insurers, or payment of losses, or any other matter whatsoever; and Owner hereby expressly assumes full responsibility therefor and all liability, if any, thereunder. Should Owner fail to obtain or maintain the coverage described in this Agreement, the LACDA may but is not obligated to obtain or maintain insurance coverage, at Owner's expense, and such actions by the LACDA shall not be considered a waiver by the LACDA of any default, right or remedy under this Agreement or any of the other Loan Documents.

Damage, destruction or other loss regarding the Site or Project shall not terminate this Agreement. The Term of this Agreement shall be extended by the period of time during which the Assisted Units cannot be occupied due to applicable laws, Owner actions, or other agreements, including loan agreements, binding on Owner.

(14) Waiver. Failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. The aggrieved party shall give written notice of the default to the party in default in accordance with Paragraph (18)e hereof. The defaulting party shall no longer be in default if the defaulting party cures such default within thirty (30) days after receiving the Default Notice; provided, however, that if such default cannot be reasonably cured within such thirty (30) day period, the defaulting party shall be given such longer period as reasonably necessary (which in the case of a default by Owner shall be as reasonably determined by the LACDA) and the defaulting party shall no longer be in default if it commences to cure such default within such thirty (30) day period and completes such cure with reasonable and due diligence.

The waiver by one party of the performance of any covenant, condition, or promise shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise hereunder. The exercise of any remedy shall not preclude the exercise of other remedies the LACDA or Owner may have at law or at equity.

(15) Modification. This Agreement may be modified only by subsequent mutual written agreement executed by Owner and the LACDA or their respective successors and assigns.

(16) Hazardous Materials. Owner represents and warrants that it has not deposited (which term shall include use, disposal, storage, or release) Hazardous Materials (as defined below) in, on or upon the Site and Owner covenants that it shall not deposit or permit the deposit of Hazardous Materials in, on or upon the Site or the Project. Owner further covenants to promptly perform and complete all Remedial Work, at its expense (subject to any reimbursement it may be able to obtain from third parties) any Hazardous Materials located in, on or upon the Site or the Project as of the date hereof or which are deposited in, on or upon the Site or the Project from and after the date hereof and during Owner's ownership of the Site or the Project, including any asbestos, lead-based paint and any other Hazardous Materials located in the Project, to the extent required by and in accordance with the requirements of all Applicable Governmental Restrictions, including, without limitation, all applicable environmental laws. The foregoing shall not be construed or understood to prohibit Owner from allowing Hazardous Materials to be brought upon the Project so long as they are materials which are customary to the normal course of business in the operation of a well-designed housing facility and so long as such materials are deposited in accordance with all Applicable Governmental Restrictions. Except with respect to any Environmental Liabilities solely caused by the gross negligence or willful misconduct of the LACDA, Owner shall indemnify, defend (with counsel approved by the LACDA) and hold the Public Agencies and each of their respective members, directors, agents, officers, representatives and employees (the "LACDA Indemnitees") harmless from and against any liability, demands, damages, claims, causes of action, fees (including reasonable attorneys' fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death, that arise (whether by negligence, willful act or otherwise) out of, pertain to,

or relate to, or arising directly or indirectly out of the presence of Hazardous Materials in, on or upon the Site or the Project, existing as of the date hereof or deposited (or claimed to have been deposited) in, on or upon the Site or the Project from and after the date hereof and during Owner's ownership of the Site or the Project, including without limitation any liabilities arising out of any deposits of Hazardous Materials described in (i) and (ii) hereinabove or out of Owner's failure to remove or remediate all such Hazardous Materials in, on or upon the Site and the Project, as required above (collectively, **Environmental Liabilities"**). Except with respect to any claims solely caused by the LACDA Indemnitees, Owner hereby releases and forever discharges each and all of the LACDA Indemnitees from all present and future claims, demands, suits, legal and administrative proceedings and from all losses and liabilities arising out of or in any way connected with Owner's ownership of the Site or the Project, operation of the Project, or any condition of environmental contamination in, on, under, upon or around the Site, or the existence of Hazardous Materials in any state in, on, under, upon or around the Site, and in connection with such release and waiver Owner is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

For purposes of this Agreement, the term "**Hazardous Materials**" means, without limitation, any substance, chemical, material or waste now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," or "pollutant" within the meaning of or regulated or addressed under any Environmental Law. Without limiting the generality of the foregoing, Hazardous Materials includes: Significant Mold; petroleum and petroleum products and compounds containing them or derived from them, including natural gas, gasoline, diesel fuel, oil and other fuels and petroleum products or fractions thereof; radon; carcinogenic materials; explosives; flammable materials; infectious materials; corrosive materials; mutagenic materials; radioactive materials; polychlorinated biphenyls (PCBs) and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials in any form that is or could become friable; underground or above-ground storage tanks, whether empty or containing any substance; pipelines constructed for the purpose of transporting Hazardous Materials, whether empty or containing any substance; any substance the presence of which on, under or about the Site or Project is regulated or prohibited by any governmental authority; any substance that is designated, classified or regulated pursuant to any Environmental Law; and any medical products or devices, including those materials defined as "medical waste" or "biological waste" under relevant statutes or regulations pertaining to any Environmental Law.

"**Environmental Law**" means any federal, state or local law, ordinance, rule or regulation, which now or in the future regulate the use, handling, disposal, transport, exposure, release or remediation of Hazardous Materials, including, without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 9601 et seq.), (ii) the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), (iii) the Clean Air Act (42 U.S.C. Section 7401 et seq.), (iv) the Resource Conservation and Recovery Act, as amended by

the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. Section 6902 et seq.), (v) the Toxic Substances Control Act (15 U.S.C. Section 2601-2629), (vi) the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.), (vii) the Carpenter-Presley¬-Tanner Hazardous Substance Account Act (CA Health & Safety Code Section 25300 et seq.), (viii) the Hazardous Waste Control Law (CA Health & Safety Code Section 25100, et seq.), (ix) the Porter¬-Cologne Water Quality Control Act (CA Water Code Section 13000 et seq.), (x) the Safe Drinking Water and Toxic Enforcement Act of 1986, (xi) the Hazardous Materials Release Response Plans and Inventory (CA Health & Safety Code Section 25500 et seq.), or (xii) the Air Resources Law (CA Health & Safety Code Section 39000 et seq.).

"**Remedial Work**" means any investigation, site monitoring, containment, abatement, clean-up, removal, restoration or other remedial work in connection with any Hazardous Materials, any Environmental Laws, or any order of or agreement with any governmental authority that has or acquires jurisdiction over the Site or Project, or the use, operation or improvement of the Site or Project under any Environmental Law or as recommended in writing by an environmental professional, certified industrial hygienist or person with similar qualifications with respect to Significant Mold.

"**Significant Mold**" means any mold, fungus, bacterial, viral, or microbial matter or pathogenic organisms at, in or about the Site or Project of a type or quantity that: (i) results in, or should reasonably result in, Remedial Work or a significant risk to human health or the environment as determined by a written analysis prepared by an environmental professional, certified industrial hygienist or person with similar qualifications reasonably acceptable to the LACDA; (ii) is required or recommended to be addressed pursuant to Environmental Law, or written recommendation of an environmental professional, certified industrial hygienist or person with similar qualifications; or (iii) would materially and negatively impact the value of the Site or Project.

(17) Events of Default. In the event Owner is in default or does not comply with any of the provisions of this Agreement the LACDA (a "**Default**") may give notice to Owner, as provided under Section 18(e), of such default ("**Deficiency Notice**"). Owner shall have thirty (30) days after the giving of the Deficiency Notice from the LACDA (or from any party authorized by the LACDA to give such notice to Owner) specifying the nature of the event or deficiency giving rise to the default and may include the action required to cure such deficiency; provided, however, that if any default is such that in the LACDA's reasonable determination such default (through no fault of Owner) cannot be cured within the thirty (30) -day period, then, provided Owner has commenced the cure within said thirty (30) -day period and is diligently prosecuting such cure, such thirty (30) –day period may be extended by the LACDA up to a maximum period of ninety (90) days after the giving of said Deficiency Notice and the tax credit investor limited partner of Owner shall have a period of thirty (30) days immediately after the cure period provided to Owner has expired (or been waived by Owner) to cure said deficiency. However, if the default is urgent relating to public health and safety or imminent material property damage, then notice of such default (notwithstanding the provisions of Section 18(e)) may be given by the LACDA in any manner and Owner's cure period shall be limited to such amount of time, as the LACDA considers appropriate under the circumstances. The failure of Owner to cure a Default on or before the expiration of the applicable cure period shall be an "**Event of Default**."

In addition to any other remedies available at law or equity, the LACDA shall have the right if any of the covenants set forth in this Agreement are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach to which it may be entitled, which may include without limitations pursuing one or any number of the following remedies, injunctive relief (the parties hereto acknowledge that monetary damages will not be an adequate remedy), specific performance of any of the covenants contained in this Agreement.

If an Event of Default occurs, Owner agrees that in addition to any other remedies available to the LACDA under applicable laws, the Term of this Agreement shall be extended on a day for every day or partial day from the date of the applicable Deficiency Notice until such Default has been cured. The LACDA is hereby authorized by Owner to record in the Official Records for the Site a document which confirms that the extension of the Term.

(18) Miscellaneous Provisions.

a. Interpretation. The provisions of this document shall be liberally construed to effectuate its purpose. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the paragraphs of this Agreement are for convenience only and do not define or limit any terms or provisions. Time is of the essence in the performance of this Agreement by Owner. Each party has been represented by counsel in the negotiation of this Agreement, and it shall not be interpreted in favor of or against any party on account of relative responsibilities in drafting. As used in this Agreement, the word "includes or "including" means including without limitation, the word "or" is not exclusive and the words "herein," "hereof," "hereto" and hereunder refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (i) to articles, paragraphs, sections and exhibits mean the articles, paragraphs, sections and exhibits which are part of this Agreement, (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto. This Agreement is made solely for the benefit of the LACDA and Owner and their respective successors and assigns, and no other person or entity shall have or acquire any rights under this Agreement unless expressly stated to the contrary in this Agreement. There are references in this Agreement to the Loan Agreement and related documents for definitions and standards. These definitions and standards shall apply to this Agreement notwithstanding the earlier repayment or termination of the Loan.

b. Severability. Invalidation of any of the covenants, conditions, restrictions, or other provisions contained in this Agreement by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, which shall remain in full force and effect.

c. LACDA Approvals. Any review or approval of any matter by the LACDA or any LACDA official or employee under this Agreement shall be solely for the benefit of the LACDA, and neither Owner nor any other person shall rely upon such review or approval

as an indication of the wisdom, soundness, safety, appropriateness, or presence or absence of any matter. Without limiting the generality of the foregoing, Owner and not the LACDA shall be solely responsible for assuring compliance with laws, and the operation of the Site or Project.

d. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same document.

e. Notices. All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Agreement shall be in writing and shall be given by personal delivery, facsimile, certified mail (return receipt requested), or overnight guaranteed delivery service, postage and delivery charges pre-paid and addressed or faxed as follows:

If to the LACDA:	Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Executive Director Fax No. (626) 943-3816
With a copy to:	Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816
If to Owner:	2052 Lake Altadena, L.P. c/o EAH Inc. 22 Pelican Way San Rafael, CA 94901 Attn: President
With a copy to:	EAH Community Housing Inc. 22 Pelican Way San Rafael, CA 94901 Attn: President
If to Owner's limited partner:	U.S. Bancorp Community Development Corporation USB Project No.: 30511 1307 Washington Avenue, Suite 300 Mail Code: SL MO RMCD St. Louis, MO 63103 Attn: Director of LIHTC Asset Management Phone: (314) 335-2600

Notices shall be effective upon receipt, if given by personal delivery; upon receipt, if faxed, provided there is written confirmation of receipt (except that if received after 5 p.m., notice shall be deemed received on the next business day); the earlier of (i) three (3) business days after deposit with United States Mail, or (ii) the date of actual receipt as evidenced by the return receipt, if delivered by certified mail; and one (1) day after deposit with the delivery service, if delivered by overnight guaranteed delivery service. Each party shall promptly notify the other party of any change(s) of address or fax to which notice shall be sent pursuant to this Agreement. Notice information may be amended by giving notice in accordance with this provision. Notwithstanding the above, if a notice party refuses to accept notices given by courier or certified mail after two attempts have been made to deliver notice by such means, then such notice shall be deemed received as of the date the first attempt at service of such notice was made.

f. Fees, Expenses, and Payments. Owner shall within five (5) days after the LACDA's request, reimburse or advance any fees, costs, charges, expenses, or similar amounts incurred by or charged to the LACDA in connection with this Agreement including but not limited to, expenses incurred to review or approve any request by Owner, or review Project status and compliance with the provisions of this Agreement, or to comply with applicable laws or affordable housing program requirements.

g. Exhibits. Each Exhibit mentioned in this Agreement is attached hereto and incorporated herein by this reference.

h. LACDA's Right to Inspect. In addition to any other inspection rights provided in this Agreement Owner agrees as follows: The LACDA may inspect the Project, the Assisted Units and any documents or records relating thereto, at any reasonable time to determine Owner's compliance with this Agreement. Owner shall maintain accurate and complete books and records for the Project, including the Assisted Units, and such books and records shall be available for inspection and copying at Owner's expense by the LACDA or its designees at any time during business days between 9AM – 5 PM, three (3) days after demand for such inspection has been given by the LACDA. Upon the request of the LACDA Owner shall at no cost to the LACDA, report to the LACDA on the status of the Project, the estimated completion of Project milestones, whether the Project is on budget and shall provide the LACDA with copies of information and reports reasonably requested by the LACDA. The request for information and reports prepared by Owner for third parties shall be deemed reasonable.

i. Conflicts between Affordable Housing Covenants. It is the intention of the parties that Owner shall comply with the affordable housing covenants and agreements which impose the greatest restriction on the Site and Project, therefore if there is a conflict, now or in the future, between the provisions contained in this Agreement and another regulatory agreement or affordable housing covenants contained in another agreement binding on the Site or Project the more restrictive provisions shall be followed by Owner and Owner shall not be in default of its obligations under such regulatory agreements, covenants, and agreements or this Agreement if Owner follows the more restrictive provisions. For example but not as a limitation to this paragraph, if one provision required 2 units to be set aside for affordable housing and another provision required 5 units to be set aside, Owner shall set aside 5 units; or if one provision established income qualification standards at 80% of AMI and another at 50% then Owner shall

comply with the 50% standard; or if one adopted a more detailed description of eligible household than another then the more detailed one will apply; or if one required annual reporting and another required quarterly reporting then Owner will provide quarterly reporting.

j. Notices Regarding Expiration of Term. Owner shall, if applicable, comply with the provisions of Government Code sections 65863.10, 65863.11 and 65863.13 and any other applicable laws with regard to providing notices to the tenants and other parties described therein, regarding any termination of this Agreement and its affordable housing restrictions.

IN WITNESS WHEREOF, the LACDA and Owner have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized as of date first written above.

LACDA:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic

Executive Director or Designee

Emilio Salas

Printed Name

(Signatures Continue on Next Page)

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 Los Angeles)

On January 11, 2024, before me, Gabriela Ochoa-Martinez, Notary Public, personally appeared Emilio Salas, 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 Gabriela Ochoa-Martinez

GABRIELA OCHOA-MARTINEZ
Notary Public - California
Los Angeles County
Commission # 2431283
My Comm. Expires Dec 17, 2026

OWNER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

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 Marin)

On January 9th, 2024 before me, Cleopatra Herron, Notary Public, personally appeared Welton Jordan, 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 Cleopatra Herron

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

EXHIBIT A TO CC&Rs

LEGAL DESCRIPTION OF SITE
(COUNTY GENERAL FUND - PROJECT NO. C27A12)

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT B TO CC&Rs

RESERVED

EXHIBIT "E-3" TO LOAN AGREEMENT

DR-MHP REGULATORY AGREEMENT

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

FREE RECORDING IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTIONS 27383 and 27388.1

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801

Attn: Executive Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY MULTIFAMILY HOUSING PROGRAM

REGULATORY AGREEMENT

CONTRACT NUMBER 20-DRMHP-00022

This Regulatory Agreement (the "Agreement") dated January 16, 2024, for reference purposes only, is made and entered into by and between 2052 Lake Altadena, L.P., a California limited partnership (the "Developer"), and Los Angeles County Development Authority, (the "Subrecipient"), pursuant to the requirements of the Community Development Block Grant - Disaster Recovery Multifamily Housing Program administered by the Department of Housing and Community Development, a public agency of the State of California (the "Department").

RECITALS:

A. Developer has applied to Subrecipient for Community Development Block Grant - Disaster Recovery Multifamily Housing Program financial assistance (the **"Assistance"**) for the development of a rental housing development located at 2052 Lake Avenue Altadena, CA 91001, consisting of a total of 57 Housing Units (the **"Development"**), of which 18 DR-MHP Assisted Units (the **"DR-MHP Assisted Units"**) are to be occupied by eligible Households as provided in this Agreement. The Development is located on the real property described in Exhibit A hereto (the **"Property"**). The Subrecipient, with Department's approval, has agreed to provide the Assistance under the Community Development Block Grant - Disaster Recovery Multifamily Housing Program (the **"Program"**) and the DR-MHP Policies and Procedures Manual (the **"DR-MHP Policies and Procedures"**). The obligations imposed on the Developer by the Program and the Program policies and procedures are collectively referred to herein as the **"Program Requirements."**

B. Community Development Block Grant Disaster Recovery (CDBG-DR) funding was appropriated under Public Laws 115-254 and 116-20, and awarded by the U.S. Department of Housing and Urban Development (HUD) to the Department via Federal Register Notice 83 FR 4681. The Department serves as the lead agency and responsible entity for administering CDBG-DR funds. CDBG-DR supports the State of California's unmet recovery needs related to the Federal Emergency Management Agency (FEMA) Major Disaster Declarations DR-4407 and DR-4382 in August 2018. HCD performed an unmet needs assessment that covered the areas affected by DR 4407 and DR 4382, and included data from FEMA, Small Business Administration (SBA), California's Department of Forestry and Fire Protection (CAL FIRE), and California Department of Insurance (CDI). The Department developed the Disaster Recovery Multifamily Housing Program (DR-MHP). DR-MHP projects are funded to assist with meeting the unmet rental housing need, including the needs of individuals displaced from rental homes and individuals who became homeless as the result of the disasters.

C. As required by the Program, Subrecipient and the Department have entered into a Master Standard Agreement, numbered 20-DRMHP-00022, and dated September 23, 2021, which provides the overarching terms and conditions for implementing the Program and the terms of the Assistance common to all projects to be completed by the Subrecipient (the "Master Standard Agreement").

D. As required by the Program and the Master Standard Agreement, Department has issued to Subrecipient a Notice to Proceed for the Development, dated December 31, 2023, which provides the specific terms and conditions for the Development (the "Notice to Proceed").

E. As required by the Program, Developer and the Subrecipient have entered into that certain Development Agreement dated January 16, 2024, governing the terms and conditions of the Development and governing the terms of the Assistance for the Development (the "Development Agreement"). As required by the Program, Subrecipient has made a part of the Development Agreement the DR-MHP Development Agreement Rider (the "Development Agreement Rider") to include terms required by the Department for the Development.

F. The Master Standard Agreement, the Notice to Proceed, the Development Agreement, the Development Agreement Rider, this Agreement and such other documents which govern and secure the Development as are reasonably required by the Subrecipient and Department are collectively referred to herein as the "Program Legal Documents."

G. As further consideration for the Assistance and in furtherance of the purposes of the Program, Developer has agreed to enter into this Agreement and consent to its recordation against the Development. The purpose of this Agreement is to regulate and restrict the occupancy, rents, operation, ownership and management of the Development in compliance with the Program Requirements and put such regulations and restrictions on title for the term of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are a part of this Agreement and are incorporated herein by reference as if fully stated herein.

2. Property. Developer is the owner in fee of the Property and all improvements now and hereafter located thereon.

3. Definitions. Unless the context requires otherwise, or the terms are defined herein, the terms used in this Agreement shall be governed by the definitions set forth in the Program policies and procedures. The following terms shall have the respective meanings assigned to them in this paragraph unless the context in which they are used clearly requires otherwise:

   a. Affordable Rents: means rents that are at or below the "High" HOME Program rents published by HUD for different metropolitan areas.

   b. Affordable Units: means a "dwelling" that is rented at an Affordable Rent to a household that earns less than 80 percent of Area Median Income adjusted for household size as calculated by HUD for different metropolitan areas within the State and published annually by the Department and HUD.

   c. Area Median Income (AMI): means the median family income for specific geographic areas, adjusted for household size, as calculated by HUD, and published annually by HCD for the CDBG program.

   d. Commercial Space: any nonresidential space located in or on the property of the Development that is, or is proposed to be, rented or leased by the owner of the Project, the income from which shall be included in Operating Income, as applicable, which ensures the fiscal integrity of the Development.

   e. Developer Fee: All Funds paid at any time as compensation for developing the Development, to include all development consultant fees, processing agent fees, developer overhead and profit, construction management oversight fees if provided by the developer, personal guarantee fees, syndicator consulting fees, and reserves in excess of those customarily required by multi-family housing lenders.

   f. Distributions: the amount of cash or other benefits received from the operation of the Development and available to be distributed to the Developer or any party having a beneficial interest in the Development after payment of all due and outstanding obligations incurred in connection with the Development.

   g. Disability: any disability, including mental or physical disability, that limits a major life activity, including a disability that falls within the definitions in Government Code (G.C.) Sections 11135, 12926, and 12926.1 or within the definition of disability used in the federal Americans with Disabilities Act of 1990, codified at 42 U.S.C. 12102.

h. Elderly Person: A person at least 62 years of age (24 CFR Part 5.100).

i. Extremely Low Income (ELI): ELI individuals or families whose income is at or below 30% of the area median income (AMI) or the federal poverty level, whichever is higher for the area of the Development.

j. Fiscal Year: the Fiscal Year for the Development shall mean the annual period commencing on January 1st and concluding on December 31st each year.

k. Household: One or more persons occupying a housing unit.

l. Initial Operating Year: the initial period of operation of the Development, beginning at the time of the initial occupancy of the completed project and ending on the last day of the Fiscal Year for the Development.

m. Low- to Moderate-Income (LMI): Low to moderate income people are those having incomes not more than the “moderate-income” level (80% Area Median Family Income) set by the federal government for the HUD-assisted Housing Programs. This income standard changes from year to year and varies by household size, county and the metropolitan statistical area.

n. Operating Expenses: the amount approved by the Subrecipient that is necessary to pay for the recurring expenses of the Development, such as utilities, maintenance, management, taxes, licenses, and Supportive Services costs, but not including debt service or required reserve account deposits.

o. Operating Income: all income generated in connection with operation of the Development including rental income for DR-MHP Assisted Units and non-DR-MHP Assisted Units, rental income for Commercial Space or commercial use, laundry and equipment rental fees, rental subsidy payments, and interest on any accounts, other than approved reserve accounts, related to the Development. "Operating Income" does not include security and equipment deposits, payments to the Developer for Supportive Services not included in the operating budget, cash contributed by the Developer, or tax benefits received by the Developer.

p. Ordinary Maintenance and Repair: means regular or usual care, upkeep or replacement of any part, or putting back together that which is deteriorated or broken, of an existing property, building or structure to effect the maintenance of a decent, safe, sanitary condition.

q. Project Closeout Documentation: required documentation to be submitted to the Department by the Subrecipient and includes, but may not be limited to: project completion report, final activity report, recorded notice of completion, relocation report (if applicable) and a resolution from the governing body.

r. Reconstruction: Demolishing and re-building a housing unit on the same lot in substantially the same manner. Reconstruction is rehabilitation for purposes

of DR-MHP.

s. Rent: means all mandatory charges, other than deposits, paid by the tenant for the use and occupancy of a DR-MHP Assisted Unit, plus a utility allowance established in accordance with HOME Regulations at 24 CFR 92.252(a).

t. Restricted Unit: DR-MHP Assisted Units and any units that are subject to Rent and occupancy restrictions that are comparable to those applicable to DR-MHP Assisted Units. Restricted Units include units subject to a TCAC regulatory agreement, and all units subject to similar long-term, low-income or occupancy restrictions imposed by other public agencies.

u. Special Needs or Special Needs Populations: means agricultural workers, individuals living with physical or sensory disabilities and transitioning from hospitals, nursing homes, development centers, or other care facilities; individuals living with developmental disabilities, serious mental illness or substance abuse disorders; individuals who are survivors of domestic violence, sexual assault, and human trafficking; individuals who are experiencing Homelessness; individuals with HIV; homeless youth as defined in Government Code (GC) Section 12957(e)(2); families in the child welfare system for whom the absence of housing is a barrier to family reunification, as certified by a county; frequent users of public health or mental health services, as identified by a public health or mental health agency; Frail Elderly Persons; or other specific groups with unique housing needs as determined by the Department. “Special Needs Populations” do not include seniors unless they otherwise qualify as a Special Needs Population.

v. Substantial Rehabilitation: Rehabilitation as defined in 24 CFR 5.100.

w. Supportive Housing: means housing with no limit on length of stay, that is occupied by the target population and that is linked to onsite or offsite services that assist the Supportive Housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

x. Supportive Services: social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits.

y. TCAC: means the California Tax Credit Allocation Committee.

z. Uniform Relocation Assistance and Real Property Acquisition Act (URA) (42 U.S.C. Chapter 61): A federal law that establishes minimum standards for federally funded programs and Projects that require the acquisition of real property (real estate) or the displacement of persons from their homes, businesses, or farms.

4. Compliance with Program Requirements. The Developer agrees that at all times its actions regarding the Development and the use of funds provided under the Master Standard Agreement and the Notice to Proceed shall be in conformity with all Program Requirements, including the requirements of this Agreement and the Program Legal Documents. The Developer acknowledges that it is familiar with the Program Requirements, the requirements imposed on the Developer in the Program Legal Documents, and has access to professional advice to the extent necessary to enable the Developer to fully comply with the Program Requirements and the applicable provisions of the Program Legal Documents.

5. Term of Agreement. This Agreement shall commence on the date set forth above and remain in full force and effect and shall apply to the Development through and including the twentieth (20th) anniversary of the date of Department acceptance of the Project Closeout Documentation hereof regardless of any prepayment of the Assistance or sale, assignment, transfer or conveyance of the Development, unless terminated earlier by the Department or Subrecipient or extended by the mutual consent of the Parties.

6. DR-MHP Assisted Units, Restricted Units, Special Needs Populations Units and Supportive Housing Units.

   a. For the full term of this Agreement, Developer shall provide within the Development, the number, type and size of DR-MHP Assisted Units set forth in Exhibit B, Part I, attached hereto and incorporated herein.

   b. Restricted Units shall not differ substantially in size or amenity level from non-Restricted Units within the Development with the same number of bedrooms, and Restricted Units shall not be segregated from non-Restricted Units.

   c. Within the limits of subparagraph b. above, and subject to the requirements of subparagraph a. above, Developer may change the designation of a particular Unit from DR-MHP Assisted Unit to non-DR-MHP Assisted Unit, and vice versa, over time, only to address situations when a tenant in a DR-MHP Assisted Unit is no longer qualified to reside in that unit or if the unit is no longer habitable. Any other proposed changes to the unit designation must be approved in writing in advance by the Subrecipient.

7. Affirmative Marketing and Tenant Selection Procedures. Affirmative Marketing involves special outreach and advertising efforts designed to communicate the availability of DR-MHP assisted housing to those groups or individuals who might otherwise be unlikely to apply. Affirmative marketing efforts must be commenced by the Developer at least 90 days prior to initial or renewed occupancy for new construction and Substantial Rehabilitation Projects, respectively. The Department has determined that in addition to the required demographic analysis, individuals and families that were impacted by the disasters and Section 8 Housing Choice Voucher holders are least likely to apply. Examples of renters impacted by the disasters include renters that have lost rental units or have been displaced due to

the impacts of DR-4382 and DR-4407. The Affirmative Marketing Plan shall be updated and submitted to Subrecipient every five (5) years during the term of this Agreement.

Developer shall rent DR-MHP Assisted Units in the Development to eligible Households in accordance with the management plan prepared by the Developer and approved by and on file with the Subrecipient and Department (the "Management Plan") pursuant to paragraph 13 of this Agreement. The Management Plan shall, at minimum:

a. detail actions to be taken by Developer to affirmatively market all Housing Units in a manner that ensures equal access to all persons in any category protected by federal, state or local laws governing discrimination, and without regard to any arbitrary factor;

b. specify reasonable criteria for determination of tenant eligibility, including Household size;

c. require that eligible tenants be selected based on order of application, lottery, or other reasonable method approved by the Subrecipient;

d. require eligible applicants to be notified of eligibility and, based on turnover history, when a DR-MHP Assisted Unit may be available;

e. require ineligible applicants to be notified of the reason for their ineligibility;

f. specify procedures through which applicants deemed to be ineligible may appeal this determination;

g. require maintenance of a waiting list of eligible applicants;

h. specify procedures for obtaining information regarding prospective tenants' incomes as necessary to certify that such income does not exceed the income limit limitations; and

i. be made available to prospective tenants upon request.

8. Non-Discrimination. Developer shall not discriminate against any tenant or prospective tenant on the basis of any class or status prohibited by Government Code section 12920 and United States Code 42 U.S.C section 3601 – 3019, including: race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, genetic information, or any other arbitrary factor in violation of any state, federal or local law governing discrimination in rental housing. The restriction of housing to Elderly and Special Needs Populations is permitted where the housing is intended to benefit those targeted groups in compliance with applicable law, and only with prior approval of the selection criteria by the Subrecipient.

9. Rental Agreement and Occupancy Procedures.

a. Each eligible Household selected to occupy a DR-MHP Assisted Unit in the Development shall enter into a written rental or occupancy agreement with the Developer, the form of which shall be subject to approval by the Subrecipient and be consistent with the Program Requirements. Such rental agreement shall provide for, inter alia, good cause eviction, reference the appeal and grievance procedures set forth in the Management Plan, and require the tenant annually recertify household income and size.

b. The Developer may establish reasonable rules of conduct and occupancy. Such rules shall be consistent with state law and the Program Requirements and shall not distinguish or discriminate between Restricted Units and non-Restricted Units. The rules shall be in writing and shall be given to each tenant upon occupancy. Any change to such rules shall become effective no less than thirty (30) days after giving written notice thereof to each Household in the Development.

10. DR-MHP Assisted Unit Rents and Maximum Income.

a. For the Initial Operating Year, Developer shall charge Rents for the DR-MHP Assisted Units in the Development in accordance with Exhibit B hereto.

b. After the Initial Operating Year, Rents for DR-MHP Assisted Units may be adjusted no more often than every twelve (12) months. Developer shall provide tenants of DR-MHP Assisted Units not less than 30 days prior written notice, or a longer period as required by state or local law, before implementing any increase in rents. In no event shall the rents exceed the High HOME Rents as designated for the area and published by HUD. If the Project is assisted with tax credits, the amount and method of rent adjustment for DR-MHP Assisted Units shall be in accordance with the Tax Credit Allocation Committee (TCAC) policy or a longer period as required by state or local law.

c. Notwithstanding the previous subparagraph, Rents for DR-MHP Assisted Units subsidized under Section 8 of the Housing Act of 1937 or any comparable federal or state rental assistance program may be adjusted as required by the respective rental assistance program, for as long as the DR-MHP Assisted Units continue to receive the rental assistance.

d. The maximum income of a Household occupying a DR-MHP Assisted Unit shall not exceed 80% of the Area Median Income at initial Household income certification, consistent with Section 4.11 of t.

11. Rents for non-DR-MHP Assisted Units and Commercial Space. Developer shall establish and implement a rent structure and operations budget for non-DR-MHP Assisted Units and Commercial Space, if applicable, in order for the Department to ensure continued financial viability throughout the affordability period.

a. For the Initial Operating Year, rent for non-DR-MHP Assisted Units and Commercial Space shall be in accordance with Exhibit B attached hereto. After the Initial Operating Year, rents for non-DR-MHP Assisted Units and Commercial Space may be adjusted in accordance with the provisions outlined by other funding sources and requirements of state and local laws.

b. Developer shall estimate all income and expenses attributable to the non-DR-MHP Assisted Units and, if applicable, Commercial Space, in the annual operating budget described in paragraph 16 herein, and shall report all income and expenses attributable to non-DR-MHP Assisted Units and Commercial Space in the annual report described in paragraph 18 herein.

12. Certification of Tenant Income and Household Size.

a. The income and Household size of all Households occupying DR-MHP Assisted Units shall be certified by the Developer prior to occupancy and recertified annually thereafter in the manner specified in the Development's approved Management Plan and in accordance with applicable rules, regulations, and procedures governing the Program.

b. If, at the time of tenant recertification, the income of a Household occupying a DR-MHP Assisted Unit exceeds the income level applicable to new tenants for respective DR-MHP Assisted Units, the Developer shall:

1) increase the tenant's rent to the lesser of 30 percent of adjusted income, fair market rent, or the rent limitations of other funding programs governing the unit; and

2) to the extent another non-DR-MHP Assisted Unit becomes available within the Development, designate the next available comparable non-DR-MHP Assisted Unit as a DR-MHP Assisted Unit at the income level originally applicable to the Household until the unit mix required by this Agreement is achieved. A Housing Unit shall be deemed "comparable" if it has the same number of bedrooms, the same or similar features, and is similar in size to the original DR-MHP Assisted Unit.

13. Management and Maintenance.

a. Developer is responsible for all maintenance, repair, and management functions, including without limitation, the following: selection of tenants; recertification of family income and size; evictions; collection of Rents; ordinary and extraordinary maintenance and repairs; and replacement of capital items. Developer shall maintain all Housing Units, common areas and Commercial Space in a safe and sanitary manner in accordance with local health, building, and housing codes and the Management Plan described above.

b. Developer is responsible for operating the Development in accordance with the Management Plan. All amendments to this plan require prior written approval of the Subrecipient.

c. Developer may, with the prior written approval of the Subrecipient, contract with a management agent for the performance of the services or duties required in subparagraphs a. and b. of this paragraph 13. However, such an arrangement does not relieve the Developer of responsibility for proper performance of these duties. Such contract shall be subject to prior written approval by the Subrecipient and shall contain a provision allowing the Developer to terminate the contract without penalty upon no more than thirty (30) days' notice. Upon a determination by the Subrecipient, and notice to the Developer thereof, that the contractor performing the functions required in subparagraphs a. and b. has failed to operate the Development in accordance with this Agreement and the approved Management Plan, the Developer shall exercise such right of termination forthwith and make immediate arrangements, which shall be subject to Subrecipient approval, for continuing performance of the functions required in subparagraphs a. and b.

d. Upon a determination by the Subrecipient, and notice to the Developer thereof, that the Developer has failed to operate the Development in accordance with this Agreement, the Subrecipient may require the Developer to contract with a qualified management agent to operate the Development, or to make such other arrangements as the Subrecipient deems necessary to ensure performance of the functions required in subparagraphs a. and b.

e. Developer shall operate, maintain and repair both Restricted and non-Restricted Units equally without regard to their designation as Restricted Units or non-Restricted Units.

14. Insurance. Subrecipient, its Developers and Contractors shall comply with all requirements outlined in the (A) General Provisions section and (B) Project Insurance Requirements outlined herein. These requirements are in addition to, and not in lieu of, any other insurance coverages required elsewhere in the Development Agreement and elsewhere in the Master Standard Agreement. The Department reserves the right to waive or adjust required insurance coverages from time to time in its sole discretion.

a. General Provisions Applying to All Policies

1) Coverage Term – Subrecipient's coverage needs to be in force for the complete term of the Agreement, unless otherwise noted herein. The Developer's coverage needs to be in force for the complete affordability period of each Approved Project. The Developer's coverage needs to be in force until a certificate of occupancy is issued for each Approved Project. No work may be performed by Subrecipient, Developer, or a contractor until and unless all insurances required by this Agreement are in full force and effect. If insurance expires during the term of the Agreement/affordability period/certificate of occupancy issuance, as applicable, a new certificate must be received by the Department at least thirty (30) days prior to the expiration of said insurance. Any new insurance must comply with the original terms of this Agreement.

2) Policy Cancellation or Termination & Notice of Non-Renewal – Subrecipient is responsible to notify the Department within fifteen (15) business days prior to any actual or proposed cancellation, non-renewal or material change that affects required insurance coverage. No policy may be cancelled upon less than thirty (30) days' prior written notice from the insurer to the insured and the Department. New certificates of insurance are subject to the approval of the Department and the Subrecipient agrees no services will be commenced or performed prior to obtaining such approval. In the event Subrecipient and Developer fails to keep in effect at all times the specified insurance coverage, the Department may, in addition to any other remedies it may have, terminate this Agreement and/or Approved Project upon the occurrence of such event, subject to the provisions of this Agreement.

3) Premiums, Assessments and Deductibles – Subrecipient, Developer and contractors for each Approved Project are responsible for the payment of all premiums, policy assessments, deductibles or self-insured retentions associated with their respective insurance programs.

4) Primary Clause – Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the Department.

5) Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least "A–" with a financial category rating of no lower than VII. If the Subrecipient, Developer and/or contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required. Acceptance of self-insurance is within the sole discretion of the Department, and the Department reserves the right to require insurance from third-party commercial insurers.

6) Endorsements – Any required endorsements requested by the Department must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

7) Inadequate Insurance – Inadequate or lack of insurance does not negate the Subrecipient's, Developer's, or contractor's obligations under this Agreement or the terms specific to the relevant Approved Project, nor does the availability or limits of any insurance policies required herein in any way limit the liability of Subrecipient, or any Developer or contractor, to the Department hereunder, nor does it in any way limit the liability of such parties to the Department in regards to any indemnification obligations of such parties herein.

8) Available Coverages/Limits – All coverage and limits available to the Subrecipient, Developer, or contractor shall also be available and applicable to the Department.

9) Satisfying an SIR - All insurance required by this Agreement and any required by the terms specific to the relevant Approved Project must allow the Department to pay and/or act as the Subrecipient's, Developer's, or contractor's agent in satisfying any self-insured retention (SIR). The choice to pay and/or act as the Subrecipient's, Developer's, or contractor's agent in satisfying any SIR is at the Department's discretion.

10) Use of Subcontractors - In the case of Developer or contractor's utilization of subcontractors to complete the contracted scope of work for the relevant Approved Project, Developer or contractor shall include all subcontractors as insureds under Developer's or contractor's insurance or supply evidence to the Subrecipient of subcontractor's insurance equal to policies, coverages, and limits required of Developer and contractor.

b. Project Insurance Requirements Developer, and/or contractor shall display evidence, as applicable for the relevant Approved Project, of the following on a certificate of insurance evidencing the below coverages. No work shall be commenced on any Approved Project prior to such coverages being in effect and the required certificate(s) have been provided to the Department.

1) Commercial General Liability – Subrecipient and Developer or contractor on an Approved Project shall maintain commercial general liability insurance on an occurrence form with limits not less than $1,000,000 per occurrence for bodily injury and property damage liability combined with a $2,000,000 annual policy aggregate for the duration of this Agreement. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Developer's or contractor's limit of liability.

The policy must name The State of California, its officers, agents, and employees as additional insureds, but only with respect to work performed under this Agreement.

2) Automobile Liability – Developer or Contractor shall maintain, as applicable, business automobile liability insurance for limits not less than $1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. Should the scope of the relevant Approved Project involve transportation of hazardous materials, evidence of an MCS-90 endorsement is required.

The policy must name The State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under this Agreement.

3) Workers' Compensation and Employer's Liability – Subrecipient and Developer or Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of this Agreement and the relevant Approved Project. In addition, employer's liability limits of $1,000,000 are required. By signing this Agreement, Subrecipient acknowledges compliance with these regulations. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must be attached to certificate.

4) Flood Insurance – The Subrecipient shall ensure that Developer complies with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). Subrecipient shall ensure flood insurance coverage is provided by the Developer for the Approved Project if required by the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). The Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, that flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

5) Builders Risk insurance – Developer or Developer's contractor on an Approved Project shall maintain builders risk coverage prior to or upon commencement of construction of the Approved Project, including any delivery and storage of materials to be incorporated into the Approved Project, through the completion of construction and until property insurance can be secured. This coverage must cover all risk of physical damage or risk of loss for an amount equal to the full amount of the cost of construction. This coverage must include coverage for flood if the Property is located in a Special Flood Hazard Area as determined by the Federal Emergency Management Agency. Additionally, Developer or Developer's general contractor must obtain a builder's risk installation floater for coverage of the contractor's labor, materials, and equipment to be used for completion of work performed under the construction contract. The minimum amount of coverage to be carried must be equal to the full amount of the cost of construction.

6) Property Insurance – Developer on an Approved Project shall maintain including all risk coverage or standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements to the extent of full replacement value of the Approved Project for the duration of the term of the Affordability Period. Coverage amount may be adjusted for fluctuation in replacement values. This coverage is required upon completion of construction of the Approved Project, or upon closing of the financing for the Approved Project if it is a rehabilitation project.

15. Condemnation.

a. The Developer shall at all times keep the Development insured against loss by fire and such other hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the Subrecipient. All insurance policies and renewals thereof shall be issued by a carrier and in form acceptable to the Subrecipient.

b. In the event of any fire or other casualty to the Development or eminent domain proceedings resulting in condemnation of the Development or any part thereof, Developer shall be obligated to rebuild the Development, and to use all

available insurance or condemnation proceeds therefore, provided that, as determined by the Subrecipient in its sole discretion, (i) such proceeds are sufficient to keep the Assistance in balance and rebuild the Development in a manner that provides adequate security to the Subrecipient for repayment of the Assistance or if such proceeds are insufficient, then Developer shall have funded any deficiency (ii) the Subrecipient shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (iii) no material breach or default then exists under the Program Legal Documents. If the casualty or condemnation affects only part of the Development and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Assistance in a manner that provides adequate security to the Subrecipient for repayment of the remaining balance of the Assistance.

c. In the event that the Developer fails to commence or to complete the rebuilding, repair, replacement or restoration of the Project timely, the Department and Subrecipient shall have the right, in addition to any other remedies granted in the Program Legal Documents or at law or in equity, to repair, restore, rebuild or replace the Project so as to prevent the occurrence of a default hereunder.

16. Annual Operating Budget.

a. For the Initial Operating Year, Developer shall operate the Development and expend Operating Income in accordance with the initial operating budget approved by and on file with the Subrecipient. Such budget shall show all anticipated Operating Income, debt service, Operating Expenses and amount payable to reserves for the Initial Operating Year.

b. No later than sixty (60) days prior to the beginning of each subsequent Fiscal Year of the Development, the Developer shall submit to the Subrecipient a proposed annual operating budget on a form provided by the Subrecipient. The proposed annual operating budget shall set forth the Developer's estimate of Operating Income, Operating Expenses and debt service for the upcoming year, amounts payable to reserves, and proposed Rent adjustments.

c. If the Development contains either non-Restricted Units or Commercial Space, or both, each annual operating budget shall show amounts, sources and uses of income allocated between DR-MHP Assisted Units, Restricted Units, non-Restricted Units, and Commercial Space. The allocation method used for each budget line item shall be subject to Subrecipient approval, and shall apportion income and expenses in a manner that accurately reflects the particular physical, operational and economic characteristics of the Development.

17. Periodic Reports. Developer shall submit to the Subrecipient such periodic reports as deemed necessary by the Subrecipient to monitor the Developer's compliance with this Agreement. The reports may include, but are not limited to:

a. an income and expense statement for the reporting period;

b. a summary of the occupancy of the Development, indicating the number and type of Units reserved for eligible Households, the number of vacant Units, and the number of evictions completed or in process;

c. a report on maintenance or other issues anticipated to impact the current budget needs of the Development;

d. information on the status of waiting lists for the DR-MHP Assisted Units, including the number of households on lists for different Unit sizes and by income group, as well as evidence of compliance with Project's Affirmative Marketing Plan; and

e. other information as required by the Subrecipient to accurately monitor Developer's performance hereunder.

If, after the Initial Operating Year, the Subrecipient determines that such periodic reports continue to be necessary, the Subrecipient shall so notify the Developer as part of the annual budget approval process. Upon such notification, Developer shall submit the requested reports.

18. Annual Report and Audit.

a. Developer shall file an annual report with the Subrecipient no later than ninety (90) days after the end of each Fiscal Year for the Development. The report shall be in such form and contain such information as required by the Subrecipient.

b. As part of the annual report, the Developer shall submit an audit of the Development prepared by an independent certified public accountant in accordance with Subrecipient audit requirements, and as specified in the Department's Audit Handbook, titled "Audited Financial Statements for Multifamily Rental Housing", published April 2018, as periodically updated, located on the Department's website here: https://www.hcd.ca.gov/grants-funding/already-have-funding/all-rental-projects.shtml.

19. Required Reserves. Developer shall establish, fund and maintain reserve accounts for the term of this Agreement as listed below. All such accounts shall be in the name of the Developer, earn interest, and, unless otherwise approved in writing by the Subrecipient, be insured by an agency of the federal government or other comparable federal insurance program. All interest earned on a reserve account shall become a part of the account. Withdrawals from the reserve accounts shall require prior written approval of the Subrecipient, except as specifically noted in

Exhibit C. Should the Subrecipient fail to take action on a request for a withdrawal from a reserve account within thirty (30) days of documented receipt of the request, that request will be deemed approved.

a. Replacement Reserve Account. Commencing no later than the date funds are disbursed pursuant to the Program Legal Documents, Developer shall establish a segregated replacement reserve account. Developer shall make annual deposits from Operating Income to the replacement reserve account in the amount set forth in Exhibit C, unless the Subrecipient determines, in its sole discretion, that more frequent deposits are required. Developer shall also deposit any Development funds designated for replacement reserves into this account, including those identified in Exhibit C. The amount of the minimum annual deposit may be adjusted, as determined by the Subrecipient, in its sole discretion, based on the results of reserve studies, performed by an independent third party at the Developer's expense as requested by the Subrecipient or as based on other reliable indicators of the need for reserve funds over time.

b. Operating Reserve Account. Developer shall establish an operating reserve account or sub-account within the Development's general operating account no later than sixty (60) days from the date of recordation of this Agreement. Developer shall fund the operating reserve account at permanent conversion with an initial deposit in an amount as specified in Exhibit C, and through monthly deposits from Operating Income in amounts as specified in Exhibit C or in approved annual operating budgets. Developer shall fully replace any withdrawals from the operating reserve account using available cash flow prior to use of any cash flow to pay deferred Developer Fee, partnership management or similar fees, or Distributions.

c. Other Reserve Accounts. Developer certifies that Exhibit C hereto contains a complete listing of all reserve accounts established or to be established for the Development. All withdrawals from these accounts shall require prior written Subrecipient approval, except as specifically noted in Exhibit C.

20. Accounting System. In a manner subject to Subrecipient approval, Developer shall maintain an accrual or modified accrual basis general ledger accounting system that is posted monthly and that accurately and fully shows all assets, liabilities, income and expenses of the Development.

21. Records Retention. All records and books relating to the initial development phase of the Development (application through project completion) shall be retained for a minimum period of five (5) years after the Department notifies the Subrecipient that the grant agreement between HUD and the State of California has been closed. Subsequent to close out of the grant agreement between HUD and the State of California, all records and books relating to the operational phase of the Development shall be retained for the most recent five (5) year period, until five years after the affordability period terminates. All records must be maintained in

such a manner as to ensure that the records are reasonably protected from destruction or tampering. All records shall be subject to inspection and audit by the Subrecipient, the Department, HUD, or its representative.

22. Use of Income from Operations.

a. The Developer, or Developer's management agent, shall promptly deposit all Operating Income in a segregated account established in the Developer's name exclusively for the Development and insured by an agency of the federal government or other comparable federal insurance program.

b. Withdrawals from the account shall be made only in accordance with the provisions of this Agreement, and the approved annual operating budget, and shall be disbursed, applied, or reserved and set aside for payment when due, in the following priority, to the extent available:

1) salaries, wages, and any other compensation due and payable to the employees or agents of the Developer employed on site in connection with the maintenance, administration or operation of the Development, along with all withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments required in connection with such employees;

2) all charges incurred in the operation of the Development in connection with utilities, real estate taxes and assessments, and liability, fire and other hazard insurance premiums;

3) regularly scheduled non-contingent payments of interest, principal, impounds, fees and charges, if any, required on loans, including the Assistance when such Assistance is provided as a loan, which are secured by liens on the Property, which have been approved by the Subrecipient, payments on which are to be made prior to the determination of net cash flow, as specified in Exhibit C, hereto;

4) all other incurred Operating Expenses, including the fee of the managing agent and any extraordinary expenses, in accordance with the approved annual operating budget of the Development or as otherwise approved in advance by the Subrecipient;

5) deposits to required reserve accounts;

6) deferred Developer Fee;

7) asset management, partnership management and similar fees, to the extent such fees are specified under the terms of financing from a public entity and approved by the Subrecipient, or if there is no public entity financing, asset management, partnership management and similar fees, in accordance with the UMR Section 8314(a).

8) Distributions, in accordance with paragraph 23 of this Agreement.

The withdrawals permitted under subparagraph 22 (b) (6), (7) and (8) shall also be subject to the restrictions of paragraph 19 (b) above.

The Developer may depart from the foregoing priorities of payment only upon the express written approval of the Subrecipient. Net Cash Flow shall be distributed in accordance with paragraph 24 hereto.

23. Distributions.

a. Developer shall be limited to annual Distributions equal to fifty-percent (50%) of the annual Operating Income remaining after payment of the items allowed in clauses (1) through (7) of subparagraph b of paragraph 22 above. If the Development generates insufficient cash flow to permit payment of Distributions in a particular year, Distributions in future years shall not be increased to cover the lack of Distributions in prior years.

b. Developer may deposit all or a portion of the amount permitted for Distributions into a Development account for distribution in subsequent years. Such future Distributions shall not reduce the otherwise permitted Distributions in those subsequent years.

c. Distributions shall be permitted for a particular Fiscal Year, including Distributions from an accumulated Distributions account, only after the Developer submits a complete annual report and operating budget and the Subrecipient determines that the report and budget demonstrate compliance with all Program Requirements.

d. Circumstances under which no Distributions, deferred Developer Fee, asset management fees, partnership management fees, and/or similar fees shall be made or paid include:

1) when written notice of default has been issued by any entity, (including the Subrecipient) with an equitable or beneficial interest in the Development or which has a contractual relationship with the Developer regarding the Development;

2) when the Developer is in default under the terms of this Agreement, the Development Agreement, the Development Agreement Rider, or the Policies and Procedures as they may be amended from time to time;

3) when the Subrecipient determines that the Developer or Developer's management agent has failed to comply with the Subrecipient's written notice of any reasonable requirement for proper maintenance or operation of the Development;

4) if all currently required debt service, including mandatory payments on the Assistance, and Operating Expenses have not been paid; or

5) if the replacement reserve account, operating reserve account or any other required reserve account has not been funded in accordance with this Agreement.

24. Use of Net Cash Flow. Net Cash Flow shall be applied to payment of interest, principal, impound fees and charges, if any, on loans which are secured by liens on the Property, including the Assistance (if made as a loan), which have been approved by the Subrecipient and which are to be paid from Net Cash Flow in the amounts, proportion and in accordance with the terms specified in Exhibit C hereto. Upon payment in full of the loans payable from Net Cash Flow as set forth in Exhibit C, all Net Cash Flow shall be used for other purposes related to the Development as approved by the Subrecipient.

25. Department or Subrecipient Review and Inspections.

a. At any time during the term of this Agreement, the Department, the Subrecipient, or their designee may enter and inspect the physical premises and inspect all accounting records pertaining to the construction, development or operation of the entire Development. Upon request by the Department or Subrecipient, the Developer shall notify occupants of upcoming inspections of their Units in accordance with state law.

b. In addition to the annual audit required in paragraph 18 above, and at the Department's or Subrecipient's request, the Developer shall provide, at Developer's expense, a special audit of the Development certified by an independent certified public accountant. The Department or Subrecipient may also perform or cause to be performed audits of any and all phases of the Developer's activities related to the Development.

c. The Department or Subrecipient may request any other information that it deems necessary to monitor compliance with the Program Requirements and the requirements set forth in this Agreement and the Program Legal Documents. The Developer shall promptly provide such information.

26. Restrictions on Sale, Encumbrance, and Other Acts. Prior to making any of the below changes or entering into any of the below agreements, Developer shall give written notice to Subrecipient and the Department no less than 60 days of its intention to take such action.

a. Except with the Subrecipient's prior written approval, and Department's prior written approval at the Department's sole discretion, Developer shall not:

1) make any direct or indirect sale, encumbrance, hypothecation, assignment, refinancing, pledge, conveyance, or transfer in any other form of the Property or Development or of any of Developer's interest in either of them;

2) substantially add to, remodel, remove, reconstruct, or demolish any part of the Development;

3) permit the use of the Development for any purpose other than that permitted by this Agreement;

4) incur any liability or obligation in connection with the Property or Development, other than for current Operating Expenses, nor incur any liability, charge, assessment, or obligation whatsoever that is secured in whole or in part by any interest in or lien or encumbrance on the Property provided that the Subrecipient may permit refinancing or additional financing secured by the Property to the extent necessary to maintain or improve the Development's fiscal integrity, or to maintain Affordable Rents;

5) enter into any contract relating to rehabilitating or managing the Development;

6) enter into any lease for more than a single rental Unit, a ground lease of the Property or any interest therein, except for the rental of Commercial Space in the Development; or

7) if the Developer or its successor in interest is a limited partnership, discharge or replace any general partner or amend, modify or add to its partnership agreement, or amend, modify or add to the organizational documents of the general partner; except that it may transfer limited partner interests without such approval. The withdrawal, removal, and/or replacement of a general partner of the partnership pursuant to the terms of the partnership agreement shall not constitute a default under any of the Program Legal Documents, and any such actions shall not accelerate the maturity of the Assistance, provided that any required substitute general partner is reasonably acceptable to the Subrecipient and the Department, and is selected with reasonable promptness.

b. Any and all proposed sale, transfer, conveyance of the Property or Development, or proposed refinancing of any loans for the Development, must be approved in writing by both the Subrecipient and the Department, in the Department's sole discretion. In evaluating such requests, the Department will consider, among other factors, the following:

1) The transferor Developer (or Developer, as applicable) is in compliance with this Agreement, or the sale, transfer, conveyance or refinance will result in the cure of any existing violations of this Agreement.

2) The transferee Developer agrees to assume all obligations of the transferor Developer pursuant to this Agreement, the other Program Legal Documents and the Program Requirements.

3) The transferee Developer demonstrates to the Subrecipient's satisfaction that it has the ability and capacity to own and operate the Development in full compliance with this Agreement and the Program Requirements for the duration of this Agreement.

4) Any terms of the sale, transfer, conveyance or refinance shall not jeopardize the Subrecipient's security or the transferee Developer's (or Developer's, as applicable) ability to comply with all Program Requirements.

5) The Subrecipient and Department will not approve any cash payment to the selling party, or to any party related to or affiliated with the selling party. The Developer may not cash out its equity. Deferred developer fee, and seller carry back loans, cannot be cashed out from the proceeds of a sale, transfer, conveyance or refinance.

c. The Subrecipient and Department may grant its approval for a sale, transfer, conveyance or refinance of the Property or Development subject to such terms and conditions as may be necessary to preserve or establish the fiscal integrity of the Development or to ensure compliance with the Program Requirements. Such conditions may include, but are not limited to, the deposit of sales proceeds, or a portion thereof, to maintain required reserves or to offset negative cash flow.

d. If Developer or its successor in interest is a limited partnership, the execution and delivery of the purchase option and right of first refusal agreement described in the partnership agreement, if any, shall not constitute a default under the Program Legal Documents or accelerate the maturity of the Assistance thereunder, provided that such purchase option is and remains subordinate to the documents securing the Assistance. Any requisite consent of the Subrecipient and Department to (a) the exercise of said purchase option and right of first refusal agreement by the Developer identified therein, and to (b) the assumption without penalty of Assistance obligations by the Developer and the release of Developer from such obligations shall not be unreasonably withheld, but may be conditioned upon the execution of an operating guaranty from the Developer in form provided by the Subrecipient. Subject to any such consent requirement, the exercise of rights under the partnership agreement shall not constitute a default under the Program Legal Documents or accelerate maturity of the Assistance.

e. If the Developer or its successor in interest is a limited liability company, the execution and delivery of the purchase option and right of first refusal agreement described in the operating agreement, if any, shall not constitute a default under the Program Legal Documents or accelerate the maturity of the Assistance thereunder, provided that such purchase option is and remains subordinate to the documents securing the Assistance. Any requisite consent of the Subrecipient and Department to (a) the exercise of said purchase option

and right of first refusal agreement by the Developer identified therein, and to (b) the assumption without penalty of Assistance obligations by the Developer and the release of Developer from such obligations shall not be unreasonably withheld, but may be conditioned upon the execution of an operating guaranty from the Developer in form provided by the Subrecipient. Subject to any such consent requirement, the exercise of rights under such the operating agreement shall not constitute a default under the Program Legal Documents or accelerate maturity of the Assistance.

f. If Developer or its successor in interest is a limited partnership or limited liability company and the purchase option and right of first refusal agreement described in the partnership or operating agreement, if any, is not exercised and the Development is sold subject to low-income housing use restrictions contained in this Agreement, the requisite consent of the Subrecipient and Department to said sale, and to the assumption without penalty of Assistance obligations by the purchaser and the release of Developer from such obligations, shall not be unreasonably withheld, but may be conditioned upon, among other requirements, the execution of an operating guaranty from the Developer in form provided by the Subrecipient.

g. The Developer agrees that if it is organized as a partnership or limited liability company, Developer shall not dissolve the partnership or limited liability company prior to the expiration of the term of this Agreement, without the prior written approval of the Subrecipient and the Department.

27. Breach of Agreement by Developer.

a. In the event of the Developer's breach, violation or default in the performance of any covenant, agreement or obligation of the Developer set forth in this Agreement including, but not limited to, Developer's covenant to perform its obligations under the Program Legal Documents, the Subrecipient shall give the Developer written notice in the manner specified in paragraph 42 of this Agreement, specifying the nature of the violation, breach or default and the action needed to cure. If the default, breach or violation is not cured to the satisfaction of the Subrecipient within the time period specified in the notice, which shall not be less than the applicable time to cure as stated in paragraph 28 of this Agreement, the Subrecipient may declare a default hereunder and may take any one or more of the following actions:

1) Collect all Rents and income in connection with the operation of the Development and use the same and the reserve funds for the operation and maintenance of the Development.

2) Take possession of the Development and bring any action necessary to enforce any rights of the Developer growing out of the operation of the Development, and operate the Development in accordance with the terms of this Agreement until such time as the Subrecipient, in its sole

discretion, shall determine that the Developer is again in a position to operate the Development in accordance with the terms of this Agreement.

3) Apply to any court, state or federal, for specific performance of this Agreement or for the appointment of a receiver to take over and operate the Development in accordance with the terms of this Agreement, or for such other relief as may be appropriate. It is agreed by the Developer that the injury to the Subrecipient arising from a default under any of the terms of this Agreement would be irreparable and that the amount of compensation, which would provide adequate relief to the Subrecipient, in light of the purposes and requirements of the Program, would be impossible to ascertain.

4) Accelerate all amounts including outstanding principal and interest, due under the terms of the Program Legal Documents (if any) and demand immediate repayment thereof. Upon a failure to repay such accelerated amount in full, the Note provides that the Subrecipient may proceed with a foreclosure or sale under the power of sale in accordance with the provisions of the Deed of Trust and state law regarding foreclosures.

5) Seek such other appropriate remedies as may be available under the law.

b. In the event that the breach or violation involves charging tenants Rent or other charges in excess of those permitted under this Agreement, the Subrecipient may demand that Developer immediately return all such excess Rents or other charges to the affected households. If legal action is necessary to enforce the provisions of this Agreement, the Subrecipient may seek the return of such overcharges to the affected households.

c. The remedies of the Subrecipient hereunder and under the other Program Legal Documents are cumulative, and the exercise of one or more of such remedies shall not be deemed an election of remedies and shall not preclude the exercise by the Subrecipient of any one or more of its other remedies.

d. The tenants of the DR-MHP Assisted Units shall be considered third party beneficiaries of this Agreement, all shall have such rights and remedies to enforce the Program Requirements of this Agreement as may be available to third party beneficiaries under the law.

28. Time To Cure.

a. If a monetary event of default occurs under the terms of any of the Program Legal Documents, prior to exercising any remedies thereunder the Subrecipient shall give Developer written notice of such default. Developer

shall have a period of seven (7) days after such notice is given within which to cure the default prior to exercise of remedies by the Subrecipient under the Program Legal Documents, or such longer period of time as may be specified in the Program Legal Documents.

b. If a non-monetary event of default occurs under the terms of any of the Program Legal Documents, prior to exercising any remedies thereunder, the Subrecipient shall give Developer written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, as determined by the Subrecipient in its sole discretion, Developer shall have such period to effect a cure prior to exercise of remedies by the Subrecipient under the Program Legal Documents, or such longer period of time as may be specified in the Program Legal Documents. If the default is such that it is not reasonably capable of being cured within thirty (30) days, as determined by the Subrecipient in its sole discretion, or such longer period if so specified, and if Developer (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Developer shall have such additional time as is determined by the Subrecipient, in its sole discretion, to be reasonably necessary to cure the default prior to exercise of any remedies by the Subrecipient. If Developer or its successor in interest is a limited partnership, if Developer fails to take corrective action or to cure the default within such a specified time, the Subrecipient shall give Developer written notice thereof, whereupon the limited partner may remove and replace the general partner with a substitute general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall the Subrecipient be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within ninety (90) days after the first notice of default is given, or such longer period of time as may be specified in the Program Legal Documents.

c. In the event of either a monetary or non-monetary default under the Program Legal Documents by the Developer, Subrecipient shall provide notice of such default to the Department simultaneously with the giving of notice to the Developer.

29. Property Tax Exemption. To the extent the property tax exemption provisions of section 214 of the Revenue and Taxation Code are applicable to the Developer and the Development, Developer shall take all actions necessary to qualify the Development for the maximum exemption from property taxes available pursuant to said section 214 of the Revenue and Taxation Code within 18 months of the recordation date of this Agreement. Such actions may include, but are not limited to the following:

a. Modify, add to or delete from the articles of incorporation, bylaws or other organizational documents of Developer or of the managing general partner of

Developer;

b. Apply for nonprofit, tax-exempt status to the appropriate state or federal agency;

c. Provide the certifications and assurances required by section 214 of the Revenue and Taxation Code; and

d. Comply with the procedures and requirements imposed by local government agencies as a condition of receiving the property tax exemption.

e. Developer's failure to qualify the Development for the maximum exemption from property taxes as described in this Section 29 shall constitute a default under the terms of this Agreement, and may also constitute a default under the Program Legal Documents, subject to applicable notices and cure periods.

30. Controlling Agreement.

a. Developer specifically agrees and acknowledges that, notwithstanding any internal accounting procedures or provision pertaining to the use of receipts, payments, reserves and distributions contained in its partnership or other organizational documents or agreements, the terms of this Agreement, the Notice to Proceed and the Program Requirements shall control as to the use of the funds provided under the Development Agreement and all Operating Income from the Development.

b. In the event of any inconsistencies or conflicts between the terms of this Agreement and the terms of the other Program Legal Documents, the terms of this Agreement shall control.

31. Assignment of Subrecipient Rights. The Subrecipient retains the right at its sole discretion to assign all or part of its rights under this Agreement for the purpose of ensuring compliance and enforcement of Developer's duties and obligations hereunder to a Subrecipient-owned or controlled entity such as its Housing Authority. In addition, the Subrecipient may designate or hire an agent to act on its behalf in monitoring compliance and enforcing the provisions hereof. In the event Subrecipient assigns all or part of its rights for the purpose of ensuring compliance and enforcement, or designates or hires an agent to act on its behalf with respect to monitoring and enforcement as described in this paragraph, Subrecipient shall remain obligated under, and ultimately responsible for fulfilling, the terms of this Agreement.

32. Amendment. This Agreement shall not be altered or amended except in writing, executed by all of the parties hereto, with prior written approval by the Department.

33. Partial Invalidity. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

34. Binding on Successors. This Agreement shall bind, and the benefits hereof shall inure to, the respective parties hereto, their legal representatives, executors, administrators, transfers, successors in interest and assigns, provided, however, that the Developer may not assign this Agreement or any of its obligations hereunder, voluntarily or by operation of law, without the prior written approval of the Subrecipient. The term "Developer" as used herein shall include and apply to any person or entity succeeding to the legal, equitable, proprietary or possessory interest of Developer in the Development.

35. Recording of Agreement. This Agreement, and all amendments hereto, shall be executed by each of the parties and their respective signatures acknowledged. This Agreement, shall be recorded against the Property in the official records of the county(ies) in which the Development is situated before construction begins, but not more than 180 days subsequent to the issuance of a Notice to Proceed by the Department and shall have priority over other liens, encumbrances and other matters of record except as may be approved by the Department. Exceptions to the position of this Agreement must be approved in writing and in advance by the Department.

36. Indemnification of Department; Civil Code §1542 Waiver.

a. Developer agrees to indemnify and defend the Department and its agents, employees and officers against, and hold the Department and its agents, employees and officers harmless from, any and all costs, losses, damages, liabilities, claims, demands, actions, judgments, court costs and legal or other expenses (including attorneys' fees) of every name, kind and description, which the Department may incur as a direct or indirect consequence of any of the following: (1) the making of the Assistance to the Developer; (2) Developer's failure to perform any obligations as and when required by this Agreement or any of the other Program Legal Documents; (3) any failure at any time of any of Developer's representations or warranties to be materially true and correct; (4) any act or omission by Developer, any contractor, subcontractor, material supplier, engineer, architect or other person or entity with respect to the Property or the construction, management, maintenance or operation of the Development; or (5) the presence of any recognized environmental conditions at the Development or on the Property. Developer shall pay immediately upon the Department's demand any amounts owing under this indemnity together with interest from the date the indebtedness arises until paid at the rate of ten percent (10%) per annum. Developer's duty to indemnify and hold harmless includes the duties to defend as set forth in section 2778 of the Civil Code. Developer shall indemnify and hold harmless the Department and its agents, officers and employees as set forth herein regardless of the existence or degree of fault or negligence whether active or passive, primary or secondary on the part of the Department, the Subrecipient, or their respective agents, officers, employees, contractors or subcontractor; provided, however, that Developer's duty to indemnify and hold harmless hereunder shall not extend to liability arising from the gross negligence or

willful misconduct of the Department. Developer's duty to indemnify and defend the Department shall survive the term of this Agreement. In the event the United States Department of Housing and Urban Development ("HUD") acquires title to the Development, this indemnification provision will not apply to HUD.

b. The Developer waives and releases any and all rights to any types of express or implied indemnity against the Department or its agents, officers or employees.

c. The Developer expressly waives the protections of section 1542 of the Civil Code in relation to subparagraphs a. and b. above. Said section 1542 provides as follows: "**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY**".

37. Indemnification of Subrecipient; Civil Code §1542 Waiver.

a. Developer agrees to indemnify the Subrecipient and its agents, employees and officers against, and holds the Subrecipient and its agents, employees and officers harmless from, any losses, damages, liabilities, claims, actions, judgments, court costs and legal or other expenses (including attorney's fees) of every name, kind and description, which the Subrecipient may incur as a direct or indirect consequence of: (1) the making of the Assistance to the Developer; (2) Developer's failure to perform any obligations as and when required by this Agreement or any of the other Program Legal Documents; (3) any failure at any time of any of Developer's representations or warranties to be materially true and correct; (4) any act or omission by Developer, any contractor, subcontractor, material supplier, engineer, architect or other person or entity with respect to the Property or the construction, management, maintenance or operation of the Development; or (5) the presence of any recognized environmental conditions at the Development or on the Property. Developer shall pay immediately upon the Subrecipient's demand any amounts owing under this indemnity together with interest from the date the indebtedness arises until paid at the rate of ten percent (10%) per annum. Developer's duty to indemnify and hold harmless includes the duties to defend as set forth in section 2778 of the Civil Code. Developer shall indemnify and hold harmless the Subrecipient and its agents, officers and employees as set forth herein regardless of the existence or degree of fault or negligence whether active or passive, primary or secondary on the part of the Subrecipient, or their respective agents, officers, employees, contractors or subcontractor; provided, however, that Developer's duty to indemnify and hold harmless hereunder shall not extend to liability arising from the gross negligence or willful misconduct of the Subrecipient. Developer's duty to

indemnify the Subrecipient shall survive the term of this Agreement. In the event HUD acquires title to the Development, this indemnification provision will not apply to HUD.

b. The Developer waives and releases any and all rights to any types of express or implied indemnity against the Subrecipient or its agents, officers or employees.

c. The Developer expressly waives the protections of section 1542 of the Civil Code in relation to subparagraphs a. and b. above. Said section 1542 provides as follows: **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

38. No Waiver. No waiver by the Department or Subrecipient of any breach or violation of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach or violation hereof or default hereunder. All waivers must be in a writing signed by the party making the waiver in order for such waiver to be effective.

39. Third-Party Beneficiaries. The Developer and Subrecipient expressly agree and acknowledge that the Department is an intended third-party beneficiary to the provisions of this Agreement. Among other things, the performance of the this Agreement benefits the Department by creating, rehabilitating, or otherwise making available, affordable housing units within the State of California, and allows the Department to ensure compliance with applicable program requirements governing the Development. The Department is the sole third-party beneficiary and no other parties are intended or should be deemed as such.

40. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or the intent of this Agreement.

41. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California and the United States of America. All code references herein refer to the California state statutes, unless specifically indicated otherwise.

42. Notice. Except for any notice required under applicable law to be given in another manner, any notices, demands or communications between the parties hereto shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested or delivered by express delivery service with delivery receipt, to the address of the respective party as set forth below, or to such other address as the respective party may have designated

by written notice given to the other party in the manner provided herein. Such written notices, demands and communications shall be effective on the date shown on the delivery receipt as the date delivered, the date on which delivery was refused, or the date on which delivery was attempted.

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

Copies of any and all notices of default and any and all other notices that may be given by the Department or Subrecipient to Developer shall be sent, in the same manner as the notice is given to Developer, to Developer's limited partner (if applicable).

U.S. Bancorp Community Development Corporation
USB Project No.: 30466
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management

Developer's limited partner may change its address for receipt of copies of notices by giving notice in writing stating its new address to the Department or Subrecipient. Commencing on the tenth (10th) day after the giving of such notice, such newly designated address shall be effective for purposes of all such copies of notices required to be sent by the Department or Subrecipient to Developer's limited partner.

43. Attorneys' Fees. The prevailing party in any action to enforce this Agreement, including residents of DR-MHP Assisted Units, shall be entitled to reasonable attorneys' fees and costs as determined by the trier of fact in that forum.

44. Subrecipient's Approval, Etc. Whenever this Agreement or any of the other Program Legal Documents requires the approval, consent, or other determination by the Subrecipient, the Subrecipient shall act reasonably and in good faith.

45. Compliance with IRC Section 42(h)(6)(E)(ii). In the event a regulatory agreement required by TCAC is recorded against the Property as a condition of the award of federal tax credits, the Department and Subrecipient agree to comply with the provisions set forth in Internal Revenue Code ("IRC") Section 42(h)(6)(E)(ii). As of the date of this Agreement, IRC Section 42(h)(6)(E)(ii) does not permit the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or any increase in the gross rent with respect to such unit not otherwise permitted under Section 42 for a period of three (3) years after the date the building is acquired by foreclosure or instrument in lieu of foreclosure.

46. Special Conditions. The Developer agrees to comply with and be bound by the

special conditions, if any, set forth in Exhibit C hereto.

47. Exhibits. The following exhibits are attached hereto, incorporated herein and made a part of this Agreement:

Exhibit A: Legal Description of the Property

Exhibit B: Unit Designation and Rent Schedule and requirements for Supportive Housing Units or Special Needs Population Units; and

Exhibit C: Special Conditions.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereby execute and enter into this Agreement as of the date first set forth above and agree to be bound hereby:

SUBRECIPIENT:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

Emilio Salas

Executive Director or Designee

Emilio Salas
Printed Name

Date: 11/11/2024

Mailing Address:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to:
Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

DEVELOPER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

Date: _____

Mailing Address:

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to:
EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

ALL SIGNATURES MUST BE ACKNOWLEDGED

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 Los Angeles)

On January 11, 2024, before me, Gabriela Ochoa-Martinez, Notary Public, personally appeared Emilio Salas, 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 Gabriela Ochoa-Martinez

GABRIELA OCHOA-MARTINEZ
Notary Public - California
Los Angeles County
Commission # 2431283
My Comm. Expires Dec 17, 2026

IN WITNESS WHEREOF, the parties hereby execute and enter into this Agreement as of the date first set forth above and agree to be bound hereby:

SUBRECIPIENT:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

_____
Executive Director or Designee

_____
Printed Name

Date: _____

Mailing Address:

Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Executive Director
Fax No. (626) 943-3816

With a copy to:
Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801
Attn: Director of Housing Investment and Finance
Fax No. (626) 943-3816

DEVELOPER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: Welton Jordan
Welton Jordan
Assistant Secretary

Date: 1/9/2024

Mailing Address:

2052 Lake Altadena, L.P.
c/o EAH Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

With a copy to:
EAH Community Housing Inc.
22 Pelican Way
San Rafael, CA 94901
Attn: President

ALL SIGNATURES MUST BE ACKNOWLEDGED

CALIFORNIA ACKNOWLEDGMENT CIVIL CODE § 1189

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

State of California
County of Marin }

On January 9, 2024 (Date) before me, Cleopatra Herron, Notary Public (Here Insert Name and Title of the Officer)

personally appeared Welton Jordan (Name(s) of Signer(s))

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

CLEOPATRA HERRON
Notary Public - California
Marin County
Commission # 2439370
My Comm. Expires Feb 27, 2027

Place Notary Seal and/or Stamp Above

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 Cleopatra Herron
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer – Title(s): _____	☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer is Representing: _____	Signer is Representing: _____

©2019 National Notary Association

EXHIBIT A TO REGULATORY AGREEMENT

LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT B TO REGULATORY AGREEMENT

I. UNIT DESIGNATIONS AND RENT SCHEDULE

Developer shall comply with Rent provisions of all regulatory agreements regulating the Property.

The Initial Operating Year ends at the end of the initial Fiscal Year, which is: December 31, 2025.

During the Initial Operating Year:

A. Developer shall charge Rents for DR-MHP Assisted Units that do not exceed Rents set forth in the schedule below; and

B. Developer shall charge Rents for Units other than DR-MHP Assisted Units in amounts not less than the amounts shown herein.

After the Initial Operating Year, Rents may be increased in accordance with paragraphs 10 and 11 of this Agreement.

II. UNIT MIX

No. of Bedrooms	DR-MHP Assisted Units	Restricted Units (including DR-MHP units)	Non-Restricted Units	Total Units	Rent	Utility Allowance	Net Rent (gross – util. allw.)	Annual Net Rent	Income Limit	
1	18	57	0	57	$709	$78	$631	$431,604	30%	AMI
									%	AMI
									%	AMI
									%	AMI
									%	AMI
									%	AMI
									Market Rate	
2	0	0	1	1	$0	$0	$0	$0	Mngr.	
Totals	18	57	1	58				$431,604		

The above Unit Mix chart is based on the following:

2023 “High HOME Program Rents and CDBG Income Limits” for Los Angeles County, California.

III. RESERVED

IV. DR-MHP PRIORITY PROVISIONS AND/OR SUPPORTIVE HOUSING UNITS REQUIREMENTS

A. For the full term of this Agreement, Developer shall restrict occupancy of 57 Units within the Development as Supportive Housing Units to be occupied by eligible Households experiencing Chronic Homelessness, as defined in 24 CFR 578.3. For these units, Developer shall select tenants in strict accordance with the criteria and procedures identified in the supportive services plan for the Development approved by the Subrecipient, as may be amended from time to time. For the full term of this Agreement, Developer shall make a good-faith effort to provide all the supportive services identified in the supportive services plan for the Development approved by the Subrecipient. At a minimum, Developer shall provide without cost to tenant the following services, or arrange for their provision: case management, mental health care, substance use services, education, employment and training, life skills, physical health care, benefits assistance, representative payee, legal assistance, adult day care, and child care (if applicable). No later than ninety (90) days after the end of each Fiscal Year for the Development, Developer shall submit for Subrecipient review and approval a report on the Supportive Housing Units households in the Development. This report shall be on a form provided by the Subrecipient, and shall include a listing of the number and type of Supportive Housing Units residents, a description of the supportive services provided to them, and such other matters as the Subrecipient may require.

V. SPECIAL NEEDS POPULATIONS DEVELOPMENT REQUIREMENTS

A. For the full term of this Agreement, Developer shall restrict occupancy of 57 units within the Development to the following Special Needs Population or Populations: Homeless Households.

B. For these units, Developer shall select tenants in strict accordance with the criteria and procedures identified in the supportive services plan for the Development approved by the Subrecipient, as may be amended from time to time. For the full term of this Agreement, Developer shall make a good-faith effort to provide all the supportive services identified in the supportive services plan for the Development approved by the Subrecipient. At a minimum, Developer shall provide without cost to tenant the following services, or arrange for their provision: case management, mental health care,

substance use services, education, employment and training, life skills, physical health care, benefits assistance, representative payee, legal assistance, adult day care, and child care (if applicable).

.

C. No later than ninety (90) days after the end of each Fiscal Year for the Development, Developer shall submit for Subrecipient review and approval a report on the Special Needs Population households in the Development. This report shall be on a form provided by the Subrecipient, and shall include a listing of the number and type of Special Needs Population residents, a description of the supportive services provided to them, and such other matters as the Subrecipient may require.

EXHIBIT C TO REGULATORY AGREEMENT
Special Conditions

In the event of any inconsistencies or conflicts between these Special Conditions and the terms of this Agreement or any of the other Program Legal Documents, the terms of these Special Conditions shall control.

I. Required Reserves (paragraph 19).

A. Replacement Reserves (paragraph 19.a).

Annual Deposit Amount[1]:	$ 24,418
Initial Capitalization Amount:	$ 29,000
Date of Deposit:	$29,000 to be deposited at permanent conversion and $421 per unit/per month during The Project's operations.
Withdrawals Require Prior Subrecipient Approval?	YES

B. Operating Reserve (paragraph 19.b).

Deposit Amount:	$0 per month
Initial Capitalization Amount:	$291,628
Date of Deposit:	at permanent conversion
Withdrawals Require Prior Subrecipient Approval?	YES

[1] The first annual deposit amount shall be prorated from the close of escrow to the end of the Fiscal Year (defined in Section 3).

C. Other Reserves (paragraph 19.c).

If applicable, approved transition reserve account established to prevent tenant displacement resulting from the termination of rent subsidies.

Name:	n/a
Deposit Amount:	$
Initial Capitalization Amount:	
Withdrawals Require Prior Subrecipient Approval?	

Name:	n/a
Deposit Amount:	$
Initial Capitalization Amount:	
Withdrawals Require Prior Subrecipient Approval?	

II. Payments to be made Prior to Determination of Net Cash Flow (paragraph 22b.(3)).

Lender:	U.S. Bank National Association
Initial Principal Amount:	$25,454,209
Payment Amount [2]	Interest only until conversion; to be paid down to permanent 1st lien described below at conversion
Term to Maturity:	31 months (with 5 month option to extend)
Lien Position:	1st
Interest Rate and Type:	Term SOFR + 2.25% (with a Term SOFR floor of 0%)

Lender:	Berkadia Commercial Mortgage LLC
Initial Principal Amount:	$7,269,030
Payment Amount [3]	Yield maintenance for 15 years (minimum Mortgage Amount at Conversion - 90% of principal)
Term to Maturity:	204 months

[2] Payment Amount to include details on future adjustments, caps, and balloons
[3] Payment Amount to include details on future adjustments, caps, and balloons

Lien Position:	1st
Interest Rate and Type:	4.35% (Fixed Rate)

III. Deferred Developer Fee (paragraph 22.b.).

The Subrecipient approved Deferred Developer Fee from paragraph 22.b.(6) is $0.

IV. Use of Net Cash Flow (paragraph 24).

Net Cash Flow shall be applied towards payment of the following loans, in the percentages noted:

Lender:	Los Angeles County Development Authority
Initial Principal Amount:	$10,341,177
Percentage of Net Cash Flow:	50%
Term to Maturity:	57 years
Lien Position:	2
Interest Rate:	3%

Limited Partner Cure Rights. Notwithstanding anything to the contrary herein, the Subrecipient hereby agrees that any cure of any default offered by the limited partners of the Developer shall be accepted or rejected on the same basis as if cure was offered by the Developer. Copies of all notices of default sent hereunder shall be sent to the limited partners of the Developer at the following address:

U.S. Bancorp Community Development Corporation
USB Project No.: 30511
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, MO 63103
Attn: Director of LIHTC Asset Management

and

Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Attn: Jill H. Goldstein, Esq.

The Subrecipient's failure to provide a duplicate copy will not be a breach by the Subrecipient, nor will it impair the Subrecipient's or Department's foreclosure or other remedies in any way.

EXHIBIT “F” TO LOAN AGREEMENT

RESERVED

EXHIBIT "G" TO LOAN AGREEMENT

PERMANENT CONVERSION REQUIREMENTS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

1. Final Cost Certification prepared by a third-party Certified Public Accountant.

2. Explanation of significant differences between development sources and uses reflected in Exhibit "J" and those reflected in the Final Cost Certification.

3. Development Proforma in same format as Exhibit "J" updated to reflect Final Cost Certification, current tenant rents per the Rent Roll, current year operating expenses, updated unit mix and rents allowable by funding source, and adjustments to limited partner's equity, if applicable.

4. Current Rent Roll

5. Copies of the final executed limited partnership agreement and all amendments and Borrower's certification that the amendments provided are the only amendments to the limited partnership agreement to date.

6. Confirmation from limited partner of any adjustments to the limited partner's equity.

7. Achievement of Completion of the Project as outlined in Section 10.12 of the Agreement and execution and recordation of the Certificate of Completion described in Section 10.12.

8. Borrower's certification that all units have been leased in accordance with the Covenants, Conditions, and Restrictions and with any income, rent, and occupancy restrictions imposed by Senior, Junior, and Other Lenders and by the California Tax Credit Allocation Committee ("CTCAC"), if applicable.

9. If applicable, Borrower's certification that all physical building elements required by CTCAC as a condition of preliminary reservation, including but not limited to minimum unit area, supportive services space, and sustainable building methods (as that term is defined by CTCAC) have been incorporated into the Project.

10. If applicable, Borrower's certification that all physical building elements required by the California Debt Limit Allocation Committee as a condition of the bond allocation reservation have been incorporated into the Project

11. Certification from architect that the development has been designed and constructed to be accessible to persons with disabilities, in compliance with the California Fair Employment and Housing Act, Section 504 and the Fair Housing Act requirements.

12. There shall be no uncured Event of Default or default under any other Loan Document or under any Senior Financing, Junior Financing or Other Financing.

13. If applicable, Borrower shall be in compliance with all Local and Targeted Worker Hiring Program Requirements as outlined in Section 10.1(2) and Exhibit "W."

14. If Project includes commercial space, Borrower's certification that none of the past loan disbursements have been used and the current disbursement shall not be used to pay for any work with regard to the Commercial Space, as defined in the Agreement.

EXHIBIT "G-1" TO LOAN AGREEMENT

CERTIFICATE OF COMPLETION

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

OFFICIAL BUSINESS

Document entitled to free
recording per Govt. Code
Sections 27383 and 27388.1.

Recording Requested by and
When Recorded Mail To:

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
700 West Main Street
Alhambra, CA 91801
Attn.: Director of Housing Investment and Finance

(Space Above Line for Recorder's use)

CERTIFICATE OF COMPLETION
2052 LAKE AVENUE APARTMENTS

This Certificate of Completion (the "**Certificate**") is issued by the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic (the "**LACDA**"), dated as of _____.

RECITALS

A. The LACDA and 2052 LAKE ALTADENA, L.P., a California limited partnership ("**Borrower**") entered into that certain Loan Agreement dated as of January 16, 2024 (the "**Loan Agreement**"), with regard to the development of an affordable housing development consisting of approximately fifty-eight (58) units generally located at 2052 Lake Avenue, Altadena, California, County of Los Angeles and described in more detail on EXHIBIT A attached hereto and made a part hereof (the "**Property**"), which Property and the improvements thereon and related rights as referred to as "2052 Lake Avenue Apartments" (the "**Project**"). Capitalized terms used but not otherwise defined in this Certificate shall have the meanings set forth in the Loan Documents as such term is defined in the Loan Agreement.

B. Pursuant to Section 10.12 of the Loan Agreement, the LACDA, upon request from Developer will issue this Certificate upon Completion of the Project in accordance with the Loan Documents; and

C. In reliance on the truth and accuracy of the representations and warranties of Borrower made in the Request of Issuance of Certificate of Completion attached hereto and made a part hereof as EXHIBIT B, the LACDA has agreed to issue this Certificate in order to establish the date for the Completion of the Project which date is used for the calculation of the term of certain covenants and conditions set forth in the Loan Documents.

NOW, THEREFORE, in reliance on the Request of Issuance of Certificate of Completion the LACDA hereby certifies as follows:

1. The Completion of the Project occurred as of _____.

2. This Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Borrower to any holder or any insurer of a mortgage or deed of trust securing money loaned with regard to the Property. This Certificate of Completion is not a notice of completion as referred to in California Civil Code Section 8182.

3. The LACDA's determination regarding satisfaction of any of the obligations described in this document solely for the benefit and use by the LACDA and is not directed to or for the benefit of any third parties; including without limitation, the LACDA assumes no responsibility for, engineering or structural matters, latent defects, or compliance with building codes and regulations or applicable law regarding construction standards or whether the improvements or Property is in compliance with applicable laws.

[remainder of page left blank]
[signatures follow on next page]

IN WITNESS WHEREOF, The LACDA has executed and issued this Certificate of Completion as of the date first written above.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY,
a public body, corporate and politic

By: _____
Executive Director or Designee

_____
Printed Name

APPROVED AS TO FORM:

Dawyn R. Harrison, County Counsel

By: _____
Senior Deputy

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20___, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT A – LEGAL DESCRIPTION

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

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT B
REQUEST OF ISSUANCE OF CERTIFICATE OF COMPLETION

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic (the "**LACDA**"), and 2052 LAKE ALTADENA, L.P., a California limited partnership ("**Borrower**") entered into that certain Loan Agreement dated as of January 16, 2024 (the "**Loan Agreement**") with regard to the development of an affordable housing development consisting of approximately fifty-eight (58) units generally located at 2052 Lake Avenue, Altadena, California, County of Los Angeles (the "**Property**"), which Property and the improvements thereon and related rights as referred to as "2052 Lake Avenue Apartments" (the "**Project**").

In order to induce the LACDA to issue the Certificate of Completion to which this Request is attached Borrower hereby represents and warrants to the LACDA the following:

1. Each and all of the conditions required by the Loan Agreement required for Completion of the Project as defined in the Loan Agreement have been satisfied as of _____.

2. There is no pending default under the Loan Agreement or other Loan Documents (as defined in the Loan Agreement) and, to the best of Borrower's knowledge, there are no events or circumstances existing with the passage of time, giving of notice, or both would become a default thereunder.

IN WITNESS WHEREOF, the duly authorized officers of the undersigned have authorized this document and the undersigned is executing this document as of _____.

(Remainder of Page Intentionally Left Blank)

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

OFFICIAL BUSINESS

Document entitled to free
recording per Govt. Code
Sections 27383 and 27388.1.

Recording Requested by and
When Recorded Mail To:

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
700 West Main Street
Alhambra, CA 91801
Attn.: Director of Housing Investment and Finance

(Space Above Line for Recorder's use)

CERTIFICATE OF COMPLETION
2052 LAKE AVENUE APARTMENTS

This Certificate of Completion (the "**Certificate**") is issued by the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic (the "**LACDA**"), dated as of _____.

RECITALS

A. The LACDA and 2052 LAKE ALTADENA, L.P., a California limited partnership ("**Borrower**") entered into that certain Loan Agreement dated as of January 16, 2024 (the "**Loan Agreement**"), with regard to the development of an affordable housing development consisting of approximately fifty-eight (58) units generally located at 2052 Lake Avenue, Altadena, California, County of Los Angeles and described in more detail on EXHIBIT A attached hereto and made a part hereof (the "**Property**"), which Property and the improvements thereon and related rights as referred to as "2052 Lake Avenue Apartments" (the "**Project**"). Capitalized terms used but not otherwise defined in this Certificate shall have the meanings set forth in the Loan Documents as such term is defined in the Loan Agreement.

B. Pursuant to Section 10.12 of the Loan Agreement, the LACDA, upon request from Developer will issue this Certificate upon Completion of the Project in accordance with the Loan Documents; and

C. In reliance on the truth and accuracy of the representations and warranties of Borrower made in the Request of Issuance of Certificate of Completion attached hereto and made a part hereof as EXHIBIT B, the LACDA has agreed to issue this Certificate in order to establish the date for the Completion of the Project which date is used for the calculation of the term of certain covenants and conditions set forth in the Loan Documents.

NOW, THEREFORE, in reliance on the Request of Issuance of Certificate of Completion the LACDA hereby certifies as follows:

1. The Completion of the Project occurred as of _____.

2. This Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Borrower to any holder or any insurer of a mortgage or deed of trust securing money loaned with regard to the Property. This Certificate of Completion is not a notice of completion as referred to in California Civil Code Section 8182.

3. The LACDA's determination regarding satisfaction of any of the obligations described in this document solely for the benefit and use by the LACDA and is not directed to or for the benefit of any third parties; including without limitation, the LACDA assumes no responsibility for, engineering or structural matters, latent defects, or compliance with building codes and regulations or applicable law regarding construction standards or whether the improvements or Property is in compliance with applicable laws.

[remainder of page left blank]
[signatures follow on next page]

IN WITNESS WHEREOF, The LACDA has executed and issued this Certificate of Completion as of the date first written above.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY,
a public body, corporate and politic

By: _____
Executive Director or Designee

_____
Printed Name

APPROVED AS TO FORM:

Dawyn R. Harrison, County Counsel

By: _____
Senior Deputy

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

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20___, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT A – LEGAL DESCRIPTION

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

LOTS 4 AND 5 OF ALTADENA HEIGHTS, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Address: 2052 Lake Avenue, Altadena, CA 91001
Assessor's Parcel Number:5845-010-020

EXHIBIT B
REQUEST OF ISSUANCE OF CERTIFICATE OF COMPLETION

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic (the "**LACDA**"), and 2052 LAKE ALTADENA, L.P., a California limited partnership ("**Borrower**") entered into that certain Loan Agreement dated as of January 16, 2024 (the "**Loan Agreement**") with regard to the development of an affordable housing development consisting of approximately fifty-eight (58) units generally located at 2052 Lake Avenue, Altadena, California, County of Los Angeles (the "**Property**"), which Property and the improvements thereon and related rights as referred to as "2052 Lake Avenue Apartments" (the "**Project**").

In order to induce the LACDA to issue the Certificate of Completion to which this Request is attached Borrower hereby represents and warrants to the LACDA the following:

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IN WITNESS WHEREOF, the duly authorized officers of the undersigned have authorized this document and the undersigned is executing this document as of _____.

(Remainder of Page Intentionally Left Blank)

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

EXHIBIT "H" TO LOAN AGREEMENT

SCHEDULE OF PERFORMANCE

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

C.4 Development Timeline

2052 Lake Avenue Apartments

Event Type	Date/Expected Date
Site Control	10/4/2021
Entitlements	5/31/2022
Site Plan Approval	5/31/2022
Design Review	
CEQA Approval	Exempt
NEPA Approval	6/17/2022
TCAC Application	7/1/2022
Funding Commitments:	9/29/2022
Source: LACDA - Disaster Recovery	10/27/2022
Funding commitment	3/1/2022
Source: LACDA - AHTF	2/2/2022
Funding commitment	4/1/2022
Source:	
Funding commitment	
Source:	
Funding commitment	
Source:	
Funding commitment	
Source:	
Funding commitment	
Source:	
Funding commitment	
Source:	
Funding commitment	
Construction Closing	1/16/2024
Construction Start	1/22/2024
Start of Lease-up Activities	4/1/2025
Construction Completion	9/22/2025
100% Occupancy	3/1/2026
Permanent Loan Conversion	7/20/2026

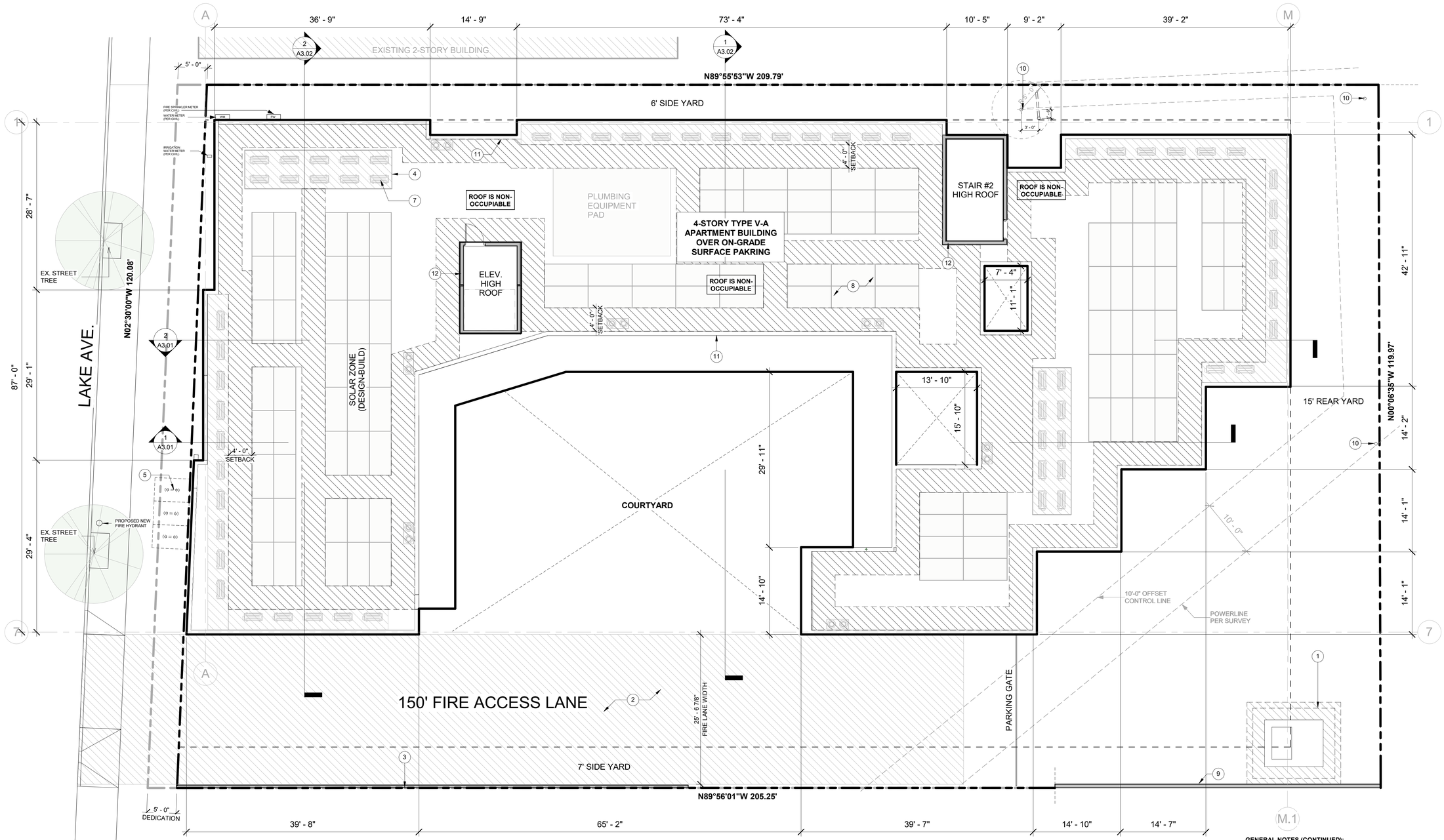
EXHIBIT "I" TO LOAN AGREEMENT

SITE PLANS AND ELEVATIONS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

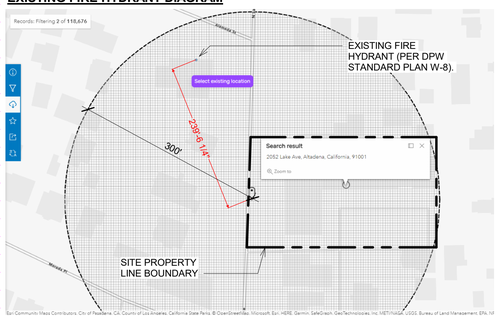
(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)



EXISTING 1-STORY BUILDING

EXISTING FIRE HYDRANT DIAGRAM



THE REQUIRED FIRE FLOW IS BASED ON THE FOLLOWING CALCULATIONS:

TYPE OF CONSTRUCTION PER BUILDING CODE	**V-A**
FIRE-FLOW CALCULATION AREA	**39,654 sq.ft.**
FIRE FLOW BASED ON THE FIRE-FLOW CALCULAITON AREA	**3,500 gpm**
REUCTION OFR FIRE SPRINKLERS (MAXIMUM 50%)	**1,750 gpm**
TOTAL FIRE FLOW REQUIRED	**1,750 gpm**

A NEW FIRE HYDRANT IS BEING PROPOSED PER FIRE PC CORRECTIONS AND PENDING APPROVAL

1 SITE PLAN / PLOT PLAN
1/8" = 1'-0"

NORTH

0' 4' 8' 16' 32'

SCALE: 3/32" = 1'-0"

The enclosed drawings, designs, ideas and arrangements, as contracted with their clients and consultants, are and shall remain the property of FSY Architects. No part thereof shall be copied, disclosed to others, or used in connection with any other work or project without the written consent of the above. Visual contact with these prints shall constitute conclusive evidence of these restrictions.

CONSTRUCTION NOTES:

1 LADWP PAD MOUNTED TRANSFORMER. CONTRACTOR TO PROVIDE CONDUIT AND CONNECTIONS TO LADWP TRANSFORMER VAULT AND THROUGH TO PROPERTY LINE PER LADWP STANDARDS AND REQUIREMENTS. (FINAL SPEC PER ELECTRICAL & LADWP SERVICE PLAN)
2 26' - 0" MIN. FIRE LANE WIDTH
3 6' - 0" TALL PERIMETER FENCE
4 EQUIPMENT PAD, TYP (SEE 4/A5.07). PROVIDE ADDITIONAL REQUIRED PADS PER PLUMBING PLANS. PROVIDE BUILD UP ROOF BEHIND EQUIPMENT PADS TO SHED WATER AROUND PAD. SLOPE @ 1: 48 MIN.
5 SHORT-TERM DOUBLE BIKE STALL, COMPLYING WITH BICYCLE PARKING ORDINANCE CF-12-1297-S1. ALL BICYCLE STALLS TO BE COMPLIANCE WITH S-671-2 STANDARD PLAN. TYP.
7 CONDENSER UNITS, TYP. (SEE MECHANICAL)
8 SOLAR ZONE. SEE GENERAL NOTE BELOW. PROVIDE SOLAR THERMAL PRE-HEAT SYSTEM DESIGN BUILD BY CONTRACTOR. SEE TITLE 24 REPORT FOR SOLAR FRACTION AND REQUIREMENTS. COORDINATE INSTALLATION AND DESIGN TO PROVIDE A COMPLETE PLUMBING INSTALLATION, AND ALL REQUIRE
9 EXISTING RETAINING WALL
10 EXISTING POWER POLE (PER SURVEY)
11 PARAPET WALLL W/ SHEET METAL COPING TYP. (SEE DETAIL X/AX.XX).
12 STRUCTURES / VENTS / EQUIPMENT SHALL NOT EXCEED MAX BUILDING HEIGHT OF 52'-6"

GENERAL NOTES:

1. ALL NEW BUILDINGS SHALL HAVE APPROVED RADIO COVERAGE FOR EMERGENCY RESPONDERS WITHIN THE BUILDING BASED UPON THE EXISTING COVERAGE LEVELS OF THE PUBLIC SAFETY COMMUNICATION SYSTEMS UTILIZED BY THE JURISDICTION, MEASURED AT THE EXTERIOR OF THE BUILDING PER FIRE CODE 510.

2. PROVIDE APPROVED SIGNS OR OTHER APPROVED NOTICES OR MARKINGS THAT INCLUDE THE WORDS 'NO PARKING - FIRE LANE'. SIGNS SHALL HAVE A MINIMUM DIMENSION OF 12 INCHES WIDE BY 18 INCHES HIGH AND HAVE RED LETTERS ON A WHITE REFLECTIVE BACKGROND. SIGNS SHALL BE POSTED ON ONE OR BOTH SIDES OF THE FIRE APPARATUS ROAD AS REQUIRED.

3. AN APPROVED KEY BOX. LISTED IN ACCORDANCE WITH UL 1037 SHALL BE PROVIDED AS REQUIRED BY FIRE CODE 506. THE LOCATION OF EACH KEY BOX SHALL BE DETERMINED BY THE FIRE INSPECTOR.

4. FIRE DEPARTMENT VEHICULAR ACCESS ROADS MUST BE INSTALLED AND MAINTAINED IN A SERVICEABLE MANNER PRIOR TO AND DURING THE TIME OF CONSTRUCTION PER FIRE CODE 503.1.

5. ALL FIRE HYDRANTS SHALL MEASURE 6"x4"x2-1/2", BRASS OR BRONZE, CONFORMING TO AMERICAN WATER WORKS ASSOCIATION STANDARD C503, OR APPROVED EQUAL.

6. ALL REQUIRED PUBLIC FIRE HYDRANTS SHALL BE INSTALLED, TESTED AND ACCEPTED PRIOR TO BEGINNING CONSTRUCTION PER FIRE CODE 501.4.

7. APPROVED BUILDING ADDRESS NUMBERS, BUILDING NUMBERS OR APPROVED BUILDING IDENTIFICATION SHALL BE PROVIDED AND MAINTAINED SO AS TO BE PLAINLY VISIBLE AND LEGIBLE FROM THE STREET FRONTING THE PROPERTY. THE NUMBERS SHALL CONTRAST WITH THEIR BACKGROUND, BE ARABIT NUMBERS OR ALPHABET LETTER, AND BE A MINIMUM OF 4 INCHES WITH A MINIMUM STROKE WIDTH OF 0.5 INCH PER FIRE CODE 505.1.

GENERAL NOTES (CONTINUED):

8. THE INSTALLATION OF SECURITY GATES ACROSS A FIRE APPARATUS ACCESS ROAD SHALL BE APPROVED BY THE FIRE CODE OFFICIAL. WHERE SECURITY GATES ARE INSTALLED, THEY SHALL HAVE AN APPROVED MEANS OF EMERGENCY OPERATION PER FIRE CODE 503.6

9. STRUCTURALS AND OUTDOOR STORAGE UNDERNEATH HIGH VOLTAGE TRANSMISSION LINES (66 KILOVOLTS OR GREATER) SHALL COMPLY WITH FIRE CODE 316.6 AND COUNTY OF LOS ANGELES FIRE DEPARTMENT REGULATION 27. ANY PROPOSED CONSTRUCTION OR LAND USE WITHIN 100 FEET OF THE DRIP LINE OF HIGH VOLTAGE TRANSMISSION LINES SHALL BE SUBJECT TO REVIEW BY THE FIRE MARSHAL.

10. ELEVATORS, ESCALATORS, AND MOVING WALKS SHALL COMPLY WITH THE REQUIREMENTS SET FORTH IN BUILDING CODE CHAPTER 30.

11. FIRE DEPARTMENT CONNECTION SHALL FOLLOW CA FIRE CODE 912.2.1

12. IN THE EVENT OF POWER SUPPLY FAILURE IN ROOMS, SPACES AND BUILDINGS THAT REQUIRE TWO OR MORE MEANS OF EGRESS, AN EMERGENCY ELECTRICAL SYSTEM FOR A DURATION OF NOT LESS THAN 90 MIN. IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN BUILDING CODE 1008.3. FURTHERMORE, THE MEANS OF EGRESS AND EXIST DISCHARGE SHALL BE ILLUMINATED AT ANY TIME THE BUILDING IS OCCUPIED WITH A LIGHT INTENSITY OF NOT LESS THAN 1 FOOT-CANDLE AT THE WALKING SURFACE (CBC 1008.2.1)

FSY ARCHITECTS
2902 KNOX AVE, 2ND FLOOR
LOS ANGELES, CA 90039
TEL : 323.255.4343
WWW.FSYARCHITECTS.COM
MAIL@FSYARCHITECTS.COM
w w w . f s y a r c h i t e c t s . c o m

PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT · MAY KRISTAL · NO. C-25142 · REN. 11-30-23 · STATE OF CALIFORNIA

DRAWING TITLE:
SITE PLAN / PLOT PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
3	Plan Check Corrections 2	9/8/2023

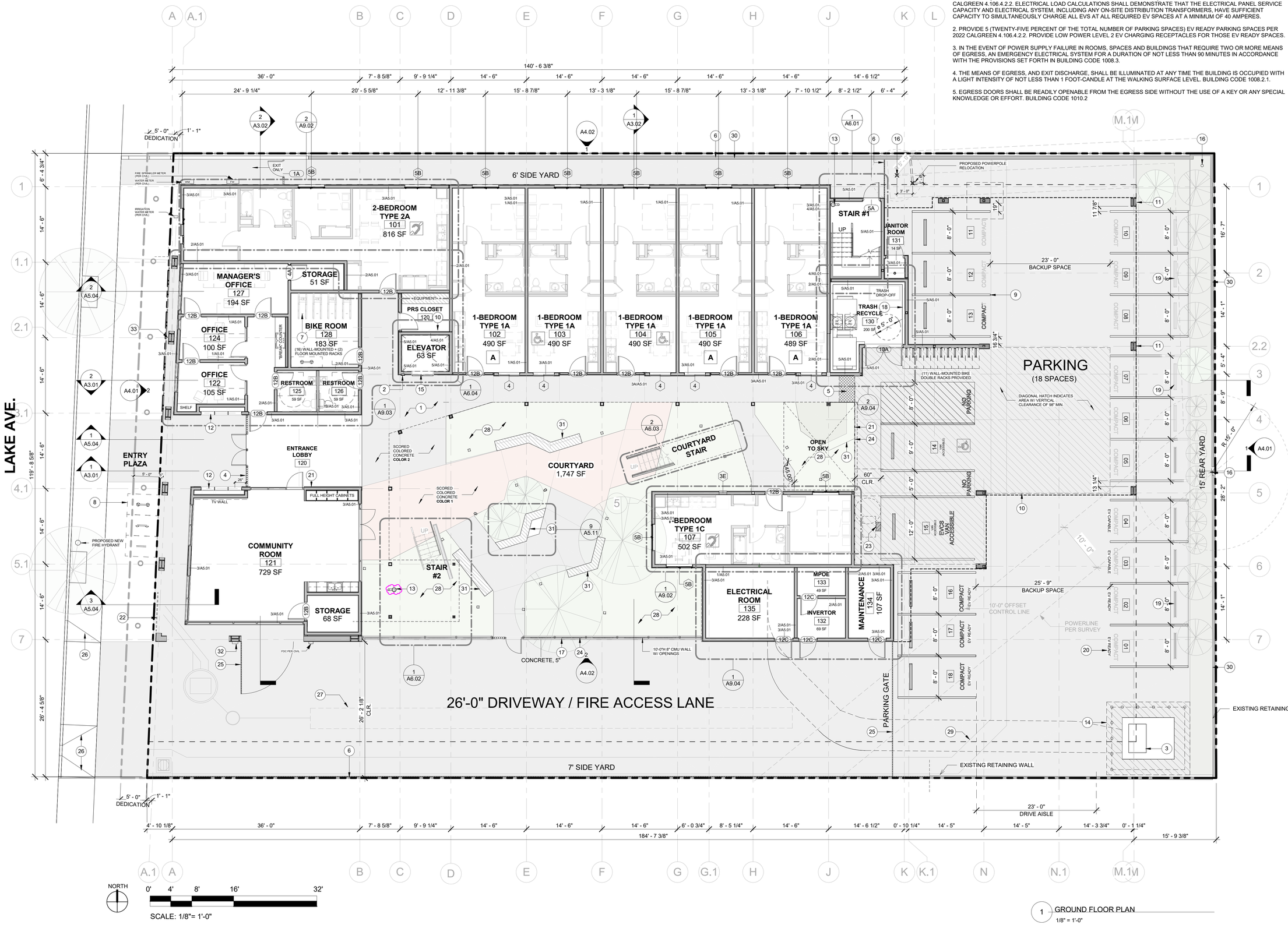
NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.00

Scale 1/8" = 1'-0"



1 GROUND FLOOR PLAN
1/8" = 1'-0"

GENERAL NOTES:

1. PROVIDE 2 (TEN PERCENT OF THE TOTAL NUMBER OF PARKING SPACES) EV CAPABLE PARKING SPACES PER 2022 CALGREEN 4.106.4.2.2. ELECTRICAL LOAD CALCULATIONS SHALL DEMONSTRATE THAT THE ELECTRICAL PANEL SERVICE CAPACITY AND ELECTRICAL SYSTEM, INCLUDING ANY ON-SITE DISTRIBUTION TRANSFORMERS, HAVE SUFFICIENT CAPACITY TO SIMULTANEOUSLY CHARGE ALL EVS AT ALL REQUIRED EV SPACES AT A MINIMUM OF 40 AMPERES.

2. PROVIDE 5 (TWENTY-FIVE PERCENT OF THE TOTAL NUMBER OF PARKING SPACES) EV READY PARKING SPACES PER 2022 CALGREEN 4.106.4.2.2. PROVIDE LOW POWER LEVEL 2 EV CHARGING RECEPTACLES FOR THOSE EV READY SPACES.

3. IN THE EVENT OF POWER SUPPLY FAILURE IN ROOMS, SPACES AND BUILDINGS THAT REQUIRE TWO OR MORE MEANS OF EGRESS, AN EMERGENCY ELECTRICAL SYSTEM FOR A DURATION OF NOT LESS THAN 90 MINUTES IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN BUILDING CODE 1008.3.

4. THE MEANS OF EGRESS, AND EXIT DISCHARGE, SHALL BE ILLUMINATED AT ANY TIME THE BUILDING IS OCCUPIED WITH A LIGHT INTENSITY OF NOT LESS THAN 1 FOOT-CANDLE AT THE WALKING SURFACE LEVEL. BUILDING CODE 1008.2.1.

5. EGRESS DOORS SHALL BE READILY OPENABLE FROM THE EGRESS SIDE WITHOUT THE USE OF A KEY OR ANY SPECIAL KNOWLEDGE OR EFFORT. BUILDING CODE 1010.2

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CONSTRUCTION NOTES:

1. CONCRETE SLAB ON GRADE, SLOPE TO DRAINAGE AS INDICATED ON PLANS. (2% MAX.)
2. TWO-WAY COMMUNICATION SYSTEM
3. ELECTRICAL TRANSFORMER MOUNTED ON CONCRETE PAD. PROVIDE CONCRETE BOLLARDS PER CALIFORNIA EDISON STANDARDS.
4. WROUGHT IRON METAL FENCE W/ ENTRY GATE
5. TRUNCATED DOMES, TYP. (PER 2019 CBC 11B-705). FINAL LOCATIONS TO BE CONFIRMED WITH PROJECT CASP.
6. METAL FENCE (SEE 7/A5.13)
7. LONG-TERM WALL-MOUNTED BIKE STORAGE STALLS W/ DIMENSIONS COMPLYING W/ BICYCLE PARKING ORDINANCE OF 12-1297-S1
8. SHORT-TERM DOUBLE BIKE STALL, COMPLYING WITH BICYCLE PARKING ORDINANCE CF-12-1297-S1. ALL BICYCLE STALLS TO BE COMPLIANCE WITH S-671-2 STANDARD PLAN. TYP.
9. DOUBLE STRIPING OF PARKING STALLS PER ZONING CODE SECTION 12.21A5, CHART NOS. TYP. ACCESSIBLE PARKING DETAILS SEE 5/A10.02
10. EDGE OF BUILDING / WALKWAY ABOVE
11. CONCRETE COLUMN TYP. (PER STRUCTURAL PLANS)
12. PROVIDE USPS APPROVED 4C MAILBOXES. CONTRACTOR TO VERIFY LOCATION AND TYPE WITH POSTMASTER PRIOR TO PURCHASE AND INSTALLATION.
13. CLASS 1 STANDPIPE AT ALL STAIRS THROUGHT TO ROOF COMBINED WITH AUTOMATIC SPRINKLER SYSTEM, TYP.
14. CONCRETE BOLLARDS, TYP (PER LADWP STANDARDS)
15. OVERHEAD ELEVATOR DOOR SMOKE CONTAINMENT SYSTEM PER ICC ESAC 77. SMOKE GUARD MODEL 200 OR EQUAL. TYPICAL AT ALL ELEVATOR HOISTWAY OPENINGS. SMOKE ACTIVATED DOOR PER SECTION 715.4.8 OF THE 2019 CALIFORNIA BUILDING CODE.
16. EXISTING POWER POLE (PER SURVEY)
17. SURFACED MOUNTED EXTERIOR LIGHTING FIXTURE, (MANUFACTURER: ASPEN - 700OWASP9308DZUNVS) TYP.
18. PROVIDE 6" PROTECTIVE CURB AT TRASH AND RECYCLE ROOMS
19. CONCRETE WHEEL STOP, TYP. (SEE 6/A10.02)
20. ELECTRIC VEHICLE READY SPACES SHALL BE IDENTIFIED BY SIGNAGE OR PAVEMENT MARKINGS, IN COMPLIANCE WITH CALTRANS TRAFFIC OPERATIONS POLICY DIRECTIVE 13-01 (ZERO EMISSION VEHICLE SIGNS AND PAVEMENT MARKINGS) OR ITS SUCCESSOR(S).
21. FIRE EVACUATION PLAN SHALL BE INSTALLED PER 2022 CBC SECTION 1002.2 & 2022 CALIFORNIA FIRE CODE SECTION 401.2 & 404
22. OVERHEAD BUILDING ADDRESS (PER LAFC 505.1), SEE A4.01 FOR LOCATION.
23. ELECTRIC VEHICLE CHARGING STATION, TO COMPLY WITH 11B-812.1. SEE A10.08 FOR CUT SHEET.
24. 1/4" STEEL CUSTOM CNC FENCE (SEE A5.13 FOR DETAILS)
25. WROUGHT IRON METAL GATE & FENCE CONTRACTOR TO PROVIDE SHOP DRAWINGS
26. CONCRETE DRIVEWAY RAMP PER CIVIL DWG. AND SHOULD COMPLYING WITH FIGURE 11B OF THE LADBS INFORMATION BULLETIN (P/ZC 2002-001)
27. STORM WATER DETNTION SYSTEM PER CIVIL DWG.
28. LANDSCAPING / PLANTING AREA WITH PLANTER DRAIN (SEE LANDSCAPE DRAWINGS)
29. CONCRETE VALLEY GUTTER PER CIVIL DWG.
30. RETAINING WALL PER 6/A5.13 & CIVIL
31. 18"x18" BACKLESS BENCH. TYP. (SEE 8/A5.11)
32. PROVIDE FIRE DEPARTMENT KNOX BOX COMPLIANT WITH UL 437 AND 1037 PER LAFC 506
33. STRUCTURAL COLUMN (SEE STRUCTURAL) TYP. AT BUILDING FRONTYARD COLONNADE WITH STUCCO FINISH SPECIFIED ON A8.05 FINISH SCHEDULE. CHECK BUILDING ELEVATION FOR COLONNADE APPEARANCE AND SIZES

FSY ARCHITECTS
2902 KNOX AVE, 2ND FLOOR
LOS ANGELES, CA 90039
TEL : 323.255.4343
WWW.FSYARCHITECTS.COM
MAIL@FSYARCHITECTS.COM
w w w . f s y a r c h i t e c t s . c o m

PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT — AJAY K. SHAH — LIC. NO. C-25142 — REN. 11-30-23 — STATE OF CALIFORNIA

DRAWING TITLE:
GROUND FLOOR PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
2	Addendum 1	8/7/2023
3	Plan Check Corrections 2	9/8/2023

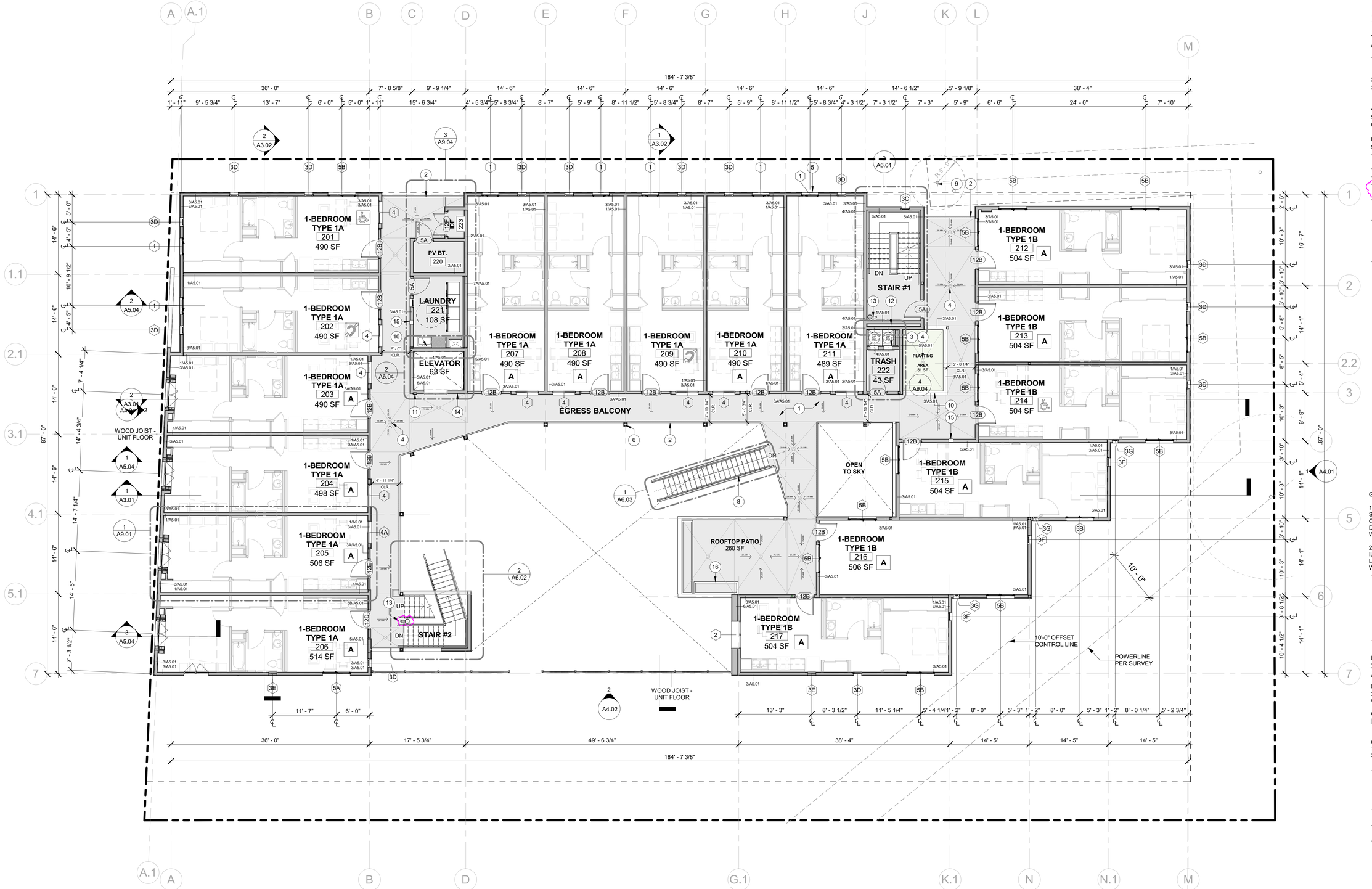
NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.01

Scale 1/8" = 1'-0"



NORTH

0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

1 SECOND FLOOR PLAN
1/8" = 1'-0"

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CONSTRUCTION NOTES:

1 CLASS A ELASTOMERIC DECK COATING, LARR# 24208. SLOPED TO DRAINAGE PER PLAN (MAX 1:48). EGRESS BALCONY SHALL BE FULLY ACCESSIBLE PATHWAY
2 42" TALL METAL GUARDRAIL. TYP.
3 TRASH CHUTE / RECYCLING CHUTE. ATTACHMENT AND CONNECTIONS PER MANUFACTURER'S STANDARD DETAILS. CHUTE TERMINATES IN TRASH/REC. AREA.
4 AREA DRAIN TYP. SEE PLUMBING PLANS.
5 VINYL WINDOW PER PLAN AND SCHEDULE.
6 STRUCTURAL STEEL COLUMN WITH 1-HR INTUMESCENT PAINT TYP. (PER STRUCTURAL PLANS)
8 STEEL STAIR W/ 2" LIGHTWEIGHT CONCRETE TREADS.
9 EXISTING POWER POLE (PER SURVEY)
10 LANDSCAPING / PLANTING AREA WITH PLANTER DRAIN (SEE LANDSCAPE DRAWINGS)
11 TWO-WAY COMMUNICATION SYSTEM
12 2 HR RATED SHAFT UP THROUGH ROOF FOR DAS SYSTEM.
13 CLASS 1 STANDPIPE AT ALL STAIRS THROUGH TO ROOF COMBINED WITH AUTOMATIC SPRINKLER SYSTEM. TYP.
14 FIRE EVACUATION PLAN SHALL BE INSTALLED PER 2022 CBC SECTION 1002.2 & 2022 CALIFORNIA FIRE CODE SECTION 401.2 & 404
15 FIRE EXTINGUISHER IN RECESSED CABINET. TYP. MOUNTED 48" A.F.F. W/ A RATING NOT LESS THAN 2-A OR 1-A 10BC WITHIN 75 FEET TRAVEL DISTANCE TO ALL PORTIONS OF THE BUILDING. ALSO DURING CONSTRUCTION. FINAL LOCATIONS PER FIRE MARSHALL INSTRUCTION.
16 BUY-OUR FIBERGLASS PLANTERS ON TOP OF FINISHED FLOOR (TOURNESOL OR APPROVED SIMILAR)

GENERAL NOTES:

1. IN THE EVENT OF POWER SUPPLY FAILURE IN ROOMS, SPACES AND BUILDINGS THAT REQUIRE TWO OR MORE MEANS OF EGRESS, AN EMERGENCY ELECTRICAL SYSTEM FOR A DURATION OF NOT LESS THAN 90 MINUTES IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN BUILDING CODE 1008.3.

2. THE MEANS OF EGRESS, AND EXIT DISCHARGE, SHALL BE ILLUMINATED AT ANY TIME THE BUILDING IS OCCUPIED WITH A LIGHT INTENSITY OF NOT LESS THAN 1 FOOT-CANDLE AT THE WALKING SURFACE LEVEL. BUILDING CODE 1008.2.1.

FSY ARCHITECTS
2902 KNOX AVE, 2ND FLOOR
LOS ANGELES, CA 90039
TEL : 323.255.4343
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MAIL@FSYARCHITECTS.COM
w w w . f s y a r c h i t e c t s . c o m

PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT VIJAY KRISHNAN NO. C-25142 REN. 11-30-23 STATE OF CALIFORNIA

DRAWING TITLE:
SECOND FLOOR PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
2	Addendum 1	8/7/2023
3	Plan Check Corrections 2	9/8/2023

NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.02

Scale 1/8" = 1'-0"

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CONSTRUCTION NOTES:

1 CLASS A ELASTOMERIC DECK COATING, LARR# 24208. SLOPED TO DRAINAGE PER PLAN (MAX 1:48). EGRESS BALCONY SHALL BE FULLY ACCESSIBLE PATHWAY
2 42" TALL METAL GUARDRAIL. TYP.
3 TRASH CHUTE / RECYCLING CHUTE. ATTACHMENT AND CONNECTIONS PER MANUFACTURER'S STANDARD DETAILS. CHUTE TERMINATES IN TRASH/REC. AREA
4 OVERHEAD ELEVATOR DOOR SMOKE CONTAINMENT SYSTEM PER ICC ESAC 77. SMOKE GUARD MODEL 200 OR EQUAL. TYPICAL AT ALL ELEVATOR HOISTWAY OPENINGS. SMOKE ACTIVATED DOOR PER SECTION 715.4.8 OF THE 2019 CALIFORNIA BUILDING CODE.
5 VINYL WINDOW PER PLAN AND SCHEDULE.
6 STRUCTURAL STEEL COLUMN WITH 1-HR INTUMESCENT PAINT TYP. (PER STRUCTURAL PLANS)
8 AREA DRAIN TYP. SEE PLUMBING PLANS.
9 EXISTING POWER POLE (PER SURVEY)
10 2 HR RATED SHAFT UP THROUGH ROOF FOR DAS SYSTEM.
11 TWO-WAY COMMUNICATION SYSTEM
13 CLASS 1 STANDPIPE AT ALL STAIRS THROUGH TO ROOF COMBINED WITH AUTOMATIC SPRINKLER SYSTEM. TYP.
14 FIRE EVACUATION PLAN SHALL BE INSTALLED PER 2022 CBC SECTION 1002.2 & 2022 CALIFORNIA FIRE CODE SECTION 401.2 & 404

1 THIRD FLOOR PLAN
1/8" = 1'-0"

NORTH

0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

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PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD. SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT · TIMOTHY KREEGER · LIC. NO. C-25142 · REN. 11-30-23 · STATE OF CALIFORNIA

DRAWING TITLE:
THIRD FLOOR PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
3	Plan Check Corrections 2	9/8/2023

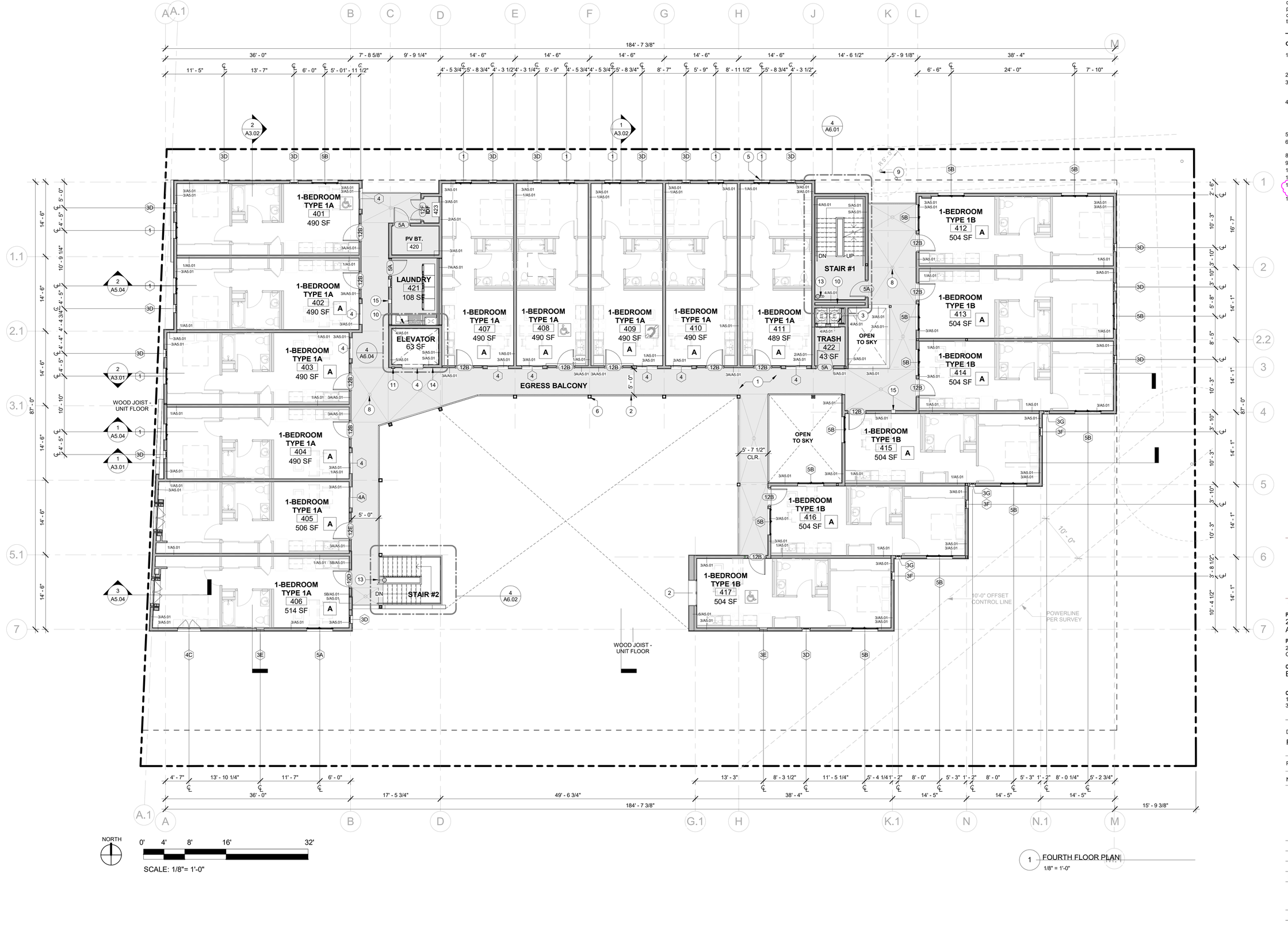
NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.03

Scale 1/8" = 1'-0"



1 FOURTH FLOOR PLAN
1/8" = 1'-0"

NORTH

0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

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CONSTRUCTION NOTES:

1 CLASS A ELASTOMERIC DECK COATING, LARR# 24208. SLOPED TO DRAINAGE PER PLAN (MAX 1:48). EGRESS BALCONY SHALL BE FULLY ACCESSIBLE PATHWAY
2 42" TALL METAL GUARDRAIL. TYP.
3 TRASH CHUTE / RECYCLING CHUTE. ATTACHMENT AND CONNECTIONS PER MANUFACTURER'S STANDARD DETAILS. CHUTE TERMINATES IN TRASH/REC. AREA
4 OVERHEAD ELEVATOR DOOR SMOKE CONTAINMENT SYSTEM PER ICC ESAC 77. SMOKE GUARD MODEL 200 OR EQUAL. TYPICAL AT ALL ELEVATOR HOISTWAY OPENINGS. SMOKE ACTIVATED DOOR PER SECTION 715.4.8 OF THE 2019 CALIFORNIA BUILDING CODE.
5 VINYL WINDOW PER PLAN AND SCHEDULE.
6 STRUCTURAL STEEL COLUMN WITH 1-HR INTUMESCENT PAINT TYP. (PER STRUCTURAL PLANS)
8 AREA DRAIN TYP. SEE PLUMBING PLANS.
9 EXISTING POWER POLE (PER SURVEY)
10 2 HR RATED SHAFT UP THROUGH ROOF FOR DAS SYSTEM.
11 TWO-WAY COMMUNICATION SYSTEM.
13 CLASS 1 STANDPIPE AT ALL STAIRS THROUGH TO ROOF COMBINED WITH AUTOMATIC SPRINKLER SYSTEM, TYP.
14 FIRE EVACUATION PLAN SHALL BE INSTALLED PER 2022 CBC SECTION 1002.2 & 2022 CALIFORNIA FIRE CODE SECTION 401.2 & 404

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PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT · KAILAY K. SEGAL · LIC. NO. C-25142 · REN. 11-30-23 · STATE OF CALIFORNIA

DRAWING TITLE:
FOURTH FLOOR PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
3	Plan Check Corrections 2	9/8/2023

NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.04

Scale 1/8" = 1'-0"

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CONSTRUCTION NOTES:

1 60MIL MIN. FIRESTONE ULTRAPLY WHITE OR EQUAL CLASS 'A' SINGLE PLY COOL ROOF OVER 1/4" DENS DECK PRIME SHEATHING INSTALLED PER MANUFACTURER'S RECOMMENDATIONS. TYPICAL PROVIDE PENETRATION FLASHING AND TPO COATED SHEET METAL FLASHING PER MANUFACTURER REQUIREMENTS. MINIMUM 75 SRI (SOLAR REFLETANCE INDEX) CONTRACTOR TO PROVIDE MINIMUM 20 YEAR NDL WARRANTY. ICC # ESR 2831 (REFER TO CUT SHEET S723-RFS-012, TIS #201 FOR TECHNICAL INFORMATION)

2 SOLAR ZONE. SEE GENERAL NOTE BELOW. PROVIDE SOLAR THERMAL PRE-HEAT SYSTEM DESIGN BUILD BY CONTRACTOR. SEE TITLE 24 REPORT FOR SOLAR FRACTION AND REQUIREMENTS. COORDINATE INSTALLATION AND DESIGN TO PROVIDE A COMPLETE PLUMBING INSTALLATION, AND ALL REQUIRE

3 PARAPET WALLL W/ SHEET METAL COPING TYP. (SEE DETAIL X/AX.XX).

4 EQUIPMENT PAD. TYP.

5 CONDENSER UNITS, TYP. (SEE MECHANICAL)

8 STRUCTURES / VENTS SHALL NOT EXCEED MAX BUILDING HEIGHT 52'-6"

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PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT — KAI LAY SEE — NO. C-25142 — REN. 11-30-23 — STATE OF CALIFORNIA

DRAWING TITLE:
ROOF PLAN

PROJECT NUMBER -

NO.	DESCRIPTION	DATE

NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A2.05

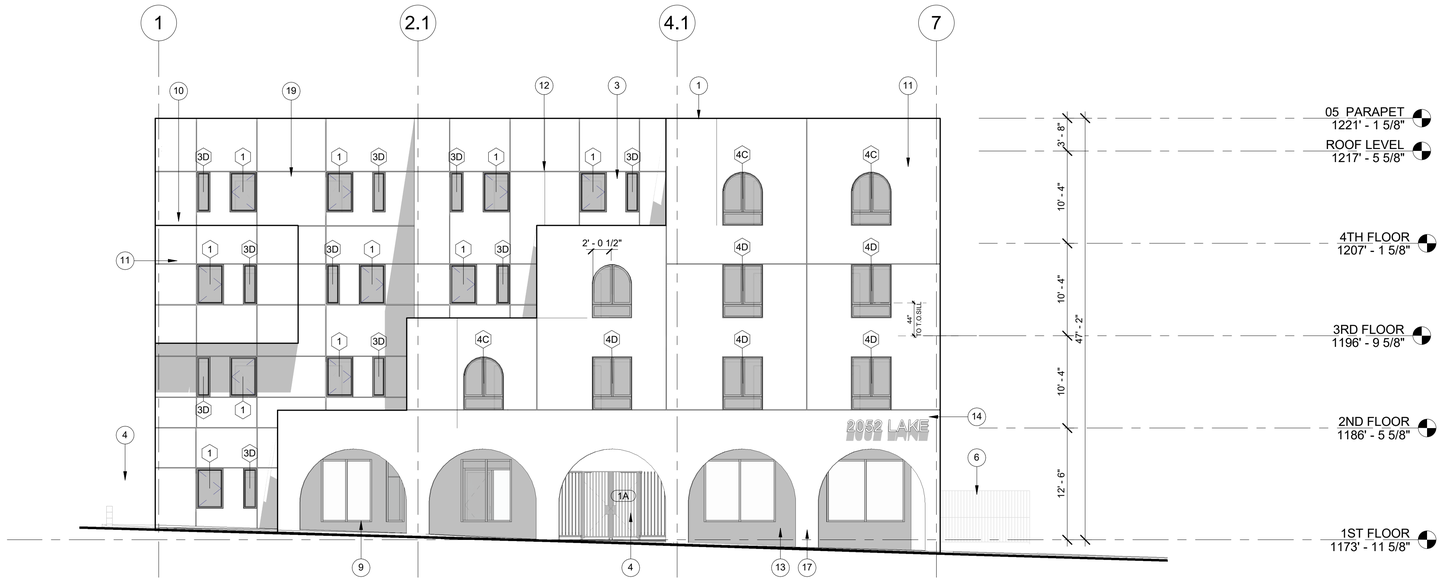
Scale 1/8" = 1'-0"

NORTH

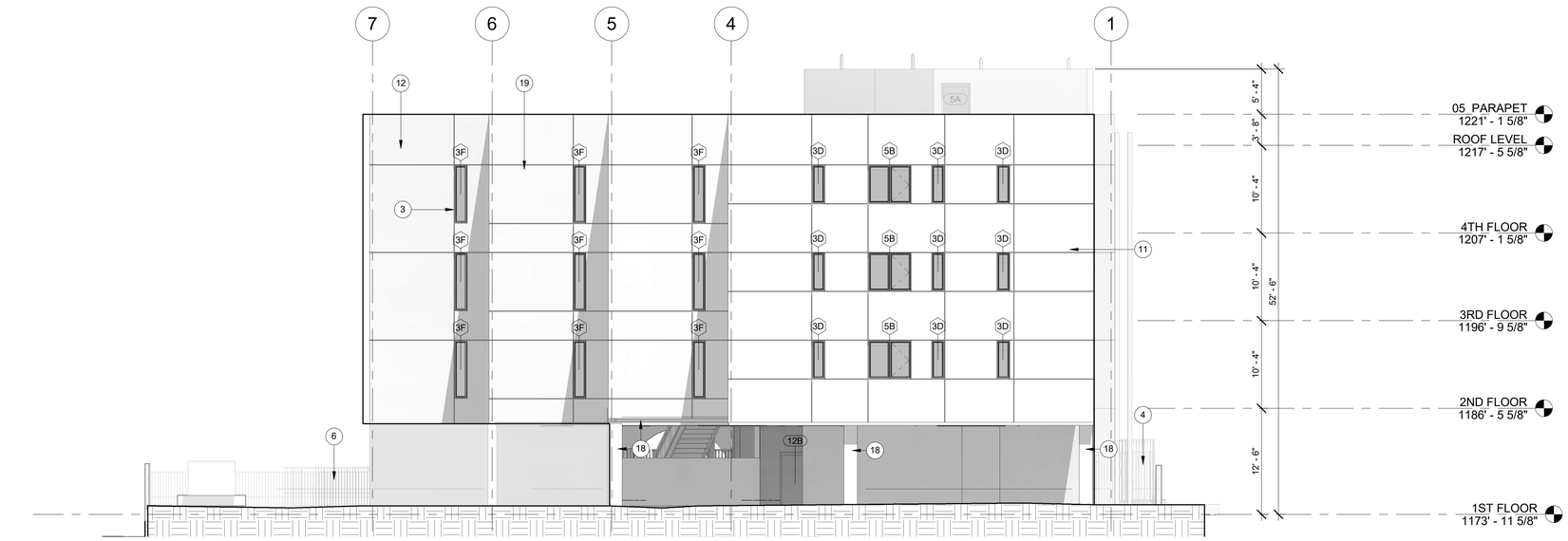
0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

1 ROOF PLAN
1/8" = 1'-0"



2 WEST ELEVATION
1/8" = 1'-0"



1 EAST ELEVATION
1/8" = 1'-0"

0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

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CONSTRUCTION NOTES:

1 PARAPET WALLL W/ SHEET METAL COPING TYP. (SEE DETAIL 3/A5.11).
2 HIGH ROOF PER PLAN
3 VINYL WINDOW PER PLAN AND SCHEDULE.
4 WROUGH IRON METAL GATE AND FENCE.
5 42" TALL METAL GUARDRAIL. TYP.
6 WROUGHT IRON FENCE PER PLAN
7 COURTYARD PARAMETER WALL
8 EXTERIOR STAIR PER PLAN
9 STOREFRONT PER PLAN AND SCHEDULE (SEE A8.02)
10 FURRING OUT WALL WITH OPENING PER PLAN AND SCHEDULE
11 SMOOTH CEMENT PLASTER (COLOR 1) WITH CONTROL JOINT, TYP.
12 SMOOTH CEMENT PLASTER (COLOR 2) WITH CONTROL JOINT, TYP.
13 SMOOTH CEMENT PLASTER (COLOR 3) WITH CONTROL JOINT, TYP.
14 PIN MOUNTED LED BACKLIT WATERPROOF BUILDING ADDRESS (PER LAFC 505.1)
15 1/4" STEEL CUSTOM CNC FENCE (SEE A5.13 FOR DETAILS)
16 42" GUARD WALL WITH METAL PANEL FINISH. ALUCOBOND OR APPROVED SIMILAR PRODUCT PER CUTSHEET A10.17
17 STRUCTURAL COLUMN (SEE STRUCTURAL) TYP. AT BUILDING FRONTYARD COLONNADE WITH STUCCO FINISH SPECIFIED ON A8.05 FINISH SCHEDULE
18 SEE 4/A5.11 FOR COLUMN AND BEAM CLADDING
19 STUCCO CONTROL JOINTS. NO VERTICAL CONTROL JOINT SHALL BE INTERRUPTED BY HORIZONTAL JOINTS
20 WALL SCONCE PER ELECTRICAL PLAN

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TEL : 323.255.4343
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PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT — MAY KREUTZ — NO. C-25142 — REN. 11-30-23 — STATE OF CALIFORNIA

DRAWING TITLE:
ELEVATIONS

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
2	Addendum 1	8/7/2023
3	Plan Check Corrections 2	9/8/2023

NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

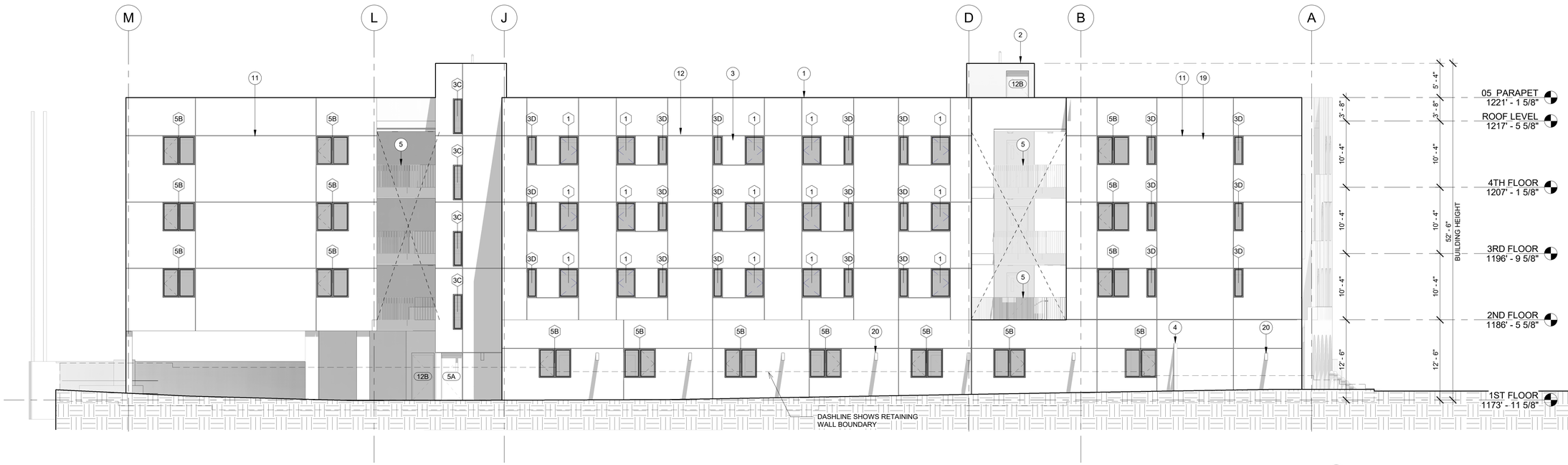
A4.01

Scale 1/8" = 1'-0"

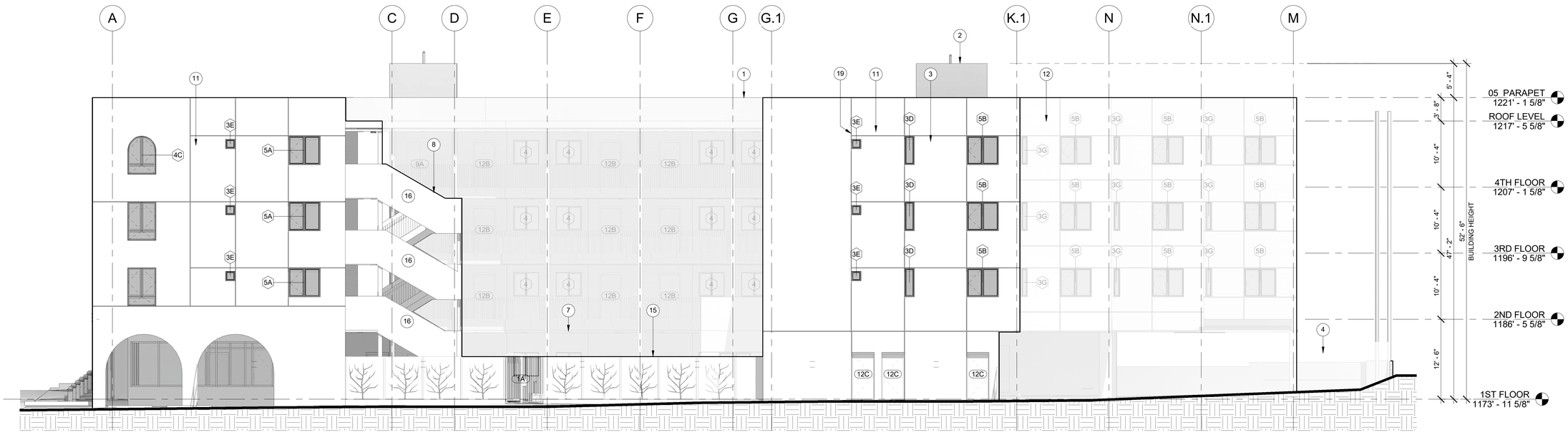
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CONSTRUCTION NOTES:

1 PARAPET WALL W/ SHEET METAL COPING TYP. (SEE DETAIL 3/A5.11).
2 HIGH ROOF PER PLAN
3 VINYL WINDOW PER PLAN AND SCHEDULE.
4 WROUGH IRON METAL GATE AND FENCE.
5 42" TALL METAL GUARDRAIL. TYP.
6 WROUGHT IRON FENCE PER PLAN
7 COURTYARD PARAMETER WALL
8 EXTERIOR STAIR PER PLAN
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18 SEE 4/A5.11 FOR COLUMN AND BEAM CLADDING
19 STUCCO CONTROL JOINTS. NO VERTICAL CONTROL JOINT SHALL BE INTERRUPTED BY HORIZONTAL JOINTS
20 WALL SCONCE PER ELECTRICAL PLAN



1 NORTH ELEVATION
1/8" = 1'-0"



0' 4' 8' 16' 32'

SCALE: 1/8"= 1'-0"

2 SOUTH ELEVATION
1/8" = 1'-0"

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w w w . f s y a r c h i t e c t s . c o m

PROJECT NAME:
2052 LAKE AVE APARTMENTS

PROJECT ADDRESS:
2052 LAKE AVE, ALTADENA, CA 91001

CLIENT NAME:
EAH HOUSING

CLIENT ADDRESS:
18801 VENTURA BLVD, SUITE 300, TARZANA, CA 91356

LICENSED ARCHITECT KRISTOPHER JAY NEWMAN NO. C-25142 REN. 11-30-23 STATE OF CALIFORNIA

DRAWING TITLE:
ELEVATIONS

PROJECT NUMBER -

NO.	DESCRIPTION	DATE
1	Plan Check Corrections	5/17/2023
2	Addendum 1	8/7/2023

NOT FOR CONSTRUCTION

LACDA REVIEW SET

Date	10/18/2023
Drawn by	AW / KN
Checked by	VM / SD

A4.02

Scale 1/8" = 1'-0"

EXHIBIT "J" TO LOAN AGREEMENT

DEVELOPMENT PROFORMA

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

D.1 Acquisition & Predevelopment Financing

Lien Position	Name of Lender/Source	Term in Months	Interest Rate	Amount of Funds
1	Corporation for Supportive Housing	24	6.000%	**6,370,000**
	Total Funds for Acquisition/Predevelopment			**$6,370,000**

1. Name of Lender/Source: Corporation for Supportive Housing
   Contact Name: Lindsay Kerby
   Street Address: 800 South Figueroa Street, Suite 810
   City/State: Los Angeles, CA
   Phone Number: (917) 428-5786
   Fax Number: N/A
   Email Address: lindsay.kerby@csh.org
   Use (menu selection): Acq & Predevelopment

2. Name of Lender/Source:
   Contact Name:
   Street Address:
   City/State:
   Phone Number:
   Fax Number:
   Email Address:
   Use (menu selection): (Select)

3. Name of Lender/Source:
   Contact Name:
   Street Address:
   City/State:
   Phone Number:
   Fax Number:
   Email Address:
   Use (menu selection): (Select)

D.2 Sources

2052 Lake Avenue Apartments

CONSTRUCTION SOURCES

Lien Position	Name of Lender/Source	Term in Months	Interest Rate	Amount of Funds	Residential Component Amount of Funds	Commercial Component Amount of Funds
1	US Bank	30	8.320%	**$25,454,209**	**$25,454,209**	
2	LACDA - Disaster Recovery	30	3.000%	**$2,827,059**	**$2,827,059**	
3	LACDA - AHTF	30	3.000%	**$6,750,000**	**$6,750,000**	
	Dev. fee Deferred Until Conversion			**$1,500,000**	**$1,500,000**	
	Capitalized Op. Resv Deferred Until Conversion			**$291,628**	**$291,628**	
	Costs Deferred Until Conversion			**$29,000**	**$29,000**	
	Waived Permit Fees			**$440,908**	**$440,908**	
	GP Capital			**$350,000**	**$350,000**	
			Total Tax Credit Equity	**$2,151,635**	**$2,151,635**	
			Total Funds for Construction	**$39,794,439**	**$39,794,439**	**$0**

NOTE: Do not show deferred interest as a source.

PERMANENT SOURCES

Lien Position	Name of Lender/Source	Term in Months	Interest Rate	Amount of Funds	Annual Debt Service	Residential Component Amount of Funds	Commercial Component Amount of Funds
1	Berkadia	480	7.305%	**$7,269,030**	$530,698	$7,269,030	
2	LACDA - Disaster Recovery	660	3.000%	**$3,141,177**		$3,141,177	
3	LACDA - ATHF	660	3.000%	**$7,000,000**		$7,000,000	
	Commitment Fee Refund			**$76,970**		$76,970	
	Waived Permit Fees			**$440,908**		$440,908	
	GP Capital			**$350,000**		$350,000	
			Total Permanent Financing	**$18,278,085**		$21,516,354	
			Total Tax Credit Equity	**$21,516,354**		**$39,794,439**	**$0**
			Total Sources of Project Funds	**$39,794,439**			

NOTE: Do not show deferred interest as a source.

1. Name of Lender/Source: US Bank
   Contact Name: Joshua Eyiu
   Street Address: 200 Pringle Ave., Suite 350
   City/State: Walnut Creek, CA 94596
   Phone Number: (925) 947-2491
   Fax Number: N/A
   Email Address: joshua.eyiu@usbank.com
   Type of Financing (menu selection): Hard payments
   Term of Financing (menu selection): Construction only
   Committed (menu selection): Yes

2. Name of Lender/Source: Berkadia Commercial Mortgage LLC
   Contact Name: Jay Abeywardena
   Street Address: 11111 Santa Monica Blvd. Suite 400
   City/State: Los Angeles, CA 90025
   Phone Number: (310) 209-3244
   Fax Number: N/A
   Email Address: jay.abeywardena@berkadia.com
   Type of Financing (menu selection): Hard payments
   Term of Financing (menu selection): Permanent only
   Committed (menu selection): Yes

3. Name of Lender/Source: LACDA - Disaster Recovery
   Contact Name: Beatriz Lopez
   Street Address: 700 W Main Street
   City/State: Alhambra, CA
   Phone Number: (626) 586-1931
   Fax Number: N/A
   Email Address: Beatriz.Lopez@lacda.org
   Type of Financing (menu selection): Soft debt
   Term of Financing (menu selection): Construction & Perm
   Committed (menu selection): Yes

4. Name of Lender/Source: LACDA - Affordable Housing Trust Fund
   Contact Name: Lynn Katano
   Street Address: 700 W Main Street
   City/State: Alhambra, CA
   Phone Number: (626) 586-1806
   Fax Number: N/A
   Email Address: lynn.katano@lacda.org
   Type of Financing (menu selection): Soft debt
   Term of Financing (menu selection): Construction & Perm
   Committed (menu selection): No

5. Name of Lender/Source: Costs Deferred Until Conversion
   Contact Name: Welton Jordan
   Street Address: 22 Pelican Way
   City/State: San Rafael, CA
   Phone Number: (415) 295-8876
   Fax Number: N/A
   Email Address: welton.jordan@eahhousing.org
   Type of Financing (menu selection): Other
   Term of Financing (menu selection): Construction only
   Committed (menu selection): Yes

6. Name of Lender/Source: US Bank Community Development Corporation
   Contact Name: Sebastian Glowacki
   Street Address: 1307 Washington Ave., Suite 300
   City/State: St. Louis, MO 63103
   Phone Number: (303) 439-4132
   Fax Number: N/A
   Email Address: sebastian.glowacki@usbank.com
   Type of Financing (menu selection): 9% Equity
   Term of Financing (menu selection): Construction & Perm
   Committed (menu selection): No

7. Name of Lender/Source: GP Capital
   Contact Name: Welton Jordan
   Street Address: 22 Pelican Way
   City/State: San Rafael, CA
   Phone Number: (415) 295-8876
   Fax Number: N/A
   Email Address: welton.jordan@eahhousing.org
   Type of Financing (menu selection): Other
   Term of Financing (menu selection): Construction & Perm
   Committed (menu selection): Yes

8. Name of Lender/Source: Waived Permit Fees
   Contact Name: Beatriz Lopez
   Street Address: 70 W. Main Street
   City/State: Alhambra, CA 91801
   Phone Number: (626) 586-1931
   Fax Number: N/A
   Email Address: Beatriz.Lopez@lacda.org
   Type of Financing (menu selection): Other
   Term of Financing (menu selection): Construction & Perm
   Committed (menu selection): Yes

9. Name of Lender/Source: Berkadia Commercial Mortgage LLC
   Contact Name: Jay Abeywardena
   Street Address: 11111 Santa Monica Blvd. Suite 400
   City/State: Los Angeles, CA 90025
   Phone Number: (310) 209-3244
   Fax Number: N/A
   Email Address: jay.abeywardena@berkadia.com
   Type of Financing (menu selection): Other
   Term of Financing (menu selection): Permanent only
   Committed (menu selection): Yes

D.3 Operating Subsidies

2052 Lake Avenue Apartments

Subsidy Source	Subsidy Program	Date of Application (actual or anticipated)	Date of Award (actual or anticipated)	Initial Term of Subsidy (years)	Number of Subsidized Units	Total Annual Subsidy	Total Subsidy
LACDA	Project-Based	2/2/2022	4/6/2023	20	57	948,708	18,974,160
				Total	**57**	**948,708**	**18,974,160**

1. Name of Lender/Source: LACDA Project-Based Rental Assistance
   Contact Name: Lynn Katano
   Street Address: 700 W Main Street
   City/State: Alhambra, CA 91801
   Phone Number: (626) 586-1806
   Fax Number: N/A
   Email Address: lynn.katano@lacda.org
   Committed (menu selection): Yes

2. Name of Lender/Source:
   Contact Name:
   Street Address:
   City/State:
   Phone Number:
   Fax Number:
   Email Address:
   Committed (menu selection): (Select)

3. Name of Lender/Source:
   Contact Name:
   Street Address:
   City/State:
   Phone Number:
   Fax Number:
   Email Address:
   Committed (menu selection): (Select)

Calculation of Rent Subsidy Premium (e.g., Shelter Plus Care, PBV, or PBVASH)

# of Bedrooms	# of Units	Target AMI	Net Monthly TCAC Rent (Net of Utility Allowance)	Net Monthly Subsidy	Difference	Total Monthly Subsidy Premium	Annual Subsidy Premium
1-Bedroom	57	30%	631	2,018	1,387	79,059	948,708
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
					-	-	-
	57					**79,059**	**948,708**

D.4 Development Budget

2052 Lake Avenue Apartments

	Total	Residential	Non-Residential	Eligible Basis: New Construction / Rehab	Eligible Basis: Acquisition	Residential Cost/Unit
		100.00%	0.00%			
Acquisition						
Total Land Cost	4,750,000	4,750,000	0			81,897
Existing Improvements Value		0	0			0
Legal / Title & Recording	20,000	20,000	0			345
Total Acquisition Costs	**4,770,000**	**4,770,000**	**0**	**0**	**0**	**82,241**
Construction						
Demolition	115,000	115,000	0			1,983
Toxic Abatement		0	0			0
Offsite Improvements	65,000	65,000	0	30,793		1,121
On-site Improvements attributable to unusual conditions			0			0
Site Work	2,480,000	2,480,000	0	2,480,000		42,759
Structures	15,193,000	15,193,000	0	15,193,000		261,948
Parking		0	0			0
Payment & Performance Bond	179,430	179,430	0	179,430		3,094
General Requirements	1,256,010	1,256,010	0	1,256,010		21,655
Contractor Overhead	628,005	628,005	0	628,005		10,828
Contractor Profit	628,005	628,005	0	628,005		10,828
General Liability Insurance	93,829	93,829	0	93,829		1,618
Owner's Rep / Construction Supervision/ Security	90,000	90,000	0	90,000		1,552
Prevailing Wage /GC Contingency	179,430	179,430	0	179,430		3,094
Total Construction Costs	**20,907,709**	**20,907,709**	**0**	**20,758,502**	**0**	**360,478**
Architectural Fees						
Design/Interior Designer	975,328	975,328	0	975,328		16,816
Supervision	**0**	0	0	0		0
Total Architectural Costs	**975,328**	**975,328**	**0**	**975,328**	**0**	**16,816**
Survey & Engineering						
Total Survey & Engineering	**180,300**	**180,300**	0	**180,300**	0	**3,109**
Construction Interest & Fees						
Construction Loan Interest	3,228,808	3,228,808	0	1,706,270		55,669
Construction Lender Expenses	30,000	30,000	0	15,000		517
Construction Lender Counsel	60,000	60,000	0	30,000		1,034
Origination Fee	253,753	253,753	0	123,048		4,375
Costs of Bond Issuance						
a) Underwriter Fee		0	0			0
b) Underwriter Counsel		0	0			0
c) Issuer Fee		0	0			0
d) Issuer Financial Advisor		0	0			0
e) Bond Counsel		0	0			0
f) Lender Origination/LOC Fee		0	0			0
g) Lender Counsel		0	0			0
h) Rating		0	0			0
i) Trustee Fee		0	0			0
j) Trustee Counsel		0	0			0
k) Printing		0	0			0
l) CDLAC Fees		0	0			0
m) COI Contingency		0	0			0
Real Estate Taxes During Construction	159,365	159,365	0	159,365		2,748
Insurance During Construction	506,000	506,000	0	506,000		8,724
Title and Recording	75,000	75,000	0	75,000		1,293
Other: (specify)		0	0			0
Other: (specify)		0	0			0
Total Construction Financing Costs	**4,312,926**	**4,312,926**	**0**	**2,614,683**	**0**	**74,361**
Permanent Financing						
Loan Origination Fee	72,765	72,765	0			1,255
Credit Enhance. & App. Fee		0	0			0
Title and Recording	30,000	30,000	0			517
Other: Permanent Lender Expenses	116,505	116,505	0			2,009
Other: Permanent Lender Counsel	30,136	30,136	0			520
Total Permanent Financing Costs	**249,406**	**249,406**	**0**	**0**	**0**	**4,300**
Legal Fees						
Construction Closing	60,000	60,000	0	60,000		1,034
Permanent Closing	20,000	20,000	0			345
Organization of Partnership	20,000	20,000	0			345
Other: Syndication LP	30,000	30,000	0			517
Total Attorney Costs	**130,000**	**130,000**	**0**	**60,000**	**0**	**2,241**
Reserves						
Operating Reserves	291,628	291,628	0			5,028
Replacement Reserve	29,000	29,000	0			500
Transition Reserve		0	0			0
Other: (specify)		0	0			0
Total Reserve Costs	**320,628**	**320,628**	**0**	**0**	**0**	**5,528**
Appraisal						
Total Appraisal Costs	**15,000**	**15,000**	**0**	**15,000**	**0**	**259**
Contingency						
Hard Cost Contingency	2,090,771	2,090,771	0	2,090,771		36,048
Soft Cost Contingency	345,752	345,752	0	345,752		5,961
Total Contingency Costs	**2,436,523**	**2,436,523**	**0**	**2,436,523**	**0**	**42,009**
Other						
TCAC App/Alloc/Monitor Fees	119,339	119,339	0			2,058

	Total	Residential	Non-Residential	Eligible Basis: New Construction / Rehab	Eligible Basis: Acquisition	Residential Cost/Unit
		100.00%	0.00%			
Environmental Audit	174,200	174,200	0	174,200		3,003
Local Development Impact Fees/LACDA Monitoring fee/Fire Hydrant	593,989	593,989	0	153,582		10,241
Permit Processing Fees	590,913	590,913	0	150,005		10,188
School Fees	156,752	156,752	0	156,752		2,703
Marketing	3,155	3,155	0			54
Leasing (Lease-Up Expense)	29,745	29,745	0			513
Leasing (Lease-Up Fee)	17,100	17,100	0			295
Relocation Expenses	99,691	99,691	0			1,719
Furnishings (common areas)	61,285	61,285	0	61,285		1,057
Unit Furnishings (homeless units)	170,715	170,715	0	170,715		2,943
Accounting/Audit	25,000	25,000	0			431
Acq/Predev Loan Fees & Expenses			0			0
Acq/Predev Loan Interest	520,427	520,427	0	0		8,973
Construction Management	143,000	143,000	0	143,000		2,466
CASp	31,657	31,657	0	31,657		546
LACDA - Reservation Fee	7,150	7,150	0			123
Holding Costs	208,401	208,401	0	0		3,593
Market Study	22,000	22,000	0			379
Soils Inspections & photography documentation	122,600	122,600	0			2,114
Green Building Certification	0	0	0			0
Syndication Consulting	75,000	75,000	0			1,293
Other: Utility Consultant/Permit Expediter/Utility ConnectionFee/Building Maintenance Plan	124,500	124,500	0	124,500		2,147
Total Other Costs	**3,296,619**	**3,296,619**	**0**	**1,165,696**	**0**	**56,838**
Subtotals	**37,594,439**	**37,594,439**	**0**	**28,206,032**	**0**	**648,180**
Developer Costs						
Developer Fee	2,200,000	2,200,000	0	2,200,000		37,931
Consultant/Processing Agent		0	0			0
Project Administration		0	0			0
Broker fees paid by owner		0	0			0
Other: (specify)		0	0			0
Total Developer Costs	**2,200,000**	**2,200,000**	**0**	**2,200,000**	**0**	**37,931**
TOTAL	**39,794,439**	**39,794,439**	**0**			**686,111**
		Bridge Loan Expense During Construction		0	0	
		TOTAL ELIGIBLE BASIS		**30,406,032**	**0**	

D.5 Development Budget Notes & Assumptions

2052 Lake Avenue Apartments

All items must be completed, with details for assumptions, as applicable.

Acquisition	
Total Land Cost	Actual purchase price
Existing Improvements Value	N/A
Legal / Title & Recording	Buyer closing costs
Construction	
Demolition	Cost estimate provided by United Building Company
Toxic Abatement	N/A
Offsite Improvements	Cost estimate provided by United Building Company
On-site Improvements attributable to unusual conditions	N/A
Site Work	Cost estimate provided by United Building Company
Structures - Residential Component	Cost estimate provided by United Building Company
Structures - Commercial Component	N/A
Parking	*N/A*
Payment & Performance Bond	*Cost estimate provided by United Building Company*
General Requirements	Cost estimate provided by United Building Company
Contractor Overhead	Cost estimate provided by United Building Company
Contractor Profit	Cost estimate provided by United Building Company
General Liability Insurance	Cost estimate provided by United Building Company
Owner's Rep / Construction Supervision	LACDA guidelines on construction management moved to line 93 below. Added $90k GC security cost in GC budget; security in GC contract during construction see line 104
Prevailing Wage /GC Contingency	Budget based on prevailing wage. Added GC contingency to line item as it is in the GC budget
Architectural Fees	
Design/Interior Designer	FSY Architects contract:$159,600 Construction Admin. & $788,728 Arch Services (inlcudes add services 1 & 2 for $21,650); $27,000 Interior Design fee by Office 42
Supervision	N/A
Survey & Engineering	
Total Survey & Engineering	Cost incurred; $148,100 Civil; $17,000 Add service street lighting/public street plans $15,200 Civil survey
Construction Interest & Fees	
Construction Loan Interest	See loan interest calculation (attached); added $100,000 contingency
Construction Lender Expenses	based on US Bank $25,000 due diligence deposit. Additional $5,000 to cover any overage
Construction Lender Counsel	Based on lender costs
Origination Fee	1% of construction loan
Costs of Bond Issuance	N/A not a 4% CTCAC project
a) Underwriter Fee	N/A
b) Underwriter Counsel	N/A
c) Issuer Fee	N/A
d) Issuer Financial Advisor	N/A
e) Bond Counsel	N/A
f) Lender Origination/LOC Fee	N/A
g) Lender Counsel	N/A
h) Rating	N/A
i) Trustee Fee	N/A
j) Trustee Counsel	N/A
k) Printing	N/A
l) CDLAC Fees	N/A
m) COI Contingency	N/A
Real Estate Taxes During Construction	Based on actuals and projections until conversion; $50,000 contingency added
Insurance During Construction	Estimate based on previous experience; quote pending
Title and Recording	Estimate based on previous experience; updated per LACDA comment
Other: (specify)	N/A
Other: (specify)	N/A
Permanent Financing	
Loan Origination Fee	Amount is 1% of loan
Credit Enhance. & App. Fee	N/A
Title and Recording	Estimate based on previous experience
Other: Permanent Lender Expenses	includes $25,000 due diligence deposit; $5,000 fee; $6,955 FreddieMac application fee: 1% perm loan commitment fee $69,550; $10,000 contingency
Other: Permanent Lender Counsel	$30,000 per loan commitment
Legal Fees	
Construction Closing	CHPC/LACDA underwriting guidelines
Permanent Closing	CHPC/LACDA underwriting guidelines
Organization of Partnership	CHPC/LACDA underwriting guidelines
Other: Syndication LP	CHPC/LACDA underwriting guidelines
Reserves	
Operating Reserves	3 months of operating expenses and 3 months of debt service per LACDA guidelines
Replacement Reserve	this is an investor req. @ $500 per unit and will be funded with investor conversion installment proceeds at perm closing. Renewable Energy Equip in GC contract $390,000
Transition Reserve	N/A
Other: (specify)	N/A
Appraisal	
Total Appraisal Costs	LACDA underwriting guidelines/Typical appraisal cost estimate $15,000
Contingency	
Hard Cost Contingency	CHPC pro forma/LACDA underwriting guidelines
Soft Cost Contingency	CHPC pro forma/LACDA underwriting guidelines (revised per LACDA comment); reduced and reallocted to Real Estate Taxes and Construction loan interest
Other	
TCAC App/Alloc/Monitor Fees	TCAC regulations
Environmental Audit	Cost incurred; includes $72,000 Geotech insections/soils report; $52,200 Phase 1/lead/asbestos reports/remediation plan/Cal Green; $50,000 special inspections/testing;
Local Development Impact Fees/LACDA	school fees moved to line 89; line includes $93,500 LACDA Monitoring Fee, $42,082 Sewer fee, $113,680 other water fees & new fire hyrant; $20,000 contingency added
Permit Processing Fees	Based on fees provided by 360 consulting and actual costs incurred
School Fees	Baed on actual fees incurred
Marketing - Residential	based on previous projects, inc. initial lease up expenses, see attached marketing budget
Marketing - Commercial	N/A
Leasing (Lease-Up Expense)	Inc in marketing line above
Leasing (Lease-Up Fee)	N/A
Relocation Expenses	Based on relocation expenses incurred
Furnishings (common areas)	$41,940 common area furnishings includes, tabes, chairs, credenza, coffee table, storage cabinets, decorations, outdoor tables and chairs and benches, potted plants, etc.
Unit Furnishings (homeless units)	for 57 units of furniture; kitchen tabel, chairs, couch, bed, mattress, night tand, dresser and lamp
Accounting/Audit	LACDA underwriting guidelines
Acq/Predev Loan Fees & Expenses	N/A
Acq/Predev Loan Interest	Based on costs incurred and projected loan interest until construction loan closing, includes loan fees & expenses incurred
Construction Management	Based on contract with AMJ and cost incurred
CASp	based on CASp consultant proposal
LACDA - Reservation Fee	Covers year one monitoring fee
Holding Costs	Based on costs incurred; holding costs from June 2022 thru Jan 2024; inc. $66,396.99 RE Prop taxes, $9,927.38 legal costs, $132,076.63 property insurance
Market Study	Estimate based on previous experience
Soils Inspections & photography docume	Soils inspection proposal $94000; Construction photography $28600
Green Building Certification	Inc in line 79 above
Syndication Consulting	CHPC fee
Other: Utility Consultant/Permit Expediter	Dry Utility consultant $45,500, Permit Expediter consultant $52,500, Dry utility add service $7500; Building Maintenance Plan $19,000
Developer Costs	
Developer Fee	LACDA underwriting guidelines for 9% TCAC projects
Consultant/Processing Agent	N/A
Project Administration	N/A
Broker fees paid by owner	N/A
Other: (specify)	N/A

D.10 Unit Mix & Rents

2052 Lake Avenue Apartments

Allowable Rents by Funding Source

Insert the project's funding sources and the allowable rents that can be charged for each unit type and Area Median Income (AMI) level. Assume TCAC rents for Affordable Housing Trust Funds (AHTF) requested through this NOFA.

Replace "Source" with the funding source name (e.g. "VHHP"). Add funding sources and rows as necessary.

Unit Information		Allowable Rents by Funding Source							
Unit Number	# of Bedrooms	% AMI	TCAC	LACDA CGF	LACDA DR-MHP	DENSITY BONUS COVENANT	Source	Source	Source
1	1-Bedroom	30	709	709	709	1,178			
2	1-Bedroom	30	709	709	709	1,178			
3	1-Bedroom	30	709	709	709	1,178			
4	1-Bedroom	30	709	709	709	1,178			
5	1-Bedroom	30	709	709	709	1,178			
6	1-Bedroom	30	709	709	709	1,178			
7	1-Bedroom	30	709	709	709	1,178			
8	1-Bedroom	30	709	709	709	1,178			
9	1-Bedroom	30	709	709	709	1,178			
10	1-Bedroom	30	709	709	709	1,178			
11	1-Bedroom	30	709	709	709	1,178			
12	1-Bedroom	30	709	709	709	1,178			
13	1-Bedroom	30	709	709	709	1,178			
14	1-Bedroom	30	709	709	709	1,178			
15	1-Bedroom	30	709	709	709	1,178			
16	1-Bedroom	30	709	709	709	1,178			
17	1-Bedroom	30	709	709	709	1,178			
18	1-Bedroom	30	709	709	709	1,178			
19	1-Bedroom	30	709	709		1,178			
20	1-Bedroom	30	709	709		1,178			
21	1-Bedroom	30	709	709		1,178			
22	1-Bedroom	30	709	709		1,178			
23	1-Bedroom	30	709	709		1,178			
24	1-Bedroom	30	709	709		1,178			
25	1-Bedroom	30	709	709		1,178			
26	1-Bedroom	30	709	709		1,178			
27	1-Bedroom	30	709	709		1,178			
28	1-Bedroom	30	709	709		1,178			
29	1-Bedroom	30	709	709		1,178			
30	1-Bedroom	30	709	709		1,178			
31	1-Bedroom	30	709	709		1,178			
32	1-Bedroom	30	709	709		1,178			
33	1-Bedroom	30	709	709		1,178			
34	1-Bedroom	30	709	709		1,178			
35	1-Bedroom	30	709	709		1,178			
36	1-Bedroom	30	709	709		1,178			
37	1-Bedroom	30	709	709		1,178			
38	1-Bedroom	30	709	709		1,178			
39	1-Bedroom	30	709	709		1,178			
40	1-Bedroom	30	709	709		1,178			
41	1-Bedroom	30	709	709		1,178			
42	1-Bedroom	30	709	709		1,178			
43	1-Bedroom	30	709	709		1,178			
44	1-Bedroom	30	709	709		1,178			
45	1-Bedroom	30	709	709		1,178			
46	1-Bedroom	30	709	709		1,178			
47	1-Bedroom	30	709	709		1,178			
48	1-Bedroom	30	709	709		1,178			
49	1-Bedroom	30	709	709		1,178			
50	1-Bedroom	30	709	709		1,178			

51	1-Bedroom	30	709	709		1,178			
52	1-Bedroom	30	709	709		1,178			
53	1-Bedroom	30	709	709		1,178			
54	1-Bedroom	30	709	709		1,178			
55	1-Bedroom	30	709	709		1,178			
56	1-Bedroom	30	709	709		1,178			
57	1-Bedroom	30	709	709		1,178			

Project Rent Schedule

The most restrictive rents from the above "Allowable Rents by Funding Source" table must be used as the monthly gross rent. Add rows as necessary

# of Bedrooms	# of Units	% AMI	Monthly Gross Rent (Including Utility Allowance)	Monthly Utility Allowance	Net Monthly Rent	SN Units? (Y/N)	Covered by an Operating Subsidy? (Y/N)	Assisted by the LACDA? (Y/N)*
1-Bedroom	57	30%	709	78	35,967	Y	Y	Y
Total Units	57			Total Rents	$35,967		Total Assisted	0
				SN Rents	$35,967			

**For Tax Credit Projects, assisted units must be the greater of 15 units or 20% of total project units set aside for a qualifying Special Needs population.*

Manager's Unit(s)

# of Bedrooms	Number of Unit(s)	F/T or P/T?	Monthly Rent	Total Monthly Rent
2-Bedroom	1	Full Time	0	0
Total Units	1		Total Rent	$0

Market Rate Units

# of Bedrooms	Number of Unit(s)	Monthly Rent	Total Monthly Rent
			0
			0
			0
Total Units	0	Total Rent	$0

Total **58**

AGGREGATE MONTHLY RENTS FOR ALL UNITS **35,967**

x 12

AGGREGATE ANNUAL RENTS FOR ALL UNITS **431,604**

Rent Subsidy Premium

Total Annual Rental Subsidy	**948,708**

Must match information shown in Operating Subsidies Worksheet for Rent Subsidy Premium (D.3).

Commercial Component

Monthly Rent	N/A	/Sf/Mo.
Type of Lease		
Initial Lease Term		Years
Total Annual Commercial Rental Income		

Miscellaneous Income

Annual Income from Laundry Facilities	6,960	
Annual Income from Vending Machines		
Annual Interest Income		
Other Annual Income (Specify)		
Total Miscellaneous Income		**6,960**

TOTAL ANNUAL POTENTIAL GROSS INCOME (From Residential Sources)	**1,387,272**

Utility Allowances

Utility allowance must be itemized and correlate with the local Housing Authority's utility allowance schedule included in the application.

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating		20				
Water Heating						
Cooking		10				
Lighting						
Other: Basic Electric		33				
Air Conditioning		15				
TOTAL	**0**	**78**		**0**	**0**	**0**

PHA Providing Utility Allowances: LACDA UA Schedule

Is the above utility allowances based on a CUAC estimate? N

EXHIBIT "K" TO LOAN AGREEMENT

OPERATING BUDGET and CASH FLOW

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

D.6 Operating Budget

2052 Lake Avenue Apartments	Residential Component	Commercial Component			
	Proposed Budget	Proposed Budget	Proposed Budget	Per Unit Per Month	Per Unit Per Year
Administrative & Staffing Expenses					
Office Salaries				-	-
Emp Benefits & Insurance	**23523**		23523	33.80	406
Payroll Tax (FICA/SUI)	**11341**		11341	16.29	196
Workers Comp	**9901**		9901	14.23	171
On-site Manager	**62900**		62900	90.37	1,084
Maintenance Personnel	**54580**		54580	78.42	941
Supportive Service Staffing	0		0		
Management Fee	**41040**		41040	58.97	708
Office Supplies	**5948**		5948	8.55	103
Advertising	**129**		129	0.19	2
Legal	**3797**		3797	5.46	65
Audit expense	**10190**		10190	14.64	176
Bookkeeping/Accounting Svs	**9048**		9048	13.00	156
Compliance Monitoring				-	-
Security	**46996**		46996	67.52	810
LACDA Monitoring Fee	**7150**		7150	10.27	123
Computer Licensing Fees/IT Support	4872		4872	7.00	84
Office Equipment Rental	**1905**		1905	2.74	33
Phone,Cable, Internet Service	**11444**		11444	16.44	197
Meetings/Seminars	**2490**		2490	3.58	43
Misc. Admin (conventions,decorations)	**8581**		8581	12.33	148
Total Administrative & Staffing Expenses	**315,835**	**-**	**315,835**	**453.79**	**5,445**
Maintenance Expenses					
Maintenance supplies	**4060**		4060	5.83	70
Pest Control	**6000**		6000	8.62	103
Repairs Contract	**19546**		19546	28.08	337
HVAC repairs & maintenance	**6806**		6806	9.78	117
Landscape Contract	**7429**		7429	10.67	128
Interior/exterior painting	**451**		451	0.65	8
Elevator maintenance	**22839**		22839	32.81	394
Interior cleaning (janitor contract & supp	**25218**		25218	36.23	435
Misc. Maintenance Expense	**9319**		9319	13.39	161
Alarm Service/Fire Protection Supplies	**12171**		12171	17.49	210
Extra. Maintenance Expense *				-	-
Total Maintenance Expenses	**113,839**	**-**	**113,839**	**163.56**	**1,963**
Utilities Expenses					
Trash removal	**13275**		13275	19.07	229
Electricity	**29016**		29016	41.69	500
Water/sewer	**27225**		27225	39.12	469
Gas				-	-
Total Utilities Expense	**69,516**	**-**	**69,516**	**99.88**	**1,199**
Tax & Insurance Expenses					
Real estate taxes & assessments	**17821**		17821	25.60	307
Licenses & Fees	**1756**		1756	2.52	30
Property & liability insurance	**87120**		87120	125.17	1,502
Total Tax & Insurance	**106,697**	**-**	**106,697**	**153.30**	**1,840**
TOTAL OPERATING EXPENSES	**605,887**	**-**	**605,887**	**870.53**	**10,446**
Project Reserves					
Operating Reserves	0			-	-
Replacement Reserve	24418		24418	35.08	421
Transition Reserve	0			-	
TOTAL EXPENSES	**630,305**	**-**	**630,305**	**905.61**	**10,867**
GP Asset Management Fee	**10,000**		**10,000**	**14.37**	**172**
LP Asset Management Fee	**5,000**		**5,000**	**7.18**	**86**

* Funds for this line item will be taken from the replacement reserves.

D.7 Operating Budget Notes & Assumptions

2052 Lake Avenue Apartments

All items must be completed, with details for assumptions, as applicable.

Administrative & Staffing Expenses	
Office Salaries	N/A
Emp Benefits & Insurance	Budget prepared by EAH Property Management based on previous projects;
On-site Manager	Budget prepared by EAH Property Management based on previous projects;
Maintenance Personnel	Budget prepared by EAH Property Management based on previous projects
Supportive Service Staffing	N/A
Management Fee	Per Underwriting Guidelines should be at $60 pu/pm EAH Note* 11/3/23 revis
Office Supplies	Per Underwriting Guidelines should be at $60 pu/pm EAH Note* 11/3/23 revis
Advertising	Budget prepared by EAH Property Management based on previous projects
Legal	Budget prepared by EAH Property Management based on previous projects
Audit expense	Budget prepared by EAH Property Management based on previous projects
Security	no FTE, surveylance camera - cost based on other EAH property comps; incr
LACDA Monitoring Fee	LACDA underwriting guidelines
Misc. Admin (conventions,decorations)	Budget prepared by EAH Property Management based on previous projects
Maintenance Expenses	
Maintenance supplies	$1020 plumbing, $1185 electrical & $1855 general materials
Pest Control	Budget prepared by EAH Property Management based on previous projects
Repairs Contract	$3,594 plumbing, $812 electrical, $15,140 general
HVAC repairs & maintenance	$3,594 plumbing, $812 electrical, $15,140 general
Landscape Contract	$3,594 plumbing, $812 electrical, $15,140 general
Interior/exterior painting	Budget prepared by EAH Property Management based on previous projects
Elevator maintenance	Budget prepared by EAH Property Management based on previous projects
Interior cleaning (janitor contract & suppli	Budget prepared by EAH Property Management based on previous projects
Misc. Maintenance Expense	Budget prepared by EAH Property Management based on previous projects;
Extra. Maintenance Expense *	N/A
Utilities Expenses	
Trash removal	Estimate based on local rate and property comps
Electricity	Estimate based on local rate and property comps
Water/sewer	Estimate based on local rate and property comps
Gas	N/A - all electric project
Tax & Insurance Expenses	
Real estate taxes & assessments	Estimate provided by EAH Property Management
Licenses & Fees	Budget prepared by EAH Property Management based on previous projects
Property & liability insurance	Based on property comps, quote pending
Project Reserves	
Operating Reserves	N/A
Replacement Reserve	LACDA guidelines of $300/u/yr. Based on lender reserve requirement is $42
Transition Reserve	N/A
Partnership Management Fees	
GP Asset Management Fee	$10K annual
LP Asset Management Fee	$5K annual

D.11 20-Year Cash Flow

2052 Lake Avenue Apartments

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Gross Potential Income - Residential	*2.50%*	431,604	442,394	453,454	464,790	476,410	488,320	500,528	513,042	525,868	539,014	552,490	566,302	580,459	594,971	609,845	625,091	640,719	656,737	673,155	689,984
Gross Potential Income - Rent Subsidy	*2.50%*	948,708	972,426	996,736	1,021,655	1,047,196	1,073,376	1,100,210	1,127,716	1,155,909	1,184,806	1,214,426	1,244,787	1,275,907	1,307,804	1,340,500	1,374,012	1,408,362	1,443,571	1,479,661	1,516,652
Project-funded Capitalized Subsidy Reserve																					
Gross Potential Income - Commercial	*2.50%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Income	*2.50%*	6,960	7,134	7,312	7,495	7,683	7,875	8,071	8,273	8,480	8,692	8,909	9,132	9,360	9,594	9,834	10,080	10,332	10,590	10,855	11,127
Vacancy Loss - Residential*	*10.00%*	(43,160)	(44,239)	(45,345)	(46,479)	(47,641)	(48,832)	(50,053)	(51,304)	(52,587)	(53,901)	(55,249)	(56,630)	(58,046)	(59,497)	(60,985)	(62,509)	(64,072)	(65,674)	(67,315)	(68,998)
Vacancy Loss - Operating Subsidy	*10.00%*	(94,871)	(97,243)	(99,674)	(102,165)	(104,720)	(107,338)	(110,021)	(112,772)	(115,591)	(118,481)	(121,443)	(124,479)	(127,591)	(130,780)	(134,050)	(137,401)	(140,836)	(144,357)	(147,966)	(151,665)
Vacancy Loss - Commercial	*10.00%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy Loss - Miscellaneous Income	*10.00%*	(696)	(713)	(731)	(750)	(768)	(787)	(807)	(827)	(848)	(869)	(891)	(913)	(936)	(959)	(983)	(1,008)	(1,033)	(1,059)	(1,086)	(1,113)
EFFECTIVE GROSS INCOME		**1,248,545**	**1,280,472**	**1,312,484**	**1,345,296**	**1,378,928**	**1,413,401**	**1,448,736**	**1,484,955**	**1,522,079**	**1,560,131**	**1,599,134**	**1,639,112**	**1,680,090**	**1,722,092**	**1,765,145**	**1,809,273**	**1,854,505**	**1,900,868**	**1,948,389**	**1,997,099**
Operating Expenses - Residential	*3.50%*	(588,066)	(608,648)	(629,951)	(651,999)	(674,819)	(698,438)	(722,883)	(748,184)	(774,371)	(801,474)	(829,525)	(858,559)	(888,608)	(919,709)	(951,899)	(985,216)	(1,019,698)	(1,055,388)	(1,092,326)	(1,130,558)
Operating Expenses - Commercial	*3.50%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Real Estate Taxes & Assessments - Residential	*2.00%*	(17,821)	(18,177)	(18,541)	(18,912)	(19,290)	(19,676)	(20,069)	(20,471)	(20,880)	(21,298)	(21,724)	(22,158)	(22,601)	(23,053)	(23,514)	(23,985)	(24,464)	(24,954)	(25,453)	(25,962)
Real Estate Taxes & Assessments - Commercial	*2.00%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supportive Services	*3.50%*																				
Replacement Reserve - Residential	*0.00%*	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)	(24,418)
Cumulative Replacement Reserve - Residential		*24,418*	*48,836*	*73,254*	*97,672*	*122,090*	*146,508*	*170,926*	*195,344*	*219,762*	*244,180*	*268,598*	*293,016*	*317,434*	*341,852*	*366,270*	*390,688*	*415,106*	*439,524*	*463,942*	*488,360*
Replacement Reserve - Commercial	*3.50%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Replacement Reserve - Commercial		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Operating Reserve	*0.00%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Operating Reserve		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Transition Reserve	*0.00%*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Transition Reserve		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
TOTAL OPERATING EXPENSES & RESERVES		**(630,305)**	**(651,244)**	**(672,910)**	**(695,329)**	**(718,527)**	**(742,532)**	**(767,371)**	**(793,073)**	**(819,669)**	**(847,189)**	**(875,667)**	**(905,135)**	**(935,627)**	**(967,181)**	**(999,832)**	**(1,033,618)**	**(1,068,581)**	**(1,104,759)**	**(1,142,197)**	**(1,180,937)**
NET OPERATING INCOME		**618,240**	**629,228**	**639,574**	**649,967**	**660,401**	**670,870**	**681,366**	**691,882**	**702,410**	**712,941**	**723,467**	**733,977**	**744,463**	**754,911**	**765,313**	**775,655**	**785,924**	**796,108**	**806,192**	**816,162**
Residential Component		*618,240*	*628,515*	*638,842*	*649,217*	*659,633*	*670,082*	*680,559*	*691,055*	*701,562*	*712,072*	*722,576*	*733,064*	*743,527*	*753,952*	*764,329*	*774,647*	*784,891*	*795,049*	*805,107*	*815,049*
Commercial Component		*0*	*(628,515)*	*(638,842)*	*(649,217)*	*(659,633)*	*(670,082)*	*(680,559)*	*(691,055)*	*(701,562)*	*(712,072)*	*(722,576)*	*(733,064)*	*(743,527)*	*(753,952)*	*(764,329)*	*(774,647)*	*(784,891)*	*(795,049)*	*(805,107)*	*(815,049)*
DEBT SERVICE																					
LACDA Monitoring/Asset Management Pmt (55 yrs)	**1%**	*0*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*	*(7,150)*
Berkadia		(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)	(530,698)
ANNUAL DEBT SERVICE RESIDENTIAL		**(530,698)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**	**(537,848)**
Debt Service Coverage Ratio (Residential NOI)		(1.16)	(1.17)	(1.19)	(1.21)	(1.23)	(1.25)	(1.27)	(1.28)	(1.30)	(1.32)	(1.34)	(1.36)	(1.38)	(1.40)	(1.42)	(1.44)	(1.46)	(1.48)	(1.50)	(1.52)
NET CASH FLOW		**87,542**	**91,380**	**101,726**	**112,119**	**122,553**	**133,022**	**143,518**	**154,034**	**164,562**	**175,093**	**185,619**	**196,129**	**206,615**	**217,063**	**227,465**	**237,807**	**248,076**	**258,260**	**268,344**	**278,314**
Potential Partnership Management Fee	*3.50%*	15,000	15,525	16,068	16,631	17,213	17,815	18,439	19,084	19,752	20,443	21,159	21,900	22,666	23,459	24,280	25,130	26,010	26,920	27,862	28,838
Partnership Management Fee	*3.50%*	(15,000)	(15,525)	(16,068)	(16,631)	(17,213)	(17,815)	(18,439)	(19,084)	(19,752)	(20,443)	(21,159)	(21,900)	(22,666)	(23,459)	(24,280)	(25,130)	(26,010)	(26,920)	(27,862)	(28,838)
CASH FLOW after Partnership Management Fee		***72,542***	***75,855***	***85,657***	***95,488***	***105,340***	***115,206***	***125,079***	***134,950***	***144,810***	***154,650***	***164,460***	***174,230***	***183,949***	***193,604***	***203,184***	***212,677***	***222,067***	***231,340***	***240,482***	***249,476***
Deferred Developer Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee Balance		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
CASH FLOW after Def Developer Fee Pmt		***72,542***	***75,855***	***85,657***	***95,488***	***105,340***	***115,206***	***125,079***	***134,950***	***144,810***	***154,650***	***164,460***	***174,230***	***183,949***	***193,604***	***203,184***	***212,677***	***222,067***	***231,340***	***240,482***	***249,476***
RESIDUAL RECEIPTS																					
Borrower	**50.00%**	**36,271**	**37,928**	**42,829**	**47,744**	**52,670**	**57,603**	**62,539**	**67,475**	**72,405**	**77,325**	**82,230**	**87,115**	**91,974**	**96,802**	**101,592**	**106,338**	**111,033**	**115,670**	**120,241**	**124,738**
LACDA	**34.51%**	**25,034**	**26,178**	**29,560**	**32,953**	**36,353**	**39,758**	**43,165**	**46,571**	**49,974**	**53,370**	**56,755**	**60,127**	**63,481**	**66,813**	**70,119**	**73,395**	**76,635**	**79,835**	**82,990**	**86,094**
LACDA DR-MHP	**15.49%**	**11,237**	**11,750**	**13,268**	**14,791**	**16,317**	**17,845**	**19,375**	**20,904**	**22,431**	**23,955**	**25,475**	**26,988**	**28,494**	**29,989**	**31,473**	**32,944**	**34,398**	**35,835**	**37,251**	**38,644**
[other Residual Receipt lender]	**0.00%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
PROJECT-FUNDED CAPITALIZED SUBSIDY RESERVE**																					
Starting Reserve Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Interest on Reserve	0.75%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Reserve Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Reserve Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* Must be 10% for SN units, or blended rate for mixed populations.

** Not for HOME funds.

EXHIBIT "L" TO LOAN AGREEMENT

RESERVED

EXHIBIT "M" TO LOAN AGREEMENT

LACDA REQUIREMENTS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

The Borrower agrees to comply with the following the LACDA requirements:

1. Termination for Improper Consideration

The LACDA may, by written notice to the Borrower, immediately terminate the right of the Borrower to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Borrower, either directly or through an intermediary, to any LACDA officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Borrower's performance pursuant to this Agreement. In the event of such termination, the LACDA shall be entitled to pursue the same remedies against the Borrower as it could pursue in the event of default by the Borrower.

The Borrower shall immediately report any attempt by a LACDA officer or employee to solicit such improper consideration. The report shall be made either to the LACDA's Executive Director or his designee.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

2. Confidentiality of Reports

The Borrower shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the LACDA.

3. LACDA's Quality Assurance Plan

The LACDA will evaluate Borrower's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Borrower's compliance with all contract terms and performance standards. Borrower deficiencies which the LACDA determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the LACDA and Borrower. If improvement does not occur consistent with the corrective measure, the LACDA may terminate this Agreement or seek other remedies as specified in this Agreement.

4. Borrower's Warranty of Adherence to the LACDA's Child Support Compliance Program

Borrower acknowledges that the LACDA has established a goal of ensuring that all individuals who benefit financially from the LACDA through contract are in compliance with their court-ordered child, family and spousal support obligations, in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by the LACDA's Child Support Compliance Program and without limiting Borrower's duty under this Agreement to comply with all applicable provisions of law, Borrower warrants that it is now in compliance and shall during the Term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

5. Termination For Breach of Warranty to Maintain Compliance With the LACDA's Child Support Compliance Program

Failure of Borrower to maintain compliance with the requirements set forth in Paragraph 4, "Borrower's Warranty of Adherence to the LACDA's Child Support Compliance Program" shall constitute a default by Borrower under this Agreement. Without limiting the rights and remedies available to the LACDA under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the LACDA may terminate this Agreement pursuant to said paragraph 4 and pursue debarment of Borrower, pursuant to the LACDA policy.

6. Post Most Wanted Delinquent Parents List

Borrower acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Borrower understands that it is County's and the LACDA's policy to strongly encourage all Borrowers to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Borrower's place of business. The Child Support Services Department (CSSD) will supply Borrower with the poster to be used.

7. Independent Contractor

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the LACDA and the Borrower.

8. Drug-Free Workplace Act of the State of California

Borrower certifies under penalty of perjury under the laws of the State of California that the Borrower will comply with the requirements of the Drug-Free Workplace Act of 1990.

9. Compliance with Laws

The Borrower agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement. If the compensation under this Agreement is in excess of $100,000 then Borrower shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Borrower must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Borrower shall comply with the following laws:

10. Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Borrower shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

11. Section 109 of the Housing and Community Development Act of 1974

Borrower shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

12. Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

Borrower shall comply with the Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

13. Executive Order 11246 and 11375, Equal Opportunity in Employment (Non-discrimination in Employment by Government Contractors and Subcontractors)

Borrower shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment which requires that during the performance of this Agreement, the Borrower will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, ancestry, marital status, or disability. The Borrower will take

affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Borrower will, in all solicitations or advertisements for employees placed by or on behalf of the Borrower, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Borrower will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other contract or understanding, a notice to be provided by the agency of the Borrower's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Borrower will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Borrower will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the LACDA and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Borrower's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Borrower may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Borrower will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Borrower will take such actions with respect to any subcontract or purchase order as the LACDA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Borrower becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the LACDA, the Borrower may request the United States to enter into such litigation to protect the interests of the United States.

14. Notice to Employees Regarding the Federal Earned Income Credit

Borrower shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal

income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

15. Use of Recycled-Content Paper Products

Borrower agrees to use recycled-content paper to the maximum extent possible on the Project in order to reduce the amount of solid waste deposited at the County landfills.

16. Borrower Responsibility and Debarment

A. A responsible Borrower is a Borrower who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the LACDA to conduct business only with responsible Borrowers.

B. The Borrower is hereby notified that if the LACDA acquires information concerning the performance of the Borrower on this or other contracts which indicates that the Borrower is not responsible, the LACDA may, in addition to other remedies provided in the contract, debar the Borrower from bidding on the LACDA contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Borrower may have with the LACDA.

C. The LACDA may debar a Borrower if the Board of Commissioners finds, in its discretion, that the Borrower has done any of the following: (1) violated any term of a contract with the County or the LACDA (2) committed any act or omission which negatively reflects on the Borrower's quality, fitness or capacity to perform a contract with the County, the LACDA or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the LACDA or any other public entity.

D. If there is evidence that the Borrower may be subject to debarment, the LACDA will notify the Borrower in writing of the evidence which is the basis for the proposed debarment and will advise the Borrower of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Borrower and/or the Borrower’s representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Borrower should be debarred, and, if so, the appropriate length of time of the debarment. If the Borrower fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Borrower may be deemed to have waived all rights of appeal.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Borrower has been debarred for a period longer than five years, that Borrower may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The LACDA may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Borrower has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the LACDA.

H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Borrower has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to subcontractors and subconsultants of County or LACDA contractors, consultants, vendors and agencies.

17. Section 3 of the Housing and Community Development Act of 1968, as Amended

A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered

by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The Borrower agrees to send to each labor organization or representative of workers with which the Borrower has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Borrower's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Borrower agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Borrower will not subcontract with any subcontractor where the Borrower has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The Borrower will certify that any vacant employment positions, including training positions, that are filled (1) after the Borrower is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Borrower’s obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions

of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

18. Barriers For the Disabled

The Project shall be developed to comply with all applicable federal, state and local requirements for access for disabled persons.

19. Lead-Based Paint

Borrower and its contractors and subcontractors shall not use lead-based paint in construction or maintenance of the Project. Borrower shall cause this provision to be incorporated in all contracts and subcontracts for work performed on the Site which involve the application of paint.

20. Notice To Employees Regarding The Safely Surrendered Baby Law

Borrower shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit "U" – Baby Safe Fact Sheet of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

21. Borrower's Acknowledgment of the LACDA's Commitment To The Safely Surrendered Baby Law

Borrower acknowledges that the LACDA places a high priority on the implementation of the Safely Surrendered Baby Law. Borrower understands that it is the LACDA's policy to encourage all LACDA Borrowers to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Borrower's place of business. Borrower will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply Borrower with the poster to be used.

22. Lobbyist Ordinances

Federal Lobbyist Requirements: Borrower is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Agreement, and any extension, continuation, renewal, amendment or modification of said documents.

Borrower must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Borrower will comply with the Lobbyist Requirements.

Failure on the part of the Borrower or persons/subcontractors acting on behalf of the Borrower to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

23. Compliance With Jury Service Program.

A. Unless Borrower has demonstrated to the LACDA satisfaction either that Borrower is not a "Contractor" as defined under the Jury Service Program or that Borrower qualifies for an exception to the Jury Service Program, Borrower shall have and adhere to a written policy that provides that its Employees shall receive from the Borrower, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Borrower or that the Borrower deduct from the Employee's regular pay the fees received for jury service.

B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Borrower. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Borrower has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Borrower uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

C. If the Borrower is not required to comply with the Jury Service Program when the Contract commences, Borrower shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Borrower shall immediately notify County if Borrower at any time either comes within the Jury Service Program's definition of "Contractor" or if Borrower no longer qualifies for an exception to the Program. In either event, Borrower shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Borrower demonstrate to the County's satisfaction that Borrower either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Borrower continues to qualify for an exception to the Program.

D. Borrower's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Borrower from the award of future County contracts for a period of time consistent with the seriousness of the breach.

24. Borrower's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers For Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Borrowers to complete the "Charitable Contributions Certificate" form included as Exhibit "V," the LACDA seeks to ensure that all LACDA borrowers that receive or raise charitable contributions comply with California law in order to protect the LACDA and its taxpayers. A Borrower that received or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

EXHIBIT "N" TO LOAN AGREEMENT

INSURANCE REQUIREMENTS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

SUPPLEMENTAL DOCUMENT 16

LACDA INSURANCE REQUIREMENTS

EXHIBIT A
INSURANCE REQUIREMENTS
NOFA 27

1.0 INSURANCE

Without limiting the Borrower's indemnification of LACDA Indemnitees, and in the performance of this Agreement and until all its obligations pursuant to this Agreement have been met, Borrower shall provide and maintain at its own expense insurance coverage satisfying the requirements specified herein. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon the Borrower pursuant to this Agreement. The LACDA in no way warrants that the Required Insurance is sufficient to protect the Borrower for liabilities which may arise from or relate to this Agreement.

SUB-CONTRACTOR INSURANCE COVERAGE REQUIREMENTS

The Borrower shall include their Contractors and all their Sub-Contractors as insureds under the Contractor's own policies or shall provide the LACDA with each Sub-Contractor's separate evidence of insurance coverage upon request. The Borrower shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein and shall require that each Sub-Contractor name the LACDA, the County of Los Angeles and the Borrower as additional insureds on a primary and non-contributory basis and include a waiver of subrogation on the Sub-Contractor's General Liability policy. Borrower shall obtain the LACDA's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

1.1 Insurance Coverage

All Insurance Coverage requirements listed below are to be provided upon the execution of the Agreement between the Borrower and the LACDA, unless specified to be provided during the pre-development period where indicated below.

BORROWER INSURANCE REQUIREMENTS:

A	**GENERAL LIABILITY:** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required. ***Note:*** If applicable, insurance provided by the Developer on behalf of the Borrower, the Developer shall add Borrower as a named insured on the insurance policy. The Developer entity providing insurance must be the one that formed the Borrower.

B

COMMERCIAL PROPERTY: For receipt of an LACDA loan, the Borrower shall be required to insure the property for replacement cost under the Special Form Coverage. The LACDA shall be named on a Lenders Loss Payable Endorsement. Evidence of this shall be provided to the LACDA, prior to execution of this Agreement. Coverage shall be maintained for the duration of this Agreement.

Borrower shall at all times during the term of the loan, maintain property/casualty insurance on all business assets and collateral in an amount at least equal to the borrower's outstanding loans, and name the LACDA as a lender loss payee, additional insured and include coverage for all items purchased with the loan. Borrower shall keep collateral properly housed and insured for the full insurable value thereof against loss or damage by fire, theft, explosion, sprinklers, collision (in the case of motor vehicles) and such other risks satisfactory to the LACDA.

"Basic Form" or "Special Form" property insurance as follows:

A. "Special Form" perils property insurance coverage shall be provided for both Builders Risk (course of construction) and completed operational property. All builders risk insurance shall provide coverage against theft, vandalism, malicious mischief, collapse, false work, temporary buildings on site, theft and vandalism to construction materials, building materials in transit and debris removal including demolition occasioned by enforcement of any applicable building codes. The amount of the property coverage shall at all times meet or exceed the full replacement value of materials supplied or installed by others and all existing structures, improvements and fixtures on the Mortgaged Property. There shall not be a "co-insurance" clause and Borrower agrees to waive any co-insurance clause **to the full extent described in the insurance policy form**. If a co-insurance waiver is not commercially available at reasonable rates, the LACDA may waive this requirement. Said insurance shall be maintained for the duration of this Agreement. The LACDA shall be named as loss payees on such policy.

B. If "Special Form" is not available from Borrower' underwriters due to market conditions or unreasonable costs, or the LACDA determine "Basic Form" is preferred, "Basic Form" may be obtained in lieu of "Special Form." "Basic Form" insurance coverage shall include, without limitation, insurance against the perils of fire and physical loss of damage including, without duplication of coverage, vandalism, malicious mischief and extended coverage. The amount of the property coverage shall at all times meet or exceed the actual cash value ("ACV") of all existing structures, improvements and fixtures on the Property. Said insurance shall be maintained for the duration of this Agreement. The LACDA shall be named as loss payees on such policy.

	Borrower shall deliver satisfactory evidence of Property insurance at such time that such exposures are at risk, but in no event later than the Close of Construction Escrow.
C	**BUILDERS RISK INSURANCE:** For receipt of an LACDA loan, the Borrower shall be required to insure the property for replacement cost under the Special Form Coverage. The LACDA shall be named on a Lenders Loss Payable Endorsement. (All Risk with Replacement Cost Coverage Form) shall be maintained by the Borrower upon the entire part of the structure on which the work of the contract is to be done in one hundred (100%) percent of the insurable value of the Agreement amount thereof, including items of labor and materials connected therewith. This insurance shall include the interests of the LACDA, Borrower, subcontractors, and sub-subcontractors, and shall insure against the perils of fire and extended coverage, and shall include "all risk" insurance for physical damage, including, but not limited to, windstorm, hailstorm, tornado, theft, vandalism, and malicious mischief and course of construction coverage. The property insurance shall include the fees of an architect necessary to be incurred in repairs or reconstruction of the Work. The LACDA shall be named as Loss Payee.
D	**FLOOD INSURANCE (If Applicable, Borrower to provide evidence property is not located in a flood zone):** Flood Insurance shall be maintained for any project located in a Special Flood Hazard Area. The flood insurance shall provide coverage in an amount that at all times meets or exceeds the full replacement value of materials supplied or installed by others and all existing structures, improvements and fixtures on the Property, or the maximum limit available through the National Flood Insurance Program ("**NFIP**"), whichever is greater.

DEVELOPER INSURANCE REQUIREMENTS:

A	**GENERAL LIABILITY:** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required. **Note:** If applicable, insurance provided by the Borrower on behalf of the Developer, the Borrower shall add Developer as a named insured on the insurance policy. The Borrower must have been the one formed by the Developer.
B	**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY:** as required by the Labor Code of the State of California. Must include a waiver of subrogation in favor of the LACDA. In all cases, insurance shall include Employer's Liability coverage with limits of not less than indicated.

DESIGN PROFESSIONALS: Including but not limited to architects, CASp consultants, structural, civil & geotechnical engineers hired directly by the Borrower or Developer.

In addition to the above, if any work is also performed during the pre-development period where LACDA owns the property, the following insurances will be applicable to the consultant performing the work.

A	**GENERAL LIABILITY:** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required.
B	**COMMERCIAL AUTOMOBILE INSURANCE:** Shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto". Shall include a waiver of subrogation in favor of the LACDA.
C	**WORKERS' COMPENSATION:** as required by the Labor Code of the State of California. Must include a waiver of subrogation in favor of the LACDA. In all cases, insurance shall include Employer's Liability coverage with limits of not less than indicated.
D	**PROFESSIONAL LIABILITY INSURANCE:** Appropriate to the professional's profession in an amount not less than LACDA requirements. Said insurance shall be maintained for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.
E	**POLLUTION LIABILITY INSURANCE (APPLICABLE TO PROFESSIONALS PERFORMING WORK AT THE SITE):** And/or Asbestos Pollution Liability and/or Errors & Omissions applicable to the work being performed including coverage for bodily injury, personal injury, death, property damages, and environmental damage. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. (See Exhibit A-1 for Additional Information) Said policy shall also include, but not be limited to coverage for any and all remediation costs, including, but not limited to, brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all the following requirements: a. The retroactive date must be shown on the policy and must be before the date of this Agreement or the beginning of the work or services that are the subject of this Agreement;

b. Insurance must be maintained, and evidence of insurance must be provided for the duration of this Agreement or for five (5) years after completion of the work or services that are the subject of this Agreement, whichever is greater;

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, then the Borrower must purchase an extended period coverage for a minimum of five (5) years after completion of work or services that are the subject of this Agreement;

d. A copy of the claims reporting requirements must be submitted to the LACDA for review; and

If the work or services that are the subject of this Agreement involve lead based paint or asbestos identification/remediation, then the Borrower's Pollution Liability shall not contain any lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Borrower's Pollution Liability shall not contain a mold exclusion and definition of "Pollution" shall include microbial matter including mold.

ENVIRONMENTAL TESTING: Applicable to any consultants performing environmental work or testing at the site.

In addition to the above, if any work is also performed during the pre-development period where LACDA owns the property the following insurances will be applicable to the consultant performing the work.

A	**GENERAL LIABILITY:** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required. When digging or trenching shall occur, coverage shall include an XCU Endorsement for explosion, collapse, and underground ("XCU") hazards, property damage liability.
B	**COMMERCIAL AUTOMOBILE INSURANCE:** Shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto". Shall include a waiver of subrogation in favor of the LACDA. If automobiles are to be used for transporting hazardous materials, the Contractor shall provide pollution liability broadened coverage for covered autos as well as proof of MCS 90.
C	**WORKERS' COMPENSATION AND EMPLOYER's LIABILITY:** as required by the Labor Code of the State of California. Must include a waiver of subrogation in favor of the

LACDA. In all cases, insurance shall include Employer's Liability coverage with limits of not less than indicated.

D

PROFESSIONAL LIABILITY INSURANCE: Appropriate to the professional's profession in an amount not less than LACDA requirements. Said insurance shall be maintained for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

E

POLLUTION LIABILITY INSURANCE: And/or Asbestos Pollution Liability and/or Errors & Omissions applicable to the work being performed including coverage for bodily injury, personal injury, death, property damages, and environmental damage. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. (See Exhibit A-1 for Additional Information)

Said policy shall also include, but not be limited to coverage for any and all remediation costs, including, but not limited to, brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all the following requirements:

a. The retroactive date must be shown on the policy and must be before the date of this Agreement or the beginning of the work or services that are the subject of this Agreement;

b. Insurance must be maintained, and evidence of insurance must be provided for the duration of this Agreement or for five (5) years after completion of the work or services that are the subject of this Agreement, whichever is greater;

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, then the Borrower must purchase an extended period coverage for a minimum of five (5) years after completion of work or services that are the subject of this Agreement;

d. A copy of the claims reporting requirements must be submitted to the LACDA for review; and

If the work or services that are the subject of this Agreement involve lead based paint or asbestos identification/remediation, then the Borrower's Pollution Liability shall not contain any lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Borrower's Pollution Liability shall not contain a mold exclusion and definition of "Pollution" shall include microbial matter including mold.

CONSTRUCTION CONTRACTOR(S):

A	**GENERAL LIABILITY:** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required. Coverage shall include an XCU Endorsement for explosion, collapse, and underground ("XCU") hazards, property damage liability.
B	**COMMERCIAL AUTOMOBILE INSURANCE:** Shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto", pollution liability broadened coverage for covered autos and a waiver of subrogation. If automobiles are to be used for transporting hazardous materials, coverage shall include an MCS-90 policy endorsement for public liability under Section 29 and 30 of the Motor Carrier Act of 1980.
C	**WORKERS' COMPENSATION AND EMPLOYER's LIABILITY:** as required by the Labor Code of the State of California. Must include a waiver of subrogation in favor of the LACDA. In all cases, insurance shall include Employer's Liability coverage with limits of not less than indicated.
D	**POLLUTION LIABILITY INSURANCE:** And/or Asbestos Pollution Liability and/or Errors & Omissions applicable to the work being performed including coverage for bodily injury, personal injury, death, property damages, and environmental damage. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. (See Exhibit A-1 for Additional Information) Said policy shall also include, but not be limited to coverage for any and all remediation costs, including, but not limited to, brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The LACDA and the County shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all of the following requirements: a. The retroactive date must be shown on the policy and must be before the date of this Agreement or the beginning of the work or services that are the subject of this Agreement; b. Insurance must be maintained and evidence of insurance must be provided for the duration of this Agreement or for five (5) years after completion of the work or services that are the subject of this Agreement, whichever is greater;

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, then the Borrower must purchase an extended period coverage for a minimum of five (5) years after completion of work or services that are the subject of this Agreement;

d. A copy of the claims reporting requirements must be submitted to the LACDA for review; and

If the work or services that are the subject of this Agreement involve lead based paint or asbestos identification/remediation, then the Borrower's Pollution Liability shall not contain any lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Borrower's Pollution Liability shall not contain a mold exclusion and definition of "Pollution" shall include microbial matter including mold.

E

BONDING: Insurance and bonding procedures shall be conducted in full compliance with Federal standards as stated in 24 CFR 85.36, all state and county laws and procedures, other Governmental Restrictions. The bonding coverage shall include a Performance Bond and Payment Bond, for construction or facility improvement contracts exceeding $100,000. Payment and Performance Bonds should name the LACDA as additional obligee.

Construction Contractor shall provide two surety bonds with goods and sufficient sureties as follows: (1) a Payment Bond in the sum of not less than 100% of the Construction Contract price to assure payment of claims; (2) a Performance Bond in the sum of not less than 100% of the Construction Contract price to assure faithful performance of the Construction Contract.

All bonds required under this provision shall include as obligees the LACDA, the Borrower, any lenders, and any additional obligee(s) that may be identified in a rider to the bond documents (individually referred to as "**Obligee**" and collectively, the "**Obligees**").

ALTA SURVEY:

A

ALTA SURVEY: Should be certified to the Los Angeles County Development Authority and its successors and/or assigns.

If Applicable

PRE-DEVELOPMENT INSURANCE REQUIREMENTS: If Borrower obtains a right of entry from the LACDA for a LACDA owned property.

A

GENERAL LIABILITY: (providing scope of coverage equivalent to ISO policy form CG 00 01), naming the LACDA, its Special Districts, Elected Officials, Officers,

	Agents, Employees and Volunteers (collectively "LACDA and its Agents"). Additional Insured Endorsement with primary and non-contributory coverage and a waiver of subrogation naming the LACDA and the County is required.
B	**WORKERS' COMPENSATION AND EMPLOYER's LIABILITY:** as required by the Labor Code of the State of California. Must include a waiver of subrogation in favor of the LACDA. In all cases, insurance shall include Employer's Liability coverage with limits of not less than indicated.
C	**EVIDENCE OF COMMERCIAL PROPERTY (obtain if Borrower or Developer owns adjacent parcels to the LACDA owned parcels that will be part of the total project site)**: For receipt of an LACDA loan, the Borrower shall be required to insure the property for replacement cost under the Special Form Coverage. The LACDA shall be named on a Lenders Loss Payable Endorsement. Evidence of this shall be provided to the LACDA, prior to execution of this Agreement. Coverage shall be maintained for the duration of this Agreement. Borrower shall at all times during the term of the loan, maintain property/casualty insurance on all business assets and collateral in an amount at least equal to the borrower's outstanding loans, and name the LACDA as a lender loss payee, additional insured and include coverage for all items purchased with the loan. Borrower shall keep collateral properly housed and insured for the full insurable value thereof against loss or damage by fire, theft, explosion, sprinklers, collision (in the case of motor vehicles) and such other risks satisfactory to the LACDA. "Basic Form" or "Special Form" property insurance as follows: A. "Special Form" perils property insurance coverage shall be provided for both Builders Risk (course of construction) and completed operational property. All builders risk insurance shall provide coverage against theft, vandalism, malicious mischief, collapse, false work, temporary buildings on site, theft and vandalism to construction materials, building materials in transit and debris removal including demolition occasioned by enforcement of any applicable building codes. The amount of the property coverage shall at all times meet or exceed the full replacement value of materials supplied or installed by others and all existing structures, improvements and fixtures on the Mortgaged Property. There shall not be a "co-insurance" clause and Borrower agrees to waive any co-insurance clause **to the full extent described in the insurance policy form**. If a co-insurance waiver is not commercially available at reasonable rates, the LACDA may waive this requirement. Said insurance shall be maintained for the duration of this Agreement. The LACDA shall be named as loss payees on such policy. B. If "Special Form" is not available from Borrower' underwriters due to market conditions or unreasonable costs, or the LACDA determine "Basic Form" is

preferred, “Basic Form” may be obtained in lieu of “Special Form.” “Basic Form” insurance coverage shall include, without limitation, insurance against the perils of fire and physical loss of damage including, without duplication of coverage, vandalism, malicious mischief and extended coverage. The amount of the property coverage shall at all times meet or exceed the actual cash value (“ACV”) of all existing structures, improvements and fixtures on the Property. Said insurance shall be maintained for the duration of this Agreement. The LACDA shall be named as loss payees on such policy.

Borrower shall deliver satisfactory evidence of Property insurance at such time that such exposures are at risk, but in no event later than the Close of Construction Escrow.

EXHIBIT A- 1 – ADDITIONAL INSURANCE INFORMATION

1.2 Certificate of Insurance Coverage:

1.2.1 Certificate(s) of Insurance Coverage ("Certificate") satisfactory to the LACDA, and a copy of an Additional Insured endorsement confirming the LACDA and the County has been given Insured status under the Borrower's General Liability policy, shall be delivered to the LACDA at the address shown below and provided prior to commencing services under this Agreement.

1.2.2 Renewal Certificates shall be provided to the LACDA not less than ten (10) days prior to Borrower's policy expiration dates. The LACDA reserves the right to obtain complete, certified copies of any required Borrower and/or Sub-Contractor insurance policies at any time.

1.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Borrower identified as the contracting party in this Agreement. All certificates of insurance and endorsements shall carry the following identifier:

Project Name
Project Address

1.2.4 Certificates shall provide the full name of each insurer providing coverage, its National Association of Insurance Commissioners ("NAIC") identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand ($50,000.00) dollars, and list any LACDA required endorsement forms.

1.2.5 Neither the LACDA's failure to obtain, nor the LACDA's receipt of, or failure to object to a non-complying Certificate or endorsement, or any other insurance documentation or information provided by the Borrower, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

1.2.6 Certificates and copies of any required endorsements shall be sent to:

Los Angeles County Development Authority
Attn: Housing Investment & Finance
700 W. Main Street, Alhambra, CA 91801

1.3 Notices of Injury or Damage or Destruction

Borrower also shall promptly report to the LACDA any injury or property damage accident or incident, including any injury to a Borrower employee occurring on the LACDA property, and any loss, disappearance, destruction, misuse, or theft of the LACDA property, monies or securities entrusted to Borrower. Borrower also shall promptly notify the LACDA of any third-party claim or suit filed against Borrower or any of its sub-contractors which arises from or relates to this Agreement and could result in the filing of a claim or lawsuit against Borrower and/or the LACDA.

1.4 Additional Insured Status and Scope of Coverage

The LACDA and the County of Los Angeles shall be provided additional insured status under Borrower's General Liability policy with respect to liability arising out of Borrower's ongoing and completed operations performed on behalf of the LACDA. The LACDA and the County additional insured status shall apply with respect to liability and defense of suits arising out of the Borrower's acts or omissions, whether such liability is attributable to the Borrower or to the LACDA. The full policy limits and scope of protection also shall apply to the LACDA and the County as an additional insured, even if they exceed the LACDA's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable provided it satisfies the Required Insurance provisions herein.

1.5 Cancellation of or Change to Maintain Insurance

Borrower shall provide the LACDA with, or Borrower's insurance policies shall contain a provision that the LACDA shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the LACDA at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the LACDA, upon which the LACDA may suspend or terminate this Agreement.

1.6 Failure to Maintain Insurance

Borrower 's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which the LACDA immediately may withhold payments due to Borrower, and/or suspend or terminate this Agreement. The LACDA, at its sole discretion, may obtain damages from Borrower resulting from said breach. Alternatively, the LACDA may purchase the Required Insurance, and without further notice to Borrower, deduct the premium cost from sums due to Borrower or pursue Borrower reimbursement.

1.7 Borrowers' Insurance Shall Be Primary

Borrower's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Borrower. Any LACDA maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Borrower coverage.

1.8 Insurance Specifics

1.8.1 Waivers of Subrogation

To the fullest extent permitted by law, the Borrower hereby waives its rights and its insurer(s)' rights of recovery against the LACDA under all the Required Insurance for any loss arising from or relating to this Agreement. The Borrower shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

1.8.2 Sub-Contractor Insurance Coverage Requirements

Borrower shall include all Sub-Contractors as insureds under Borrower's own policies, or shall provide the LACDA with each Sub-Contractor's separate evidence of insurance coverage upon request. Borrower shall be responsible for verifying each Sub- Borrower complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the LACDA and Borrower as additional insureds on the Sub-Contractor's General Liability policy. Borrower shall obtain the LACDA's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

1.8.3 Deductibles and Self-Insured Retentions (SIRs)

Borrower's policies shall not obligate the LACDA to pay any portion of any Borrower deductible or SIR. The LACDA retains the right to require Borrower to reduce or eliminate policy deductibles and SIRs as respects the LACDA, or to provide a bond guaranteeing Borrower's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

1.8.4 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Borrower understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

1.8.5 Application of Excess Liability Coverage

Borrower may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the

underlying primary policies, to satisfy the Required Insurance provisions.

1.8.6 **Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

1.8.7 **Alternative Risk Financing Programs**

The LACDA reserves the right to review, and then approve, Borrower use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The LACDA shall be designated as an Additional Covered Party under any approved program.

1.9 LACDA Review and Approval of Insurance Requirements

The LACDA reserves the right to review and adjust the Required Insurance provisions, conditioned upon the LACDA's determination of changes in risk exposures.

EXHIBIT A-2 - INSURANCE MATRIX NOFA LOAN PROGRAM

Category	Workers Compensation	Commercial General Liability in Combination with Excess (Umbrella Liability)				Professional Liability	Property Insurance	Builders' Risk & Course of Construction Coverage	Flood Insurance	Commercial Auto Liability	Pollution / Environmental Liability	Bonding
		General Aggregate	Products/ Completed/ OnGoing Operations Agg	Personal & Adv Injury	Each Occurrence	Each Occurrence				Combined Single Limit		
Pre-Development												
• LP, LLC, Corporation	Coverage required in every contract, with limits as specified by law	$2,000,000	$2,000,000	$1,000,000	$1,000,000	Does Not Apply	Total Value of Property	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply
Borrower and General Partner Entities												
• LP, LLC	Does Not Apply (if no employees)	$2,000,000	$2,000,000	$1,000,000	$1,000,000	Does Not Apply	Total Value of Property/ Project	Total Value of Property/ Project	Greater of Total Value of Property/Project or NFIP (if Property is Located in Flood Zone)	Does Not Apply	Does Not Apply	Does Not Apply
Developer												
Contract/Project Value												
< $10M		$2,000,000	$2,000,000	$1,000,000	$1,000,000	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply
> $10M - $50M		$5,000,000	$5,000,000	$2,000,000	$2,000,000							
> $50M		$10,000,000	$10,000,000	$5,000,000	$5,000,000							
Design Professional												
• Architectural		$2,000,000	$2,000,000	$1,000,000	$1,000,000	< $25M = $2,000,000 > $25M = $5,000,000	Does Not Apply	Does Not Apply	Does Not Apply	$1,000,000	$2,000,000 (if work is performed at the site)	Does Not Apply
• Engineering												
• CASp												
Testing/Reporting & General Services												
• Enviro, Air, Surveys, Materials	Coverage required in every contract, with limits as specified by law	< $5M - $10M = $2,000,000	< $5M - $10M = $2,000,000	< $5M - $10M = $2,000,000	< $5M - $10M = $2,000,000	$2,000,000	Does Not Apply	Does Not Apply	Does Not Apply	$1,000,000	< $10M - $5M = $2,000,000 $10M - $50M = $5,000,000 > $50M = $10,000,000	Does Not Apply
• Hazardous Waste Removal		$10M - $50M = $5,000,000	$10M - $50M = $5,000,000	$10M - $50M = $5,000,000	$10M - $50M = $5,000,000							
• Rubbish/Garbage Removal		> $50M = $10,000,000	> $50M = $10,000,000	> $50M = $10,000,000	> $50M = $10,000,000							
• Landscape/Lawn Care												
• Tree Removal												
General Contractors (including demolition)												
Contract/Project Value												
< $10M		$2,000,000	$2,000,000	$1,000,000	$1,000,000	Does Not Apply	Does Not Apply	Does Not Apply	Does Not Apply	$1,000,000	$2,000,000	Total Value of Contract (if project value > $100K)
> $10M - $50M		$5,000,000	$5,000,000	$2,000,000	$2,000,000						$5,000,000	
> $50M		$10,000,000	$10,000,000	$5,000,000	$5,000,000						$10,000,000	

EXHIBIT "O" TO LOAN AGREEMENT

ENVIRONMENTAL CONDITIONS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

Project: 2052 Lake Avenue Project
Responsible Entity: LACDA
Clearance/ROF: 2/15/23

The following special conditions/environmental mitigation measures must be included in the project contract and later implemented as part of the project scope to alleviate adverse environmental impacts. This NEPA environmental clearance is conditioned upon the implementation of all special conditions/mitigation measures:

1. **Unanticipated Discovery of Archaeological Resources.** If archaeological resources are encountered during ground-disturbing activities, work in the immediate area must halt and an archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards for archaeology (National Park Service 1983) shall be contacted immediately to evaluate the find.[1] If the discovery proves to be eligible for the National Register of Historic Places, additional work such as data recovery excavation and Native American consultation may be warranted.

2. **Unanticipated Discovery of Human Remains**. If human remains are encountered during ground-disturbing activities, the State of California Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the county coroner has made a determination of origin and disposition pursuant to Public Resources Code Section 5097.98. In the event of an unanticipated discovery of human remains, the County Coroner must be notified immediately. If the human remains are determined to be prehistoric, the Coroner will notify the Native American Heritage Commission, which will determine and notify a most likely descendant. The most likely descendant shall complete the inspection of the site and provide recommendations for treatment to the landowner within 48 hours of being granted access.

3. **Nesting/Breeding Native Bird Protection**. To avoid impacts to nesting birds, project-related construction activities shall occur outside of the bird breeding season (February 1 to August 31) to the extent practicable. If project activities must occur during the bird breeding season, a nesting bird survey shall be conducted by a qualified biologist within the project site plus a 100-foot buffer, where accessible, no more than one week prior to initiation of ground disturbance or vegetation removal. If the project is phased, additional pre-activity nesting bird surveys shall be

conducted prior to each phase of construction. If an active nest (one containing eggs, nestlings, or dependent fledglings) is found, an avoidance buffer shall be determined and demarcated by a qualified biologist using flagging and stakes or construction fencing. The size of the buffer shall be sufficient to avoid direct impacts to the nest, eggs, young, and adults, and would depend upon the species and the proposed work activity. No work activity shall occur within the buffer until the biologist confirms that the nest is no longer active. Construction personnel shall be instructed on the sensitivity of the area. If project activities must occur within the buffer, they shall be conducted at the discretion and under the supervision of the biologist. The qualified biologist shall record the results of the recommended protective measures described above to document compliance with applicable State and federal laws pertaining to protection of native birds. All monitoring reports and compliance records shall be submitted to the Los Angeles County Development Authority.

4. **Noise Attenuation**. The proposed project design shall incorporate the following measures to reduce potential impacts to future project residents: the windows of all residential units with a direct line of sight to Lincoln Avenue to the east and Figueroa Drive to the south shall be dual pane, laminated or similar with a Sound Transmission Class (STC) rating of at least 35; exterior walls facing the street shall be constructed of staggered wood studs, or equipped with a resilient channel between the studs and wallboard, or another wall system with an STC rating of at least 35; exterior balcony doors facing the street shall be of a sound insulating design with an STC rating of at least 35; and all exterior doors and windows shall be installed with proper weather stripping.

5. **Additional Modifications**. Minor changes to the mitigation measures required as a condition of funding approval are permitted but can only be made with the approval of the Executive Director of the Los Angeles County Development Authority.

EXHIBIT "P" TO LOAN AGREEMENT

LACDA CONSTRUCTION REQUIREMENTS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

The Borrower's receipt of the Loan proceeds for purposes of paying construction and permanent costs in connection with the project is conditioned upon the Borrower's adherence to certain construction requirements imposed by the LACDA in connection with the Project, including, without limitation, the requirements set forth in this EXHIBIT "P". The Borrower covenants to comply with each and every construction requirement set forth in this EXHIBIT "P" or as otherwise imposed by any applicable Governmental Restriction, including, without limitation, any regulations or administrative procedures established by the LACDA for the disbursement of funds for the construction of affordable housing projects in the County of Los Angeles.

1. Submittals and Review Procedure; Construction Monitoring

(a) For purposes of this EXHIBIT "P":

(i) "Construction Documents" shall mean all documents necessary to construct the Project including but not limited to plans, standard drawings, details, specifications, construction contract, schedules, addenda, reference standards, calculations, reports, cost estimates, value engineering studies, constructability reviews, and related documents; and

(ii) "Empirical Cost Model" shall mean a cost model which the LACDA may elect to prepare based on the Construction Documents for the purpose of evaluating the proposed construction budget against the database of construction costs maintained by the LACDA.

(b) The Borrower's submittal requirements shall include the following:

(i) The Borrower shall submit to the LACDA within 20 days of the execution of this Agreement a project team staffing plan ("Staffing Plan") for review and approval by the LACDA. The Staffing Plan shall contain an organizational chart showing all component functions and reporting relationships, and the related staff for all activities, including a separate narrative describing the roles and responsibilities of all participants. Where the Staffing Plan utilizes organizations other than the Borrower, a company profile must be provided for each. A detailed resume for each individual on the organizational chart must be included.

(ii) The Borrower shall submit to the LACDA within 20 days of the execution of this Agreement a detailed development schedule ("Development Schedule") for review and approval by the LACDA. The Borrower shall incorporate any changes or corrections requested by the LACDA in a revised schedule to be submitted to the LACDA within 10 days after receiving comments from the LACDA with respect to the original schedule submitted, as provided above. The Development Schedule shall be developed and submitted in CPM network configuration using MS Project, or approved equivalent. The scope of the Development Schedule will comprise all discrete functions, from Project start to completion, necessary to deliver the Project per the requirements of the Construction Contract, as defined in Section 1(c) of this EXHIBIT "P". The construction portion of the Development Schedule will be a summary of the more detailed Construction Schedule defined in Section 1(b)(iii) of this EXHIBIT "P".

(iii) The Borrower shall submit to the LACDA within 20 days of the approval of the Construction Contract a detailed construction schedule ("Construction Schedule") for review and approval by the LACDA. The Borrower shall incorporate any changes or corrections requested by the LACDA in a revised schedule to be submitted to the LACDA within 10 days after receiving comments from the LACDA with respect to the original schedule submitted, as provided above. The Construction Schedule shall be developed and submitted in CPM network configuration using MS Project, or approved equivalent. The Construction Schedule shall follow the recommendations of the latest edition of the Associated General Contractors of America book, *Using CPM in Construction*. The original submittal and required monthly updates shall be submitted electronically along with two plotted hard copies (this will include both Gantt chart and CPM network plots).

(iv) The Borrower shall provide to the LACDA a draft completed regulatory "Entitlement Review" package for the LACDA review and approval prior to any formal submittal to the controlling land use jurisdiction or other regulatory agency. This package shall be submitted to the LACDA not later than 14 days prior to the submittal to the regulatory body.

(v) The Borrower shall submit to the LACDA within 30 days of the execution of this Agreement basic concept drawings ("Basic Concept Drawings") for review and approval by the LACDA. The Basic Concept Drawings shall be in form and content as directed from time to time by the LACDA.

(vi) Based on, and within 60 days of the LACDA's approval of, the Basic Concept Drawings, the Borrower and its design team shall submit to the LACDA for review and approval by the LACDA certain design development plans and related documents ("Design Development Plans") for the following phases of design: expanded conceptual design; schematic design; design development; construction cost estimates for schematic design and design development, including any value engineering analysis; value engineering review; and constructability analysis review. The Borrower will

include ten (10) business days for each review in the Development Schedule and adequate redesign time to respond to the LACDA comments as required.

(vii) Based on the approved Design Development Plans, the Borrower and its design team shall prepare and submit to the LACDA for review and approval by the LACDA the (preliminary drawings) 50% construction documents (the "Preliminary Drawings"). The 50% submittal shall include a detailed cost estimate and a list of value engineering considerations representing a saving goal of 10% of the overall Project budget.

(viii) The (final working drawings) 100% construction documents (the "Final Drawings") submittal shall contain a complete and coordinated package adequate to obtain building permits and build the Project with a minimum of change orders. If required by the LACDA, the Borrower and its design team shall submit evidence of a constructability review from a licensed contractor knowledgeable in the type of construction and project proposed. A final cost estimate shall be submitted reflective of the various value engineering and constructability review efforts to date. If the final construction document package cost estimate exceeds the Empirical Cost Model the Borrower shall be required to demonstrate to the LACDA the reason why the cost overrun occurred and may be required to make adjustments to meet the Empirical Cost Model.

(ix) The Construction Documents shall include all related work for the Project, including but not limited to the buildings, grading, landscaping, site improvements, off-site improvements (if included). All Construction Documents (including both the Preliminary Drawings and the Final Drawings) shall be prepared and submitted within the times established in the Development Schedule, subject to extensions as they are authorized herein or as mutually agreed to by the parties. During the preparation of all Construction Documents, the LACDA staff and the Borrower shall hold regular meetings to coordinate the preparation of, submission to, and review of Construction Documents by the LACDA. The LACDA and the Borrower shall communicate and consult informally as frequently as is necessary to insure that the formal submittal of any documents to the LACDA can receive prompt and speedy consideration. The Borrower will incorporate the LACDA CM Division AF101 specifications sections into the Construction Documents, as required by law.

(c) The Borrower shall submit to the LACDA in accordance with the Development Schedule a construction contract ("Construction Contract") for review and approval by the LACDA. The Construction Contract shall utilize the appropriate and most recent AIA form of Standard Agreement and General Conditions and shall contain such modifications and additions to such AIA forms as the LACDA may require.

(d) The Construction Management Division of the LACDA will provide oversight monitoring of the Project. The Borrower shall maintain at the job site adequate records and shall permit site access to the LACDA at all reasonable times to accommodate the monitoring

activities. The monitoring program may include, but is not limited to, the following: establishment of various reporting requirement formats and frequencies; review of scheduling documents for conformance and performance; review of QA/QC program results; review of Project budgets and cash flows; attendance at job site meetings; review of job correspondence; review of change order requests; review of submittals to architect; site inspections; pay request reviews and approvals; review of job site safety conditions; review of construction documents for compliance with actual construction; review of labor compliance documents and compliance of same; monitoring of any and all Agreement conditions, and other related activities. The Borrower acknowledges that the LACDA's review, inspection and monitoring activities as set forth in the subsection (d) shall be solely for the LACDA's benefit, and that the Borrower shall not rely in any manner on any statements (oral or written) or actions or omissions by the LACDA in connection with its review, inspection and monitoring activities, but that the Borrower shall at all times be wholly responsible for all aspects of the construction of the Project.

(e) If the Project is designated as a Davis Bacon/public works type project, the Project shall comply with the requirements of such law. The Borrower shall include all such requirements in the Construction Documents and conduct the bid phase according to such requirements, including the Prevailing Wage determination or decision in effect at the time of the bid.

(f) Construction Sign. Borrower shall submit and the LACDA shall review and approve the Project construction sign before it is mounted at the site. If Borrower is not erecting a construction sign, the LACDA shall have the right at the LACDA's cost and expense and in compliance with all applicable laws to erect at least one (1) sign on the Mortgaged Property referring to the Loan at a visibly prominent location on the Mortgaged Property, which sign(s) shall be the LACDA's design. Once installed, Borrower shall reasonably maintain said sign(s) and dispose of them or return them to the LACDA upon the completion of construction at the LACDA's request. The LACDA shall have the right, at any time and at its sole cost and expense, to announce or advertise its financing in newspapers, trade journals and other media outlets of the LACDA's choosing.

2. Loan Disbursement and Requisitions.

(a) Requests for funds available to the Borrower under the terms of this Agreement are to be made on the basis of a need or requirement established by this Agreement. Requests shall be made in a form approved by the LACDA and shall include all necessary documentation provided for in the Construction Contract or as otherwise requested by the LACDA required to establish the amount and time lines of the payment requested, together with a certificate from the Project architect pursuant to the Construction Contract certifying that all disbursements requested are properly due. Unless otherwise specified by the LACDA, payments made by the LACDA in response to these requests are to be in the form of two-party checks, listing the Borrower and the additional party requesting payment as payees and requiring the signatures of each. In addition, the recipient(s) of the disbursements for services rendered or materials provided, shall be required to sign, as applicable, conditional or unconditional waivers and

releases, both in statutory form, warranting that no further claims will be made of the LACDA for those services or materials. Exception to this requirement is made for checks made to government entities. All disbursements pursuant to this EXHIBIT "P" shall be made through a LACDA-approved construction disbursement agency, as set forth below.

(b) Whenever the funding source for any procurement described herein imposes additional or different requirements than those established herein, such additional or different requirements shall be complied with.

3. Insurance and Bonding.

(a) The purpose of this Section is to establish insurance and bonding procedures to protect the LACDA's personal and property rights and purchases of supplies, equipment, construction and contractual services.

(b) The insurance and bonding procedures shall be conducted in full compliance with Federal standards as stated in 24 CFR 85.36, all state and county laws and procedures, other Governmental Restrictions and EXHIBIT "N" of this Agreement. Please see EXHIBIT "N" for the required insurance coverage. The bonding coverage will include a bid guarantee, performance and payment bond and completion guaranty for construction or facility improvement contracts or subcontracts exceeding $100,000.

(c) The Borrower shall require in the Construction Contract that the contractor ("Contractor") shall procure and maintain at Contractor's expense (and require all subcontractors and sub-subcontractors to procure and maintain at their expense) for the duration of the Construction Contract, or for a longer period as indicated, the insurance coverage required in Exhibit "N" of this Agreement, against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work by Contractor, its agents, representatives, employees, subcontractors or sub-subcontractors, and that the Contractor and all subcontractors and sub-subcontractors shall otherwise meet the insurance requirements set forth therein.

EXHIBIT "Q" TO LOAN AGREEMENT

CONSTRUCTION SCHEDULE OF VALUES

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

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LAKE AVENUE APARTMNETS

2052 Lake Avenue
Altadena California 91001

BID SCHEDULES OF VALUES with ALTERNATES AND APPROVED VALUE ENGINEERING

58 Unit Apartment Units
Four Levels of Type V Wood Framed Apartments with Parking on Level 1
Based on State Residential Prevailing Wages

October 20, 2023

Prepared By:
UNITED BUILDING COMPANY, INC.
17418 Chatsworth Avenue, Suite 101
Granada Hills, California 91344

TASK NO	TASK DESCRIPTION	BID	VALUE ENGINEERING	ALTERNATES	GRAND TOTAL	VALUE ENGINEERING AND ALTERNATE NOTES
DIV 02	**SITEWORK**					
01500	Deputy / Soils Inspections	$0.00	$0.00	$0.00	$0.00	
01550	Security Guard Services ALLOWANCE	$90,000.00	$0.00	$0.00	$90,000.00	
01580	Labor Compliance	$106,000.00	$0.00	$0.00	$106,000.00	
01560	Temporary Fencing and Barricades	$28,000.00	$0.00	$0.00	$28,000.00	
02010	Survey	$49,000.00	$0.00	$0.00	$49,000.00	
02040	Asbestos / Lead Abatement	$67,500.00	$0.00	$0.00	$67,500.00	
02050	Erosion Control (SWPPPS)	$7,500.00	$0.00	$0.00	$7,500.00	
02055	Man Lift	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
02200	Demolition	$115,000.00	$0.00	$0.00	$115,000.00	
02250	Off-Site Demolition	See A/B Permit Allow	See A/B Permit Allow	See A/B Permit Allow	See A/B Permit Allow	
02210	Excavation, Backfilling and Export	$210,000.00	$0.00	$0.00	$210,000.00	
02250	Shoring	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
02300	Progressive Clean Up	$230,000.00	$0.00	$0.00	$230,000.00	
02310	Final Clean Up	$48,000.00	$0.00	$0.00	$48,000.00	
02320	Window Cleaning	$10,000.00	$0.00	$0.00	$10,000.00	
02330	Rubbish Removal	$135,000.00	$0.00	$0.00	$135,000.00	
02450	Fencing and Gates	$75,000.00	$0.00	$0.00	$75,000.00	Excludes any Galvanization of Metals
02510	Site Concrete - On-Site	$255,000.00	$0.00	$0.00	$255,000.00	
02510	Site Concrete - Off-Site - A / B Permit ALLOWANCE	$65,000.00	$0.00	$0.00	$65,000.00	
02540	Site Masonry - Perimeter Walls and Planters	$235,000.00	$0.00	$0.00	$235,000.00	
02450	Site Utilities - Water	$185,000.00	$0.00	$0.00	$185,000.00	
02450	Off-Site Water - Fire Hydrant	$0.00	$0.00	$0.00	$0.00	
02450	Site Utilities - Sewer	$38,000.00	$0.00	$0.00	$38,000.00	
02450	Site Utilities - Storm Drain	$310,000.00	$0.00	$0.00	$310,000.00	
02460	Site Utilities (Dry) ALLOWANCE	$100,000.00	$0.00	$0.00	$100,000.00	
02460	Street Light Relocation	$24,000.00	$0.00	$0.00	$24,000.00	
02460	Off-Site Utility Relocations	$0.00	$0.00	$0.00	$0.00	
02460	Power Pole Relocation	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
02850	Asphalt Paving	$84,000.00	$0.00	$0.00	$84,000.00	
02850	Parking and Traffic Control Striping	$9,000.00	$0.00	$0.00	$9,000.00	
02880	Traffic Control	See A/B Permit Allow	See A/B Permit Allow	See A/B Permit Allow	See A/B Permit Allow	
02900	Landscaping and Irrigation	$119,000.00	$0.00	$0.00	$119,000.00	
02950	Site Furnishings - Planter Pots	N.I.C.	N.I.C.	N.I.C.	N.I.C.	

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TASK NO	TASK DESCRIPTION	BID	VALUE ENGINEERING	ALTERNATES	GRAND TOTAL	VALUE ENGINEERING AND ALTERNATE NOTES
02950	Site Furnishings - Outdoor Seating and Furniture	Excluded	Excluded	Excluded	Excluded	
02950	Site Furnishings - Fountains and Water Features	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
02950	Site Furnishings - Roof Deck	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
02950	Site Furnishings - Benches	$42,000.00	$0.00	$0.00	$42,000.00	
02950	Site Furnishings - Bike Racks ALLOWANCE	$15,000.00	$0.00	$0.00	$15,000.00	
02950	Site Furnishing - Built in BBQ	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
	SITEWORK TOTAL	**2,652,000.00**	**0.00**	**0.00**	**2,652,000.00**	
DIV 03	**CONCRETE**					
03150	Methane Mitigation System	Excluded	Excluded	Excluded	Excluded	
03150	Vapor Barrier ALLOWANCE	Excluded	Excluded	Excluded	Excluded	
03300	Cast-In-Place Concrete	$698,000.00	$0.00	$0.00	$698,000.00	
03460	Shotcrete	$0.00	$0.00	$0.00	$0.00	
03650	Gypsum Concrete Underlayment	$135,000.00	$0.00	$0.00	$135,000.00	
03650	Hardrock Concrete - Stair Landings and Treads	$35,000.00	$0.00	$0.00	$35,000.00	
	CONCRETE TOTAL	**868,000.00**	**0.00**	**0.00**	**868,000.00**	
DIV 04	**MASONRY**					
04220	Concrete Masonry Unit	See Site CMU	See Site CMU	See Site CMU	See Site CMU	
04440	Brick Veneer	$0.00	$0.00	$0.00	$0.00	
	MASONRY TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	
DIV 05	**METALS**					
05100	Structural Steel	$815,000.00	$0.00	$0.00	$815,000.00	
05500	Metal Fabrications - Stairs and Railing	$385,000.00	-$65,000.00	$0.00	$320,000.00	Change Stair 2 from Steel to Wood Stairs with Rubber Treads
05500	Metal Fabrications - Courtyard and Balcony Rails	$495,000.00	$0.00	$0.00	$495,000.00	Excludes any Galvanization of Metals
05500	Metal Fabrications - Misc. Metals	Included	Included	Included	Included	
	METALS TOTAL	**1,695,000.00**	**-65,000.00**	**0.00**	**1,630,000.00**	
DIV 06	**CARPENTRY**					
06100	Rough Carpentry	$2,095,000.00	$0.00	$0.00	$2,095,000.00	
06150	Cement Board Siding	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
06200	Finish Carpentry - Moldings, Trim and Installations	$70,000.00	$0.00	$0.00	$70,000.00	
06200	Finish Carpentry - Door Installation	$125,000.00	$0.00	$0.00	$125,000.00	
06410	Cabinetry and Millwork ALLOWANCE	$360,000.00	$0.00	$0.00	$360,000.00	
	CARPENTRY TOTAL	**2,650,000.00**	**0.00**	**0.00**	**2,650,000.00**	
DIV 07	**THERMAL AND MOISTURE PROTECTION**					
07110	Waterproofing - Between Slab and Planters	$0.00	$0.00	$0.00	$0.00	
07110	Waterproofing - Below Grade and Elevator Pit	$27,500.00	$0.00	$0.00	$27,500.00	
07570	Waterproofing - Elastomeric Deck Coating	$72,000.00	$0.00	$0.00	$72,000.00	
07210	Thermal and Acoustical Insulation	$132,000.00	-$17,000.00	$0.00	$115,000.00	Use R-30 Roof and R-21 Exterior Wall Batt Insulation vs. Blown In
07510	Built-Up Roofing System	$190,000.00	$0.00	$0.00	$190,000.00	Based on TPO mechanically fastended with 20 year NDL
07600	Flashing and Sheet Metal	$160,000.00	$0.00	$0.00	$160,000.00	
07650	Metal Siding System	$0.00	$0.00	$0.00	$0.00	
07900	Joint Sealers / Firestopping	$32,000.00	$0.00	$0.00	$32,000.00	
	THERMAL AND MOISTURE PROTECTION TOTAL	**613,500.00**	**-17,000.00**	**0.00**	**596,500.00**	
DIV 08	**DOORS AND WINDOWS**					
08110	Doors and Frames (Materials Only)	$163,000.00	$0.00	$0.00	$163,000.00	
08330	Overhead Coiling Doors	$0.00	$0.00	$0.00	$0.00	
08410	Aluminum Entrances and Storefronts	$78,000.00	$0.00	$0.00	$78,000.00	
08410	Fire Rated Storfront / Windows ALLOWANCE		$0.00	$100,000.00	$100,000.00	Allowance for Fire Rated Storefront / Windows
08520	Windows - Vinyl Windows	$356,000.00	$0.00	$0.00	$356,000.00	Based on Milgard Tuscany windows
08710	Door Hardware (Materials Only)	$140,000.00	$0.00	$0.00	$140,000.00	
08800	Mirrors	$14,000.00	$0.00	$0.00	$14,000.00	
08850	Glass Railing Systems	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
08850	Tub Enclosures	Included	Included	Included	Included	
	DOORS AND WINDOWS TOTAL	**751,000.00**	**0.00**	**100,000.00**	**851,000.00**	

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TASK NO	TASK DESCRIPTION	BID	VALUE ENGINEERING	ALTERNATES	GRAND TOTAL	VALUE ENGINEERING AND ALTERNATE NOTES
DIV 09	**FINISHES**					
09220	Portland Cement Plaster - 20/30 Sand Float Finish	$1,225,000.00	-$350,000.00	$0.00	$875,000.00	Change from smooth plaster with crack iso system to 20/30 sand finish with standard 2 layers of Grade D Building Paper
09250	Gypsum Board - Includes Metal Framing	$920,000.00	$0.00	$34,000.00	$954,000.00	Change to Level 5 in Common Areas. Units to stay Level 3
09330	Tile & Stone - Kitchen Backsplashes	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
09330	Kitchen & Bathroom Countertops ALLOWANCE	$95,000.00	$0.00	$0.00	$95,000.00	
09600	Flooring - Units ALLOWANCE	$175,000.00	$0.00	$0.00	$175,000.00	
09600	Flooring- Common Area ALLOWANCE	$40,000.00	$0.00	$0.00	$40,000.00	
09600	Flooring - Rubber Treads at Wood Stairs	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
09800	Polished Concrete	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
09800	Painting - Intumescent Paint	$55,000.00	$0.00	$0.00	$55,000.00	
09900	Painting - Interior and Exterior	$345,000.00	$0.00	$0.00	$345,000.00	
09900	Painting - Garage Walls and Ceilings	Excluded	Excluded	Excluded	Excluded	
09900	Painting - Anti-Graffiti Coating	Included	Included	Included	Included	
	FINISHES TOTAL	**2,855,000.00**	**-350,000.00**	**34,000.00**	**2,539,000.00**	
DIV 10	**SPECIALTIES**					
10200	Louvers	See Above	See Above	See Above	See Above	
10440	Signage - Acrylic ADA Signs	$30,000.00	$0.00	$0.00	$30,000.00	
10440	Building ID Signage ALLOWANCE	$5,000.00	$0.00	$0.00	$5,000.00	
10520	Fire Extinguishers and Cabinets	$6,500.00	$0.00	$0.00	$6,500.00	
10550	Postal Specialties	$15,000.00	$0.00	$0.00	$15,000.00	
10550	Parcel Locker Systems	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
10800	Toilet Accessories	$52,000.00	$0.00	$0.00	$52,000.00	
10825	Locker Systems at Units	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
10990	Building Specialties - Knox Box (Materials Only)	$1,000.00	$0.00	$0.00	$1,000.00	
	SPECIALTIES TOTAL	**109,500.00**	**0.00**	**0.00**	**109,500.00**	
DIV 11	**EQUIPMENT**					
11450	Residential Appliances - GE Package	$135,000.00	$0.00	$0.00	$135,000.00	
	EQUIPMENT SYSTEMS TOTAL	**135,000.00**	**0.00**	**0.00**	**135,000.00**	
DIV 12	**FURNISHINGS**					
12490	Louver Blinds ALLOWANCE	$30,000.00	$0.00	$0.00	$30,000.00	
	FURNISHINGS TOTAL	**30,000.00**	**0.00**	**0.00**	**30,000.00**	
DIV 13	**SPECIAL CONSTRUCTION**					
13500	Solar Photovoltaic System	$485,000.00	-$95,000.00	$0.00	$390,000.00	Change to Design Build Solar PV system by Grid Alternative
13550	Roof Tie Back Systems	$14,000.00	$0.00	$0.00	$14,000.00	
	SPECIAL CONSTRUCTION TOTAL	**499,000.00**	**-95,000.00**	**0.00**	**404,000.00**	
DIV 14	**CONVEYING SYSTEMS**					
14200	Hydraulic Elevators	$178,000.00	$0.00	$0.00	$178,000.00	
14250	Elevators Smoke Guards	$29,000.00	$0.00	$0.00	$29,000.00	
14560	Trash Chute System	$59,000.00	$0.00	$0.00	$59,000.00	
	CONVEYING SYSTEMS TOTAL	**266,000.00**	**0.00**	**0.00**	**266,000.00**	
DIV 15	**MECHANICAL**					
15400	Plumbing	$1,840,000.00	$0.00	$0.00	$1,840,000.00	
15600	Wet-Pipe Fire Suppression Systems - NFPA 13	$275,000.00	$0.00	$0.00	$275,000.00	
15650	Fire Pump	$0.00	$0.00	$0.00	$0.00	
15800	Heating, Ventilation and Air Conditioning	$975,000.00	-$20,000.00	$0.00	$955,000.00	Change from spring iso to standard neoprene pads
	MECHANICAL TOTAL	**3,090,000.00**	**-20,000.00**	**0.00**	**3,070,000.00**	

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TASK NO	TASK DESCRIPTION	BID	VALUE ENGINEERING	ALTERNATES	GRAND TOTAL	VALUE ENGINEERING AND ALTERNATE NOTES
DIV 16	**ELECTRICAL**					
16010	Electrical	$1,330,000.00	$0.00	$0.00	$1,330,000.00	
16010	Electrical - Light Fixture Package ALLOWANCE	$280,000.00	$0.00	$0.00	$280,000.00	
16010	Electrical - Generator	N.I.C.	N.I.C.	N.I.C.	N.I.C.	
16750	First Responder System ALLOWANCE	$150,000.00	$0.00	$0.00	$150,000.00	
16720	Fire Alarm System	$148,000.00	$0.00	$0.00	$148,000.00	
16730	Access Control Systems ALLOWANCE	$50,000.00	$0.00	$0.00	$50,000.00	
16740	Telephone and Cable TV Prewire - Design Build	$90,000.00	$0.00	$0.00	$90,000.00	
16750	Wireless Internet System	Excluded	Excluded	Excluded	Excluded	
16755	Two Way Communication System	$24,000.00	$0.00	$0.00	$24,000.00	
16760	CCTV Security System ALLOWANCE	$70,000.00	$0.00	$0.00	$70,000.00	
	ELECTRICAL TOTAL	**2,142,000.00**	**0.00**	**0.00**	**2,142,000.00**	
DIRECT COST TOTAL		**18,356,000.00**	**-547,000.00**	**134,000.00**	**17,943,000.00**	
GENERAL CONDITIONS TOTAL		**1,284,920.00**	**-38,290.00**	**9,380.00**	**1,256,010.00**	
DIV 95	**CONTINGENCIES, FEES, INSURANCE AND BONDS**					
95100	Contractor's Fee (5%)	917,800.00	-27,350.00	6,700.00	897,150.00	
95100	Overhead (2.0%)	367,120.00	-10,940.00	2,680.00	358,860.00	
95125	Contractors Contingency (1.0%)	183,560.00	-5,470.00	1,340.00	179,430.00	
95150	Insurance (0.3% + 40,000 Pollution Insurance)	95,068.00	-1,641.00	402.00	93,829.00	Includes Pollution insurance, Auto insurance and Worker Comp Insurance. OCIP Policy Paid by Owner.
95160	Payment and Performance Bond	183,560.00	-5,470.00	1,340.00	179,430.00	
FEES AND INSURANCE - TOTAL		**1,747,108.00**	**-50,871.00**	**12,462.00**	**1,708,699.00**	
GRAND TOTAL		**21,388,028.00**	**-636,161.00**	**155,842.00**	**20,907,709.00**	

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EXHIBIT "R" TO LOAN AGREEMENT

WAGE DETERMINATION –
DAVIS BACON and PREVAILING WAGE

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Below and Attached)

There are three applicable wage determinations for this project:

1. Federal Wage Decision CA20230017 Mod 20 Dated 12/08/2023
2. State (1) Residential Determination Issue Date: 12/01/2022
3. State (2) LOS2023-1 + future changes (commercial state rates at time of bid) website www.dir.ca.gov.

The higher of the three rates (in the classification the employee is working in), must be paid to all employees working at the project site.

2052 LAKE AVENUE APARTMENTS

2052 Lake Avenue
Altadena, Ca 91001
Project #C27A12

Labor Compliance Requirements

THE DEVELOPER IS REQUIRED TO INCLUDE THE FOLLOWING REQUIREMENTS IN ITS CONTRACTUAL AGREEMENT WITH THE AWARDED PRIME CONTRACTOR AND THE PRIME CONTRACTOR IS REQUIRED TO INCLUDE THE FOLLOWING INFORMATION IN EACH SUBCONTRACT:

A. This development project is funded with public funds. The Developer/Contractor, therefore, shall comply with all applicable federal regulations and state laws. Whenever a discrepancy between federal regulations and state law is found to exist, the more stringent of the two shall prevail.

B. The Developer/Contractor is subject to the Federal Labor Standards Provision (HUD 4010) (attached) including prevailing wage requirements of the Davis-Bacon and Related Act (DBRA).

C. The Developer/Contractor is also subject to the State Labor Law requirements applicable to this agreement, but not limited to, California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rate which are established and issued by the Department of Industrial Relations, Division of Labor Statistics.

D. There are 3 APPLICABLE wage determinations for this project:

Federal Wage Decision CA20230017 Mod 20 Dated 12.08.2023 (attached)
State (1) Residential Determination Issue Date: 12/01/2022 (attached)
State (2) LOS2023-1 + future changes (commercial state rates at time of bid) www.dir.ca.gov.

Start with the State (1) wage and compare the classification you need with the Federal wage, the higher of those two wages is applicable and must be paid to each employee working in that classification. If the classification you need is not on State (1) then go to State (2) and compare that with the Federal wage, the higher of those two is applicable and must be paid to each employee working in that classification. In rare instances when a classification that's needed is not on the State (1) and/or State (2) but on the Federal wage decision then the federal rate is applicable and must be paid to each employee working in that classification.

E. The Developer/Contractor shall indemnify, defend and hold the COUNTY and the Los Angeles County Development Authority (LACDA) harmless of any suit, cost, attorney's fees, claim administrative proceeding, damage, wage award, fine, penalty or liability arising out of or relating to the payment or non-payment of prevailing wages in connection with the Project.

F. The Developer/Contractor will work cooperatively with LACDA's Labor Compliance Unit to ensure the proper implementation of all labor requirements and resolution of any labor issues.

State Prevailing Wage Requirements

The Contractor and all Subcontractor(s) shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations (DIR), Division of Labor Statistics, these rates can be obtained on the website at www.dir.ca.gov. or by contacting the LACDA, Labor Compliance Unit for the prevailing wage rates on file.

The Contractor and Subcontractor shall also: (1) Pay not less than the prevailing wage to all workers, as defined in the California Code of Regulations (CCR) section 16000(a), and as set forth in Labor Code Sections 1771 and 1774; (2) Comply with the provisions of Labor Code Sections 1773.5, 1775, and 1777.5 regarding public works job sites; (3) Provide workers' compensation coverage as set forth in Labor Code Section 1861; (4) Comply with Labor Code Sections 1778 and 1779 regarding receiving a portion of wages or acceptance fee; (5) Maintain and make available for inspection payroll records, as set forth in Labor Code Section 1776; (6) Pay workers overtime pay, as set forth in Labor Code Section 1815 or as provided in the collective bargaining agreement adopted by the DIR Director as set forth in CCR's section 16200; (7) Comply with Section 16101 of these regulations regarding discrimination; (8) Be subject to provisions of Labor Code Section 1777.7 which specifies the penalties imposed on a contractor who willfully fails to comply with provisions of Section 1777.5; (9) Comply with those requirements as specified in Labor Code Sections 1810 and 1813; and (10) Comply with any other requirements imposed by the State of California.

Mandatory Use of Labor Compliance Software.

The LACDA has adopted **eComply Solutions** ("eComply"), a web-based compliance management software solution, for use on this Project. As a contractor on this Project, you agree too (1) attend training to learn how to use eComply, (2) register with eComply (3) use eComply to submit all certified payroll reports/related documents for this Project and (4) require that each of your subcontractors and their respective sub-tiers comply with requirements (1 through 3) referenced herein. Information relating to training times and registration will be provided before the project begins. Failure to comply with this requirement may result in potential termination of this contract, and/or other penalties against the contractor.

10% Labor Compliance HOLD from the DRAW(s)

The Contractor and each Subcontractor shall upload all required Labor Compliance forms to the LACDA eComply system before the start of construction. The Contractor shall enter to the LACDA eComply system all its payrolls for each pay period, seven days after the pay period has ended. The Contractor shall also review and forward through the eComply system to the LACDA all its subcontractors' payrolls for each pay period within seven days after the pay period has ended. Contractor's/Subcontractor's/Sub-Tier's failure to enter its payrolls seven days after the pay period has ended, is a violation of this contract and entitles the LACDA to withhold up to ten percent (10%) from any pending construction draw until all such payrolls are received. Repeated, ongoing or flagrant failures by the contractor to upload the required forms, enter its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this contract which may result in the LACDA terminating the contract for default.

The Training, Employment, and Contracting Opportunities for Business and Lower-Income Persons Assurance of Compliance (Section 3):

Developers shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) ("Section 3") and implementing regulation at 24 CFR Part 75. The responsibilities outlined in 24 CFR Part 75.19 include:

A. Implementing procedures designed to notify Section 3 workers about training and employment opportunities generated by Section 3 covered assistance and Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance.

B. Notifying potential contractors for Section 3 covered projects of the requirements of Part 75, Subpart C and incorporating the Section 3 Clause set forth in all solicitations and contracts in excess of $100,000, as required at 24 CFR 75.27.

Section 3 Clause

The work to be performed under this contract is subject to the requirements of Section 2 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

The contractor acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

The contractor agrees to submit, and shall require its subcontractors to submit to them, annual reports detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 workers and Targeted Section 3 workers.

C. Facilitating the training and employment of Section 3 workers and the award of contracts to Section 3 business concerns by undertaking activities such as described in Section 75.25(b), as appropriate, to reach the goals set forth in Section 75.23 and in Federal Register Vol. 85, No. 189, page 60909, until superseded by HUD in a subsequent publication. As of October 29, 2020, the minimum Section 3 benchmark is twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers.

D. Documenting actions taken to comply with the requirements of this part, the results of those actions taken and impediments, if any.

A. APPLICABILITY

The Project or Program to which the construction work covered by this Contract pertains is being assisted by the United States of America, and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

1. Minimum wages and fringe benefits

i. All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in 29 CFR 5.5(d) and (e), the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act (40 U.S.C. 3141(2)(B)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(v) of these contract clauses; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided,* That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under 29 CFR 5.5(a)(1)(iii)) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

ii. Frequently recurring classifications

A. In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in 29 CFR part 1, a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to 29 CFR 5.5(a)(1)(iii), provided that:

1. The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;

2. The classification is used in the area by the construction industry; and

3. The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

B. The Administrator will establish wage rates for such classifications in accordance with 29 CFR 5.5(a)(1)(iii)(A)(3). Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

iii. Conformance

A. The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be

classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

1. The work to be performed by the classification requested is not performed by a classification in the wage determination; and
2. The classification is used in the area by the construction industry; and
3. The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

B. The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.

C. If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30–day period that additional time is necessary.

D. In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30–day period that additional time is necessary.

E. The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under 29 CFR 5.5 (a)(1)(iii)(C) and (D). The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to 29 CFR 5.5 (a)(1)(iii)(C) or (D) must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

iv. Fringe benefits not expressed as an hourly rate

Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.

v. Unfunded plans

If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided,* That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in 29 CFR 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

vi. Interest In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

2. Withholding

i. Withholding requirements

The U. S. Department of Housing and Urban Development may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in 29 CFR 5.5(a) for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in 29 CFR 5.5(a)(3)(iv), HUD may on its own initiative and after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

ii. Priority to withheld funds

The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- **A.** A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- **B.** A contracting agency for its reprocurement costs;
- **C.** A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- **D.** A contractor's assignee(s);
- **E.** A contractor's successor(s); or
- **F.** A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

3. Records and certified payrolls

i. Basic record requirements

- **A. Length of record retention.** All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.
- **B. Information required** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.
- **C. Additional records relating to fringe benefits**. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(v) that the wages of any laborer or mechanic include the amount of any

costs reasonably anticipated in providing benefits under a plan or program described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

D. **Additional records relating to apprenticeship** Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

ii. **Certified payroll requirements**

A. **Frequency and method of submission** The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to HUD if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the certified payrolls to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system

B. **Information required** The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i)(B), except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (*e.g.*, the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at *https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf* or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

C. **Statement of Compliance** Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

1. That the certified payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information and basic records are being maintained under 29 CFR 5.5 (a)(3)(i), and such information and records are correct and complete;
2. That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly

from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3; and

3. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

D. Use of Optional Form WH-347 The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by 29 CFR 5.5(a)(3)(ii)(C).

E. Signature The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

F. Falsification The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.

G. Length of certified payroll retention The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

iii. Contracts, subcontracts, and related documents The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

iv Required disclosures and access

A. Required record disclosures and access to workers The contractor or subcontractor must make the records required under 29 CFR 5.5(a)(3)(i)–(iii), and any other documents that HUD or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by 29 CFR 5.1, available for inspection, copying, or transcription by authorized representatives of HUD or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

B. Sanctions for non-compliance with records and worker access requirements If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to 29 CFR 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under 29 CFR part 6 any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

C. Required information disclosures Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to HUD if the agency is a party to

the contract, or to the Wage and Hour Division of the Department of Labor. If the Federal agency is not such a party to the contract, the contractor, subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

4. Apprentices and equal employment opportunity

i. Apprentices

A. Rate of pay Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

B. Fringe benefits Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

C. Apprenticeship ratio The allowable ratio of apprentices to journeyworkers on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to 29 CFR 5.5(a)(4)(i)(D). Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in 29 CFR 5.5(a)(4)(i)(A), must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

D. Reciprocity of ratios and wage rates Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

ii Equal employment opportunity The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

5 Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6 Subcontracts. The contractor or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (11), along with the applicable wage determination(s) and such other clauses or contract modifications as the U.S. Department of Housing and
Urban Development may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate.

7 Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8 Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9 Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

i. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).

ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).

iii. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, 18 U.S.C. 1001.

11 Anti-retaliation It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- **i.** Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- **ii.** Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- **iii.** Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5; or
- **iv.** Informing any other person about their rights under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5.

B. Contract Work Hours and Safety Standards Act (CWHSSA)

The Agency Head must cause or require the contracting officer to insert the following clauses set forth in 29 CFR 5.5(b)(1), (2), (3), (4), and (5) in full, or (for contracts covered by the Federal Acquisition Regulation) by reference, in any contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses must

be inserted in addition to the clauses required by 29 CFR 5.5(a) or 4.6. As used in this paragraph, the terms "laborers and mechanics" include watchpersons and guards.

1. **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
2. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in 29 CFR 5.5(b)(1) the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in 29 CFR 5.5(b)(1), in the sum of $31 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in 29 CFR 5.5(b)(1).
3. **Withholding for unpaid wages and liquidated damages**

i. **Withholding process** The U.S Department of Housing and Urban Development or the recipient of Federal assistance may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in 29 CFR 5.5(b) on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

ii **Priority to withheld funds** The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- **A.** A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- **B.** A contracting agency for its reprocurement costs;
- **C.** A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- **D.** A contractor's assignee(s);
- **E.** A contractor's successor(s); or
- **F.** A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

4. ***Subcontracts***. The contractor or subcontractor must insert in any subcontracts the clauses set forth in 29 CFR 5.5(b)(1) through (5) and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in 29 CFR 5.5(b)(1) through (5). In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss,

due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

5 Anti-retaliation It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- **i.** Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in 29 CFR part 5;
- **ii.** Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or 29 CFR part 5;
- **iii.** Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or 29 CFR part 5; or
- **iv.** Informing any other person about their rights under CWHSSA or 29 CFR part 5.

C. CWHSSA required records clause In addition to the clauses contained in 29 CFR 5.5(b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other laws referenced by 29 CFR 5.1, the Agency Head must cause or require the contracting officer to insert a clause requiring that the contractor or subcontractor must maintain regular payrolls and other basic records during the course of the work and must preserve them for a period of 3 years after all the work on the prime contract is completed for all laborers and mechanics, including guards and watchpersons, working on the contract. Such records must contain the name; last known address, telephone number, and email address; and social security number of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid; daily and weekly number of hours actually worked; deductions made and actual wages paid. Further, the Agency Head must cause or require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph must be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview workers during working hours on the job.

D. Incorporation of contract clauses and wage determinations by reference Although agencies are required to insert the contract clauses set forth in this section, along with appropriate wage determinations, in full into covered contracts, and contractors and subcontractors are required to insert them in any lower-tier subcontracts, the incorporation by reference of the required contract clauses and appropriate wage determinations will be given the same force and effect as if they were inserted in full text.

E. Incorporation by operation of law The contract clauses set forth in this section (or their equivalent under the Federal Acquisition Regulation), along with the correct wage determinations, will be considered to be a part of every prime contract required by the applicable statutes referenced by 29 CFR 5.1 to include such clauses, and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Administrator grants a variance, tolerance, or exemption from the application of this paragraph. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

F. HEALTH AND SAFETY

The provisions of this paragraph (F) are applicable where the amount of the prime contract exceeds **$100,000**.

1. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health and safety, as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.
2. The contractor shall comply with all regulations issued by the Secretary of Labor pursuant to 29 CFR Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96), 40 U.S.C. § 3701 et seq.
3. The contractor shall include the provisions of this paragraph in every subcontract, so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

"General Decision Number: CA20230017 12/08/2023

Superseded General Decision Number: CA20220017

State: California

Construction Type: Residential

Counties: Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura Counties in California.

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories)

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	. Executive Order 14026 generally applies to the contract. . The contractor must pay all covered workers at least $16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	. Executive Order 13658 generally applies to the contract. . The contractor must pay all covered workers at least $12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at http://www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/06/2023
1	01/13/2023
2	01/20/2023
3	01/27/2023
4	02/10/2023
5	03/03/2023
6	03/17/2023
7	03/31/2023
8	04/07/2023
9	04/14/2023
10	06/09/2023
11	06/23/2023
12	06/30/2023
13	07/14/2023
14	09/08/2023
15	09/15/2023
16	09/22/2023
17	11/03/2023
18	11/17/2023
19	12/01/2023
20	12/08/2023

ASBE0005-002 09/01/2023

	Rates	Fringes
Asbestos Workers/Insulator (Includes the application of all insulating materials, protective coverings, coatings, and finishes to all types of mechanical systems)	$ 49.58	25.27
Fire Stop Technician (Application of Firestopping Materials for wall openings and penetrations in walls, floors, ceilings and curtain walls)	$ 36.97	20.36

ASBE0005-004 07/04/2022

	Rates	Fringes
Asbestos Removal worker/hazardous material handler (Includes preparation, wetting, stripping, removal, scrapping, vacuuming, bagging and disposing of all insulation materials from mechanical systems, whether they contain asbestos or not)	$ 23.52	13.37

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* BRCA0004-001 05/01/2022

	Rates	Fringes
Bricklayer; Marble Setter		
Los Angeles County	$ 45.29	20.17
Orange County	$ 45.18	19.61
Riverside & San Bernardino Counties	$ 45.23	19.33
Ventura County	$ 45.10	19.55

*The wage scale for prevailing wage projects performed in Blythe, China lake, Death Valley, Fort Irwin, Twenty-Nine Palms, Needles and 1-15 corridor (Barstow to the Nevada State Line) will be Three Dollars ($3.00) above the standard San Bernardino/Riverside County hourly wage rate

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BRCA0004-004 11/01/2022

IMPERIAL

	Rates	Fringes
BRICKLAYER; MARBLE SETTER	$ 54.55	19.10

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* BRCA0004-009 05/01/2022

SAN LUIS OBISPO AND SANTA BARBARA COUNTIES

	Rates	Fringes
BRICKLAYER; MARBLE SETTER	$ 45.66	17.68

*The wage scale for prevailing wage projects performed in Blythe, China lake, Death Valley, Fort Irwin, Twenty-Nine Palms, Needles and 1-15 corridor (Barstow to the Nevada State Line) will be Three Dollars ($3.00) above the standard San Bernardino/Riverside County hourly wage rate

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BRCA0018-001 06/01/2022

	Rates	Fringes
MARBLE FINISHER	$ 37.87	14.13
TILE FINISHER	$ 32.44	12.54

BRCA0018-002 06/01/2022

SAN LUIS OBISPO AND SANTA BARBARA

	Rates	Fringes
TILE LAYER	$ 45.05	18.33

BRCA0018-003 06/01/2022

IMPERIAL, LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO & VENTURA

	Rates	Fringes
TILE LAYER	$ 45.05	18.33

BRCA0018-010 09/01/2022

	Rates	Fringes
TERRAZZO FINISHER	$ 38.37	14.13
TERRAZZO WORKER/SETTER	$ 46.49	14.66

CARP0213-005 01/01/2022

Work on wood frame single family homes and apartments up to and including 4 stories:

	Rates	Fringes
CARPENTER		
Cabinet installer	$ 40.46	16.28
Fence builder	$ 39.91	15.37
Framer & finish carpenter	$ 40.75	16.28
Insulation installer	$ 25.66	15.96
Roof loader of shingles	$ 30.08	16.28
Shingler	$ 39.90	16.28
Subterranean garage concrete construction and carpenters performing on grade slab concrete construction	$ 39.38	16.28

CARP0213-006 07/01/2021

	Rates	Fringes
Drywall		
(1) Work on Wood-Framed Single Family Homes, and Wood-Framed Apartment Buildings up to and including 4 Stories		
Drywall Installer/Lather	$ 32.14	16.28
Stocker/Scrapper	$ 22.16	8.62
(2) All other Work		
Drywall Installer/Lather	$ 51.60	16.28
Stocker/Scrapper	$ 22.16	8.62

CARP0721-001 07/01/2021

	Rates	Fringes
Modular Furniture Installer	$ 21.85	7.15

ELEC0011-003 06/26/2023

LOS ANGELES

	Rates	Fringes
ELECTRICIAN (does not include fire alarm, hold-up alarm, burglar alarm and surveillance systems)	$ 34.88	3%+8.21

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* ELEC0011-008 06/26/2023

COMMUNICATIONS AND SYSTEMS WORK

LOS ANGELES COUNTY

	Rates	Fringes
Communications System Installer	$ 46.47	3%+15.53

SCOPE OF WORK: Installation, testing, service and maintenance of systems utilizing the transmission and/or transference

of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background - foreground music, intercom and telephone interconnect, microwave transmission, multi-media, multiplex, nurse call systems, radio page, burglar alarms and fire alarms.

Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems.

ELEC0413-002 09/01/2022

SANTA BARBARA COUNTY

	Rates	Fringes
Electricians	$ 38.00	3%+3.50

WORK AT VANDENBERG AFB: $3.75 additional per hour.

ELEC0413-004 12/26/2022

COMMUNICATIONS AND SYSTEMS WORK

SANTA BARBARA COUNTY

	Rates	Fringes
Communications System Installer	$ 42.78	3%+15.10

SCOPE OF WORK: Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background - foreground music, intercom and telephone interconnect, microwave transmission, multi-media, multiplex, nurse call systems, radio page, burglar alarms and fire alarm (see last paragraph below).

Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems.

Fire alarm work shall be performed at the current inside electrician total cost package.

ELEC0440-002 12/26/2022

RIVERSIDE

	Rates	Fringes
ELECTRICIAN	$ 52.51	3%+25.41

ELEC0440-005 12/27/2021

COMMUNICATIONS AND SYSTEMS WORK

RIVERSIDE AND SAN BERNARDINO COUNTIES

	Rates	Fringes
Communications System		
Installer	$ 39.60	3%+16.89
Technician	$ 33.09	15.89

SCOPE OF WORK: Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background - foreground music, intercom and telephone interconnect, microwave transmission, multi-media, multiplex, nurse call systems, radio page, burglar alarms and fire alarms.

Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems.

ELEC0441-002 12/26/2022

ORANGE

	Rates	Fringes
ELECTRICIAN	$ 32.92	10.54

ELEC0477-003 05/29/2023

SAN BERNARDINO

	Rates	Fringes
ELECTRICIAN	$ 34.88	3%+7.96

ELEC0569-003 06/05/2023

IMPERIAL

	Rates	Fringes
ELECTRICIAN		
1 to 3 Stories	$ 40.50	8.18

ELEC0639-002 03/01/2017

SAN LUIS OBISPO

	Rates	Fringes

ELECTRICIAN.....................$ 23.50 7.72

ELEC0639-003 12/27/2021

COMMUNICATIONS AND SYSTEMS WORK

SAN LUIS OBISPO COUNTY

	Rates	Fringes
Communications System		
Installer	$ 41.68	15.90
Technician	$ 30.89	11.66

SCOPE OF WORK: Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background - foreground music, intercom and telephone interconnect, microwave transmission, multi-media, multiplex, nurse call systems, radio page, burglar alarms and fire alarm (see last paragraph below).

Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems.

Fire alarm work shall be performed at the current inside electrician total cost package.

ELEC0952-002 12/26/2022

VENTURA

	Rates	Fringes
CABLE SPLICER		
All work within 32 road miles or less from the nearest base point	$ 50.45	30.01
ELECTRICIAN		
All work within 32 road miles or less from the nearest base point	$ 45.86	29.88

ALL WORK MORE THAN 32 ROAD MILES FROM NEAREST BASE POINT: Add $5.00 to the basic hourly rate. BASE POINTS: the main Post Office in the cities of Camarillo, Oak View, Oxnard, Santa Paula and Ventura.

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* ELEC0952-006 06/26/2023

COMMUNICATIONS AND SYSTEMS WORK

VENTURA COUNTY ONLY

	Rates	Fringes
Communications System Installer	$ 44.77	16.12

SCOPE OF WORK: Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background - foreground music, intercom and telephone interconnect, microwave transmission, multi-media, multiplex, nurse call systems, radio page, burglar alarms and fire alarm (see last paragraph below).

Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems.

Fire alarm work shall be performed at the current inside electrician total cost package.

ELEV0008-004 01/01/2023

SAN LUIS OBISPO

	Rates	Fringes
ELEVATOR MECHANIC	$ 77.61	37.335+a+b

FOOTNOTE:
a. PAID VACATION: Employer contributes 8% of regular hourly rate as vacation pay credit for employees with more than 5 years of service, and 6% for 6 months to 5 years of service.
b. PAID HOLIDAYS: New Years Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

ELEV0018-004 01/01/2023

IMPERIAL, LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SANTA BARBARA AND VENTURA

	Rates	Fringes
ELEVATOR MECHANIC	$ 63.95	37.335+a+b

FOOTNOTE:
PAID VACATION: Employer contributes 8% of regular hourly rate as vacation pay credit for employees with more than 5 years of service, and 6% for 6 months to 5 years of service.

PAID HOLIDAYS: New Years Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

ENGI0012-001 07/01/2018

	Rates	Fringes
OPERATOR: Power Equipment (Cranes, Piledriving & Hoisting)		
GROUP 1	$ 46.65	25.25
GROUP 2	$ 47.43	25.25
GROUP 3	$ 47.72	25.25
GROUP 4	$ 47.86	25.25
GROUP 5	$ 48.08	25.25
GROUP 6	$ 48.19	25.25
GROUP 7	$ 48.31	25.25
GROUP 8	$ 48.48	25.25
GROUP 9	$ 48.65	25.25
GROUP 10	$ 49.65	25.25
GROUP 11	$ 50.65	25.25
GROUP 12	$ 51.65	25.25
GROUP 13	$ 52.65	25.25
OPERATOR: Power Equipment		
GROUP 1	$ 45.30	25.25
GROUP 2	$ 46.08	25.25
GROUP 3	$ 46.37	25.25
GROUP 4	$ 47.86	25.25
GROUP 5	$ 48.96	25.25
GROUP 6	$ 48.08	25.25
GROUP 7	$ 49.18	25.25
GROUP 8	$ 48.19	25.25
GROUP 9	$ 49.29	25.25
GROUP 10	$ 48.31	25.25
GROUP 11	$ 49.41	25.25
GROUP 12	$ 49.48	25.25
GROUP 13	$ 48.58	25.25
GROUP 14	$ 48.61	25.25
GROUP 15	$ 48.69	25.25
GROUP 16	$ 48.81	25.25
GROUP 17	$ 48.98	25.25
GROUP 18	$ 49.08	25.25
GROUP 19	$ 49.19	25.25
GROUP 20	$ 49.31	25.25
GROUP 21	$ 49.48	25.25
GROUP 22	$ 49.58	25.25
GROUP 23	$ 49.69	25.25
GROUP 24	$ 49.81	25.25
GROUP 25	$ 49.98	25.25

PREMIUM PAY:

$3.75 per hour shall be paid on all Power Equipment Operator work on the followjng Military Bases: China Lake Naval Reserve, Vandenberg AFB, Point Arguello, Seely Naval Base, Fort Irwin, Nebo Annex Marine Base, Marine Corp Logistics Base Yermo, Edwards AFB, 29 Palms Marine Base

Workers required to suit up and work in a hazardous material environment: $2.00 per hour additional. Combination mixer and compressor operator on gunite work shall be classified as a concrete mobile mixer operator.

CRANES, PILEDRIVING AND HOISTING EQUIPMENT CLASSIFICATIONS

GROUP 1: Engineer oiler; Fork lift operator (includes loed, lull or similar types)

GROUP 2: Truck crane oiler

GROUP 3: A-frame or winch truck operator; Ross carrier operator (jobsite)

GROUP 4: Bridge-type unloader and turntable operator; Helicopter hoist operator

GROUP 5: Hydraulic boom truck; Stinger crane (Austin-Western or similar type); Tugger hoist operator (1 drum)

GROUP 6: Bridge crane operator; Cretor crane operator; Hoist operator (Chicago boom and similar type); Lift mobile operator; Lift slab machine operator (Vagtborg and similar types); Material hoist and/or manlift operator; Polar gantry crane operator; Self Climbing scaffold (or similar type); Shovel, backhoe, dragline, clamshell operator (over 3/4 yd. and up to 5 cu. yds. mrc); Tugger hoist operator

GROUP 7: Pedestal crane operator; Shovel, backhoe, dragline, clamshell operator (over 5 cu. yds. mrc); Tower crane repair; Tugger hoist operator (3 drum)

GROUP 8: Crane operator (up to and including 25 ton capacity); Crawler transporter operator; Derrick barge operator (up to and including 25 ton capacity); Hoist operator, stiff legs, Guy derrick or similar type (up to and including 25 ton capacity); Shovel, backhoe, dragline, clamshell operator (over 7 cu. yds., M.R.C.)

GROUP 9: Crane operator (over 25 tons and up to and including 50 tons mrc); Derrick barge operator (over 25 tons up to and including 50 tons mrc); Highline cableway operator; Hoist operator, stiff legs, Guy derrick or similar type (over 25 tons up to and including 50 tons mrc); K-crane operator; Polar crane operator; Self erecting tower crane operator maximum lifting capacity ten tons

GROUP 10: Crane operator (over 50 tons and up to and including 100 tons mrc); Derrick barge operator (over 50 tons up to and including 100 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 50 tons up to and including 100 tons mrc), Mobile tower crane operator (over 50 tons, up to and including 100 tons M.R.C.); Tower crane operator and tower gantry

GROUP 11: Crane operator (over 100 tons and up to and including 200 tons mrc); Derrick barge operator (over 100 tons up to and including 200 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 100 tons up to and including 200 tons mrc); Mobile tower crane operator (over 100 tons up to and including 200 tons mrc)

GROUP 12: Crane operator (over 200 tons up to and including 300 tons mrc); Derrick barge operator (over 200 tons up to and including 300 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 200 tons, up to and including 300 tons mrc); Mobile tower crane operator (over 200 tons, up to and including 300 tons mrc)

GROUP 13: Crane operator (over 300 tons); Derrick barge operator (over 300 tons); Helicopter pilot; Hoist operator, stiff legs, Guy derrick or similar type (over 300 tons); Mobile tower crane operator (over 300 tons)

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Bargeman; Brakeman; Compressor operator; Ditch Witch, with seat or similar type equipment; Elevator operator-inside; Engineer Oiler; Forklift operator (includes loed, lull or similar types under 5 tons; Generator operator; Generator, pump or compressor plant operator; Pump operator; Signalman; Switchman

GROUP 2: Asphalt-rubber plant operator (nurse tank operator); Concrete mixer operator-skip type; Conveyor operator; Fireman; Forklift operator (includes loed, lull or similar types over 5 tons; Hydrostatic pump operator; oiler crusher (asphalt or concrete plant); Petromat laydown machine; PJU side dum jack; Screening and conveyor machine oeprator (or similar types); Skiploader (wheel type up to 3/4 yd. without attachment); Tar pot fireman; Temporary heating plant operator; Trenching machine oiler

GROUP 3: Asphalt-rubber blend operator; Bobcat or similar type (side steer); Equipment greaser (rack); Ford Ferguson (with dragtype attachments); Helicopter radioman (ground); Stationary pipe wrapping and cleaning machine operator

GROUP 4: Asphalt plant fireman; Backhoe operator (mini-max or similar type); Boring machine operator; Boxman or mixerman (asphalt or concrete); Chip spreading machine operator; Concrete cleaning decontamination machine operator; Concrete Pump Operator (small portable); Drilling machine operator, small auger types (Texoma super economatic or similar types - Hughes 100 or 200 or similar types - drilling depth of 30' maximum); Equipment greaser (grease truck); Guard rail post driver operator; Highline cableway signalman; Hydra-hammer-aero stomper; Micro Tunneling (above ground tunnel); Power concrete curing machine operator; Power concrete saw operator; Power-driven jumbo form setter operator; Power sweeper operator; Rock Wheel Saw/Trencher; Roller operator (compacting); Screed operator (asphalt or concrete); Trenching machine operator (up to 6 ft.); Vacuum or much truck

GROUP 5: Equipment Greaser (Grease Truck/Multi Shift).

GROUP 6: Articulating material hauler; Asphalt plant engineer; Batch plant operator; Bit sharpener; Concrete joint machine operator (canal and similar type); Concrete planer operator; Dandy digger; Deck engine operator; Derrickman (oilfield type); Drilling machine operator, bucket or auger types (Calweld 100 bucket or similar types - Watson 1000 auger or similar types - Texoma 330, 500 or 600 auger or similar types - drilling depth of 45' maximum); Drilling machine operator (including water wells); Hydrographic seeder machine operator (straw, pulp or seed), Jackson track maintainer, or similar type; Kalamazoo Switch tamper, or similar type; Machine tool operator; Maginnis internal full slab vibrator, Mechanical berm, curb or gutter(concrete or asphalt); Mechanical finisher operator (concrete, Clary-Johnson-Bidwell or similar); Micro tunnel system (below ground); Pavement breaker operator (truck mounted); Road oil mixing machine operator; Roller operator (asphalt or finish), rubber-tired earth moving equipment (single engine, up to and including 25 yds. struck); Self-propelled tar pipelining machine operator; Skiploader operator (crawler and wheel type, over 3/4 yd. and up to and including 1-1/2 yds.); Slip form pump operator (power driven hydraulic lifting device for

concrete forms); Tractor operator-bulldozer, tamper-scraper (single engine, up to 100 h.p. flywheel and similar types, up to and including D-5 and similar types); Tugger hoist operator (1 drum); Ultra high pressure waterjet cutting tool system operator; Vacuum blasting machine operator

GROUP 7: Welder - General

GROUP 8: Asphalt or concrete spreading operator (tamping or finishing); Asphalt paving machine operator (Barber Greene or similar type); Asphalt-rubber distribution operator; Backhoe operator (up to and including 3/4 yd.), small ford, Case or similar; Cast-in-place pipe laying machine operator; Combination mixer and compressor operator (gunite work); Compactor operator (self-propelled); Concrete mixer operator (paving); Crushing plant operator; Drill Doctor; Drilling machine operator, Bucket or auger types (Calweld 150 bucket or similar types - Watson 1500, 2000 2500 auger or similar types - Texoma 700, 800 auger or similar types - drilling depth of 60' maximum); Elevating grader operator; Grade checker; Gradall operator; Grouting machine operator; Heavy-duty repairman; Heavy equipment robotics operator; Kalamazoo balliste regulator or similar type; Kolman belt loader and similar type; Le Tourneau blob compactor or similar type; Loader operator (Athey, Euclid, Sierra and similar types); Mobark Chipper or similar; Ozzie padder or similar types; P.C. slot saw; Pneumatic concrete placing machine operator (Hackley-Presswell or similar type); Pumpcrete gun operator; Rock Drill or similar types; Rotary drill operator (excluding caisson type); Rubber-tired earth-moving equipment operator (single engine, caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator (multiple engine up to and including 25 yds. struck); Rubber-tired scraper operator (self-loading paddle wheel type-John Deere, 1040 and similar single unit); Self-propelled curb and gutter machine operator; Shuttle buggy; Skiploader operator (crawler and wheel type over 1-1/2 yds. up to and including 6-1/2 yds.); Soil remediation plant operator; Surface heaters and planer operator; Tractor compressor drill combination operator; Tractor operator (any type larger than D-5 - 100 flywheel h.p. and over, or similar-bulldozer, tamper, scraper and push tractor single engine); Tractor operator (boom attachments), Traveling pipe wrapping, cleaning and bendng machine operator; Trenching machine operator (over 6 ft. depth capacity, manufacturer's rating); trenching Machine with Road Miner attachment (over 6 ft depth capacity): Ultra high pressure waterjet cutting tool system mechanic; Water pull (compaction) operator

GROUP 9: Heavy Duty Repairman

GROUP 10: Drilling machine operator, Bucket or auger types (Calweld 200 B bucket or similar types-Watson 3000 or 5000 auger or similar types-Texoma 900 auger or similar types-drilling depth of 105' maximum); Dual drum mixer, dynamic compactor LDC350 (or similar types); Monorail locomotive operator (diesel, gas or electric); Motor patrol-blade operator (single engine); Multiple engine tractor operator (Euclid and similar type-except Quad 9 cat.); Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Pneumatic pipe ramming tool and similar types; Prestressed wrapping machine operator;

Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Rubber tired earth moving equipment operator (multiple engine, Euclid, caterpillar and similar over 25 yds. and up to 50 yds. struck), Tower crane repairman; Tractor loader operator (crawler and wheel type over 6-1/2 yds.); Woods mixer operator (and similar Pugmill equipment)

GROUP 11: Heavy Duty Repairman - Welder Combination, Welder - Certified.

GROUP 12: Auto grader operator; Automatic slip form operator; Drilling machine operator, bucket or auger types (Calweld, auger 200 CA or similar types - Watson, auger 6000 or similar types - Hughes Super Duty, auger 200 or similar types - drilling depth of 175' maximum); Hoe ram or similar with compressor; Mass excavator operator less tha 750 cu. yards; Mechanical finishing machine operator; Mobile form traveler operator; Motor patrol operator (multi-engine); Pipe mobile machine operator; Rubber-tired earth- moving equipment operator (multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck); Rubber-tired self- loading scraper operator (paddle-wheel-auger type self-loading - two (2) or more units)

GROUP 13: Rubber-tired earth-moving equipment operator operating equipment with push-pull system (single engine, up to and including 25 yds. struck)

GROUP 14: Canal liner operator; Canal trimmer operator; Remote- control earth-moving equipment operator (operating a second piece of equipment: $1.00 per hour additional); Wheel excavator operator (over 750 cu. yds.)

GROUP 15: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine-up to and including 25 yds. struck)

GROUP 16: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 17: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 50 cu. yds. struck); Tandem tractor operator (operating crawler type tractors in tandem - Quad 9 and similar type)

GROUP 18: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, up to and including 25 yds. struck)

GROUP 19: Rotex concrete belt operator (or similar types); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, Caterpillar, Euclid, Athey Wagon and similar types with any

and all attachments over 25 yds.and up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, up to and including 25 yds. struck)

GROUP 20: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps, and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 21: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck)

GROUP 22: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, up to and including 25 yds. struck)

GROUP 23: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating with the tandem push-pull system (multiple engine, up to and including 25 yds. struck)

GROUP 24: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 25: Concrete pump operator-truck mounted; Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck)

IRON0433-006 01/01/2023

	Rates	Fringes
IRONWORKER		
Fence Erector	$ 41.28	25.66
Ornamental, Reinforcing and Structural	$ 46.20	34.30

PREMIUM PAY:

$9.00 additional per hour at the following locations:

China Lake Naval Test Station, Chocolate Mountains Naval Reserve-Niland,
Edwards AFB, Fort Irwin Military Station, Fort Irwin Training

Center-Goldstone, San Clemente Island, San Nicholas Island, Susanville Federal Prison, 29 Palms - Marine Corps, U.S. Marine Base - Barstow, U.S. Naval Air Facility - Sealey, Vandenberg AFB Army Defense Language Institute - Monterey, Fallon Air Base, Naval Post Graduate School - Monterey, Yermo Marine Corps Logistics Center
Port Hueneme, Port Mugu, U.S. Coast Guard Station - Two Rock

LABO0220-003 07/01/2019

Residential, 4 Stories

SAN LUIS OBISPO AND SANTA BARBARA COUNTIES

	Rates	Fringes
LABORER		
GROUP 1	$ 35.24	20.09
GROUP 2	$ 35.79	20.09
GROUP 3	$ 36.34	20.09
GROUP 4	$ 37.89	20.09
GROUP 5	$ 38.24	20.09

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot

tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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LABO0220-006 07/01/2022

SAN LUIS OBISPO AND SANTA BARBARA COUNTIES

	Rates	Fringes
Brick Tender	$ 37.32	21.45

LABO0300-002 07/01/2022

LOS ANGELES COUNTY

	Rates	Fringes
Brick Tender	$ 37.32	21.45

LABO0300-004 07/01/2022

Residential, 4 Stories

LOS ANGELES COUNTY

	Rates	Fringes
LABORER		
GROUP 1	$ 39.23	23.30
GROUP 2	$ 39.78	23.30
GROUP 3	$ 40.33	23.30
GROUP 4	$ 41.88	23.30
GROUP 5	$ 42.23	23.30

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom

sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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	Rates	Fringes
Asbestos Removal Laborer	$ 39.23	23.28

SCOPE OF WORK: Includes site mobilization, initial site cleanup, site preparation, removal of asbestos containing material and toxic waste (including lead abatement and any other toxic material), encapsulation, enclosure and disposal of asbestos containing materials and toxic waste(including lead abatement and any other toxic materials) by hand or with equipment or machinery; scaffolding, fabrication of temporary wooden barriers and assembly of decontamination stations.

LABO0300-007 07/01/2022

Residential, 3 Stories and under

	Rates	Fringes
Laborers		
(1) Cleanup, Fencing (Chain Link or Wood), Landscaping	$ 37.75	20.05
(2) All Other Work	$ 38.75	20.05

LABO0585-002 07/01/2019

Residential, 4 Stories

VENTURA COUNTY

	Rates	Fringes
LABORER		
GROUP 1	$ 35.24	20.09
GROUP 2	$ 35.79	20.09
GROUP 3	$ 36.34	20.09
GROUP 4	$ 37.89	20.09
GROUP 5	$ 38.24	20.09

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster

(nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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LABO0585-004 07/01/2022

VENTURA COUNTY

	Rates	Fringes
Brick Tender	$ 37.32	21.45

LABO0652-002 07/01/2019

Residential, 4 Stories

ORANGE COUNTY

	Rates	Fringes
LABORER		
GROUP 1	$ 35.24	20.09
GROUP 2	$ 35.79	20.09
GROUP 3	$ 36.34	20.09
GROUP 4	$ 37.89	20.09
GROUP 5	$ 38.24	20.09

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation,

footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing;

Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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LABO0652-004 07/01/2022

ORANGE COUNTY

	Rates	Fringes
Brick Tender	$ 37.32	21.45

LABO0783-003 07/01/2019

Residential, 4 Stories

SAN BERNARDINO COUNTY

	Rates	Fringes
LABORER		
GROUP 1	$ 35.24	20.09
GROUP 2	$ 35.79	20.09
GROUP 3	$ 36.34	20.09
GROUP 4	$ 37.89	20.09
GROUP 5	$ 38.24	20.09

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt

installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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LABO0783-006 07/01/2022

SAN BERNARDINO COUNTY

	Rates	Fringes
Brick Tender	$ 37.32	21.45

LABO1184-001 07/01/2022

	Rates	Fringes
Laborers: (HORIZONTAL DIRECTIONAL DRILLING)		
(1) Drilling Crew Laborer	$ 40.69	18.25
(2) Vehicle Operator/Hauler	$ 40.86	18.25
(3) Horizontal Directional Drill Operator	$ 42.71	18.25
(4) Electronic Tracking Locator	$ 44.71	18.25
Laborers: (STRIPING/SLURRY SEAL)		
GROUP 1	$ 41.90	21.32
GROUP 2	$ 43.20	21.32
GROUP 3	$ 45.21	21.32
GROUP 4	$ 46.95	21.32

LABORERS - STRIPING CLASSIFICATIONS

GROUP 1: Protective coating, pavement sealing, including repair and filling of cracks by any method on any surface in parking lots, game courts and playgrounds; carstops; operation of all related machinery and equipment; equipment repair technician

GROUP 2: Traffic surface abrasive blaster; pot tender - removal of all traffic lines and markings by any method (sandblasting, waterblasting, grinding, etc.) and preparation of surface for coatings. Traffic control person: controlling and directing traffic through both conventional and moving lane closures; operation of all related machinery and equipment

GROUP 3: Traffic delineating device applicator: Layout and application of pavement markers, delineating signs, rumble and traffic bars, adhesives, guide markers, other traffic delineating devices including traffic control. This category includes all traffic related surface preparation (sandblasting, waterblasting, grinding) as part of the application process. Traffic protective delineating system installer: removes, relocates, installs, permanently affixed roadside and parking delineation barricades, fencing, cable anchor, guard rail, reference signs, monument markers; operation of all related machinery and equipment; power broom sweeper

GROUP 4: Striper: layout and application of traffic stripes and markings; hot thermo plastic; tape traffic stripes and markings, including traffic control; operation of all related machinery and equipment

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LABO1184-003 07/01/2019

Residential, 4 Stories

IMPERIAL AND RIVERSIDE COUNTIES

	Rates	Fringes
LABORER		
GROUP 1	$ 35.24	20.09
GROUP 2	$ 35.79	20.09
GROUP 3	$ 36.34	20.09
GROUP 4	$ 37.89	20.09
GROUP 5	$ 38.24	20.09

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete and patching; post hole digger (manual);Railroad maintenance, repair track person and road beds;Streetcar and railroad construction track laborers; Rigging andsignaling; Scaler; Slip form raiser; Slurry seal crew (mixer operator, applicator operator, squeegee person, shuttle person, top person), filling of cracks by any method on any surface; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asbestos abatement; Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curb, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt installation of all asphalt overlay fabric and materials used for reinforcing asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer (lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold,

creosote, lime caustic and similar type materials (""applying"" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; operation of remote controlled robotic tools in connection with Laborer's work; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Power post hole digger; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Any worker exposed to raw sewage; Asphalt raker, lute person, ironer, asphalt dump person and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt-rubber distributor boot person; Laser beam in connection with laborers' work; Over-size concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in theditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic,conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting,Porta Shot-Blast; Traffic lane closure, Certified.

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all types of mechanical drills without regard to the form of motive power; Toxic waste removal; Boring system electronic tracking locator

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LABO1184-005 07/01/2022

IMPERIAL AND RIVERSIDE COUNTIES

	Rates	Fringes
Brick Tender.....	$ 37.32	21.45

LABO1414-002 08/03/2022

	Rates	Fringes
Laborers: (1 to 3 Stories)		
Plaster Clean-Up Laborer....	$ 36.92	23.32
Plaster Tender.....	$ 39.47	23.32
Laborers: (4 Stories)		

Plaster Clean-up Laborer....$ 36.92 23.32
Plaster Tender.....$ 39.47 23.32

Work on a swing stage scaffold: $1.00 per hour additional.

Work at Military Bases - $3.00 additional per hour:
Coronado Naval Amphibious Base, Fort Irwin, George AFB, Marine Corps Air Station-29 Palms, Imperial Beach Naval Air Station, Marine Corps Logistics Supply Base, Marine Corps Pickle Meadows, Mountain Warfare Training Center, Naval Air Facility-Seeley, North Island Naval Air Station, Vandenberg AFB.

PAIN0036-005 07/01/2019

	Rates	Fringes
PAINTER (including lead abatement)		
Imperial, Los Angeles, Orange, Riverside & San Bernardino		
(1) Repaint	$ 28.59	15.97
(2) All other work	$ 32.12	16.09
(3) Journeyman & Industrial	$ 34.02	16.49
San Luis Obispo, Santa Barbara & Ventura		
(1) Repaint	$ 25.40	15.87
(2) All other work	$ 30.04	16.03
(3) Journeyman & Industrial	$ 34.02	16.49

PAIN0036-011 10/01/2021

IMPERIAL, LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN LUIS OBISPO, SANTA BARBARA AND VENTURA COUNTIES

	Rates	Fringes
DRYWALL FINISHER/TAPER	$ 32.27	14.70

PAIN0036-014 10/01/2023

IMPERIAL

	Rates	Fringes
GLAZIER	$ 50.40	21.41

PAIN0036-018 01/01/2020

LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SANTA BARBARA AND VENTURA

	Rates	Fringes
GLAZIER	$ 43.45	23.39

FOOTNOTE: Additional $1.25 per hour for work in a condo, from the third (3rd) floor and up. Additional $1.25 per hour for work on the outside of the building from a swing

stage or any suspended contrivance, from the ground up.

PAIN0036-020 06/01/2022

IMPERIAL

	Rates	Fringes
SOFT FLOOR LAYER	$ 34.77	17.89

PAIN0169-007 01/01/2023

SAN LUIS OBISPO

	Rates	Fringes
GLAZIER	$ 44.33	28.88

PAIN1247-003 01/01/2023

LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN LUIS OBISPO, SANTA BARBARA AND VENTURA

	Rates	Fringes
SOFT FLOOR LAYER	$ 41.60	16.38

PLAS0200-002 08/03/2022

IMPERIAL, KERN, LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN LUIS OBISPO, SANTA BARBARA AND VENTURA

	Rates	Fringes
PLASTERER		
1 - 3 stories	$ 44.34	19.64
4-stories	$ 47.37	19.64

PLAS0500-003 07/01/2020

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER	$ 38.50	25.91

PLUM0016-011 09/01/2023

	Rates	Fringes
PLUMBER/PIPEFITTER		
Residential	$ 45.22	22.43

PLUM0250-001 09/04/2017

LOS ANGELES AND ORANGE

	Rates	Fringes
REFRIGERATION MECHANIC		
Refrigeration Fitter	$ 45.50	21.65

PLUM0345-001 09/01/2023

	Rates	Fringes
PLUMBER		
Landscape/Irrigation Fitter.	$ 40.20	25.90
Sewer & Storm Drain Work....	$ 44.29	23.28

ROOF0036-001 09/15/2020

LOS ANGELES, ORANGE, RIVERSIDE, SAN BERNARDINO, SAN LUIS OBISPO, SANTA BARBARA AND VENTURA

	Rates	Fringes
Roofer.....	$ 38.74	17.42

FOOTNOTE: Pitch premium: Work on which employees are exposed to pitch fumes or required to handle pitch, pitch base or pitch impregnated products, or any material containing coal tar pitch, the entire roofing crew shall receive $1.75 per hour ""pitch premium"" pay.

ROOF0045-003 07/01/2023

IMPERIAL

	Rates	Fringes
Roofer.....	$ 41.30	12.04

SFCA0669-005 04/01/2023

AREA 1: IMPERIAL COUNTY; LOS ANGELES COUNTY (does not include the city of Pomona, Catalina Island, and that part of Los Angeles County within 25 miles of the city limits of Los Angeles); ORANGE COUNTY (does not include Catalina Island; San Clemente Island; City of Santa Ana; and remainder of Orange County within 25 miles of the city limits of Los Angeles); RIVERSIDE COUNTY; AND SAN BERNARDINO COUNTY (does not include the northern part of City of Chino, or the cities of Montclair and Ontario)

AREA 2: SAN LUIS OBISPO, SANTA BARBARA COUNTIES, VENTURA (does not include Port Hueneme, Port Mugu, the city of Santa Paula, and that part of Ventura County within 25 miles of the city limits of Los Angeles) COUNTIES

	Rates	Fringes
SPRINKLER FITTER		
Area 1.....	$ 45.31	27.33
Area 2.....	$ 44.32	27.25

SFCA0709-002 09/01/2023

LOS ANGELES COUNTY (the city of Pomona, Catalina Island, and that part of Los Angeles County within 25 miles of the city limits of Los Angeles); ORANGE COUNTY (San Clemente Island, the city of Santa Ana, and that part of Orange County within 25 miles of the city limits of Los Angeles); SAN BERNARDINO COUNTY (the northern part of the city of Chino, and the cities of Montclair and Ontario); VENTURA COUNTY (Port Hueneme, Port

Mugu, the city of Santa Paula, and that part of Ventura County within 25 miles of the city limits of Los Angeles)

	Rates	Fringes
SPRINKLER FITTER	$ 54.29	32.00

SHEE0105-001 07/01/2023

AREA 1: LOS ANGELES COUNTY (South of a straight line drawn between gorman and Big Pines, excluding the area South of Imperial Highway East of the Los Angeles River, excluding the cities of Long Beach, Claremont, and Pomona, excluding Catalina Island)

AREA 2: LOS ANGELES (Remainder), ORANGE, RIVERSIDE & SAN BERNARDINO COUNTIES

Work on general sheet metal and heating and air conditioning on single family dwellings, multiple family dwellings, track homes and apartment buildings individually conditioned by separate and independent units or systems

	Rates	Fringes
SHEET METAL WORKER		
AREA 1	$ 33.10	10.81
AREA 2	$ 29.54	19.09

SHEE0206-003 07/01/2023

IMPERIAL

	Rates	Fringes
Sheet Metal (TECHNICIAN)	$ 36.21	10.24
SHEET METAL WORKER	$ 48.20	30.80

SHEET METAL TECHNICIAN - SCOPE:
a. Existing residential buildings, both single and multi-family, where each unit is heated and/or cooled by a separate system b. New single family residential buildings including tracts. c. New multi-family residential buildings, not exceeding five stories of living space in height, provided each unit is heated or cooled by a separate system. Hotels and motels are excluded. d. LIGHT COMMERCIAL WORK: Any sheet metal, heating and air conditioning work performed on a project where the total construction cost, excluding land, is under $1,000,000 e. TENANT IMPROVEMENT WORK: Any work necessary to finish interior spaces to conform to the occupants of commercial buildings, after completion of the building shell

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SHEE0273-001 08/01/2020

SAN LUIS OBISPO, SANTA BARBARA AND VENTURA

	Rates	Fringes
SHEET METAL WORKER	$ 46.87	31.15

HOLIDAYS: New Year's Day, Martin Luther King Day, President's

Day, Good Friday, Memorial Day, Indepdendence Day, Labor Day, Veterans Day,Thankisgiving Day & Friday after, Christmas Day

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TEAM0011-001 07/01/2023

	Rates	Fringes
Truck drivers:		
GROUP 1	$ 38.19	33.69
GROUP 2	$ 38.34	33.69
GROUP 3	$ 38.47	33.69
GROUP 4	$ 38.66	33.69
GROUP 5	$ 38.69	33.69
GROUP 6	$ 38.72	33.69
GROUP 7	$ 38.97	33.69
GROUP 8	$ 39.22	33.69
GROUP 9	$ 39.42	33.69
GROUP 10	$ 39.72	33.69
GROUP 11	$ 40.22	33.69
GROUP 12	$ 40.65	33.69

WORK ON ALL MILITARY BASES - $3.00 PER HOUR ADDITIONAL:
[29 palms Marine Base, Camp Roberts, China Lake, Edwards AFB, El Centro Naval Facility, Fort Irwin, George AFB, Marine Corps Logistics Base at Nebo & Yermo, Mountain Warfare Training Center, Bridgeport, Point Arguello, Point Conception, Vandenberg AFB]

TRUCK DRIVERS CLASSIFICATIONS

GROUP 1: Truck driver

GROUP 2: Driver of vehicle or combination of vehicles - 2 axles; Traffic control pilot car excluding moving heavy equipment permit load; Truck mounted broom

GROUP 3: Driver of vehicle or combination of vehicles - 3 axles; Boot person; Cement mason distribution truck; Fuel truck driver; Water truck - 2 axle; Dump truck, less than 16 yds. water level; Erosion control driver

GROUP 4: Driver of transit mix truck, under 3 yds.; Dumpcrete truck, less than 6-1/2 yds. water level

GROUP 5: Water truck, 3 or more axles; Truck greaser and tire person ($0.50 additional for tire person); Pipeline and utility working truck driver, including winch truck and plastic fusion, limited to pipeline and utility work; Slurry truck driver

GROUP 6: Transit mix truck, 3 yds. or more; Dumpcrete truck, 6-1/2 yds. water level and over; Vehicle or combination of vehicles - 4 or more axles; Oil spreader truck; Dump truck, 16 yds. to 25 yds. water level

GROUP 7: A Frame, Swedish crane or similar; Forklift driver; Ross carrier driver

GROUP 8: Dump truck, 25 yds. to 49 yds. water level; Truck repair person; Water pull - single engine; Welder

GROUP 9: Truck repair person/welder; Low bed driver, 9 axles

or over

GROUP 10: Dump truck - 50 yds. or more water level; Water pull - single engine with attachment

GROUP 11: Water pull - twin engine; Water pull - twin engine with attachments; Winch truck driver - $1.25 additional when operating winch or similar special attachments

GROUP 12: Boom Truck 17K and above

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at https://www.dol.gov/agencies/whd/government-contracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number

where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

* an existing published wage determination
* a survey underlying a wage determination
* a Wage and Hour Division letter setting forth a position on a wage determination matter
* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for

the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION
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PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL CARPENTER #

RESIDENTIAL DETERMINATION: R-23-31-2-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: June 30, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director – Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Framer & Finisher	$36.39
Residential Insulation Installer	$20.80
Residential Shingler	$35.54
Residential Cabinet Installer	$36.10
Residential Subterranean Garage Concrete Constructor	$35.02
Residential Grade Slabber (Concrete)	$35.02
Residential Wood Floor Installer	$31.55

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates, please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.00 per hour worked
Pension	$5.66 per hour worked
Vacation/Dues	$7.31 per hour worked ($6.31 for Residential Insulation Installer)
Training	$0.67 per hour worked ($0.35 for Residential Insulation Installer)
Other	$2.44 per hour worked ($2.20 for Residential Insulation Installer)

PREDETERMINED INCREASE(S):
Effective on July 1, 2023, there will be an increase of $3.25 allocated to wages and/or employer payments.

Effective on July 1, 2024, there will be an increase of $3.25 allocated to wages and/or employer payments.

Effective on July 1, 2025, there will be an increase of $3.50 allocated to wages and/or employer payments.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
The first four (4) overtime hours, Monday through Friday, and the first eight (8) hours worked on Saturday will be paid at one and one-half (1½x) the basic straight-time hourly rate. All other overtime hours, including Sundays and Holidays, will be paid at double (2x) the basic straight-time hourly rate. Saturdays in the same workweek may be worked at the straight-time hourly rate if the employee has been prevented from working during the normal workweek due to reasons beyond the control of the employer, such as inclement weather. Work under this provision shall be voluntary on the part of the employee.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving Day and Christmas Day. If any of the holidays fall on Sunday, the Monday following shall be observed as a holiday. If Christmas or New Years should fall on Saturday, the Friday preceding shall be considered a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL CARPENTER: FENCE BUILDER#

RESIDENTIAL DETERMINATION: R-23-31-20-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: June 30, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Fence Builder	$36.55

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.00 per hour worked
Pension	$5.50 per hour worked
Vacation/Dues	$6.06 per hour worked
Training	$0.67 per hour worked
Other	$1.60 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

PREDETERMINED INCREASE(S):
Effective July 1, 2023, there is a $3.20 predetermined increase allocated to wages and/or employer payments.
Effective July 1, 2024, there is a $3.30 predetermined increase allocated to wages and/or employer payments.
Effective July 1, 2025, there is a $3.40 predetermined increase allocated to wages and/or employer payments.
There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
The first four (4) overtime hours, Monday through Friday, and the first eight (8) hours worked on Saturday will be paid at one and one-half (1½x) the basic straight-time hourly rate. All other overtime hours, including Sundays and Holidays, will be paid at double (2x) the basic straight-time hourly rate. Saturdays in the same workweek may be worked at the straight-time hourly rate if the employee has been prevented from working during the normal workweek due to reasons beyond the control of the employer, such as inclement weather. Work under this provision shall be voluntary on the part of the employee.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving Day and Christmas Day. If any of the holidays fall on Sunday, the Monday following shall be observed as a holiday. If Christmas or New Years should fall on Saturday, the Friday preceding shall be considered a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL DRYWALL FINISHER #

RESIDENTIAL DETERMINATION: R-200-X-18-2021-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2021

EXPIRATION DATE: September 30, 2022*
Effective until superseded by a new determination issued by the Director of Industrial Relations. Contact the Office of the Director – Research Unit at (415) 703-4774 for new rates after 10 days from the expiration date, if no subsequent determination is issued.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Drywall Finisher	$32.27[a]

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.85 per hour worked
Pension	$3.86 per hour worked
Vacation/ Holiday	$1.12 per hour worked
Training	$0.87 per hour worked
Other	$1.02 per hour worked

PREDETERMINED INCREASE(S):
No Predetermined Increases.

STRAIGHT TIME HOURS:
Forty (40) hours from Monday through Saturday shall constitute a week's work. Eight (8) hours shall constitute a work day. [b]

(Continued)

OVERTIME:
Overtime shall be paid at the rate of one and one-half (1.5) times the regular rate, except after eight (8) hours on Saturdays, Sundays and holidays, which shall be paid at the rate of double time excluding make up days.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Fourth of July, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, the Day before Christmas and Christmas Day. When one of the holidays falls on Sunday, the holiday shall be observed the following Monday. When one of the holidays falls on Saturday, no extra day will be given, except that if New Year should fall on Saturday, the Friday preceding shall be considered a legal holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

[#] Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please call (415) 703-4774 or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

[a] Includes amount for Dues Check-off ($1.20).

[b] Saturdays in the same work week may be worked at the straight-time hourly rate if the job is shut down during the normal workweek due to inclement weather.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL DRYWALL INSTALLER #

RESIDENTIAL DETERMINATION: R-31-X-41-2022-1A
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: June 30, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director – Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Drywall Installer/Lather	$33.07

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.00 per hour worked
Pension	$5.66 per hour worked
Vacation/Dues	$7.31 per hour worked
Training	$0.67 per hour worked
Other	$2.77 per hour worked [1]

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes amounts for Annuity, Cooperation Committee, Partnership for Jobs, Contract Administration, and Drywall Industry Fund.

(Continued)

PREDETERMINED INCREASE(S):
Effective on July 1, 2023, there will be an increase of $2.28 allocated to wages and/or employer payments.

Effective on July 1, 2024, there will be an increase of $2.28 allocated to wages and/or employer payments.

Effective on July 1, 2025, there will be an increase of $2.45 allocated to wages and/or employer payments.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work. [2]

OVERTIME:
The first four (4) overtime hours, Monday through Friday, and the first eight (8) hours worked on Saturday will be paid at one and one-half (1½x) the basic straight-time hourly rate. All other overtime hours including Sundays and Holidays will be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving Day, and Christmas Day. If any of the holidays fall on Sunday, the Monday following shall be considered a holiday. If Christmas or New Year's should fall on Saturday, the Friday preceding shall be considered a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

[2] Makeup days shall be permitted on Saturdays at the straight time rate for inclement weather and other conditions beyond the control of the Contractor. Work by employees on Saturday makeup days shall be voluntary.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL ELECTRICIAN #

RESIDENTIAL DETERMINATION: R-61-11-53-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: December 31, 2022**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within Los Angeles County.

WAGE RATES:

Classifications	**Basic Straight-Time Hourly Rate**
Residential Electrician: Inside Wireman	$33.00
Residential Electrician: Inside Wireman (Second Shift)	$38.71
Residential Electrician: Inside Wireman (Third Shift)	$43.36
Residential Electrician: Master Residential Electrician	$37.50
Residential Electrician: Master Residential Electrician (Second Shift)	$43.99
Residential Electrician: Master Residential Electrician (Third Shift)	$49.28

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Residential Electrician: Inside Wireman Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$0.99 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

Residential Electrician: Inside Wireman (Second Shift) Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$1.16 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

Residential Electrician: Inside Wireman (Third Shift) Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$1.30 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

Residential Electrician: Master Residential Electrician Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$1.13 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

Residential Electrician: Master Residential Electrician (Second Shift) Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$1.32 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

[1] Includes an amount equal to 3% of the Basic Hourly Rate for National Employees Benefit Fund (NEBF) which is factored at the applicable overtime multiplier for each overtime hour.
[2] Amount is for LMCC (Labor Management Cooperation Committee).

(Continued)

Residential Electrician: Master Residential Electrician (Third Shift) Employer Payments	**Amount**
Health & Welfare:	$6.47 per hour worked
Pension:	$1.48 per hour worked[1]
Training:	$0.45 per hour worked
Other:	$0.05 per hour worked[2]

PREDETERMINED INCREASE(S):
Residential Electrician: Inside Wireman and Master Residential Electrician (All Shifts)
Effective on January 1, 2023, there will be an increase of $0.04 to Health and Welfare. There will be no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
One and one-half times (1½x) the basic straight-time hourly rate will be paid for the first two (2) daily overtime hours worked and for the first ten (10) hours worked on Saturday. Double (2x) the basic straight-time hourly rate is paid for all hours worked in excess of the ten (10) hours in any workday and for all hours worked on Sundays and Holidays. The second and third shifts overtime rates for work in excess of 10 hours Monday through Saturday, Sunday, and Holidays are the same as the residential non-shift Sunday and Holidays overtime rates.

Martin Luther King, Jr. Day (3rd Monday in January), Cesar Chavez Day (March 31st or the closest Monday or Friday to each March 31st), the regular work day before Christmas and the regular work day before New Year's will normally be non-scheduled work days. If, however, it is necessary due to job scheduling, to work on these days, time and one half (1½ x) the straight time rate of pay will be applicable.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, and Christmas Day. If any of the holidays fall on Sunday, the Monday following shall be considered a holiday. If Christmas or New Year's falls on Saturday, the Friday preceding will be considered a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL LABORER #

RESIDENTIAL DETERMINATION: R-23-102-2-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: June 30, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Laborer	$38.75
Residential Cleanup, Landscaping, Fencing (Chain Link and Wood)	$37.75

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.75 per hour worked
Pension	$8.26 per hour worked
Vacation/Dues	$4.12 per hour worked
Training	$0.70 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates, please fax a request to (415) 703-4771 or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

Employer Payments	Amount
Other	$0.06 per hour worked[1]

PREDETERMINED INCREASE(S):
Effective July 1, 2023, there is a $3.20 predetermined increase allocated to wages and/or employer payments.
Effective July 1, 2024, there is a $3.30 predetermined increase allocated to wages and/or employer payments.
Effective July 1, 2025, there is a $3.40 predetermined increase allocated to wages and/or employer payments.
There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, forty (40) hours per week, Monday through Friday.[2]

OVERTIME:
One and a half (1½x) the basic straight-time hourly rate will be paid for all overtime hours except hours worked over 12 in a single workday, Sundays and Holidays, which shall be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
The following holidays shall be observed on the date designated by Federal Law: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day. If any of the above holidays should fall on Sunday, the Monday following shall be considered a legal holiday. If Christmas or New Year's should fall on Saturday, the Friday preceding shall be considered a legal holiday. Work on such days shall be paid for at the holiday overtime rate provided herein. No work shall be performed on Labor Day except in case of extreme urgency when life or property is in imminent danger.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

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[1] Amount is for Laborers Trusts' Administrative Trust Fund.
[2] Saturdays may be worked at straight time if job is shut down during normal work week due to inclement weather or similar Act of God, or a situation beyond the employer's control.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL PLASTER TENDER #

RESIDENTIAL DETERMINATION: R-102-X-16-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: August 1, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director – Research Unit as (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Plaster Tender	$39.47
Residential Plaster Clean-Up Laborer	$36.92

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.75 per hour worked
Pension	$10.22 per hour worked
Vacation/Dues	$5.30 per hour worked
Training	$1.10 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

Employer Payments	Amount
Other	$0.96 per hour worked [1]

PREDETERMINED INCREASE(S)
Effective August 2, 2023, there will be an increase of $3.20 to be allocated to wages and/or employer payments.

Effective August 7, 2024, there will be an increase of $3.30 to be allocated to wages and/or employer payments.

Effective August 6, 2025, there will be an increase of $3.40 to be allocated to wages and/or employer payments.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work. Saturdays in the same workweek may be worked at the straight-time hourly rates if the job is shut down during the normal workweek due to inclement weather or other situation beyond the Contractor's control.

OVERTIME:
The first four (4) daily overtime hours worked and the first eight (8) hours worked on Saturday shall be paid at one and one-half (1½x) the basic straight-time hourly rate. All other overtime hours including Sundays and Holidays shall be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day. If any of the above holidays fall on Sunday, the following Monday shall be considered a legal holiday. If Christmas or New Year's should fall on Saturday, the Friday preceding shall be considered a legal holiday. At such time as Federal Laws designate certain of the foregoing holidays to be celebrated on Monday, the same shall apply to this agreement.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

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[1] Includes an amount ($0.40) for Center for Contract Compliance, an amount ($0.50) for Administrative Trust, and an amount ($0.06) for Laborers' Trust Administrative Fund.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL PLASTERER #

RESIDENTIAL DETERMINATION: R-203-X-2-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: July 31, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Plasterer	$37.43

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$9.38 per hour worked
Pension	$9.02 per hour worked
Vacation & Holiday	$6.91 per hour worked [1]
Training	$1.24 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes an amount ($0.65) for International Dues Check-off and an amount ($2.26) for Dues Check-off.

(Continued)

Employer Payments	Amount
Other	$1.19 per hour worked [2]

PREDETERMINED INCREASE(S):
Effective on August 1, 2023, there will be an increase of $3.25 allocated to wages and/or employer payments.
Effective on August 1, 2024, there will be an increase of $3.25 allocated to wages and/or employer payments.
Effective on August 1, 2025, there will be an increase of $3.50 allocated to wages and/or employer payments.
There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work. In the event, due to inclement weather or situation beyond the Contractor's control, it is not reasonably possible to complete forty (40) hours of work, Monday through Friday, then the balance of the forty (40) hours may be worked on Saturday at the straight time rate.

OVERTIME:
One and one-half (1½x) the basic straight-time hourly rate shall be paid for work performed for all daily overtime hours and the first eight (8) hours worked on Saturdays. Double (2x) the basic straight-time hourly rate shall be paid for work performed after the first twelve (12) hours in any work day, and after the first eight (8) hours on Saturdays, and for all work performed on Sundays and Holidays.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the Day after Thanksgiving, and Christmas Day. If any of the holidays fall on a Sunday, the following Monday shall be considered a legal holiday. If Christmas or New Year's falls on a Saturday, the preceding Friday shall be considered a legal holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

[2] Includes an amount ($0.70) for Work Preservation, an amount ($0.48) for Administrative Trust Fund and an amount ($0.01) for Vacation Administration.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL PLUMBER #

RESIDENTIAL DETERMINATION: R-204-X-6-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: August 31, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Plumber	43.66 [1]
Residential Pre-Trainee [2]	21.83 [1]
Residential Trainee 1 [2]	21.83 [1]
Residential Trainee 2 [2]	27.62 [1]
Residential Trainee 3 [2]	33.37 [1]

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments: Residential Plumber	Amount
Health & Welfare:	$9.26 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please fax a request to (415) 703-4771 or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes an amount ($1.85) withheld for dues check-off that is not factored into overtime and an amount for Vacation ($2.58 for Plumber and $0.92 for Pre-Trainee and Trainee classifications) that is factored at 1.5 times for all Overtime (even Double Time).
[2] One (1) Trainee may be employed for every one (1) Residential Plumber.

(Continued)

Employer Payments: Residential Plumber	**Amount**
Pension:	$10.90 per hour worked [3]
Training:	$2.02 per hour worked
Other:	$1.35 per hour worked

Employer Payments: Residential Pre-Trainee	**Amount**
Pension:	$0.90 per hour worked
Training:	$1.95 per hour worked
Other:	$1.35 per hour worked

Employer Payments: Residential Trainee 1	**Amount**
Health & Welfare:	$9.76 per hour worked
Pension:	$0.90 per hour worked
Training:	$1.95 per hour worked
Other:	$1.35 per hour worked

Employer Payments: Residential Trainee 2	**Amount**
Health & Welfare:	$9.76 per hour worked
Pension:	$0.90 per hour worked
Training:	$1.98 per hour worked
Other:	$1.35 per hour worked

Employer Payments: Residential Trainee 3	**Amount**
Health & Welfare:	$9.76 per hour worked
Pension:	$0.90 per hour worked
Training:	$2.02 per hour worked
Other:	$1.35 per hour worked

****PREDETERMINED INCREASE(S):**
Effective September 1, 2023: $1.91 to be allocated to wages and/or employer payments.
Effective September 1, 2024: $2.03 to be allocated to wages and/or employer payments.
Effective September 1, 2025: $2.03 to be allocated to wages and/or employer payments.
There will be no further increases applicable to this determination.

[3] Includes $0.90 for National Pension.

(Continued)

There are no predetermined increases applicable to the Residential Pre-Trainee and Residential Trainee classifications.

STRAIGHT TIME HOURS:
Eight (8) consecutive hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
All hours worked over eight (8) hours a day and all hours worked on Saturday shall be paid at one and one-half (1½x) the basic straight-time hourly rate. All hours worked on Sundays and Holidays shall be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL PLUMBER: FIRE SPRINKLER FITTER #

RESIDENTIAL DETERMINATION: R-204-709-1-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: August 31, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within **Los Angeles** (Los Angeles City limits and twenty-five (25) miles beyond City limits of Los Angeles), **Orange** (Excludes Cities or Communities of Aliso Viejo, Capistrano Beach, Coto de Caza, Daina Point, El Torousmc Air Station, Emerald Bay, Laguna Beach, Laguna Hills, Laguna Niguel, Lake Forest, Leisure World (Laguna Beach Area), Mission Viejo, Modjeska, Rancho Santa Margarita, San Clemente, Three Arch Bay, San Juan Capistrano, San Juan Hotsprings, Silverado Canyon, South Laguna & Trabuco Canyon), **San Bernardino** (Cities of Ontario and Montclair), and **Ventura** (Excludes Cities or Communities of Casitas Springs, Colonia, El Rio, Faria, Foster Park, Hollywood Beach, La Conchita, Live Oak Acres, Lockwood Valley, Meiners Oaks, Miramonte, Montalvo, Oak View, Ojai, Oxnard, Pierpont Bay, San Buenaventura, Saticoy, Seacliff, Solimar Beach, Summit, Ventura, and Wheeler Springs) Counties.

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates, please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.

(Continued)

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Fire Sprinkler Fitter: Building Trades Journeyman[1]	$36.63 [2]

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$9.99 per hour worked
Pension	$3.05 per hour worked
Training	$0.20 per hour worked
Other	$0.20 per hour worked

PREDETERMINED INCREASE(S):
Effective on September 1, 2023, there will be an increase of $0.10 to Training.

Effective on September 1, 2024, there will be an increase of $0.10 to Training.

Effective on September 1, 2025, there will be an increase of $0.10 to Training.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) consecutive hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
One and one-half (1½x) the basic straight-time hourly rate will be paid for the first four (4) daily overtime hours and the first ten (10) hours worked on Saturday. Double (2x) the basic straight-time hourly rate will be paid for all hours worked on Sundays and Holidays, all hours worked in excess of four daily overtime hours and all hours worked in excess of ten (10) hours on Saturday.

RECOGNIZED HOLIDAYS:
New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving Day, and Christmas Day. If any of the above holidays should fall on Saturday, the Friday preceding shall be considered a legal Holiday. If any of the above holidays should fall on Sunday, the Monday following shall be considered a legal Holiday.

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[1] Applies to Fire Protection Sprinkler Fitter work only. Does not apply to other plumbing work.
[2] Includes an amount ($3.00) for Vacation.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL PLUMBER: FIRE SPRINKLER FITTER #

RESIDENTIAL DETERMINATION: R-204-669-1-2022-1C
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: December 31, 2022**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director – Research Unit at (415) 703-4774.

LOCALITY:
All localities within Imperial, Inyo, Kern (Portions of County east of Highway 14), Los Angeles (Excludes Los Angeles City limit and twenty-five miles beyond City limits of Los Angeles), Mono, Orange (Cities or Communities of Aliso Viejo, Capistrano Beach, Coto De Caza, Dana Point, El Toro USMC Air Station, Emerald Bay, Laguna Beach, Laguna Hills, Laguna Niguel, Lake Forest, Leisure World (Laguna Beach Area), Mission Viejo, Modjeska, Rancho Santa Margarita, San Clemente, Three Arch Bay, San Juan Capistrano, San Juan Hot Springs, Silverado Canyon, South Laguna, and Trabuco Canyon), Riverside, San Bernardino (Excludes Cities of Ontario and Montclair), and Ventura (Cities or Communities of Casitas Springs, Colonia, El Rio, Faria, Foster Park, Hollywood Beach, La Conchita, Live Oak Acres, Lockwood Valley, Meiners Oaks, Miramonte, Montalvo, Oak View, Ojai, Oxnard, Pierpont Bay, San Buenaventura, Saticoy, Seacliff, Solimar Beach, Summit, Ventura, and Wheeler Springs) Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Fire Sprinkler Fitter: Building Trades Journeyman [1]	$34.43

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Applies to Fire Protection Sprinkler Fitter work, does not apply to other plumbing work.

(Continued)

Classifications	Basic Straight-Time Hourly Rate
Residential Fire Sprinkler Fitter: Residential Tradesman [1]	$34.43

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Building Trades Journeyman Employer Payments	Amount
Health & Welfare	$10.99 per hour worked
Pension	$15.26 per hour worked
Training	$0.52 per hour worked
Other	$0.25 per hour worked [2]

Residential Tradesman Employer Payments	Amount
Health & Welfare	$4.25 per hour worked
Pension	$1.15 per hour worked
Training	$0.10 per hour worked
Other	$0.25 per hour worked [2]

PREDETERMINED INCREASE(S):
All increases apply to Building Trades Journeyman, but only the April increase applies to Residential Tradesman.

Effective on January 1, 2023, there will be an increase of $0.56 allocated to wages and/or fringes.
Effective on April 1, 2023, there will be an increase of $0.38 allocated to wages and/or fringes.
Effective on January 1, 2024, there will be an increase of $0.58 allocated to wages and/or fringes.
Effective on January 1, 2025, there will be an increase of $0.59 allocated to wages and/or fringes.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
All residential overtime hours shall be paid at one and one-half (1½x) the basic straight-time hourly rate.

[2] Amount is for Industry Promotion Fund.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. If any of the holidays fall on Sunday, the Monday following shall be observed as a holiday. If any of the holidays should fall on Saturday, the Friday preceding shall be considered a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL ROOFER #

RESIDENTIAL DETERMINATION: R-232-36-1-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: July 31, 2023*
Effective until superseded by a new determination issued by the Director of Industrial Relations. Contact the Office of the Director – Research Unit at (415) 703-4774 for the new rates after 10 days from the expiration date if no subsequent determination is issued.

LOCALITY:
All localities within Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Roofer	$41.30[1]
Pitch Work	$43.05[1]

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$8.56 per hour worked
Pension	$9.57 per hour worked
Training	$0.53 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates, please fax a request to (415) 703-4771 or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes amounts for Dues Check-Off ($0.90) and Vacation ($3.00) which are not factored into the overtime hourly rates.

(Continued)

Employer Payments	Amount
Other	$0.69 per hour worked [2]

PREDETERMINED INCREASE(S):
* No predetermined increases.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
Work performed on Saturdays and after eight (8) hours on a workday shall be paid at one and one-half (1½x) the basic straight-time hourly rate. Any work extending beyond ten (10) hours a day and over 55 hours per week and all overtime worked on Sundays and Holidays shall be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day. If any of the holidays fall on Saturday, then the preceding Friday shall be observed as a holiday. If any of the holidays fall on Sunday, the Monday following shall be observed as a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

[2] Includes amounts for Administrative Fund ($0.05), Compliance Fund ($0.33), Industry Fund ($0.25), and I/O Training Fund ($0.06).

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL SHEET METAL WORKER#

RESIDENTIAL DETERMINATION: R-166-108-998-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: June 30, 2023**
The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit at (415) 703-4774.

LOCALITY:
All localities within Kern and Los Angeles (Portion of the county North of a straight line drawn between Gorman and Big Pines including the Cities of Lancaster and Palmdale) Counties.

WAGE RATES:

Classifications	Basic Straight-Time Hourly Rate
Residential Sheet Metal Worker	$34.02

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare	$11.12 per hour worked[1]
Pension	$15.92 per hour worked[2]
Training	$1.92 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes an amount for S.M.O.H.I.T.
[2] Includes amount for National Pension Plan, 401-K Plan, and Retiree's Supplemental Health Plan. Pursuant to Labor Code Section 1773.1 and 1773.8, the amount paid for this employer payment may vary resulting in a lower taxable basic hourly wage rate, but the total hourly rates for straight time and overtime may not be less than the general prevailing rate of per diem wages.

(Continued)

Employer Payments	Amount
Other	$0.35 per hour worked[3]

PREDETERMINED INCREASE(S):
Effective July 1, 2023, there will be an increase of $3.00 to be allocated to wages and/or employer payments.

There are no further increases applicable to this determination.

STRAIGHT TIME HOURS:
Eight (8) consecutive hours per day, Monday through Friday, shall constitute a day's work.

OVERTIME:
All overtime hours work including shall be paid at one and one-half (1½x) the basic straight-time hourly rate. Saturday in the same workweek may be worked at a straight-time rate if a job is shut down during the normal workweek due to inclement weather.

RECOGNIZED HOLIDAYS:
The following are designated holidays:
New Year's Day, January 1, Martin Luther King Day Third Monday in January, President's Day Third Monday in February, Friday before Easter, Memorial Day, Last Monday in May, Independence Day, July 4, Labor Day, First Monday in September, Veteran's Day, Observed Federal Holiday, Thanksgiving Day, Fourth Thursday in November, Friday after Thanksgiving Day, Christmas Eve, December 24, Christmas Day, December 25.
In addition to the holidays designated above, the following shall be holidays:
The Monday after any designated holiday that falls on Sunday, excluding Easter Sunday. When any designated holiday falls on Saturday, the Friday before shall be a holiday. When any designated holiday falls on Thursday, the Friday after shall be a holiday. When any designated holiday falls on Tuesday, the Monday before shall be a holiday, with the exception of Christmas Eve.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

[3] Includes amount for N.E.M.I. and Local Industry Fund.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL SHEET METAL WORKER #

RESIDENTIAL DETERMINATION: R-166-102-2-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: December 31, 2022*
Effective until superseded by a new determination issued by the Director of Industrial Relations. Contact the Office of the Director – Research Unit at (415) 703-4774 for the new rates after 10 days from the expiration date, if no subsequent determination is issued.

LOCALITY:
All localities within Inyo, Los Angeles (Portion of the County including Pomona, Claremont, Catalina Island, Long Beach and that portion south of Imperial Highway and east of the Los Angeles River), Mono, Orange, Riverside and San Bernardino Counties.

WAGE RATES:

Classification(s)	Basic Straight-Time Hourly Rate[1]
Residential Sheet Metal Worker	$34.32
Residential Jobsite Installer Tradesman, Level 5	$19.85
Residential Jobsite Installer Tradesman, Level 6	$20.95
Residential Jobsite Installer Tradesman, Level 7	$22.08
Residential Jobsite Installer Tradesman, Level 8	$23.20

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes an amount for Working Dues Check-Off.

(Continued)

Classification(s)	Basic Straight-Time Hourly Rate[1]
Residential Jobsite Installer Tradesman, Level 9	$24.33
Residential Jobsite Installer Tradesman, Level 10	$25.50
Residential Jobsite Installer Tradesman, Level 11	$26.61
Residential Jobsite Installer Tradesman, Level 12	$27.77
Residential Jobsite Installer Tradesman, Level 13	$28.89

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments (Residential Sheet Metal Worker)	Amount
Health & Welfare:	$6.22 per hour worked
Pension[2]:	$3.32 per hour worked
Training:	$0.12 per hour worked
Other:	$0.23 per hour worked

Employer Payments (Residential Jobsite Installer Tradesman) (All Levels)	Amount
Health & Welfare:	$6.22 per hour worked
Pension[2]:	$1.93 per hour worked
Training:	$0.12 per hour worked
Other:	$0.23 per hour worked

PREDETERMINED INCREASE(S):
* No predetermined increases.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work. Saturdays in the same workweek may be worked at the straight-time hourly rates if the job is shut down during the normal workweek due to inclement weather.

OVERTIME:
The first four (4) overtime hours, Monday through Friday, and the first twelve (12) hours worked on Saturday will be paid at one and one-half (1½x) times the basic straight-time

[2] Pursuant to Labor Code Sections 1773.1 and 1773.8, the amount paid for this employer payment may vary resulting in a lower taxable basic hourly wage rate, but the total hourly rates for straight time and overtime may not be less than the general prevailing rate of per diem wages.

(Continued)

hourly rate. All other overtime hours including all hours worked on Sundays and Holidays will be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Eve, and Christmas Day. When any holiday falls on Sunday, excluding Easter Sunday, the Monday after shall be a holiday.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1

CRAFT: RESIDENTIAL SHEET METAL WORKER #

RESIDENTIAL DETERMINATION: R-166-102-1-2022-1
Pursuant to the California Code of Regulations Section 16001(d), residential projects consist of single-family homes and apartments up to and including four stories. This residential determination applies only to the residential portion of the project meeting this definition. Construction of any structures or ancillary facilities on the project that does not meet this definition requires the payment of the general commercial prevailing wage rates. The general commercial prevailing wage rates apply to all residential projects consisting of buildings of five or more stories. The residential prevailing wage rates apply to all residential projects consisting of buildings up to and including four stories.

ISSUE DATE: December 1, 2022

EXPIRATION DATE: December 31, 2022*
Effective until superseded by a new determination issued by the Director of Industrial Relations. Contact the Office of the Director – Research Unit at (415) 703-4774 for new rates after 10 days from the expiration date, if no subsequent determination is issued.

LOCALITY:
All localities within Los Angeles County (Portion of the County south of a straight line drawn between Gorman and Big Pines, excluding the area south of Imperial Highway east of the Los Angeles River, excluding the cities of Long Beach, Claremont and Pomona, and excluding the Island of Catalina).

WAGE RATES:

Classification(s)	Basic Straight-Time Hourly Rate
Residential Sheet Metal Worker	$31.13[1]

EMPLOYER PAYMENTS: (Labor Code Section 1773.1)

Employer Payments	Amount
Health & Welfare:	$6.22 per hour worked
Pension:	$4.24 per hour worked[2]
Training:	$0.12 per hour worked
Other:	$0.23 per hour worked

# Indicates an apprenticeable craft. To obtain current residential apprentice wage rates please email a request to statistics@dir.ca.gov or send to the Office of the Director – Research Unit at P.O. Box 420603, San Francisco, CA 94142-0603.
[1] Includes an amount for Working Dues Check-Off.
[2] Pursuant to Labor Code Sections 1773.1 and 1773.8, the amount paid for this employer payment may vary resulting in a lower taxable basic hourly wage rate, but the total hourly rates for straight time and overtime may not be less than the general prevailing rate of per diem wages.

(Continued)

PREDETERMINED INCREASE(S):
* No predetermined increases.

STRAIGHT TIME HOURS:
Eight (8) hours per day, Monday through Friday, shall constitute a day's work. Saturdays in the same workweek may be worked at the straight-time hourly rates if the job is shut down during the normal workweek due to inclement weather.

OVERTIME:
The first four (4) overtime hours, Monday through Friday, and the first twelve (12) hours worked on Saturday will be paid at one and one-half (1½x) times the basic straight-time hourly rate. All other overtime hours including all hours worked on Sundays and Holidays will be paid at double (2x) the basic straight-time hourly rate.

RECOGNIZED HOLIDAYS:
New Year's Day, Martin Luther King, Jr. Birthday, Presidents Day, Friday before Easter, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Eve, and Christmas Day. When any holiday falls on a Thursday, the Friday after shall be a holiday. When any holiday falls on a Tuesday, the Monday before shall be a holiday, with the exception of Christmas Eve.

TRAVEL AND SUBSISTENCE:
In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification, or type of worker may be obtained by contacting the Office of the Director – Research Unit at (415) 703-4774.

EXHIBIT "S" TO LOAN AGREEMENT

DESIGN GUIDELINES

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

SUPPLEMENTAL DOCUMENT 8

ARCHITECTURAL DESIGN REQUIREMENTS

ARCHITECTURAL DESIGN REQUIREMENTS

Minimum Design and Construction Standards
For New Construction and Rehabilitation Projects

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INTRODUCTION

These Architectural Design Requirements establish and delineate the intent of the Los Angeles County Development Authority (LACDA) to produce high quality affordable housing. The Notice of Funding Availability (NOFA) and the Architectural Design Requirements apply to all new construction and rehabilitation projects.

Adherence to these requirements is required for all projects receiving financing. Staff will work with all project teams to ensure compliance during all phases of review described herein, and that the values expressed in the Architectural Design Requirements are realized in completed work.

Within the project, the design of the Special Needs and affordable units shall not be any different than other project units. The quality of spaces and materials, number and size of rooms, amount of closet space, amenities available, etc., shall be the same regardless of the population served.

These requirements are not a substitute for applicable building codes and applicants are expected to comply with all code requirements. If there is duplication in these instructions, it is to emphasize elements on which the LACDA places high value.

This document is not intended to limit the designers' creativity to any particular solution, instead, it is intended to promote and assist in the development of well-designed, quality, affordable housing in a cost-effective manner. Designers and development teams are encouraged to find innovative and creative design solutions to affordable housing projects.

Many design considerations request that the design team "consider" items that are identified as best practices. Such items should be taken as suggestions, based on what the LACDA considers valuable design elements, however, these items are not requirements. Instead, they should be treated as items for the design team to consider when planning the project.

I. DESIGN REVIEW PROCESS & NOFA APPLICATION SUBMITTAL REQUIREMENTS

The design review process is initiated when a developer submits a completed NOFA application.

Design review continues throughout the application process, with reviews occurring at the following phases:

- NOFA Application;
- Design Review Meeting;
- Loan Committee Approval; and
- Prior to Construction Completion.

Applications are first reviewed for completeness during a Threshold Review, which contains required architectural design submittals. Threshold Review items are identified in NOFA application materials and below in the section titled “Required NOFA Application Submittals – Threshold Items”.

Upon notice of a funding award, the LACDA may contact all project teams to schedule a mandatory Schematic Design Review Meeting. The purpose of this meeting is to discuss the initial design review, establish project expectations, and confirm the design team’s response to design review comments. The Design Review Meeting is intended to address any major design issues with projects and to discuss design options that can help project teams meet NOFA architectural design requirements. The developer, the developer’s architect, the LACDA’s project manager, and the LACDA’s consulting architect will attend this meeting.

After this meeting, the project will proceed through further design review(s) as plans evolve to meet milestones for the Loan Committee review phase and eventually complete the design review process prior to closing the project’s construction financing. The goal of the design review process is to quickly and efficiently complete the review, minimizing the time spent by both the developer’s design team and LACDA staff. The LACDA staff will work with the development team to ensure a revised set of plans and project specifications are submitted and reviewed in a timely manner. The LACDA’s Design Review Sheet will be used by the design team to address reviewer issues and remarks resulting from the architectural design review process.

The following chart summarizes the design review process for projects that are recommended for funding award:

DESIGN REVIEW PROCESS			
PHASE	REVIEW	SUBMITTALS	TIMEFRAME
NOFA Application	Technical Review/ evaluation of schematic design	Schematic Design	Results of the Technical Review provided approximately 45 days following application submission.
Design Review Meeting	Review responses to Technical Review	Resubmittals of NOFA documents with corrections. Submittals may include: initial CASp report, updated Project plans, Project specs, etc.	Following the Applicant's receipt of a tax credit award. Project teams shall review the results of the Technical Review and respond to design review comments with updated plans and the Design Compliance Review spreadsheet during the Design Review phase. A design review meeting shall be held to discuss how Project teams can come into compliance with LACDA design requirements.
Loan Committee Approval	Design development reviews	Design Compliance Review spreadsheet, initial CASp report, construction documents and specs.	Approximately three to four months before construction loan closing.
Prior to Construction Completion	Construction verification documents	Final CASp report, final energy model and TCAC Sustainable Building Methods workbook	Once Design Compliance Review is complete, a Field Verification Report is issued.

A. NOFA Application Phase: Threshold Review/Evaluation of Schematic Design

THRESHOLD REVIEW

Project applications are evaluated and determined to either meet or not meet the NOFA program and threshold requirements for architectural design. Should an application pass Threshold Review, it will move forward through the Design Compliance Review period, which must be completed prior to construction loan financing.

TECHNICAL REVIEW

Although the architectural design will not be scored, projects must satisfy the minimum requirements at application to be considered for funding.

REQUIRED NOFA APPLICATION SUBMITTALS – THRESHOLD ITEMS

The required application design submittals (listed below and in the Application checklist) are required for consideration for funding. A design review will be provided to applicants along with the notice of scoring results for the overall project. The design review includes the Design Compliance Review Report, which will reflect in detail the project's level of adherence to the Architectural Design Requirements.

Applicants for projects located in jurisdictions with a rigorous design review process that involves public comment are responsible for identifying this process in the Design Narrative of the NOFA application. This narrative must also state whether the jurisdiction's design review process resulted in any deviations from the LACDA's requirements.

Project teams are required to address all architectural design issues identified during the application scoring process prior to release of all loan funds. The LACDA may withhold loan funds until all issues are addressed to the reasonable satisfaction of staff.

Architectural drawings shall demonstrate compliance with the Architectural Design Requirements and, at minimum, must be at schematic design level for NOFA submission. All drawings and plans shall be titled and dated, drawn to scale, include a written and graphic scale, and a north arrow. PDF documents must be of high enough quality so that architectural features and colors are clearly legible.

Project submittals at the NOFA application stage shall include, at minimum, the following:

1. Title sheet that includes:
   a. An index of all drawings submitted.
   b. A project description including, but not limited to:
      - Construction and occupancy type.
      - Lot coverage, floor area ratio, and density.
      - Unit breakdown (unit mix).
      - Building zoning code analysis.

- Setbacks, variances.
- Parking requirements and parking provided.
    1) Include total number of parking spaces provided.
    2) Include total number of parking spaces required.
    3) Include total number of accessible parking spaces provided (van and standard).
    4) Include total number of accessible parking spaces required (van and standard).
- Electric Vehicle requirements (if applicable).
    1) Indicate parking spaces planned for future EV charger installation.
    2) Indicate Electric Vehicle Charging Station(s) (EVCS) where EV Charger will actually be installed.
- Indicate total number of accessible EVCS (van, standard, and ambulatory).

    A table identifying which unit numbers will satisfy accessible unit requirements (A minimum of 10% mobility units and 4% communication feature units) as well as any units satisfying the requirements for Universal Design (where applicable). This table must be clearly indicated in the title sheet.

2. Vicinity Map.

3. Site Survey.

4. Site Plan (1/16" scale minimum) that includes:
    a. Property line, adjacent streets, and the approximate location and number of stories of buildings on adjacent sites to provide sense of the local environment.

5. Landscape plan with conceptual plant list showing a minimum of 75% of plants (by area and clearly indicated in a table) are selected from a published drought-tolerant plant list for the appropriate project zone, or the local jurisdiction's drought-tolerant list, if required. If a landscape plan is not yet developed at the time of the NOFA application, a statement acknowledging this requirement is sufficient.

6. Floor Plan(s) (1/8" scale minimum) that includes:
    a. Major project amenities (community room, recreation room, etc.).
    b. Enlarged floor plans of all proposed unit types, including parking plans, ground floor plan with site context, and roof plan showing screened mechanical equipment and any renewable energy equipment.
    c. Indicate which units will satisfy requirements for mobility and communication feature accessible units, as well as units satisfying the requirements for Universal Design (where applicable). This information shall be included on the architectural drawing coversheet, along with the project and unit count information.
    d. Indication of required accessible paths of travel.

7. Unit Plan(s) (1/4" scale minimum) that includes:
    a. Square footage of unit calculated from the interior of the unit exterior and demising walls.

b. Interior dimensions of all livable spaces.
c. Furniture layout, including required amenities such as trash/recycling and required storage.
d. Indication of required accessible path of travel.

8. All exterior elevations (1/8" scale minimum) that includes adjacent grade up to the property line, street, or 20 feet beyond building (for sites without nearby property lines).

9. At least two (2) major sections (1/8" scale minimum).

10. A signed and dated construction cost estimate.

11. Rehabilitation projects only:

    a. Applicants proposing a rehabilitation project must describe in the Design Narrative of the NOFA application the scope of work being proposed, including any major systems being replaced. Applicants are required to provide at minimum:
        i. A Property Needs Assessment report.
        ii. A Schedule of Values for the proposed work.
        iii. Rehabilitation plans that indicate the proposed improvements (i.e. the number of doors, windows, and/or fixtures to be replaced).

    b. A conceptual energy model, prepared and signed by the project Certified Energy Auditor (CEA), is required for rehabilitation projects. For the purposes of the NOFA submittal, the energy model shall reflect the project as presented in submitted architectural drawings. The energy model may be prepared using any acceptable methodology and software approved by the California Energy Code. A unit-by-unit energy model is not required as part of the initial NOFA application (simpler energy modeling protocols may be used), but the submitted energy model shall represent the means and methods proposed to achieve the specified margin.

    c. Applicants proposing rehabilitation projects, as defined in this NOFA, shall comply with the Architectural Design Requirements to the greatest extent possible.

B. Loan Committee Phase: Review of Drawings and Specifications

Projects that received a funding award are assigned to an LACDA Project Manager who will coordinate a more comprehensive Design Compliance Review in preparation of presenting the project to the LACDA's Loan Committee.

<u>DESIGN COMPLIANCE REVIEW</u>

Projects are expected to demonstrate compliance with all components of the Architectural Design Requirements, applicable building codes, and all applicable accessibility requirements, including, but not limited to: the California Building Code (CBC), California Disabled Access Compliance Manual, 2010 Americans with Disabilities Act Standards for

Accessible Design (2010 ADA standards), and the Fair Housing Act. Compliance with these requirements shall be documented throughout the project using the Design Compliance Review Report tool provided to awardees.

Funded projects shall adhere to the provisions of CBC Chapter 11(B), and Title II of the Americans with Disability Act (2010) regarding accessibility to privately-owned housing made available for public use. The LACDA funding carries those requirements, as applicable, including the LACDA's requirement of including a minimum of ten percent (10%) of project units with mobility features, and four percent (4%) with communications features. These units shall be distributed throughout the project consistent with 24 CFR Section 8.26.

All projects are subject to the LACDA's Design Review process. Projects that have successfully undergone the local jurisdiction's design review process, which included an opportunity for public comment, may be given special consideration only if the LACDA's requirements clearly conflict with those of a local jurisdiction.

Projects that go to the LACDA's Loan Committee while still in the early development stage may base the Design Review on Schematic Drawings or Design Development documents, draft specifications, and a conceptual Title 24 energy compliance report (for rehabilitation projects). However, these projects will require a follow-up review once construction documents and specifications are completed and the Title 24 energy compliance report is finalized (for rehabilitation projects). The Title 24 energy compliance report must be produced by a CEA.

REQUIRED SUBMITTALS

Depending on the design stage of the project, the Design Review will be based on either the project's schematic drawings, design development drawings, or construction documents in PDF format (or full-size hard copy if requested). All drawings shall be titled and coordinated with each other, with appropriate scale indicated. Each sheet shall be numbered, dimensioned, and dated with the appropriate consulting firm logo included. All submittals must demonstrate compliance with all Architectural Design Requirements. In anticipation of the LACDA's Loan Committee meeting, the project team shall submit the following list of required drawings and documents:

1. Title Sheet that includes:
    a. An index of all of the drawings submitted.
    b. Project description, data, requirements, and general notes.
    c. Vicinity map.
    d. The names, addresses, and phone numbers of all consulting firms for the project.
    e. Table of applicable codes and regulations.
    f. A brief narrative of any entitlement conditions of approval, variances or easements, if any.
    g. A summary table describing which units (by number and type) will satisfy applicable accessibility standards, Universal Design (where applicable), and any

other accessibility standards required by project funding sources.
h. The project's energy performance according to the conceptual Title 24 energy compliance report (for rehabilitation projects only).

2. Site Survey.

3. Site Plan that includes:
   a. Scaled site plan with scale noted.
   b. Notation scale, graphic scale, and north arrow.
   c. Metes and Bounds.
   d. Setbacks and easements.
   e. Preliminary grades, elevations, and percentage slope areas showing site accessibility and surface water drainage and retention.
   f. Dimensions noting building distance from property line.
   g. All streets and curbs.
   h. Table and keynotes indicating hardscape finishes, noting permeable pavers or concrete if applicable.

4. Demolition Plan (if needed).

5. Foundation Plans and details.

6. Floor Plans for each level that include:
   a. Drawings at 1/8" or 1/4" = 1'-0", with scale noted and graphic scale provided. All required information must be legible and easily shown.
   b. Drawing title, graphic scale, and north arrow.
   c. Primary building dimensions and overall building dimensions.
   d. Room identifiers, room dimensions, and room areas (calculated as described later in this section).
   e. Storage areas labeled and with a table of storage area/volume demonstrating compliance with the Fundamental Design Requirements.
   f. Doors and windows.
   g. Kitchens, showing all kitchen cabinets and appliances. Provide dimensions and a summary of base countertop lengths.
   h. Bathrooms, showing all fixtures and accessibility clearances where necessary (including "clearance boxes").
   i. Schedule of finishes for floors, walls, ceilings, bases, and cabinets.
   j. Floor plans of any other major project amenities.

7. Roof Plan that includes:
   a. Drawings at 1/8" or 1/4" = 1'-0", with scale noted.
   b. Drawing title, graphic scale, and north arrow.
   c. All slopes, with a slope arrow and note pitch.
   d. All rooftop equipment, such as mechanical, evaporative coolers, photovoltaic, and solar thermal equipment.
   e. Clearly labeled parapets or other mechanical screening devices.

8. Typical unit plans (drawn at a larger scale than floor plans).

9. Exterior Elevations that include:
   a. Elevations drawn at 1/8” or 1/4” = 1’-0”, with scale noted.
   b. Elevations of all sides and elevations that can be seen from beyond the property and those that cannot be seen, such as courtyard walls.
   c. Drawing title and graphic scale.
   d. Title of each elevation delineated.
   e. Vertical elevation dimensions starting at grade, indicating each floor level, plate line, and top of roof or parapets.
   f. Key notes for doors, windows, awnings, and all other exterior building materials and finishes, including accent trims and the like.

10. Interior elevations (kitchens and bathrooms).

11. Site Sections that include:
   a. A minimum of one cross section and one longitudinal section that best show the site and characteristics.
   b. Approximate location of adjacent site structures and significant site characteristics 20 feet from property line. Characteristics include and are not limited to steps in grade, retaining walls, etc.
   c. Partial site sections, if the site is complex.

12. Building Sections that include:
   a. Drawings at 1/8” or 1/4” = 1’-0”, with scale noted.
   b. A minimum of one cross section and one longitudinal section.
   c. Cross sections through courtyards.
   d. All mechanical equipment and required screening.
   e. Key notes per exterior elevations requirements.
   f. Vertical dimensions per exterior elevation requirements.

13. Landscape Plan (prepared and stamped by a landscape architect licensed in the State of California) that includes:
   a. Scaled landscape plan matching architectural site plan, with scale noted.
   b. Graphic scale and north arrow.
   c. All major trees, shrubs, and vine locations.
   d. Plant material list keyed to plans, using Latin and/or common names as found on the drought-tolerant plant list being used, or the local jurisdiction’s drought-tolerant plant list, if a local list is required.
   e. Table and calculations showing that 75% of the plant selections by area are taken from the applicable drought-tolerant plant list.
   f. Schedule of hardscape finishes, noting permeable pavers or concrete, if applicable.

14. Crime Prevention Through Environmental Design (CPTED) Documentation that includes:

a. Exterior lighting plan at parking areas, main entry, exterior exit doors, courtyards, and any at-grade areas used by residents.
b. Durable perimeter fence details. (Project teams may describe the perimeter fence as "steel perimeter fence to meet the LACDA's CPTED requirements.")
c. Note on plans that building will be pre-wired for closed-circuit surveillance cameras in parking areas, main entries, exterior exit doors, and common areas not directly adjacent to regularly occupied rooms.

15. Title 24 Energy Compliance Reporting (rehabilitation projects only) that includes:
a. A Title 24 energy report submitted for plan check, prepared by a CEA-certified professional, including reports CF-1R or PERF-1, ECON-1, and UTIL-1, in pdf format.
b. Energy efficiency program application information that may require coordination of energy modeling reporting.

16. Requirements for accessibility reporting, to be completed by an independent third-party California CASp:
a. The report must indicate that the plans have been reviewed at design development phase, or later, for compliance with all applicable accessibility standards, including, but not limited to the 2010 ADA Standards, Chapter 11(B) of the CBC, Section 504 of the Rehabilitation Act (as per HUD Document Deeming Notice 29671 dated May 23, 2014), and the Fair Housing Act. The report shall also specifically address and confirm conformance with Universal Design features if those are to be included in the project per Section III B of the Architectural Design Requirements. The report shall list:
    - The owner's sources of funding;
    - The accessibility standards triggered by each source of funding;
    - The units that will meet the mobility accessible unit criteria (A minimum of 10% of units, by unit bedroom number and type, to be distributed throughout the project consistent with 24 CFR Section 8.26 with at least one mobility unit per unit type);
    - The units that will meet the communication feature accessible unit criteria (A minimum of 4% of units, by unit bedroom number and type, to be distributed throughout the project consistent with 24 CFR Section 8.26 with at least one communication feature unit per unit type);
    - The total number of parking spaces provided;
    - The total number of accessible parking spaces;
    - The mandatory measures from the NOFA Architectural Design Requirements; and
    - The mandatory measures from the LACDA's Fair Housing and Accessibility Requirements.
b. At each review phase, the CASp consultant's report shall also include a description of the CASp's involvement in the design development and any elements that are out of compliance at the time of the review. The project developer shall include a statement outlining how any deficiencies identified by the CASp consultant will be addressed prior to the start of construction. The LACDA reserves the right to request backup documentation from the project's CASp consultant.

c. A determination that the project complies with all accessibility requirements, or if not, discrepancies are noted.
d. An inspection report by an independent third party CASp will also be required at the rough framing stage of construction (before sign-off by the building inspector) and at the end of construction. The report shall list the items indicated in item “a” above and shall include a description of any element out of compliance. Development teams will be required to submit a plan to correct out of compliance elements.

17. Other Documentation:
    a. Project specifications, in searchable PDF format (and hard copy if requested).
    b. Full specifications or final specifications addressing the specific items that are required for Loan Committee Phase review. The project team shall use the Design Compliance Review Report spreadsheet to indicate where in the specifications the required performance requirements can be found. Indicate that these are either "draft” or “final” construction specifications.
    c. Detail construction cost estimate or construction bids dated and signed.

At the start of construction, the project team shall, upon request, provide the LACDA with a stamped half-size set of Construction Documents, final specifications, and final Title 24 energy compliance reports (for rehabilitation projects) from consulting firms. Construction documents must include half-size prints of architectural, structural, mechanical, electrical, plumbing, landscape plans, irrigation, grading and drainage, and civil plans.

PROTOCOL FOR MODIFYING THE ORIGINAL DESIGN

The LACDA must be notified of material changes to the design from what was originally reviewed in the NOFA application. Changes considered material may include, but are not limited to, modifications to the unit mix, number of units, plan or elevation changes, value engineering, noncompliance with Architectural Design Requirements, Sustainable Building Methods, or Universal Design Requirements (if applicable), and changes in project material quality. All changes, whether they occur prior to or after obtaining the approval by the Loan Committee, will be subject to approval by LACDA staff and may trigger a re-review by the Loan Committee, or the re-evaluation of the project design. Should LACDA staff consider it necessary to re-evaluate the design, it will be done at the applicant’s expense. The LACDA reserves the right, at its sole discretion, to reduce or rescind its funding commitment if changes are found to be unacceptable.

II. FUNDAMENTAL DESIGN REQUIREMENTS

The Fundamental Design Requirements represent the minimum design elements for all funded projects. Applicants shall utilize architectural design and construction materials that will provide for low maintenance and durability.

A. Site Planning

1. Neighborhood/Site Characteristics

a. Identify neighborhood characteristics: Land use, height, scale, massing of existing structures and relationship of proposed project to the characteristics found in the neighborhood. Project teams shall provide a narrative description to meet this requirement.
b. Identify and mitigate adverse impacts from adjacent use. Project teams shall provide a narrative description to meet this requirement.
   Design landscaping and place building(s) in a manner that integrates with adjacent uses and views. Project teams shall provide a narrative description to meet this requirement.

2. Density
   a. Provide functional and comfortable habitable units; usable indoor common areas; and meaningful usable open spaces for residents of all ages, as appropriate. Project teams shall provide a narrative description to meet this requirement.
   b. Provide visual relief by modulating the building footprint and building mass. Project teams shall provide a narrative description to meet this requirement.
   c. Maintain or improve the pattern of building found within a neighborhood or community. Project teams shall provide a narrative description to meet this requirement.

3. Surroundings
   a. Consider the project location's traffic with respect to safety, noise, and ease of circulation when locating buildings, landscape, pedestrian walkways, and driveways. Project teams shall provide a narrative description to meet this requirement.
   b. Provide clear separation between pedestrian and vehicular traffic and incorporate appropriate warning and design measures to enhance the safety of pedestrians and others moving by and through the project. Project teams shall provide a narrative description to meet this requirement.

4. Noise Levels
   a. Design to minimize impact from noise sources using site (such as berms or other hard features) and architectural features.

5. Lot Configuration and Topography
   a. Consider size, slope, and shape of property to achieve proper placement and density of building on lot.

6. Neighborhood Amenities
   a. Consider adjacencies to cultural facilities if any, such as: museums, neighborhood and/or community parks, recreation areas, theaters, and sport venues.
   b. Preserve existing assets such as mature landscaping, and near or distant views whenever possible.

7. Access to Public Transit
   a. Consider logical pedestrian routes to public transportation such as bus, metro rail, and trains.

b. Locate senior housing projects within walking distance (maximum distance of 1,500 feet) of public transportation and clearly indicate compliance on site plan.

8. Open Space for New Construction – Private and Common areas
   a. Private Area (if provided): Private outdoor space shall be accessible as required by the CBC and by Universal Design, if applicable. Hinged or sliding patio doors shall provide 32" of clear width (34" at Universal Design Units), and clear approach space shall be shown on furnished plan(s). Compliance shall be explicitly confirmed in CASp report. A private area may be a patio, deck, porch, yard, or balcony. Primary access to private open space shall not be from any bedroom, with the exception of studios and one-bedroom units.
   b. Common Area: Shall provide amenities to residents that may include seating spaces, barbeque and tables, play area, etc. and shall include the required usable area below, the amount required by local zoning code, or other funding sources, whichever is greatest. Common areas do not include circulation or required front and side-yard setbacks, unless incorporated into larger usable common areas as described above.

Number of Units	Required Space
15	30 sq. ft./unit
15-25	20 sq. ft./unit
26-50	17.5 sq. ft./unit
51+	15 sq. ft./unit

9. Fencing/Site Walls
   a. Chain-link fencing shall not be used.

B. Building Design (Exterior)

1. Setbacks
   a. Conform front, rear, and side setbacks to prevailing setbacks along street.
   b. Vary yard depths to provide visual interest and usable yard areas.

2. Height/Scale
   a. Relate height and scale of new construction to the prevailing height and scale of existing neighborhood buildings. Project teams shall provide a narrative description to meet this requirement.
   b. Design shall reflect a human scale and shall integrate with, and enhance, the surrounding neighborhood. Project teams shall provide a narrative description to meet this requirement.

3. Massing
   a. Break up the mass of the building by using a variety of shapes to express the volume of the building. For example, it may be appropriate to step back the façade of the building to allow for a lower building height at street level, and a taller building height toward the middle or rear of the property. Project teams shall provide a narrative description to meet this requirement.

4. Materials and Colors
   a. Use materials that do not require extensive maintenance.
   b. Use of unconventional building materials is not discouraged, however, building materials and colors shall reinforce the residential character of the building.

5. Architectural Style
   a. Determine dominant architectural style of the neighborhood (e.g. California bungalow, Mediterranean, Spanish, post WWII era tract) and incorporate contextual elements of that style to create cohesion within the neighborhood.
   b. Make a stylistic change for the better when a neighborhood has no cohesive architectural style or if the surrounding structures are of a poor quality and style.
   c. Use architectural embellishment appropriately to give the building human scale, and to provide additional design interest and detail upon closer view of the building.
   d. Provide continuous visual interest by including architectural design elements to the sides and rear of the building – in addition to the front façade.

6. Building/Street Connection
   a. Maintain building/street connection by avoiding elevating a building above a parking level at grade, which results in blank walls facing the street and adjacent properties (maximum elevation of first floor above sidewalk grade shall not exceed four (4) feet).
   b. Consider the expectation of the pedestrian walking by the building by including a sidewalk, front yard, entry steps, front door, and windows that are equated with residential neighborhoods.

7. Outdoor Recreation Area
   a. Determine residents' needs and design to accommodate intended use.
   b. Provide secure outdoor spaces for tenants and a play area for children, as applicable.
   c. Secure areas shall have good visual connection with other areas of building.
   d. Address the unique and important needs of the adolescent community, as applicable, by providing a safe and stimulating environment, but respecting their sense of autonomy and satisfying their educational and recreational needs.

8. Landscape/Hardscape
   a. Use drought tolerant and California native plants, as much as possible. A minimum of 75% of plants (by area) must be selected from a published drought-tolerant plant list, or the local jurisdiction's drought-tolerant list (if required).
   b. Design landscape with low maintenance, durability, graffiti reduction, security, noise, and view considerations in mind.
   c. Confirm that hardscape areas (including surface parking) are either shaded during warm weather months (June through August) or have materials with initial solar reflectance of 0.33 or greater.
   d. Add pet-waste stations on property grounds at a ratio of 1 waste station for every 50 units.

e. Consider adding a dog run or a designated area where tenants may exercise their pets.

9. Trash Collection
   a. Trash collection area(s) shall be conveniently located in the building interior or exterior for residents and screened from view. Trash enclosures may not be located within the front yard setback, shall be screened from street view, and shall be located away (horizontally and vertically) from operable windows and habitable spaces.
   b. Trash enclosures for dumpsters shall have a concrete pad, CMU walls, and heavy-duty metal gates or durable doors. The gates at exterior trash enclosures shall be located six (6) inches off the ground to improve surveillance into the area to reduce loitering.
   c. Trash enclosures for dumpsters shall incorporate crash rails or curbs to prevent the bins from damaging the walls.
   d. Projects shall have an easily accessible recycling area that serves the entire building or shall provide a separate chute for recycling serving each floor. Trash/recycling areas shall be designed to minimize nuisance to nearby units.
   e. Projects of three (3) stories or more shall have trash and recycling chutes at each floor. Buildings with a ground-floor-only trash and recycling room shall be designed to comply with 2010 ADA Standards.

10. Ease of Maintenance
   a. Avoid using materials, landscaping, fixtures, or construction types that require excessive maintenance.

11. Environmentally Responsive Design
   a. Incorporate ecologically sound design principles that create quality living environments and resilient buildings by using renewable building methods and materials that are low-energy-consuming, non-toxic, site-compatible, and non-destructive to the environment, as much as financially feasible.
   b. Specify building products with recycled content.
   c. Utilize passive solar design principles that support Resilient Design[1] objectives, lower the building construction cost (i.e. smaller HVAC systems), and lower the cost of living for the residents of the building (i.e. lower utility bills). Take advantage of prevailing breeze to allow for natural "through ventilation." Maximize solar access in winter and minimize solar gain during summer. Consider providing exterior glare-controlled summertime direct solar gain protection at south and west windows for all rooms less than 150 SF in area.
   d. Consider elements in the design that provide natural ventilation and temperature mitigated spaces for residents in the event of power outages, or other events requiring sanctuary space for safe congregation of and/or services to residents.

[1] Resilient Design is the intentional design of buildings, landscapes, and communities in response to environmental vulnerabilities.

12. Value Engineering
    a. Integrate value engineering in the design process from the beginning to avoid costly designs and long-term problems from the point of view of the owner, manager, and end users. When value engineering is applied after the design is essentially complete, it typically results in stripping the project of amenities, which might otherwise have been afforded – such as reasonable finishes, landscaping, and materials of higher quality and lower maintenance cost.
    b. Value engineering in the design process must consider a cost-benefit between construction savings in the short-term and the cost of replacement, repair, and maintenance in the long-term. Project teams shall provide a value engineering matrix which documents the value engineering process; the matrix shall include which items were considered for value engineering, which items were chosen to be value engineered, and why items were chosen to be value engineered. The Matrix shall demonstrate that value engineering efforts are based on a 15-year payback period and include replacement, repair, and maintenance considerations.
    c. Minimize the number of different unit types and standardize kitchens and bathrooms whenever possible.

13. Parking
    a. Locate parking towards the rear of the site, where possible, to minimize its impact on the street.
    b. Projects with structured decks shall screen parking with building program elements or shall propose a means to screen the parking.
    c. Projects with at-grade parking below a structured deck shall design the project to the greatest extent possible to take some attention off of the garage.
    d. Parking areas shall be safe and secure environments, consistent with CPTED standards. The design shall minimize the walking distance to the units.
    e. Use landscaping to soften the visual impact of large parking areas.
    f. Unavoidable blank walls facing streets shall have decorative artwork, display cases, or vines, and good quality, durable materials to minimize graffiti and deterioration.
    g. Parking area and overall site shall have adequate and uniformly distributed lighting.
    h. Senior housing developments shall provide for a convenient shuttle bus stop and/or pedestrian drop-off area.

14. Roofs
    a. Roofing shall carry a three-year subcontractor guarantee and at minimum 20-year manufacturer's warranty.

C. Building Design (Interior)

1. Entry Condition
    a. Provide well-defined, safe entry into building from street and parking area. Utilize transitional elements: steps, landings, porches, lamps, seating, doorways, and lobby area.

b. Provide either a front desk area or a management office near the entryway that controls security for the building, including entry and exits for guests, fire safety system monitoring, and communication with residents.
c. Provide secure entry system (i.e. intercoms, key cards, combination pads, etc.).

2. Common Laundry
   a. Common laundry area shall have one (1) washer and dryer for every 10 units. Senior developments shall have one (1) washer and dryer for every 15 units.
   b. Provide adequate natural light and ventilation.
   c. Provide visibility and access to outdoor recreation space or community room for supervision of children.
   d. Provide a utility sink.
   e. Provide 36" of folding space for every five (5) washers and dryers.
   f. Provide a high degree of visibility from adjacent circulation spaces into the laundry room.

3. Recreation Room
   a. Provide lounge space for residents to informally congregate and to build community, including secure indoor, flexible, recreational space for children (as applicable).
   b. Provide an indoor flexible multipurpose common space that can be used for community meetings and employment activities and include a kitchen area for meal preparation.
   c. Provide a high degree of visibility from adjacent circulation spaces into the recreation room.

4. Unit Access/Corridors
   a. Unbroken length of corridors shall be minimized with length not exceeding 100 feet in any instance.
   b. Provide natural lighting and ventilation in corridors where corridors are adjacent to the exterior envelope
   c. Individualize unit entrances on corridors by recessing unit doorways or through other significant architectural means.
   d. Avoid the use of carpeting in corridors and hallways, keeping long-term maintenance in mind.

5. Building Entrance Areas
   a. Provide a prominent, visible, entry with overhead protection, adequate space for side by side approach/egress, appropriate lighting, and design elements that reinforce project identity.
   b. Provide transitional space, such as an entry porch, to help make the transition from public space to semi-private or private space.

6. Manager's Unit and Office
   a. The manager's unit and office shall be centrally located in order to enhance security for the building residents.

b. Consider providing additional amenities for the manager's unit to attract the best possible manager(s) for the project to assure the long-term success of the project.
c. Provide offices for property management and social service staff.
d. Show how early input from supportive and social service staff in office design and location was included in the design by providing a statement of certification and/or letter from supportive and social service staff.

7. Unit Mix
   a. Locate large family units at building corners to take advantage of the additional exposure to exterior wall areas.

8. Unit Sizes and Standards
   a. Unit sizes shall conform to the standards required by the California Tax Credit Allocation Committee; however, SRO units are not permitted.
   a. The minimum width of a bedroom shall be nine (9) feet.

9. Unit/Room Adjacencies
   a. Room adjacencies between units should be of like functions, as incompatible unit adjacencies, such as laundry rooms or office spaces next to bedrooms, can cause problems including loss of privacy, noise and leakage problems, and conflicts created between neighbors. Should an incompatible unit adjacency exist, the project shall provide a minimum Sound Transmission Class ("STC") rating of 53 (with 55 STC being a higher standard) and/or continuous acoustical caulk.
   b. Laundry rooms shall have a floor assembly with proprietary sound mat to achieve a minimum 57 Impact Isolation Class ("IIC") at this condition.

10. Elevators
    a. All residential buildings with more than three (3) floors of public access (including garage) must have an elevator.
    b. Residential buildings of two (2) or more stories that house seniors or residents with greater mobility needs must have an elevator.

11. Community Room
    a. A minimum of 400 sq. ft. for developments of 15 units.
    b. A minimum of 600 sq. ft. for developments of 16 units or more.
    c. A public restroom is required.

D. Unit Design

1. Unit Plan Room Relationships, Proportions, and Features
   a. Design circulation to avoid walking patterns that require passing through or across one space to reach another.
   b. Maximize usable space by minimizing circulation, minimizing vestibules and by using appropriate room proportions.
   c. If recycling and solid waste bins are provided, they shall be conveniently located, accessible, and adequate space shall be provided for their storage.

d. Delineate public areas (entry, kitchen, dining, and living rooms) from private areas (bedrooms and bathrooms).
e. Consider locating the kitchen near entry and avoid having the entrance corridor pass through kitchen.
f. Provide distinct areas for dining and living and assure that these areas do not conflict with circulation or entries.
g. Provide (at a minimum) a full bathroom, including lavatory, toilet, and tub/shower (or shower) in each unit.
h. Locate bathrooms in such a way that they are not visible from entry.
i. Consider separating the lavatory from the toilet/tub to allow use by more than one person at a time for bedrooms sharing bathrooms.

2. Light and Ventilation
   a. Seek to maximize day-lighting and natural ventilation.
   b. Kitchens and bathrooms shall have windows wherever possible.
   c. Plant-on mullions are not acceptable.
   d. Consider ways to screen and physically separate ground floor windows from the sidewalk to provide privacy and security by providing screening, landscaping or by other means.
   e. ENERGY STAR exhaust fans shall be installed in bathrooms.
   f. Exterior shading or glare control is recommended for south facing windows.

3. Exterior Unit Doors
   a. Insulated or solid core, flush, paint or stain grade exterior doors shall be made of metal clad or hardwood faces, with a standard one-year guarantee and all six (6) sides factory primed.

4. Windows/Window Coverings
   a. All windows shall be equipped with a National Fenestration Rating Council (NFRC) label (for field inspection) showing the U-value and Solar Gain Coefficient.
   b. Screens shall be provided on all operable windows.
   c. Provide window treatments at all glazed exterior openings. Metal horizontal blinds are not permitted.

5. Kitchens
   a. Provide kitchen facilities appropriate for the household size. Kitchens shall minimally include a refrigerator, a stovetop oven (or stove/oven combination), kitchen sink, and storage cabinets.
   b. Unvented hoods shall not be used.
   c. Range hoods shall be centered over the stove.
   d. Kitchen drawers shall have steel or aluminum ball-bearing drawer slides with a minimum capacity of 75 pounds.
   e. Provide kitchen counters appropriate for household size.
   f. Cabinets with doors shall be provided at all kitchen cabinets (except where cabinets are required to be removed for accessibility). No particle board or medium-density fiberboard (MDF) is permitted, except for shelving.

g. Upper cabinets (or full-height pantries) shall be provided over all countertops installed against a full-height wall. Installation of a cabinet over the kitchen sink is optional.
h. Provide recycling and solid waste bins built into accessible lower cabinets at a minimum of 18”x24”.

6. Appliances
   a. ENERGY STAR appliances are required (whether new or replacement - does not include range hoods).
   b. Stovetop ovens (or stove/oven combination) are required.
   c. Refrigerators are required.
   d. Consider maintenance and care when selecting appliances.
   e. Locate water heater in a place that will reduce damage in case of a leak or rupture.

7. Bathtubs, Shower Enclosures, and Backing Materials
   a. Projects employing cast iron tubs with tile surrounds must install adequate structural reinforcement backing within the wall framing. Shower enclosures must also include reinforcement for the future installation of the fold-down seat.

8. Floor Coverings
   a. For light and medium traffic areas, vinyl or linoleum shall be at least 3/32” thick. For heavy traffic areas, it shall be at least 1/8” thick. A hard, water resistant, cleanable surface shall be required for all kitchen and bath areas. Carpet complying with the U.S. Department of Housing and Urban Development or Federal Housing Administration UMD, or alternatively, cork, bamboo, linoleum, or hardwood floors shall be provided in all other floor spaces.

9. Storage/Closet Space
   a. A clothes closet in each bedroom shall be provided. Bedroom closets shall not be dual purposed to meet other storage requirements.
   b. Provide 5 x 2 ft. minimum primary bedroom closet space per adult assuming two (2) occupants per bedroom, and 5 x 2 ft. minimum closet space per person for other bedrooms.
   c. A multi-use storage closet or closets which total not less than 8 square feet in area shall be provided in all two (2) bedroom and larger units. Multi-use closets shall be equipped with shelving at multiple heights. Closet(s) shall be appropriate for storage of coats, linens, and general items. Multi-use storage closet space may be accommodated within primary bedroom closet space (additional storage area required) in one-bedroom and studio units.

10. Furniture Layout
    a. Ensure that all rooms can be reasonably furnished for the use intended.
    b. Window and wall relationships, and room size and proportion shall be appropriate for furniture layout and circulation.
    c. The dining area shall be of sufficient size to accommodate two chairs per bedroom plus an additional two chairs with an appropriately sized table in family units that are three-bedroom units or larger.

d. Provide furnishings for Homeless and Special Needs units, including at a minimum a bed, dresser, dining table with chairs, a lamp, and window coverings. Please note that No Place Like Home Assisted units shall also include a couch and a coffee table along with the minimum furnishings for Homeless and Special Needs units. If a project combines No Place Like Home funds and other LACDA funds, the No Place Like Home furnishing requirements shall be required. A Furnishings table should be provided within the plans indicating matching furnished plans for these units. Furnished unit plans shall include actual sizing of furnishings to be provided.

11. Finish Materials
    a. Consider using materials that facilitate the performance of routine maintenance tasks by the residents.
    b. Provide low-maintenance, high-durability materials.
    c. Mill finish shall not be used for any exterior exposed aluminum products.

12. Heating and Air Conditioning
    a. Central heating and cooling systems are encouraged. Wall heaters shall not be used in new construction.
    b. Provide air conditioning throughout the building, in residential units, common areas, and offices.
    c. If the project includes ceiling fans in bedrooms or studio units, ENERGY STAR rated fans shall be used.

13. Water Heater
    a. For units with individual water heaters, minimum capacities are to be 30 gallons for one- and two-bedroom units and 40 gallons for three-bedroom units or larger.

14. Communication Wiring
    a. Provide a telephone jack in all bedrooms and in one (1) common area.
    b. Provide infrastructure for broadband internet access to at least (1) location per unit or demonstrate that a broadband internet signal is provided to all areas in each unit. Broadband infrastructure is defined as cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure - including wireless infrastructure - as long as the installation results in broadband infrastructure in each dwelling unit meeting the Federal Communications Commission's (FCC's) definition in effect at the time the pre-construction estimates are generated.

15. Cable Television
    a. Provide at least one (1) jack in the living room for units with two (2) bedrooms or less.
    b. Provide a minimum of one (1) jack in at least one (1) bedroom plus one (1) jack in the living room for units of three (3) bedrooms or more.
    c. Provide Cable Television Service (CATV) for all developments with basic free service. If free basic service is not provided, a basic television connection must be provided.

E. Crime Prevention Through Environmental Design (CPTED)

The LACDA supports creating safe neighborhoods through the implementation of CPTED. The basic premise of CPTED is that the nature of buildings and layout of a community can attract offenders and make it easier for them to commit crimes and escape arrest. CPTED focuses on eliminating these features at the design stage to reduce crime and the fear of crime. CPTED compliance is required of all projects. Project teams shall submit required documentation as outlined above.

The five (5) overlapping concepts or strategies incorporated in CPTED are:

1. Access Control
2. Surveillance
3. Territorial Reinforcement
4. Activity Support
5. Image and Maintenance

1. Project design teams shall:
   a. Provide clear border definitions of controlled space.
   b. Clearly mark transitional zones that indicate movement from public, to semi-public, to private space.
   c. Design and locate gathering areas that provide natural surveillance.
   d. Locate indoor and outdoor activity areas at safe locations where natural surveillance and access control is possible.
   e. Design spaces to increase natural surveillance.
   f. Carefully plan a reduced number of entry points.
   g. Place signage at each entry (pedestrian and vehicle) to advise visitors of access restrictions and where they must go if they are authorized to enter your territory (ex: “PRIVATE PROPERTY – Visitors must check in at front desk”).
   h. Eliminate blind spots around the project site where individuals approaching the site cannot be observed.
   i. Include vision glazing for occupant safety for common area spaces (trash rooms, stairwells, laundry rooms, storage) that provides a clear view to all areas of those rooms from adjacent circulation areas, landings, or rooms. This is a requirement that is not related to fire safety requirements and generally will require glazing areas that exceed the 100 sq. ft. in aperture door vision glazing that is typically specified. Where this glazing has fire rating requirements note that rated assemblies are available that provide appropriate view into these spaces.
   j. Include fencing and landscaping to direct the circulation flow of persons to a select observable pathway.
   k. Make sure that landscape plant material will not block windows and eliminate opportunities for natural surveillance.
   l. Plant low vegetation with thorns or other repelling qualities adjacent to first floor windows to prevent outsiders from approaching windows.
   m. Provide good outdoor lighting standards that illuminate pathways evenly and without shadow pockets. Ensure that exterior lighting is uniformly designed. Exterior brightness ratios shall not exceed 10:1 and shall be clearly indicated on a

photometric plan (non-egress) that shows all exterior and courtyard areas of the project.

n. Pre-wire for future surveillance cameras and include, at a minimum, all exterior entries, parking garages, and areas used for public storage. The installation of digital closed-circuit television (CCTV) cameras and recording equipment is recommended. Facial recognition systems are not allowed.

III. STANDARD ACCESSIBILITY REQUIREMENTS

A. Mandatory Accessibility Requirements

Applicants are responsible for ensuring their project design team understands and adheres to all applicable accessibility requirements. The LACDA will require project teams to demonstrate adherence to all accessibility requirements as part of the comprehensive design review process to be completed prior to the start of construction. For more information on mandatory accessibility requirements and mandatory project certifications, see the LACDA's Fair Housing and Accessibility Requirements, which are included as a Supplemental Document to the NOFA.

B. Universal Design Requirements

The LACDA recognizes the need to create living spaces that do not disadvantage any group of residents, accommodates a wide range of resident preferences and abilities, and allow residents to age in place. Universal Design is not a code or standard, but a set of features that shall be integrated into the design of a unit to both meet the needs of residents that require accessibility features and to assist an aging population. The Universal Design Requirements incorporate TCAC Regulations Section 10325(c)(8)(B) – "Enhanced Accessibility and Visitability". For more information on Universal Design Requirements, see the LACDA's Fair Housing and Accessibility Requirements, which are included as a Supplemental Document to the NOFA.

IV. SENIOR HOUSING REQUIREMENTS

In addition to conforming to the Fundamental Design Requirements, CPTED, Universal Design Principles, and Sustainable Building Methods, applicants are required to integrate Senior Housing Requirements to respond to the specific needs of the senior population. These needs are based upon the recognition of the senior residents' changing physical conditions, the need for design clarity, and accommodation of the wide range of senior residents' mobility and visual perception capabilities. A well-designed Senior Housing development should also support the feeling of community and encourage interaction among its residents through thoughtful and creative design, enhancing the immediate neighborhood.

Senior Housing projects will be evaluated in three (3) basic categories (Mobility, Clarity, and Inclusiveness) that are outlined in the LACDA's Fair Housing and Accessibility Requirements, which are included as a Supplemental Document to the NOFA.

In addition to Mobility, Clarity, and Inclusiveness, design teams may also consider design that aims to optimize senior resident health and well-being with the presence of the novel Coronavirus 2019 (COVID-19), its variants, and other future pandemics or public health crises.

V. SUSTAINABLE BUILDING METHODS

The LACDA encourages sustainable building methods and efficient developments that take advantage of new renewable energy, energy efficiency, and water-saving technologies and practices. These efforts reduce a project's energy use, water use, and operational costs. All projects must incorporate the Required Sustainable Building Methods items identified below and design teams are encouraged to include additional sustainability measures, as permitted by project budgets.

Both the applicant and the project architect must certify in the initial NOFA application that the items have been included and/or that the sustainability goals have been met or exceeded. To guarantee the fulfillment of approved design and sustainability measures identified during the application scoring process, the LACDA may withhold loan funds until all issues are addressed to the reasonable satisfaction of staff.

Table of Required Sustainable Building Methods

REQUIRED SUSTAINABLE BUILDING METHODS
Minimum Energy Efficiency: All Rehabilitation projects must be designed to meet the minimum construction requirements as defined by current TCAC Regulations.
Outdoor water conservation measures shall include:

1) Specify native or drought-tolerant plants for a minimum of 75% of landscaped area with the exception of edible landscaping. 2) Conventional grass/turf shall not exceed 25% of landscaped area. 3) Group plants with similar watering needs (hydrozones). 4) Install high efficiency irrigation system with smart irrigation controls for all landscaping.
The project shall divert a minimum of 70% of non-hazardous construction and demolition debris from landfill either by recycling or by salvage efforts. Note that daily cover at landfill is neither recycling nor salvage for the purpose of this requirement.
All projects shall provide an easily accessible recycling area for tenant use that serves the entire building.

EXHIBIT "T" TO LOAN AGREEMENT

ACCESSIBILITY AND AFFIRMATIVE MARKETING

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

SUPPLEMENTAL DOCUMENT 9

AFFIRMATIVE FAIR HOUSING AND ACCESSIBILITY REQUIREMENTS

Los Angeles County Development Authority

Fair Housing and Accessibility Requirements

Affordable and Special Needs Multifamily Rental Properties

In accordance with the Federal Fair Housing Act (FHA), the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act as per HUD Document Deeming Notice 29671 dated May 23, 2014 (Section 504), the California Fair Employment and Housing Act (FEHA), and the Unruh Civil Rights Act of California, it is the policy of the Los Angeles County Development Authority (LACDA) that residential rental properties that receive funding, service, or program assistance from the LACDA must adhere to all applicable federal and state laws and requirements related to Fair Housing and Accessibility.

Requirements of public funding outlined herein do not supersede the requirements of the California Building Code (CBC), including Chapter 11(A) and Chapter 11(B). It is the responsibility of each funding recipient (Borrower) to ensure that properties being renovated or constructed fully comply with applicable building codes.

For all affordable and/or special needs housing developments that receive funding, service, or program assistance through the annual Notice of Funding Availability (NOFA), it is the responsibility of the Borrower to comply with federal and state laws and regulations governing Fair Housing and accessibility for residential properties. The following Fair Housing, affirmative marketing, tenant selection, and accessibility guidelines provide the key elements of compliance that are required; however, they do not supersede the responsibility of the Borrower to comply with all applicable laws and regulations, as required by all sources of funding that are received.

Accessibility Requirements

All multifamily projects that are built or renovated with financial, service, or program assistance from the LACDA will be subject to all applicable compliance requirements or standards related to Fair Housing and Accessibility. In instances where the standards differ, the project must incorporate the most rigorous or stringent standard. If two standards are comparably rigorous but conflict, the standard that is most appropriate for the project's population applies.

A. Non-Federal Funding Sources

Examples include: Affordable Housing Trust Funds, Homeless Bonus Funds, Homeless and Housing Prevention Funds, No Place Like Home Funds, and Homeless Prevention Initiative Funds.

All projects must be designed and constructed in a manner that allows access to and use by persons with disabilities in accordance with the California Fair Employment and Housing

Act (Sections 12921, 12926, 12955-12956 of the Government Code) and Title II of the ADA, as amended.

B. Federal Funding Sources

Examples include: HOME Investment Partnerships Program Funds, Community Development Block Grant Funds (CDBG), Section 8 Project-Based Vouchers (PBV) and Project Based Veterans Affairs Supportive Housing (PBVASH) Vouchers, Housing Opportunities for Persons With AIDS (HOPWA), and HEARTH ACT

In addition to compliance with state requirements and Title II of the ADA, as amended, developments using U.S. Department of Housing and Urban Development (HUD) funds or rent subsidies must also comply with Section 504, the Fair Housing Act, and HUD's implementation Regulations (24 CFR Parts 8 and 100, respectively), which prohibit discrimination based on disability and establish program accessibility and physical accessibility requirements.

1. Applicability

    a. For purposes of this NOFA or a Loan Agreement, newly-constructed multifamily rental housing with four or more units shall adhere to both Section 504 and Fair Housing Act design requirements. Rehabilitated multifamily housing shall adhere to Section 504 requirements and Fair Housing Act design requirements, as applicable.

    b. Section 504 design requirements are satisfied when the development is designed in compliance with the technical criteria in the Uniform Federal Accessibility Standards. Note that HUD has deemed ADA 2010 an equivalent standard (with some exceptions per Deeming Notice 29671 dated May 23, 2014) for use in projects permitted after March 15, 2013. Fair Housing Act design requirements found in HUD's Fair Housing Act Design Manual 1998 are also required. For new construction of rental projects where two or more accessibility standards apply, the Borrower is required to follow and apply both standards.

2. Section 504 Requirements Summary
   For the convenience of the reader, a brief summary of the requirements of Section 504 is presented here. However, to ensure full compliance, Borrowers must obtain and use a copy of the Uniform Federal Accessibility Standards (UFAS) and HUD Document Deeming Notice 29671 dated May 23, 2014, available through HUD.

C. Mandatory Accessibility Requirements

All NOFA-funded projects must comply with accessibility requirements that are designed to mirror minimum requirements needed for federal Low-Income Housing Tax Credit allocations, as administered by the California Tax Credit Allocation Committee (TCAC). Note that the LACDA's requirements provide for a higher number of fully-accessible units than required by ADA 2010 or Section 504.

1. The following are mandatory requirements:

    a. Leasing documents shall include a notice of consumer rights specific to adaptability features available in each feature. These consumer rights shall also be posted within the residential dwelling units. The cost for modifying a unit identified as fully accessible shall be borne by the property manager. Adaptable unit modifications (applying to all other units) will be made by the property manager, but the cost of the modifications may be borne by the resident.

    b. A minimum of 10% of total project units shall be designed with mobility features (round up for fractional units). These units can be inclusive of Universal Design units.

    c. A minimum of 4% of total project units shall be designed with auditory and visual communications features (round up for fractional units). These units can be inclusive of Universal Design units.

    d. Designated mobility and communication feature units shall be equally distributed among different unit sizes, types, and amenities and shall be distributed throughout the project (not located in the same area, or on a single floor) with at least one mobility unit designated per unit type and one communication feature unit designated per unit type. These units shall be distributed throughout the project consistent with 24 CFR Section 8.26.

    e. Mobility and communication feature units shall be marked by an International Sign of Accessibility (ISA), of minimum 1”x1”, located within the unit (below the door viewer) and mounted per CBC 11(B) 703.

    f. Townhome style units shall have a fully accessible bath and bedroom on the ground level floor. Multi-story residential dwelling units in buildings with one or more elevators shall comply with 11(B) 233.3.1.2.4 and multi-story residential dwelling units in buildings with no elevator shall comply with 11(B) 233.3.1.2.5.

D. Mandatory Project Certifications

1. Architect Certifications

All project architects must submit a certification that the development has been designed and constructed to be accessible to persons with disabilities, in compliance with the California Fair Employment and Housing Act, ADA 2010, Section 504 (if applicable), the Fair Housing Act requirements, and the NOFA Standard Accessibility and Universal Design Requirements.

Architect certifications shall state which units have been designated to meet the requirements of ADA 2010, Section 504, and the Fair Housing Act, including specific designation of mobility and communication feature units.

2. CASp Reports

To ensure full compliance with all state and federal accessibility requirements, all project teams are required to include a State of California Certified Accessibility Specialist (CASp), who is independent of the design team and who is also a registered Architect and/or Engineer.

The CASp consultant will provide a report at three (3) stages during the project life:

Loan Committee review phase – The CASp report shall indicate that plans have been reviewed and shall clearly identify if the plans are in compliance with all applicable accessibility requirements, or if there are instances of noncompliance with accessibility requirements. If evidence of noncompliance exists, the report shall clearly detail the instances of noncompliance. If the plans are not compliant with all accessibility requirements, the CASp report shall be accompanied by a letter from the Borrower describing how each non-compliant item will be resolved before the start of construction. Construction may not commence until a CASp report stating that the plans are in compliance with all applicable accessibility requirements is received and accepted by the LACDA.

Both the plans and the CASp report shall clearly identify which units will satisfy the mobility and communications requirements. The CASp report shall explicitly state which accessibility standards apply, given the funding source(s) involved in the project financing.

Construction phase - A report detailing compliance with all applicable accessibility requirements shall be provided prior to the building department's framing inspection sign-off. The CASp's physical inspection of the project must be coordinated with the LACDA's construction inspector. This construction phase report shall clearly identify that all applicable accessibility requirements are met, or the report shall clearly identify instances of noncompliance. Project teams shall provide an accompanying letter describing how the non-compliant issues will be remedied, along with a projected timeframe for completion. The report shall clearly identify which units satisfy the mobility and communications requirements above. The CASp report shall explicitly state which accessibility standards apply, given the funding source(s) involved in the project financing.

Close of construction - The final report from the CASp at the close of construction shall be submitted before a notice of completion is recorded. The report shall identify that the constructed project meets all applicable accessibility requirements, or shall identify the steps needed for accessibility compliance to be achieved. Follow-up CASp reports are required until all outstanding issues of noncompliance have been addressed. The LACDA reserves the right to request additional documentation if deemed necessary.

CASp reports at all stages shall include the information identified in the NOFA Architectural Design Requirements "Loan Committee Phase – Review of Drawings and Specifications" and shall clearly identify compliance with all applicable accessibility requirements or detail the instances of noncompliance.

E. Universal Design

All senior housing projects must incorporate Universal Design Principles. The LACDA recognizes the need to create living spaces that do not disadvantage any group of residents, accommodates a wide range of resident preferences and abilities, and allow residents to age in place. Universal Design is not a code or standard, but a set of features that should be integrated into the design of a unit to both meet the needs of residents that require accessibility features and to assist an aging population. The Universal Design Requirements incorporate TCAC Regulations Section 10325(c)(9)(B) and include:

1. For Senior Housing Projects, Universal Design Standards are required for 100% of all project units.

2. Accessible routes of travel to the dwelling units with accessible 34" minimum clear-opening-width entry, and 34” clear width for all doors on an accessible route. To achieve the 34” opening, ensure sufficient space is provided for the rear door swing.

3. Interior doors with lever hardware and 42" minimum width hallways.

4. Fully accessible bathrooms complying with ADA 2010 and CBC 11(B). In addition, a 30” x 48” clearance parallel to and centered on the bathroom lavatory vanity allowing for a parallel approach.

5. Accessible kitchens (meeting the requirements of ADA 2010). A 30” x 48” clearance parallel to and centered on the front of all major appliances and fixtures (refrigerator, oven, dishwasher and kitchen sink).

6. Accessible master bedroom size shall be at least 120 square feet (excluding the closet), shall accommodate a queen size bed, shall provide 36” of clearance around three (3) sides of the bed, and shall provide required accessible clearances, free of all furnishings, at bedroom and closet doors. The master bedroom closet shall be on an accessible path.

7. Units that include communication features for audio or visually impaired residents, alarms and doorbells shall extend into all habitable rooms and bathrooms and shall fully comply with all requirements of UFAS/ADA 2010 (mandatory application in 4% communication feature units). If this feature is design-build, it should be clearly identified in the plans at the time of design review.

8. Closets and balconies shall be located on an accessible route.

9. Universal Design principle units shall be distributed throughout the project consistent with 24 CFR Section 8.26.

10. Universal Design principle units shall have an ISA symbol of minimum 1” x 1”, located within the unit (below the door viewer) and mounted per 11(B) 703.

11. Senior housing projects are required to integrate these Universal Design Requirements for all project units and include the installation of grab bars and the installation of the tub seat at the accessible bathroom. Non-senior Universal Design units do not require installation of tub seat and shower spray unit – these features can be designed to be adaptable.

12. Universal Design Principle requirements shall be clearly listed and delineated on the plans.

13. Applicant must obtain confirmation from a CASp that the above Universal Design requirements have been met.

F. Senior Housing Requirements

In addition to conforming to Universal Design Principles, projects that are restricted to seniors (at a minimum aged 55 and older) are required to integrate Senior Housing Requirements to respond to the specific needs of the senior population. These needs are based upon the recognition of the senior residents' changing physical conditions, the need for design clarity, and accommodation of the wide range of senior residents' mobility and visual perception capabilities. A well-designed Senior Housing development should also support the feeling of community and encourage interaction among its residents through thoughtful and creative design, enhancing the immediate neighborhood.

Senior Housing projects will be evaluated in three (3) basic categories: Mobility, Clarity and Inclusiveness, outlined below.

Mobility: Physical mobility and dexterity goals and strategies.

1. Easy access from parking areas and project entries to apartments, common areas and outdoor areas shall be provided (all common area spaces shall be on an accessible path of travel).

2. An accessible drop off area near the main entry or incorporated into below-grade parking for steep sites shall be provided.

3. Main entrance should have ADA-assisted doors to accommodate for resident's declining physical strength (ADA Automatic Door).

4. Corridors at least 60" wide to accommodate wheelchairs, assisted walking, and two (2) residents walking side-by-side with mechanical assistance are recommended.

5. Elimination of excessive changes in grades at building exteriors and within common areas and the use of sloped sidewalks (1:20 maximum slope) is recommended; where ramps are required, the maximum slope shall be 1:12 per ADA 2010. Within units, no changes in elevation are allowed, and all units shall be a single story.

6. Lever hardware on doors shall be used. Other hardware for cabinets, drawers, and closets shall be easy to use with minimal physical effort and limited finger dexterity.

7. Reasonable access/distance from units to parking, common rooms, trash rooms and laundry shall be provided (location and configuration of parking shall fully comply with CBC 11(B)/ADA 2010).

8. At least one (1) ADA-compliant elevator shall be provided.

9. Pursuant to the Unruh Act, the development shall also provide that:

    i. Entryways, walkways, and hallways in the common areas of the development, and doorways and paths of access to and within the housing units, shall be as wide as required by current laws applicable to new multifamily housing construction for provision of access to persons using a standard-width wheelchair;

    ii. Walkways and hallways in the common areas of the development shall be equipped with standard height railings or grab bars to assist persons who have difficulty with walking;

    iii. Access to all common areas and housing units within the development shall be provided without use of stairs, either by means of an elevator or sloped walking ramps; and

    iv. Refuse collection shall be provided in a manner that requires a minimum of physical exertion by residents.

Clarity: Perceptual and orientation goals and strategies.

1. Organization of the architectural elements for a senior development should be clear and straightforward, without confusing angles and complicated access paths.

2. Within a structure and within the individual unit, floor plan layouts that are easy to understand and remember.

3. The incorporation of visual cues such as skylights, windows, widened corridors, enlarged corridor intersections, recessed entries (to common rooms and offices), sculptural light fixtures, and colors to serve as spatial points of reference and landmarks for resident navigation.

4. Comprehensible signage design that is large enough to read, that offers appropriate visual contrast between text and foreground, and that is appropriately located.

5. Clear lobby directories.

6. Coupling signage text with recognizable icons that cater to varying levels of literacy and cognitive ability (i.e. line drawing or icon of a computer next to the computer lab sign in the directory).

7. The use of wayfinding strategies that incorporate visual access between parts of the building to allow opportunities to monitor interior or exterior landmarks.

8. The use of wayfinding strategies that incorporate a degree of architectural differentiation between spaces through the use of distinct shapes and forms.

9. The use of memory boxes or other means to personalize resident unit entry doors is encouraged.

10. Signage design that is large enough to read and is appropriately located.

11. Optimal combinations of direct, indirect, and natural lighting design shall be considered throughout the project, particularly in stairways, hallways, units, and entryways.

12. Pursuant to the Unruh Act, the development shall also provide that walkways and hallways in the common areas shall have lighting conditions which are of sufficient brightness to assist persons who have difficulty seeing.

Inclusiveness: Goals and strategies promoting resident interaction and accessibility for all.

1. A project that is accessible to residents of all physical abilities, especially in common areas, such as: parking, outdoor common areas, community rooms, laundry, and trash areas.

2. A project that can accommodate residents with varying vision, hearing and dexterity levels.

3. A project that accommodates the frail and those with physical limitations.

4. A project that provides a variety of unit sizes to accommodate single residents, couples, or residents with caretakers.

5. The incorporation of informal meeting places in the main circulation corridors, intersections of hallways and stairways, in addition to common spaces and outdoor spaces.

6. Use of doors with glass panels to maintain a visual connection at laundry rooms and common rooms to the corridors and to the building exterior.

7. Use of internal window openings along interior corridors to provide visual connections to the exterior or courtyard.

8. Common areas that can accommodate a variety of uses and users.

9. Additional design features that promote a sense of community among residents.

10. Pursuant to the Unruh Act, the development shall be designed to encourage social contact by providing at least one common room and at least some common open space.

AFFIRMATIVE MARKETING

All multi-family projects that are funded through the NOFA are required to submit for approval, the attached **Affirmative Fair Housing Marketing Plan** (AFHM) that details the marketing strategy designed to provide information and to attract eligible persons or families in the housing market area to the available units without regard to race, color, national origin, sex, gender identity, religion, marital status, familial status, disability, sexual orientation, ancestry, genetic information, source of income, or any other basis prohibited by law. The plan shall describe initial advertising, site signage, website and social media promotion, recorded messages, community outreach, and all other marketing and communication activities which will inform potential renters or buyers of the availability of the units.

The plan shall address both the initial lease-up phase and the ongoing marketing of vacancies, waiting lists, and accessible units throughout the term of affordability.

LOS ANGELES COUNTY HOUSING RESOURCE CENTER

All rental projects must register the properties on the Los Angeles County Housing Resource Center (LAC-HRC) at www.housing.lacounty.gov. This includes projects that include exclusively Special Needs or homeless units and/or projects and units that are leased through a Coordinated Entry System of any type.

Property listings must include detailed information on accessibility features of the building and all units, as well as information on the number and bedroom size of any fully accessible units. These fully accessible units must be marketed as a unique unit type (i.e. one BR vs. one BR accessible).

Project listings must be posted and approved prior to the first time that any rental applications are available.

Projects that offer rental opportunities available to the general public must also create a special PDF marketing flyer that describes the accessibility features and explains how a person can apply for a unit. This flyer is posted on a page for “New Leasing Opportunities for Affordable and Accessible Housing.”

The advertising of accessible rental units on the LAC-HRC helps the project comply with new regulations for Information and Communication Technology (ICT) that require the use of accessible websites that comply with requirements of Section 508 of the Rehabilitation Act of 1973, while the LAC-HRC call center is experienced in helping people who call using transfer services.

The requirement to register a property on the LAC-HRC is an ongoing obligation that requires the property listing to be updated as unit types become available, leased, or have a status change of any type.

PRE-LEASE UP MEETINGS

Rental projects are required to have a preliminary lease up meeting within 30 days of construction start and a second pre-lease up meeting between 60 and 90 days from the date that residency applications will be accepted.

The pre-lease up meetings (or conference calls) should include the Borrower's project manager, the management company, and the service provider agency. Topics to be discussed include:

- Approval of all website postings advertising the project.
- Construction sign requirements.
- Developing the Affirmative Marketing Plan
- Use of a Coordinated Entry System
- Special outreach efforts
- Interest lines and phone messages
- TTY/TDD or Relay Services
- Special marketing of accessible units
- Confirmation of no local preferences
- Registering properties on the L.A. County Housing Resource Center website

SIGNAGE AND GRAPHICS

All construction or leasing signs on projects funded by LACDA funds must include the International Symbol of Accessibility and the Equal Housing Opportunity Logo.
http://portal.hud.gov/hudportal/HUD?src=/library/bookshelf11/hudgraphics/fheologo

There must be a prominent display of the HUD Fair Housing poster at the leasing office and project site from the beginning of construction through occupancy (24 CFR 110.10). This poster must be at a minimum 11 inches by 14 inches (24 CFR 110.25). This poster is available at the local HUD office or available for download at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/marketing

All posted rental information or interest phone numbers must include a TTY/TDD phone number or a Relay Service phone number.

An Equal Housing Opportunity logo, statement, or slogan must be included on all written outreach tools (i.e. signs, advertisements, brochures, direct mail solicitations, press releases, etc.).

Any rental office associated with the project must display the HUD Fair Housing Poster, which is available at the local HUD office or available for download at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/marketing

Rental offices must also display a Notice of Right to Reasonable Accommodation.

LANGUAGE

All marketing materials should also include a Spanish language contact. As approved in the Affirmative Marketing Plan, there may be other languages used for project marketing. It is important to register the project on the LAC-HRC, because the call center and website are bi-lingual, and the website includes a Google translator feature.

OTHER WEBSITES

Postings of project leasing information on the Borrower, architect, or management company's website must include the following items:

- International Symbol of Accessibility
- Equal Housing Opportunity logo
- TTY, TTD or Relay Service phone number

ARCHITECTURAL RENDERINGS

Although not required, Borrowers and architects are encouraged to include representations of diverse populations of people (race, ethnicity, age, gender, family size) and at least one person with a disability (as identified with a wheelchair, cane, walker, or service animal) in renderings of the property that will be used for marketing or posting on the LAC-HRC.

AFFIRMATIVE FAIR HOUSING MARKETING PLAN REVIEW

The Borrower must review its AFHM Plan at least once every five (5) years throughout the life of the loan and to update it as needed in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). This shall be done more frequently if local conditions or project demographics significantly change. The LACDA and/or HUD may monitor the implementation of this AFHM Plan at any time and may also request modification in its format and/or content, when deemed necessary.

SENIOR HOUSING EXEMPTION

At least one of the following conditions must be met for a "senior-only" project to be considered exempt from the Fair Housing Act's prohibition of discrimination based on familial status:

- HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a Federal, State or local government program, or
- The project will be occupied solely by persons who are 62 years of age or older, or
- The project houses or will house at least one person who is 55 years of age or older in at least 80 percent of the occupied units and adheres to a policy that demonstrates intent to house persons who are 55 years of age or older.

INITIAL TENANT SELECTION

APPROVAL OF TENANT SELECTION PLAN

The requirements, procedures, and methods used for processing tenant applications will typically depend on a combination of factors, including the management company's standard procedures, as well as other requirements imposed by a housing authority, Coordinated Entry System(s), service needs, vulnerability assessments, criminal background requirements, Mental Health Services Act (MHSA) requirements, and/or any other overlying qualification protocols needed.

Projects must submit a Tenant Selection Plan and Property Management Plan in addition to the Affirmative Marketing Plan. The LACDA must approve the application package prior to the initiation of leasing.

The Tenant Selection Plan must also distinguish between the initial lease-up process for the building's first occupants, and how waiting lists and tenant qualification will be handled on an ongoing basis.

The Initial Tenant Selection Plan must address the following items:

APPLICATIONS

Explain if there will be pre-application form or a full application made available. Include the application and, if applicable, the pre-application form. The forms must include a section in which the applicant can request an accessible unit, and designate if they are requesting a mobility or a communication feature unit. Explain how the applications will be logged and processed.

The application package and annual recertification cover pages must include a statement that reasonable accommodations and special forms of communication are available upon request.

The application phase shall be a specific period of time during which prospective tenants can obtain and return applications or pre-applications. The process must include a mechanism for prospective tenants to request reasonable accommodations related to the physical process of obtaining, completing, or submitting an application.

LOTTERIES

Projects that have units available to the public are strongly encouraged to hold lotteries for initial tenant selection. The Initial Tenant Selection Plan should explain if the lottery will be a drawing or an electronic lottery, if the community will be invited, and/or if the lottery will be broadcast via a web-based platform.

The lottery process should include a mechanism to identify people who have requested accessible units and to assign those people to the appropriate accessible unit before filling the unit with another tenant who has not requested an accessible unit.

Lotteries are appropriate for units that do not require a Coordinated Entry System or other assessment based on level-of-need, or service history with the Los Angeles County Departments of Health Services (DHS) or Mental Health (DMH).

LOCAL PREFERENCES

No local preferences will be allowed, except for projects in jurisdictions with their own Continuum of Care, at the LACDA's sole discretion. If approved, the allocation of units reserved for the jurisdiction's Continuum of Care will be allocated based on the pro rata share of funding to the project from the local jurisdiction, as compared to the LACDA's funding amount.

LEASE

A sample lease that includes the following, must be submitted:

- Notification that tenants in accessible units who did not request or do not require the accessible features agree to be relocated to another unit, if necessary to offer the accessible unit to a person or persons with disabilities.
- Notification that the tenant may request reasonable modifications by the landlord or management company in order to accommodate a disability.
- A rider explaining the rights of tenants under the Violence Against Women Act for projects with HUD funding.

COORDINATED ENTRY SYSTEMS

Sponsors of projects that include Permanent Supportive Housing (PSH) units may elect, or be required, to use a Coordinated Entry System (CES) or Coordinated Assessment process to prioritize tenants for selection. For purposes of this document, CES shall also refer to Coordinated Assessment processes.

GENERAL DEFINITION AND APPLICATION IN LOS ANGELES COUNTY

A CES is an organized process that provides for the assessment of homeless individuals for the purposes of placing them into PSH projects with the goal of housing the most vulnerable people first. A CES also includes data and referral systems that capture information about available PSH units so that the prioritized individual can be referred to the next available and appropriate PSH unit.

The CES can be used for chronically homeless and homeless individuals, families, Transition Age Youth, and homeless veterans.

CES data management is part of the Homeless Management Information System (HMIS) required by HUD and administered by the Los Angeles Homeless Services Authority (LAHSA) for the Los Angeles Continuum of Care (CoC).

The CES that was jointly created by United Way of Greater Los Angles and CSH Los Angeles is supported by LAHSA. However, there are four CoCs in Los Angeles County, with varying levels of data coordination. The four CoCs are Los Angeles, Pasadena, Glendale, and Long Beach.

REQUIRED USAGE

Because not all projects funded by the LACDA serve homeless populations, the use of a CES is not required for all NOFA-funded projects. Projects providing PSH units are strongly encouraged to consider CES, and in some cases will be required to utilize CES as a condition of certain funding sources, such as HUD CoC funding. The project's marketing and leasing plan shall identify if CES will be utilized and designate the units that will receive CES referrals. Use of CES for NOFA-funded projects must be approved as part of the marketing and lease-up plan.

CES AND HOME FUNDS

CES may be used for HOME-funded units that provide Permanent Supportive Housing.

CES and the Los Angeles County Housing Resource Center

Projects that use CES, for all or a portion of units, must still list the project on the Restricted-Access portion of the LAC-HRC, and include detailed information in the listing about how caseworkers and agency users can direct a perspective tenant to be assessed for inclusion in a CES pipeline.

ONGOING MANAGEMENT AND COMPLIANCE

TENANT RECORDS

The Property Owner or designee shall maintain records of all prospective tenant applicants, including their race, ethnicity and gender, reasons for denial of application, placement on a waiting list, and other relevant information. Owners shall also maintain records of tenant requests for accessible units and the related occupancy, denial, or wait list determination for such requests.

Unless there is an approved CES process in place, the Property Owner or designee shall also provide for the selection of applicants from a written waiting list in the chronological order of their application, insofar as is practicable, and provide prompt written notification to any rejected applicants of the grounds for any rejection.

The Property Owner or designee must certify that it has affirmatively furthered fair housing at the time of lease up. Review of this affirmative marketing effort for rental projects will be conducted in conjunction with the Annual Owner's Tenant Certification process.

ACCESSIBLE UNITS

The Property Owner must maintain as-built drawings at all times that show the location of fully accessible Universal Design Principle units, as well as all mobility and communication feature units.

Borrowers, Sponsors, and/or Owners of affordable multi-family projects that have received funding from the LACDA in the past are strongly encouraged to develop and maintain an inventory of accessible units in the funded properties. This inventory should list any Section 504 or ADA certifications that have been established, along with other information related to adaptability and Universal Design. The inventory should be a project compliance evaluation that also describes accessibility components of parking, common areas, playgrounds, mailboxes, signage, path-of-travel, and any other part of the project related to the provision of tenant services or amenities.

For lease-up of accessible units, if the County's Service Planning Area (SPA) lead in the area where the accessible unit is located cannot identify an eligible CES applicant in that area within three (3) business days, the search will be extended to the neighboring two SPAs for an additional three (3) business days. If an eligible applicant in need of accessibility features cannot be found within that time, the search will be extended Countywide.

EMERGENCY PREPAREDNESS

Property Management Plans that are submitted for LACDA approval must include a section that addresses emergency preparedness for tenants for all buildings over 15 units.

ALERT LA COUNTY

Management Plans for LACDA funded properties are encouraged to provide all tenants with information about **Alert LA County** (https://www.lacounty.gov/emergency/alert-la/), which is a free mass notification system for Los Angeles County residents and businesses. The Sheriff's Department uses Alert LA County to contact you if there is an emergency or disaster in your community. The system sends shelter-in-place instructions, evacuation, and other emergency messages.

Affirmative Fair Housing Marketing Plan Summary
(RENTAL)

1a. Applicant or Owner's Name, Address (including city, state & zip code), telephone & email address	1b. Project Name, Location (including city, and zip code) (Use both NOFA application name and completed name, if known)	
1c. Type of Housing/ Number of Units Check all that apply ☐ Senior Age 62+ ☐ Non Senior/Family ☐ PSH - individuals ☐ PSH - families ☐ PSH – TAY ☐ PSH - Veterans ☐ Special Needs ☐ HUD 811 PRA ☐ Other Total Units w/o managers unit: _____ Total Units incl. managers unit: _____ Additional Description:	1d. Rental Range From $ To $ Check all that apply ☐ LIHTC ☐ HOME Rents ☐ PBV - LACDA ☐ PBV - HACLA ☐ PB VASH - LACDA ☐ PB VASH HACLA ☐ Shelter Plus Care ☐ Continuum of Care ☐ DMH FHFP ☐ MHSA ☐ DHS FHSP	1e. Tenant Selection Check all that apply ☐ CES # of units:_____ ☐ DHS # of units: _____ ☐ Lottery # of units: _____ ☐ Other Verify that there is no local preference in the tenant selection plan. ☐ Verified, no local preference
1f. Approximate Starting Dates (mm/dd/yyyy) Advertising_____ Date of Initial Occupancy_____ Advertising to begin at least 90 days prior to initial occupancy. Notification of intent to begin marketing shall be submitted to the Los Angeles County Development Authority no later than 90 days prior to initiation of marketing.	1g. Housing/Expanded Housing Market Area 1h. Census Tract	

1i. Managing Agent's Name & Address (including city, state & zip code), telephone & email address

1j. Entity Responsible for Marketing (check all that apply)
☐ Owner ☐ Agent ☐ Other (specify)
Name, Address (including city, state & zip code), telephone & email address

1k. Contact for Affirmative Fair Housing Marketing Plan (Name, Address (including city, state & zip code), telephone & email address)

2.Wait List (for existing projects)

To add to waiting list _____ (which currently has _____individuals) _____

To reopen closed waiting list_____(which currently has _____individuals)_____

3a. Demographics of Project and Marketing Area (Complete Worksheet 1)

3b. Targeted Marketing Activity

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are <u>least likely</u> to apply for the housing without special outreach efforts.

☐ White ☐ Hispanic or Latino ☐ American Indian or Alaskan Native ☐ Asian
☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ Families with Children
☐ Persons with Disabilities ☐ Other ethnic group, religion, etc. (specify):_____

4a. Proposed Marketing Activities: Community Contacts

Complete and submit Worksheet 2 to describe your use of community contacts to market the project to those least likely to apply.

4b. Proposed Marketing Activities: Methods of Advertising

Complete and submit Worksheet 3 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach samples of advertisements, radio and television scripts, internet advertisements and websites, brochures, etc.

5a. Fair Housing Poster

The Fair Housing Poster must be prominently displayed in all offices in which rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

☐ Rental Office ☐ Model Unit ☐ Other (specify):_____

5b. Affirmative Fair Housing Marketing Plan (AFHM Plan)

The AFHM Plan must be available for public inspection at the rental office (24 CFR 200.625). Check below all locations where the AFHM Plan will be made available. Check all that apply:

☐ Rental Office ☐ Model Unit ☐ Other (specify):_____

5c. Project Site Sign

All Project Site Signs should include the Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Check all that apply:

☐ Rental Office ☐ Model Unit ☐ Entrance to Project ☐ Other (specify):_____

The size of the Project Site sign is/ will be: _____ x _____

The Equal Housing Opportunity logo or slogan or statement is/will be: _____ x _____

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting the group(s) least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

.

7b. Staff Training and Assessment: AFHM Plan

(1) Has staff been trained on the AFHM Plan? ☐ Yes ☐ No
(2) Is there ongoing training on AFHM Plan and Fair Housing Act issues in general? ☐ Yes ☐ No
(3) Is yes, who provides it?

(4) Do you periodically assess staff skills, including their understanding of the AFHM Plan and their responsibilities to use it? ☐ Yes ☐ No
(5) If yes, how and how often?

8. Coordinated Entry: Describe in detail the proposed use of a Coordinated Entry System.

9. Publicly Available Units: Describe the number and type of units that will be available to the general public.

10. Language and Translation: Describe what marketing materials, websites, or social media will be translated into other languages. Describe staff capacity to assist persons with Limited English Proficiency. Describe any translation services that will be available.

11. Assisting People With Communications Disabilities: Describe methods that will be employed to assist people who have vision, hearing, or speech disabilities who need assistance learning about the property and how to apply for occupancy. Will there be a TTY or Relay Service Number on all marketing materials?

12. Affirmative Marketing of Accessible Units: Describe measures that will be employed to notify prospective tenants of the availability of accessible units.

13. Additional Considerations Is there anything else you would like to tell us about your AFHM Plan in order to ensure that your program is marketed to those least likely to apply for the units and/or to be housed in them? Please attach additional sheets, as needed.

14. Review and Update

By signing this form, the applicant/respondent agrees to review its AFHM Plan at least once every 5 years throughout the life of the loan and to update it as needed in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). This shall be done more frequently if local conditions or project demographics significantly change. The Los Angeles County Development Authority and/or HUD may monitor the implementation of this AFHM Plan at any time, and may also request modification in its format and/or content, when deemed necessary.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Name (type or print)

Title & Name of Company

Instructions

The Affirmative Fair Housing Marketing Plan requires that each applicant subject to these requirements carry out an affirmative program to attract prospective tenants of all minority and non-minority groups in the housing market area regardless of race, color, national origin, sex, religion, marital and familial status, handicap (disability), sexual orientation, ancestry or source of income. These groups include White, members of minority groups, i.e.., Black, American Indian/Alaskan Native, Hispanic or Latino, Asian, Native Hawaiian or Other Pacific Islander, person with disabilities, families with children, or persons with different religious affiliations in the housing market area who may be subject to housing discrimination on the basis of race, color, national origin, sex, religion, marital and familial status, handicap (disability), sexual orientation, ancestry or source of income. The applicant shall describe on this form the activities it proposes to carry out during advance marketing, where applicable, and the initial rent-up period. The affirmative marketing program also should ensure that any group(s) of persons normally **not** likely to apply for the housing without special outreach efforts know about the housing, feel welcome to apply and have the opportunity to rent.

NOTES:

Part 1 – **Applicant and Project Identification**.
A housing market area is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. If a housing market area is not demographically diverse in terms of race, color, national origin, sex, religion, marital and familial status, handicap (disability), sexual orientation, ancestry or source of income, an expanded housing market area may be used. This is a larger geographic area that may provide additional diversity. Indicate the housing or expanded housing market area in which the housing is/will be located, e.g., "City of _____" for housing market area, or "City of _____" and "County of Los Angeles" for expanded housing market area.

For item 1f, specify approximate starting date of marketing activities to the groups targeted for special outreach and the anticipated date of initial occupancy. The applicant may obtain Census Tract location information, item 1h, from local planning agencies, public libraries and other sources of census data. Item 1i is to be completed only if a Managing Agent is implementing the plan.

Part 2 – **Wait List**
In the case of existing project, specify how many individuals were or are on the waiting list at the time the advertising began or will begin.

Part 3 – **Demographics and Marketing Area**
"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities.

Reasons for not applying can include, but are not limited to insufficient information about housing opportunities, language barriers, or transportation impediments.

Part 14 – The applicant's authorized agent signs and dates the Plan. By signing the Plan, the applicant assumes full responsibility for its implementation. The Los Angeles County Development Authority may at any time monitor the implementation of the Plan and request modification in its format or content, where the Los Angeles County Development Authority deems necessary.

Notice of Intent to Begin Marketing. No later than 90 days prior to the initiation of rental marketing activities, the applicant with an approved Plan shall submit written notice of intent to begin marketing. The notification is required by the Affirmative Fair Housing Marketing Plan Compliance requirements.

Affirmative Fair Housing Marketing Certification

Project Name: _____

Address: _____

I, the undersigned, on behalf of _____ hereby certify under penalty of perjury that the marketing efforts for the above-named project is or have been conducted in complete adherence to the Affirmative Marketing Plan dated _____ as previously accepted and approved by the Los Angeles County Development Authority.

_____
Signature of Property Owner or Designee

(Name)_____

(Title)_____

(Date)_____

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities

(See AFHM Plan Summary, Block 3b)

In the respective columns below indicate the percentage of each demographic group for the project (if occupied), waiting list (for existing projects), census tract, housing market area, and expanded housing market area (if the latter is needed to create a more diverse housing market area in terms of race, color, national origin, religion, sex, disability, or familial status).

Wherever possible, statistics should be obtained from a local planning office, Community Development Block Grant Consolidated Plan, or another official source such as the U.S. Census Bureau (please see http://factfinder.census.gov. Under Decennial Census, click "Get Data". Choose SF3, then detailed tables).

If there is a significant under-representation of any demographic group in the project and/or on its waiting list relative to the surrounding housing market area, then those groups(s) that are under- represented will be considered "least likely to apply" without targeted outreach and marketing, and will be so identified in Block 3b of the AFHM Plan Summary. Maps showing both the Housing Market Area and Expanded Housing Market Area should also be attached.

Demographic Characteristics	Project %	Waiting List %	Census Tract %	Housing Market Area %	Expanded Housing Market Area% (if used)
White					
American Indian or Alaskan Native					
Asian					
Black or African American					
Native Hawaiian or Other Pacific Islander					
Hispanic or Latino					
Persons with Disabilities					
Families with Children					
Other					

Worksheet 2: Proposed Marketing Activities – Community Contacts (See AFHM Plan Summary, Block 4a)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses and phone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing program.

Targeted Population(s)	Community Contact:
1	Name, address, telephone & email:
	Experience with target pop:
	Date contact initiated: Specific marketing role:
	Name, address, telephone & email:
	Experience with target pop:
	Date contact initiated: Specific marketing role:
2	Name, address, telephone & email:
	Experience with target pop:
	Date contact initiated: Specific marketing role:

Worksheet 3: Proposed Marketing Activities – Methods of Advertising (See AFHM Plan Summary, Block 4b)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use, as applicable to that group. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.), state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g., Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary.

Methods of Advertising ↓	Targeted Population:	Targeted Population:	Persons with Disabilities
Los Angeles County Housing Resource Center website	Public Access?	Restricted Access?	Accessible Unit PDF?
Housing.LACity.Org			
Coordinated Entry System	Provide details on use of CES, if applicable. Specify which Continuums of Care are involved and any efforts to market outside of Los Angeles CoC, if any.		
Newspaper			
Radio Stations			
TV Stations			
Other Electronic Media (websites , social media, etc.) (include DMH website if applicable)			
Bulletin Boards			
Brochures, Notices, Flyers			
Other (specify)			

EXHIBIT "U" TO LOAN AGREEMENT

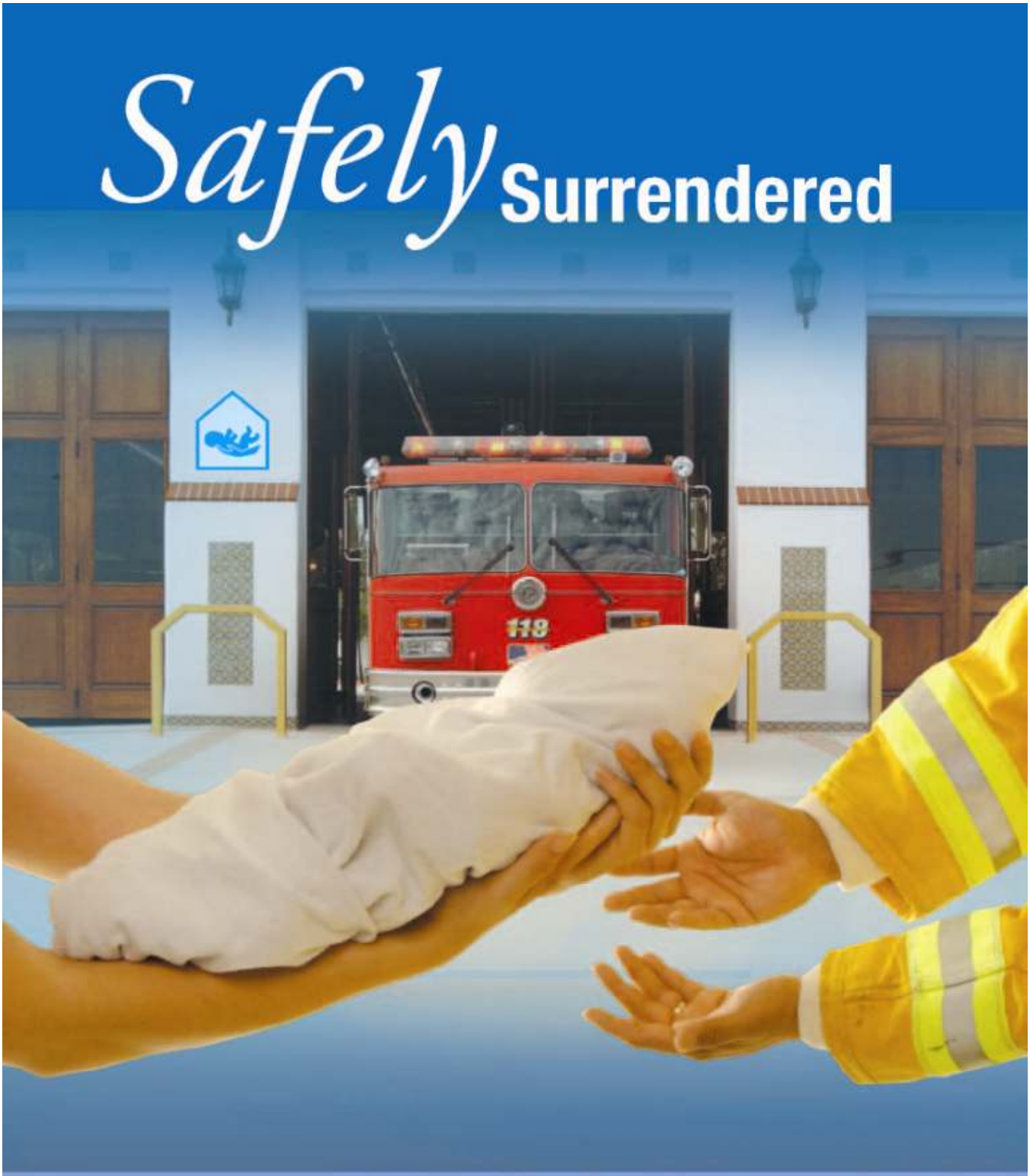
BABY SAFE FACT SHEET

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723
www.babysafela.org

Safely Surrendered *Baby Law*

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

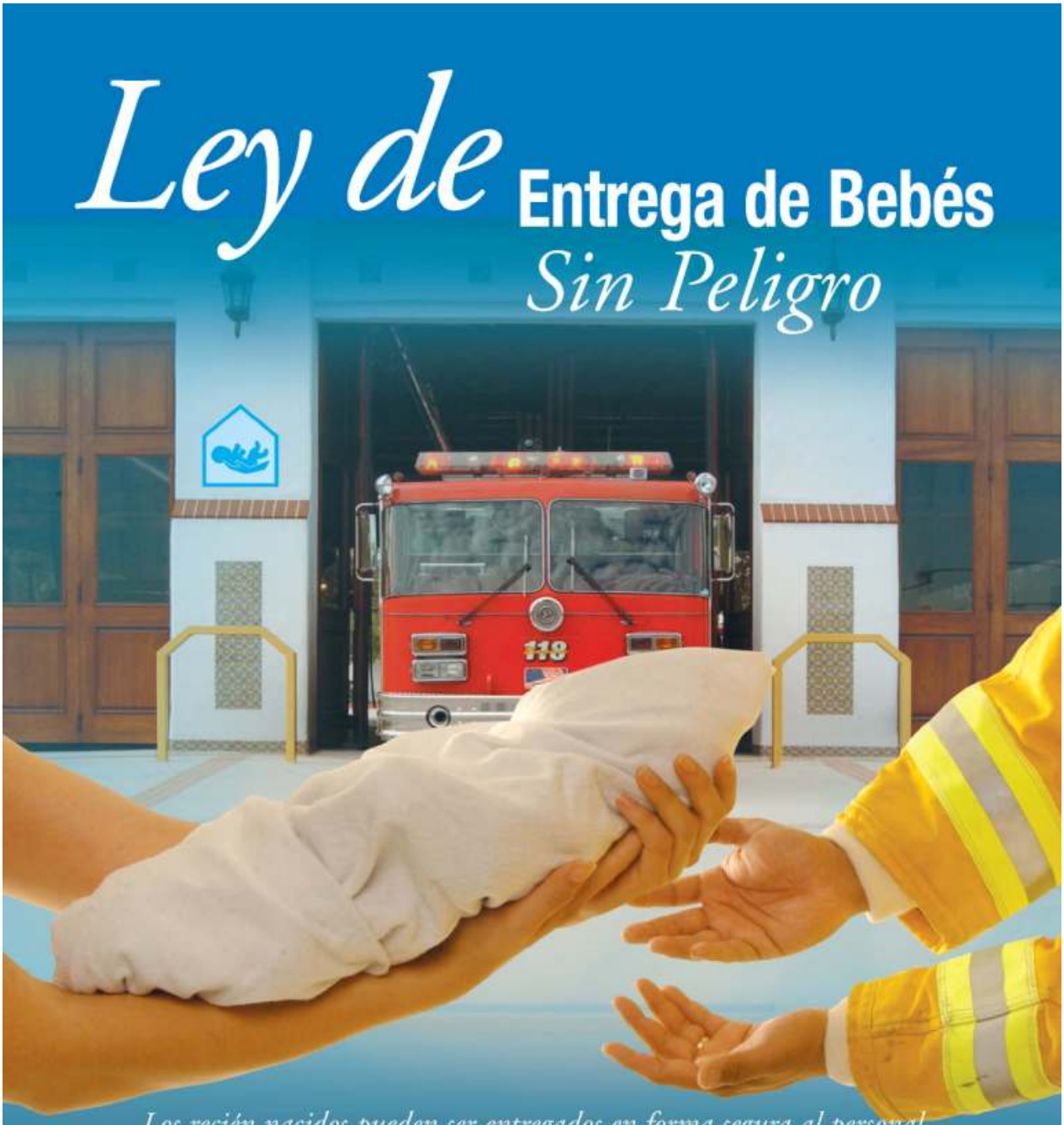
The purpose of the **Safely Surrendered Baby Law** is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The **Safely Surrendered Baby Law** prevents this tragedy from ever happening again in California.

A baby's story



Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.

Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

Ley de Entrega de Bebés *Sin Peligro*

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al **1-800-540-4000**.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan *si tienen custodia legal.*

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la **Ley de Entrega de Bebés sin Peligro** es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La **Ley de Entrega de Bebés sin Peligro** impide que vuelva a suceder esta tragedia en California.

Historia de un bebé



A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.

EXHIBIT "V" TO LOAN AGREEMENT

CHARITABLE CONTRIBUTIONS CERTIFICATION

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

***

CHARITABLE CONTRIBUTIONS CERTIFICATION

2052 Lake Altadena, L.P.
Company Name

c/o EAH Inc., 22 Pelican Way, San Rafael, CA 94901, Attn: President
Address

88-2208873/ California
Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

CERTIFICATION	YES	NO
Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Los Angeles County Development Authority (LACDA) contract, it will timely comply with them and provide the LACDA a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	(✓)	( )
OR	**YES**	**NO**
Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	( )	( )

[signatures follow]

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

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CHARITABLE CONTRIBUTIONS CERTIFICATION

Signatures

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

Date: 1/9/2024

EXHIBIT "W" TO LOAN AGREEMENT

RESERVED

EXHIBIT "X" TO LOAN AGREEMENT

FEDERAL LOBBYIST REQUIREMENTS CERTIFICATION

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

EXHIBIT "X" TO LOAN AGREEMENT

FEDERAL LOBBYIST REQUIREMENTS CERTIFICATION

(COUNTY GENERAL FUND - PROJECT NO. C27A12)
(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND – PROJECT NO. DRMHP1)

Name of Firm: **2052 Lake Altadena, L.P.**

Address: c/o EAH Inc., 22 Pelican Way, San Rafael, CA 94901, Attn: President

Telephone Number: (415) 295-8876

Acting on behalf of the above-named firm, as its Authorized Official, I make the following Certification to the U. S. Department of Housing and Urban Development and Los Angeles County Development Authority.

1) No Federal appropriated funds have been paid by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;

2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and;

3) The above named firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[signatures follow]

AUTHORIZED OFFICIAL

BORROWER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary

Date: 1/9/2024

EXHIBIT "Y" TO LOAN AGREEMENT

RESERVED

EXHIBIT "Z" TO LOAN AGREEMENT

FEDERAL PROGRAM REQUIREMENTS

(COUNTY GENERAL FUND - PROJECT NO. C27A12)

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

SUMMARY OF FEDERAL PROGRAM REQUIREMENTS

All developments which are assisted using federal funding (e.g. HOME, CDBG, etc.) must comply with all of the following federal laws, executive orders, and regulations pertaining to fair housing and equal opportunity, as set forth in 24 CFR part 5, subpart A:

Title VI of the Civil Rights Act of 1964, as Amended (42 U.S.C. 2000d) -- States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color, or national origin. Its implementing regulations may be found in 28 CFR Part 1.

Title VIII of the Civil Rights Act of 1968, As Amended "the Fair Housing Act" (42 U.S.C. 3601) -- Prohibits discrimination in the sale or rent of units in the private housing market against any person on the basis of race, color, religion, sex, national origin, familial status or handicap. Its implementing regulations may be found in 24 CFR Part 100-115.

Equal Opportunity in Housing (Executive Order 11063, As Amended by Executive Order 12259) -- Prohibits discrimination in housing or residential property financing related to any federally assisted activity against individuals on the basis of race, color, religion, sex or national origin. Implementing regulations may be found in 24 CFR part 107.

Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101) -- Prohibits age discrimination in programs receiving federal financial assistance. Its implementing regulations may be found in 24 CFR Part 146.

Equal Employment Opportunity, Executive Order 11246, As Amended -- Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin. Provisions to effectuate this prohibition must be included in all construction contracts exceeding $10,000. Implementing regulations may be found at 41 CFR Part 60.

The Housing and Community Development Act of 1974, as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and the 24 Code of Federal Regulations (CFR) Part 85. (applicable to CDBG)

HOME and CDBG PROGRAM TENANT MONITORING & PROPERTY STANDARDS

All HOME and/or CDBG projects must comply with property standards of 24 CFR Part 92 Section 251. All HOME and/or CDBG projects must comply with the tenant monitoring procedures established by the LACDA, pursuant to 24 CFR Part 92 Sections 252 and 253. After Completion of the Project, as defined in the Agreement, projects must comply with the monitoring procedures as follows: (1) New construction projects - 20 years; (2) Rehabilitation projects - 5, 10, or 15 years, depending on the cost of the rehabilitation (as set forth in the HOME Program regulations). After the expiration of the noted compliance period, the LACDA will continue to monitor the projects for the full term of this agreement.

HOME PROGRAM

All developments which are assisted using federal HOME Funds must comply with the HOME Regulations applicable to the Project 24 CFR Part 92, including but not limited to Subpart E, F, and G.

CHDO RECERTIFICATION

All Developers of projects that receive HOME funds as a Community Housing Development Organization (CHDO) must comply with the HOME Program CHDO recertification and monitoring procedures established by the LACDA. New construction projects must comply for 20 years, and rehabilitation projects for 5, 10, or 15 years as set forth in the HOME Program regulations ("CHDO Period"). At all times during the CHDO Period, the General Partner, or the owner of the General Partner, shall qualify as a "community housing development organization" within the meaning of Title 24 CFR sub part "G", Section 92.300 et. seq. The forgoing requirement shall apply to any replacement General Partner in the event the General Partner is removed during the CHDO Period.

AFFIRMATIVE MARKETING

The following requirements must be met and any additional requirements per 24 CFR Part 92 Section 350 and 351:

- Use of the Fair Housing logo, or equal opportunity language
- Developer must provide the LACDA with:
    - A description of what the developer will do to affirmatively market housing assisted with HOME and/or CDBG funds.
    - A description of what developer will do to inform persons not likely to apply for housing without special outreach.
- Maintenance of records to document actions taken to affirmatively market HOME- and/or CDBG-assisted units and to assess marketing effectiveness.
- Description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

CONFLICT OF INTEREST

No owner, developer, or sponsor of a project assisted with HOME funds, or any officer, employee, agent, or consultant of such may occupy a HOME-assisted unit in the project, unless a waiver in writing is first obtained from the LACDA. This provision does not apply to an employee or agent who occupies the unit as the project manager or maintenance worker.

REQUIREMENTS OF SECTION 504

HUD's Section 504 regulations require that a recipient of Federal financial assistance ensure that its program, when viewed in its entirety, is accessible to persons with disabilities. (24 CFR 8.20) In order to meet this obligation, Borrower must:

- To the maximum extent feasible, distribute accessible units throughout the projects and sites, and make them available in a sufficient range of sizes and amenities so as not to limit choice.
- Adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities. They must also take reasonable nondiscriminatory steps to maximize use of such units by eligible individuals.
- When an accessible unit becomes vacant, before offering the unit to an individual without a disability, offer the unit: first, to a current occupant of the project requiring the accessibility feature; and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.
- When an applicant or tenant requires an accessible feature or policy modification to accommodate a disability, a federally assisted provider must provide such feature or policy modification unless doing so would result in a fundamental alteration in the nature of its program or an undue financial and administrative burden. See 24 CFR 8.4, 8.24, and 8.33 for further requirements and guidance.
- Providers are required to ensure that information about their programs is disseminated in a manner that is accessible to persons with disabilities. For example, special communication systems can greatly increase the effectiveness of outreach and ongoing communication (e.g., Telecommunications Devices for the Deaf (TTY), materials on tape or in Braille).
- Providers must ensure that activities and meetings are conducted in accessible locations.

Borrower may:

- Ask applicants for information that can demonstrate that they can meet the obligations of tenancy including financial information, references, prior tenancy history, etc. However, housing providers may not inquire into the nature and severity of an applicant or tenant's disability, nor may they ask persons with disabilities questions not asked of all applicants, apply different types of screening criteria, or assess an applicant's ability to live independently.
- Ask if the applicant qualifies for a housing program or unit designed for persons with a disability, when the housing program or unit is designed for such persons.
- Consider including a lease provision that requires a non-disabled family occupying an accessible unit to move if a family with a disability needing that size unit applies and there is an appropriately sized non-accessible unit available for the relocating family.

All recipients and sub-recipients must conduct self-evaluations of compliance with Section 504.

COMMUNITY BUSINESS ENTERPRISE

Executive Orders 11625, 12432, and 12138 (Community Business Enterprise)

Developer must prescribe procedures acceptable to HUD for a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women and entities owned by minorities and women in all contracts. See 24 CFR 85.36(e) of which its appendices provide guidance from HUD on acceptable outreach practices.

SITE AND NEIGHBORHOOD STANDARDS

Housing provided through the HOME program must promote greater choice of housing opportunities. Specific rules are as follows:

- HOME-provided housing must be suitable from the standpoint of facilitating and furthering full compliance with the Title VI of the Civil Rights Act - 1964, the Fair Housing Act, and Executive Order 11063.

EXHIBIT "AA" TO LOAN AGREEMENT

DR-MHP/CDBG-DR REQUIREMENTS – RIDER TO DEVELOPMENT AGREEMENT

(DISASTER RECOVERY-MULTIFAMILY HOUSING PROGRAM FUND
PROJECT NO. DRMHP1)

(Please See Attached)

EXHIBIT "AA"

DR-MHP/CDBG-DR Requirements

RIDER TO DEVELOPMENT AGREEMENT

State of California
Department of Housing and Community Development
Community Development Block Grant - Disaster Recovery
DR4344 and DR4353 Disaster Recovery Multifamily Housing Program

2052 LAKE AVENUE APARTMENTS

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

Pursuant to that certain Master Standard Agreement ("**MSA**") number 20-DRMHP-00022, entered into on the 23rd day of September 2021, by and between the California Department of Housing and Community Development ("**Department**") and 2052 Lake Altadena, L.P. ("**Subrecipient**"), this RIDER TO DEVELOPMENT AGREEMENT ("**RIDER**") is incorporated into and made a part of that certain Loan Agreement, defined as the legal instrument that conveys the Project Funds to the development, entered into on the 16th day of January, 2024 by and between Los Angeles County Development Authority ("**Subrecipient**") and 2052 Lake Altadena, L.P., a California limited partnership ("**Developer"**) (the "**Development Agreement**") to include terms required by the Department for the individual multifamily affordable housing development project proposed by Subrecipient located at 2052 LAKE AVENUE ALTADENA, CA91001 consisting of 57 affordable housing units, including 18 CDBG-DR restricted units, (the "**Approved Project**").

This Approved Project is subject to the terms of the MSA, this Rider, and the funding amount and conditions determined by the Department set forth in the Notice to Proceed ("**NTP**") for the Approved Project. The Subrecipient and Developer agree to abide by the following terms required by Department applicable to the Approved Project.

1. Performance Milestones

A. Subrecipient shall record in the applicable County Recorder's office the DR-MHP Regulatory Agreement, substantially in the form provided by the Department, against the property before construction begins but not more than 180 days subsequent to the issuance of a Notice to Proceed by the Department. The DR-MHP Regulatory Agreement, and specifically the affordability and rent covenants therein, must have priority over other liens,

encumbrances and other matters of record except as may be approved by the Department. Exceptions to the position of the DR-MHP Regulatory Agreement must be approved in writing and in advance by the Department.

B. Subrecipient shall execute a Development Agreement with the Developer no later than 01/22/2024.

C. All DR-MHP units must be leased to qualified households within 18 months of construction completion (as identified by a Certificate of Occupancy from the local permitting agency) or by March 1, 2026, whichever comes first.

2. Priority of Use of Funds

Subrecipient and Developer must utilize funds available under the NTP ("**Project Funds**") to supplement rather than supplant funds otherwise available. To the extent available, Subrecipient and Developer should disburse funds available to the Approved Project from, among other sources, program income, rebates, refunds, contract settlements, audit recoveries, insurance and condemnation proceeds and interest earned on such funds before disbursing Project Funds.

3. Method of Payment

Payments will be made directly to Subrecipient as reimbursements based on the documented and satisfactory completion of agreed upon milestones detailed in the NTP. The Department shall not authorize payments or reimbursements unless it has determined the activities indicated in the Financial Report have been performed in compliance with the terms of the MSA and any other agreements executed by the parties in connection herewith.

A. Reimbursements for costs incurred

1) The Subrecipient may use Project Funds for reimbursement by the Department of Eligible Expenses as defined in the MSA, applied to Approved Projects.

2) Financial Reports for Project Funds shall be submitted to the Department by Subrecipient on a pro rata basis based on the percentage of construction completed.

3) Subrecipient shall withhold as retainage 10% of all DR-MHP funded Developer payments. No retainage payments shall be released to the Developer or reimbursed to the Subrecipient until receipt and approval by the Department of all required Approved Project

closeout documents identified in Section 6 of the MSA.

4) To receive reimbursement for Approved Project activities, the Subrecipient must timely submit all required Department forms via Grants Network. Financial Reports must include the level of documentation specified by the Department in the Department's most recent version of the Grant Administration Manual located on the Department's website, in order to be reviewed and processed.

5) Developer shall provide Subrecipient with documentation as requested to evidence expenditure of eligible costs on the Approved Project.

4. Duplication of Benefits

A Duplication of Benefits (DOB) occurs when a program beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of the need. It is the Department's responsibility to ensure that the DR-MHP provides assistance only to the extent that the disaster recovery need has not been fully met by funds that have already been paid, or will be paid, from another source.

The Subrecipient must report all funds obtained for the activity by the Project owner from any source from the date of the disaster until the Project is completed.

Additionally, the Department, in coordination with the Subrecipient, will perform a check for DOB prior to issuing a Notice to Proceed to ensure that duplicative assistance is not provided for multifamily housing. The Department also reserves the right to require that the Subrecipient perform additional DOB checks throughout the course of the Approved Project's period/performance, up to and through the closeout of each Approved Project, to ensure there is no duplicative assistance throughout the course of the Approved Project. Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

The Subrecipient agrees to repay to the Department any assistance later received for the same purpose as the CDBG–DR funds and that exceeds the total need for the particular recovery purpose.

5. Developer Responsibilities

A. Developer for the Approved Project shall be responsible for all project management functions of the Approved Project, including project design and development, construction and/or rehabilitation, maintenance, selection of tenants, annual recertification of Household income and size,

and management of the Approved Project and units in accordance with local requirements, the most recent version of the DR-MHP Policies and Procedures Manual, the requirements of the MSA and DR-MHP Regulatory Agreement for the duration of the affordability period.

B. Developer shall be responsible for all repair and maintenance functions of the Approved Project, including ordinary maintenance and repair, and replacement of capital items. “Ordinary maintenance and repair” means regular or usual care, upkeep or replacement of any part, or putting back together that which is deteriorated or broken, of an existing property, building or structure so that the Approved Project is in decent, safe, and sanitary condition at all times. Developer shall ensure maintenance of residential units, commercial space and common areas in accordance with all federal, state, and local health, building, and housing codes, and the Management Plan described below.

C. If Developer hires a separate entity to manage the property after construction is complete, Developer for the Approved Project shall ensure that the Approved Project is managed by an entity approved by the Subrecipient that is actively in the business of managing affordable housing. Any property management contract entered into for this purpose shall be subject to Subrecipient approval and must contain a provision allowing Developer to terminate the contract upon 30-days’ notice. Developer shall terminate said contract as directed by Subrecipient upon a determination that management does not comply with DR-MHP requirements and/or the provisions of any recorded regulatory agreement for the Approved Project.

D. Developer for the Approved Project shall develop a management plan for the Approved Project (“**Management Plan**”) subject to Subrecipient approval prior to the start of construction. Any change to the Management Plan shall be subject to the approval of Subrecipient. The Management Plan shall be consistent with program requirements and must include provisions addressing the following:

- The role and responsibility of Developer and the delegation of its authority;
- Personnel policy and staffing arrangements including key personnel and lines of authority;
- Plans and procedures for publicizing and achieving early and continued occupancy by eligible low- to moderate-income tenants;
- Procedures for determining tenant eligibility and selecting tenants and for certifying and annually recertifying Household income and size;
- Plans for carrying out, and budgeting for, an effective maintenance and repair program including ordinary maintenance and repair, and a capital needs assessment prepared every 5 years, except that for

newly constructed projects, this requirement shall apply beginning with year 10;

- Rent collection policies and procedures;
- Policies and Procedures for managing funds that meet generally accepted accounting principles;
- A program for maintaining adequate accounting records and handling necessary forms and vouchers;
- Plan for safeguarding all tenant personally identifiable information (PII) such as social security numbers, names and birthdates, against possible identity theft as applicable.
- Plans for enhancing tenant-management relations;
- The property management contract if any;
- Provisions for periodic update of the Management Plan;
- Appeal and grievance procedures;
- Policies and procedures for collections for tenant-caused damages, processing evictions and terminations; and
- A supportive services plan for Approved Projects serving Special Needs Populations, including Supportive Housing and/or providing supportive services to the general tenant population.

E. Annually, during the term of the MSA, Subrecipient shall perform monitoring of Developer and Approved Project to ensure compliance with federal and state requirements, timely project completion and the terms of the DR-MHP Regulatory Agreement. Developer shall be required to resolve any monitoring findings to the Subrecipient's satisfaction by the deadlines set by the Subrecipient.

Developer shall retain all books, records, accounts, documentation, and all other materials relevant to this RIDER and the initial development phase of this Approved Project for a minimum period of five (5) years after the Department notifies the Subrecipient that the grant agreement between HUD and the State of California has been closed. Subsequent to closeout of the grant agreement between HUD and the State of California, all records and books relevant to this RIDER and the operational phase of this Approved Project shall be retained for the most recent five (5) year period, until five years after the affordability period terminates. All records must be maintained in such a manner as to ensure that the records are reasonably protected from destruction or tampering. All records shall be subject to inspection and audit by the Subrecipient, the Department, HUD, federal Office of the Inspector General or their respective representatives.

Subrecipient may charge Developer a reasonable annual fee for compliance monitoring during the term of affordability period. The fee must be based upon the average actual cost of performing the monitoring of CDBG-DR-assisted Approved Projects. The basis for determining the amount of the fee must be documented and the fee must be included in the

costs of the project as part of the project underwriting.

Should Developer fail to perform its duties as described above, including a failure constituting a material default pursuant to the Development Agreement, such that the Approved Project's ability to meet its stated goals under the Program is materially impaired or wholly prevented, or that materially impacts the delivery of an eligible and compliant project on a timely basis pursuant to the NTP, such failure shall constitute a default under this RIDER.

Subrecipient shall be responsible for curing such default, by way of corrective action or hiring a new Developer. The Developer shall not be removed or substituted with a new developer entity without the prior written consent of both the Department and Subrecipient, and the Development Agreement shall contain a provision to this effect. No Developer may be listed on any state or federal debarment list and must be in good standing with the Department and the State of California. Any proposed cure of such default must be provided to the Department in writing for approval prior to implementation. If such default is not cured timely, Subrecipient will be responsible for repayment to the Department of the funding for the Approved Project.

6. Suspension and Debarment

By executing this RIDER, Developer verifies and affirms that it has not been suspended or debarred from participating in or receiving federal government contracts, subcontracts, loans, grants or other assistance programs. Developer further agrees to verify that its partners, contractors, and subcontractors have not been suspended or debarred from participating or receiving federal government contracts, subcontracts, loans, grants, or other assistance programs. Subrecipient and the Department each reserve the right to request documented confirmation that Developer and its partners, contractors and subcontractors have not been suspended or debarred from receiving federal government contracts, subcontracts, loans, grants or other assistance programs, and are in good standing with the Department and the State of California.

7. Compliance with State and Federal Laws and Regulations

Subrecipient and Developer shall comply with all local, state, and federal laws, statutes, and regulations, as well as the CDBG-DR Grant Administration Manual for 2017 and 2018 Disasters and the DR-MHP Policies and Procedures Manual, as the same may be amended from time to time.

8. Authority to Impose Additional Special Conditions

In accordance with 2 CFR 200.207, Department reserves the right and authority to impose additional special conditions within any NTP or NTP revision issued under the MSA under any of the following circumstances:

A. When, in the Department's sole discretion, Department finds that Subrecipient or Developer has a history of failure to comply with the general or specific terms and conditions applicable to the CDBG-DR funds allocated under the MSA, this RIDER, or to other awards of Federally-funded grant or loan assistance passed through the Department.

B. When Subrecipient or Developer fails to meet expected performance goals under this RIDER.

C. When Subrecipient or Developer poses an increased risk for noncompliance based on factors including, but not limited to, financial stability, quality of management systems, history of performance under Federal awards, history of timeliness under Federal awards, history of conformance with terms and conditions of previous federal awards, and reports and findings from audits.

D. When, in the Department's sole discretion, such conditions are necessary to ensure timely and compliant performance under the Federal award.

Such specific special conditions, may include, withholding of reimbursement of project costs until receipt of evidence of acceptable performance within a given period of performance, requiring additional detailed financial reports, requiring additional project monitoring, requiring the Subrecipient or Developer to obtain technical or management assistance, establishing additional prior approvals, or any other condition the Department deems reasonable and necessary to safeguard Federal funds.

Such additional specific special conditions, shall be included in the NTP or NTP revision for the Approved Project and shall include the nature of the additional requirements, the reason why the additional requirements are being imposed, the nature of the action needed to remove the additional requirement (if applicable), the time allowed for completion of the actions (if applicable), and the method for requesting reconsideration of the additional requirements imposed.

9. <u>The Training, Employment, and Contracting Opportunities for Business and Lower-Income Persons Assurance of Compliance (Section 3):</u>

Developers shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) ("Section 3") and implementing regulation at 24 CFR Part 75. The responsibilities outlined in 24 CFR Part 75.19 include:

A. Implementing procedures designed to notify Section 3 workers about training and employment opportunities generated by Section 3 covered assistance and Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance.

B. Notifying potential contractors for Section 3 covered projects of the requirements of Part 75, Subpart C and incorporating the Section 3 Clause set forth in all solicitations and contracts in excess of $100,000, as required at 24 CFR 75.27.

Section 3 Clause

The work to be performed under this contract is subject to the requirements of Section 2 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the

person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not

subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

The contractor acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

The contractor agrees to submit, and shall require its subcontractors to submit to them, annual reports detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 workers and Targeted Section 3 workers.

C. Facilitating the training and employment of Section 3 workers and the award of contracts to Section 3 business concerns by undertaking activities such as described in Section 75.25(b), as appropriate, to reach the goals set forth in Section 75.23 and in Federal Register Vol. 85, No. 189, page 60909, until superseded by HUD in a subsequent publication. As of October 29, 2020, the minimum Section 3 benchmark is twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers

D. Documenting actions taken to comply with the requirements of this part, the results of those actions taken and impediments, if any.

10. <u>Assurance of Compliance with the "Violence Against Women Reauthorization Act of 2013" (VAWA) (S.47 - 113th Congress (2013-2014)) (as</u>

amended or reauthorized) Title VI - Safe Homes for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking – Sec. 601-603. See also 81 CFR 80724:

VAWA provides housing protections for survivors of domestic and dating violence, sexual assault, and stalking when it comes to finding and keeping a home, they can feel safe in.

VAWA applies for all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, and which must be applied consistently with all nondiscrimination and fair housing requirements. VAWA now expands housing protections to HUD programs beyond HUD's public housing program and HUD's tenant-based and project-based Section 8 programs. VAWA now provides enhanced protections and options for victims of domestic violence, dating violence, sexual assault, and stalking.

During the performance of this Approved Project, Developer shall assure that all requirements of VAWA are complied with (including but not limited to):

A. Domestic Violence survivors are not denied assistance as an applicant, or evicted or have assistance terminated as a tenant, because the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, and stalking.

B. It will implement an 'emergency transfer plan', which allows for domestic violence survivors to move to another safe and available unit if they fear for their life and safety.

C. It will provide "Protections against denials, terminations, and evictions that directly result from being a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy."

D. It will implement a 'Low-barrier certification process' where a domestic violence survivor need only to self-certify in order to document the domestic violence, dating violence, sexual assault, or stalking, ensuring third party documentation does not cause a barrier in a survivor expressing their rights and receiving the protections needed to keep themselves safe.

11. Procurement of Recovered Materials

In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Developer shall cause contractor to procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage

of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Developer shall cause contractors to procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

This clause shall apply to items purchased under this RIDER where: (1) the contractor purchases in excess of $10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of $10,000 of the item both under and outside that contract.

12. Construction Standards

The Subrecipient and Developer shall ensure that all Approved Projects comply with the following requirements:

A. California Building Codes (CBC) (Cal. Code Regs., Title 24)

All residential construction projects shall comply with the housing construction codes of the State of California, including all units developed under DR-MHP.

B. The Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151-4157)

The Architectural Barriers Act (ABA) stands as the first measure by Congress to ensure access to the built environment for people with disabilities. The law requires that buildings or facilities that were designed, built, or altered with federal dollars or leased by federal agencies after August 12, 1968 be accessible.

C. California Green Buildings Standards Code (CALGreen) (Title 24, Part 11 of the California Code of Regulations)

All new construction of residential buildings or reconstruction of substantially damaged buildings must incorporate California Green Buildings Standards Code (CALGreen).

D. Sustainability Requirements

All rehabilitation, reconstruction, and new construction must be designed to

incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigating the impact of future disasters. Wherever feasible, the Subrecipient, Subrecipient's Developers and contractors must follow best practices, such as those provided by the U.S. Department of Energy, Home Energy Professionals: Professional Certifications and Standard work specifications.

E. National Floodplain Elevation Standards

Subrecipient, Developer, and contractors must comply with the national floodplain elevation standards for new construction, repair of substantially damaged structures, or substantial improvements to residential structures in flood hazard areas. All structures designed for residential use within a 100-year (or one percent annual chance) floodplain will be elevated with the lowest floor at least two feet above the base flood elevation level and comply with the requirements of 83 FR 5850 and 83 FR 5861.

F. Wildland-Urban Interface building codes (WUI codes)

All Approved Projects under this program that are located in a CAL FIRE high fire zone must comply with applicable WUI codes, found in Title 24, Chapter 7a of the California Building Code, which offer specific material, design and construction standards to maximize ignition- resistance.

13. Federal Labor Standards Provisions

The Subrecipient and the Developer shall at all times comply, and cause all Approved Project contractors to comply, with applicable federal labor standards, including without limitation, the following:

A. Davis-Bacon Act (40 U.S.C. §§ 3141-3148) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Federal Department of Labor and are issued in the form of federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over $2,000.

B. "Anti-Kickback Act of 1986" (41 U.S.C. §§ 51-58): The act prohibits attempted as well as completed "kickbacks," which include any money, fees, commission, credit, gift, gratuity, thing of value, or compensation of any kind. The act also provides that the inclusion of kickback amounts in contract prices is prohibited conduct in itself. This act requires that the purpose of the kickback was for improperly obtaining or rewarding favorable treatment. It is intended to embrace the full range of government contracting.

C. Contract Work Hours and Safety Standards Act - CWHSSA (40 U.S.C. § 3702) requires that workers receive "overtime" compensation at a rate of one and one-half (1-1/2) times their regular hourly wage after they have worked forty (40) hours in one week.

D. Title 29, Code of Federal Regulations CFR, Subtitle A, Parts 1, 3 and 5, are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

Developer shall provide and Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request. Subrecipient shall be responsible for monitoring Developer, contractors, and subcontractors for compliance, as applicable.

14. State Prevailing Wages

A. Developer shall comply and Subrecipient shall ensure that the requirements of California Labor Code (LC), Chapter 1, commencing with Section 1720, Part 7 [LC Section 1720-1743] pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations are met.

B. For the purposes of this requirement "construction work" includes, but is not limited to rehabilitation, alteration, demolition, installation, or repair done under contract and paid for, in whole or in part, through this Agreement. All construction work shall be done through the use of a written contract with a properly licensed building contractor incorporating these requirements (the "**Construction Contract**"). Where the Construction Contract will be between the Subrecipient and a licensed building contractor, the Subrecipient shall serve as the "awarding body" as that term is defined in the LC. Where the Subrecipient will provide funds to a third party that will enter into the Construction Contract with a licensed building contractor, the third party shall serve as the "awarding body." Prior to any disbursement of funds, including but not limited to release of any final retention payment, the Department may require a certification from the awarding body that prevailing wages have been or will be paid.

C. The applicable wage rate determination on construction work will be the more restrictive of the rate prescribed in LC Section 1770-1784 or the Davis-Bacon Wage Determination.

15. Agreements with Developers and Contractors

A. The Subrecipient shall not enter into any agreement, written or oral, with any contractor, Developer or other party without the prior determination that the contractor, Developer or other party is eligible to receive federal funds and is not listed on the Federal Consolidated List of Debarred, Suspended, and Ineligible contractors.

1) The terms “other party” is defined as public or private non-profit agencies or organizations and certain (limited) private for-profit entities who receive Grant Funds from a Subrecipient to undertake Approved Projects.

B. An agreement between the Subrecipient and any contractor, Developer or other party shall require:

1) Compliance with all State and federal requirements described in this RIDER including without limitation those that pertain to labor standards, nondiscrimination, Americans with Disabilities Act, Equal Employment Opportunity and Drug-Free Workplace, and prevailing wages. In addition to these requirements, all contractors and subcontractors shall comply with the applicable provisions of the California Labor Code.

2) Maintenance of at least the minimum State-required Workers' Compensation Insurance for those employees who will perform the Approved Project activities.

3) Maintenance, as required by law, of unemployment insurance, disability insurance and liability insurance, which is reasonable to compensate any person, firm, or corporation, who may be injured or damaged by the contractor, or any subcontractor in performing the Approved Project activities.

4) Compliance with the applicable Equal Opportunity Requirements described in Section 16 of this Rider.

C. Developer, contractors, and subcontractors shall:

1) Perform the Approved Project activities in accordance with federal, state and local housing and building codes, as are applicable.

2) Provide security to assure completion of the Approved Project(s) by furnishing the Subrecipient with proof of sufficient insurance and performance and payment bonds, or other security approved in advance in writing by the Department, as determined by the particulars of each individual project will be required.

D. Developer, contractors and subcontractors: Drug-Free Workplace Act of 1988

1) Publish and give a policy statement to all covered employees informing them that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace and specifying the actions that

will be taken against employees who violate the policy.

2) Establish a drug-free awareness program to make employees aware of a) the dangers of drug abuse in the workplace; b) the policy of maintaining a drug-free workplace; c) any available drug counseling, rehabilitation, and employee assistance programs; and d) the penalties that may be imposed upon employees for drug abuse violations.

3) Notify employees that as a condition of employment on a federal contract or grant, the employee must a) abide by the terms of the policy statement; and b) notify the employer, within (5) five calendar days, if he or she is convicted of a criminal drug violation in the workplace.

4) Notify the contracting or granting agency within 10 (ten) days after receiving notice that a covered employee has been convicted of a criminal drug violation in the workplace.

5) Impose a penalty on or require satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is convicted of a reportable workplace drug conviction.

6) Make an ongoing, good faith effort to maintain a drug-free workplace by meeting the requirements of the act.

16. Special Conditions Pertaining to Hazards, Safety Standards and Accident Prevention

A. Use of Explosives: When the use of explosives is necessary for the prosecution of the work, Developer shall ensure the contractor observes all local, state and federal laws in purchasing and handling explosives. Developer shall ensure contractors take all necessary precautions to protect completed work, neighboring property, water lines, or other underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced, and the material shall be covered with suitable timber, steel or rope mats.

The Developer shall notify or cause contractors to notify all owners of public utility property of intention to use explosives at least 8 hours before blasting is done close to such property. Any supervision or direction of use of explosives by the engineer does not in any way reduce the responsibility of the Developer or contractors or their Surety for damages that may be caused by such use.

B. Danger Signals and Safety Devices: Developer shall cause contractors to make all necessary precautions to guard against damages to property and injury to persons. Contractors shall put up and maintain in good condition, sufficient red or warning lights at night, suitable barricades and other

devices necessary to protect the public. In case contractors fail or neglect to take such precautions, the Developer may have such lights and barricades installed and charge the cost of this work to the contractor. Such action by the Developer does not relieve the contractor of any liability incurred under these specifications or contract.

C. Protection of Lives and Health: The Developer shall exercise proper precautions and cause contractors to exercise proper precautions at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the worksite, which occur as a result of prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971, Title 29 - LABOR, shall be observed and the Developer and its contractors and their subcontractors shall take or cause to be taken, such additional safety and health measures as the Developer may determine to be reasonably necessary.

17. Equal Opportunity Requirements and Responsibilities

The obligations undertaken by Subrecipient and Developer include, but are not limited to, the obligation to comply with all federal laws and regulations described in Subpart K of 24 CFR Part 570 and specifically with each of the following, among other things, as the same may be amended from time to time:

A. **Title VI of the Civil Rights Act of 1964:** This act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination based on race, color, and/or national origin under any program or activity receiving federal financial assistance.

B. **Title VII of the Civil Rights Act of 1968 (The Fair Housing Act):** This act prohibits discrimination in housing on the basis of race, color, religion, sex and/or national origin. This law also requires actions which affirmatively promote fair housing.

C. **Restoration Act of 1987:** This act restores the broad scope of coverage and clarifies the application of the Civil Rights Act of 1964. It also specifies that an institution which receives federal financial assistance is prohibited from discriminating on the basis of race, color, national origin, religion, sex, disability or age in a program or activity which does not directly benefit from such assistance.

D. **Section 109 of Title 1 of the Housing and Community Development Act of 1974 [42 U.S.C. 5309]:** This section of Title 1 provides that no person shall be excluded from participation (including employment), denied program benefits, or subject to discrimination on the basis of race, color,

national origin, or sex under any program or activity funded in whole or in part under Title 1 of the Act.

E. **The Fair Housing Amendment Act of 1988:** This act amended the original Fair Housing Act to provide for the protection of families with children and people with disabilities, strengthen punishment for acts of housing discrimination, expand the Justice Department jurisdiction to bring suit on behalf of victims in federal district courts, and create an exemption to the provisions barring discrimination on the basis of familial status for those housing developments that qualify as housing for persons age 55 or older.

F. **The Age Discrimination Act of 1975:** This act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination on the basis of age under any program or activity receiving federal funding assistance. Effective January 1987, the age cap of 70 was deleted from the laws. Federal law preempts any State law currently in effect on the same topic.

G. **Section 504 of the Rehabilitation Act of 1973:** It is unlawful to discriminate based on disability in federally assisted programs. This Section provides that no otherwise qualified individual shall, solely by reason of his or her disability, be excluded from participation (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving federal funding assistance. Section 504 also contains design and construction accessibility provisions for multi-family dwellings developed or substantially rehabilitated for first occupancy on or after March 13, 1991.

H. **The Americans with Disabilities Act of 1990 (ADA):** This act modifies and expands the Rehabilitation Act of 1973 to prohibit discrimination against "a qualified individual with a disability" in employment and public accommodations. The ADA requires that an individual with a physical or mental impairment who is otherwise qualified to perform the essential functions of a job, with or without reasonable accommodation, be afforded equal employment opportunity in all phases of employment.

I. **Executive Order 11063:** This executive order provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in housing and related facilities provided with federal assistance and lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the federal government.

J. **Executive Order 12259:** This executive order provides that the administration of all federal programs and activities relating to housing and urban development be carried out in a manner to further housing opportunities throughout the United States.

K. **The Equal Employment Opportunity Act:** This act empowers the Equal Employment Opportunity Commission (EEOC) to bring civil action in federal court against private sector employers after the EEOC has investigated the charge, found "probable cause" of discrimination, and failed to obtain a conciliation agreement acceptable to the EEOC. It also brings federal, state, and local governments under the Civil Rights Act of 1964.

L. **The Uniform Guidelines on Employee Selection Procedures adopted by the Equal Employment Opportunity Commission in 1978:** This manual applies to employee selection procedures in the areas of hiring, retention, promotion, transfer, demotion, dismissal and referral. It is designed to assist employers, labor organizations, employment agencies, licensing and certification boards in complying with the requirements of federal laws prohibiting discriminatory employment.

M. **The Vietnam Era Veterans' Readjustment Act of 1974 (revised Jobs for Veterans Act of 2002):** This act was passed to ensure equal employment opportunity for qualified disabled veterans and veterans of the Vietnam War. Affirmative action is required in the hiring and promotion of veterans.

N. **Executive Order 11246:** This executive order applies to all federally assisted construction contracts and subcontracts. It provides that no person shall be discriminated against on the basis of race.

18. Affirmatively Furthering Fair Housing

The Subrecipient and Developer shall affirmatively further fair housing, in accordance with the Civil Rights Act of 1964 (42 U.S.C 2000a, et seq.), and the Fair Housing Act (42 U.S.C. 3601, et seq.), according to 42 U.S.C. 5306, et seq. and in compliance with California Gov. Code sections 65583, et seq. and 8899.5, et seq.), as each may be amended from time to time. Subrecipient shall also comply with the Fair Housing Amendment Act of 1988 (Public Law 100-430), as may be amended from time to time.

19. Reporting Requirements

A. Developer shall provide information and data for required reports as requested by Subrecipient. Subrecipient must timely submit the reports prescribed below. The Department reserves the right to request additional detail and support for any report made. Reports must be made according to the dates identified, in the formats provided by the Department, and via the Department's Grants Network unless otherwise specified at the discretion of the Department. The Subrecipient's performance under the MSA will be assessed based in part on whether it has submitted the reports on a timely basis.

i. Monthly Activity Report: Developer shall provide Subrecipient with information sufficient for Subrecipient to submit a Monthly Activity Report to Department that addresses the following, at a minimum: (1) a description of the current status of the Approved Project, including number of units leased, and Households assisted; (2) a description of activities to be undertaken in the next reporting period; (3) a description of problems or delays encountered with the Approved Project and course of action taken to address them; (4) a description of actions taken to achieve MSA expenditure deadlines; and (5) a summary of the MSA fiscal status, including allocation amount, funds drawn, and remaining balance. Unless otherwise waived in writing by the Department, Monthly Activity Reports must begin on the 10th calendar day of the second month following execution of the MSA and must continue through the receipt and approval by the Department of the Project Completion Report, detailed below.

ii. Monthly Program Income Report: Program Income, if identified as a funding source for any Approved Project, must be included in the project budget and must be substantially expended prior to drawing Grant Funds. During the term of this RIDER, if Program Income is generated, the Subrecipient must submit a Monthly Program Income Report certifying the amount of Program Income generated, retained and expended. Program Income remaining at the end of each quarter and at the expiration of the MSA in excess of $35,000.00 must be remitted to the Department.

iii. Semi-Annual Labor Standards Report: During the term of construction for each Approved Project, each April 1st and October 1st, the Subrecipient must submit the Labor Standards Cover Memo, the HUD Form 4710 and the Davis Bacon Labor Standards Report 5.7 (if applicable). These forms are located on the Department's website and are also available upon request.

iv. Project Completion Report: At the completion of construction and once an Approved Project is placed in service, the Subrecipient must submit a Project Completion Report that includes the total number of units built and leased, affordable units built and leased, DR-MHP units built and leased, an accomplishment narrative, and the tenants' names, demographics and income for each DR-MHP unit.

v. Annual Beneficiary Report: Once an Approved Project is placed in service and through the Affordability Period described in Exhibit D, Section 4 of the MSA, the Subrecipient must submit an Annual Beneficiary Report providing the tenants names, demographics, and income for each DR-MHP unit. Information shall be derived from documentation submitted by Developer to Subrecipient for review and approval.

20. Monitoring Requirements

During the term of the MSA, the Department shall perform program and/or fiscal monitoring of the Subrecipient and Approved Projects to ensure compliance with federal and state requirements and timely project completion. The Subrecipient shall be required to resolve any monitoring findings to the Department's satisfaction by the deadlines set by the Department. In the event Subrecipient disagrees with a finding and/or any accompanying corrective actions or sanction(s) that are associated with such finding, Subrecipient shall follow the Department's appeals process and rights contained as an exhibit within the Department's CDBG-DR Monitoring Plan located on the Department's CDBG-DR website at https://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr/cdbg-dr-2017/index.shtml.

Subrecipient shall ensure their Developers and Approved Projects are in compliance with CDBG-DR requirements and shall perform regular, ongoing monitoring of the Developer and Approved Project for the term of this RIDER and the affordability period defined in the DR-MHP Regulatory Agreement. Subrecipient shall ensure their Developers resolve any monitoring findings to the Subrecipient's satisfaction by the deadlines set by the Subrecipient. Subrecipients may charge Developers a reasonable annual fee for compliance monitoring during the term of affordability period. The fee must be based upon the average actual cost of performing the monitoring of CDBG-DR-assisted Approved Projects. The basis for determining the amount of the fee must be documented and the fee must be included in the costs of the project as part of the project. If a monitoring fee is charged, Subrecipient shall remit 10% of the monitoring fee collected from each Approved Project to the Department not less than annually and within 90 days of receipt of the fees.

21. Inspections of Project Activities

The Department reserves the right to inspect any Approved Project activities performed hereunder to verify that the Approved Project activities are being and/or have been performed in accordance with the applicable federal, state and/or local requirements and this RIDER.

A. The Subrecipient shall inspect any Approved Project activity performed by Developers, contractors and subcontractors hereunder to ensure that the Approved Project activities are being and have been performed in accordance with the applicable federal, State and/or local requirements and the MSA.

B. The Subrecipient shall require that all Approved Project activities found by such inspections that do not conform to the applicable requirements be promptly corrected, and shall withhold payment to its Developer, contractor or subcontractor, respectively, until it is so corrected.

C. Access by the Subrecipient, the federal grantor agency, the State, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the Subrecipient, Developer, contractors or subcontractors which are directly pertinent to that specific contract for the purpose of monitoring, making audit, examination, excerpts, and transcriptions pursuant to 2 CFR 200.336 shall be permitted. Developer shall include in its agreements with contractors, or subcontractors, as applicable, provisions requiring such parties to provide access to its records for the purposes specified above.

22. Signs

If the Subrecipient or Developer places signs stating that the Approved Project is funded with private or public dollars and the Department is also providing financing, it shall indicate in a typeface and size commensurate with the Department's funding portion of the Approved Project that the Department is a source of financing through the CDBG-DR Program.

23. Insurance

Subrecipient, its Developers and Contractors shall comply with all requirements outlined in the (A) General Provisions section and (B) Project Insurance Requirements outlined in this Section 21. These requirements are in addition to, and not in lieu of, any other insurance coverages required elsewhere in the Development Agreement and elsewhere in the MSA. No payments will be made under the terms of any Approved Project until the Subrecipient confirms to the Department that Developer and all contractors on the specified Approved Project fully comply with all requirements. The Department reserves the right to waive or adjust required insurance coverages from time to time in its sole discretion.

A. General Provisions Applying to All Policies

1) Coverage Term – Subrecipient’s coverage needs to be in force for the complete term of the Agreement. The Developer’s coverage needs to be in force for the complete affordability period of each Approved Project. The Developer’s coverage needs to be in force until a certificate of occupancy is issued for each Approved Project. No work may be performed by Subrecipient, Developer, or a contractor until and unless all insurances required by this Agreement are in full force and effect. If insurance expires during the term of the Agreement/affordability period/certificate of occupancy issuance, as applicable, a new certificate must be received by the Department at least thirty (30) days prior to the expiration of said insurance. Any new insurance must comply with the original terms of this Agreement.

2) Policy Cancellation or Termination & Notice of Non-Renewal – Subrecipient is responsible to notify the Department within fifteen (15) business days prior to any actual or proposed cancellation, non-renewal or material change that affects required insurance coverage. No policy may be cancelled upon less than thirty (30) days' prior written notice from the insurer to the insured and the Department. New certificates of insurance are subject to the approval of the Department and the Subrecipient agrees no services will be commenced or performed prior to obtaining such approval. In the event Subrecipient and Developer fails to keep in effect at all times the specified insurance coverage, the Department may, in addition to any other remedies it may have, terminate this Agreement and/or Approved Project upon the occurrence of such event, subject to the provisions of this Agreement.

3) Premiums, Assessments and Deductibles – Subrecipient, Developer and contractors for each Approved Project are responsible for the payment of all premiums, policy assessments, deductibles or self-insured retentions associated with their respective insurance programs.

4) Primary Clause – Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the Department.

5) Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least "A–" with a financial category rating of no lower than VII. If the Subrecipient, Developer and/or contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required. Acceptance of self-insurance is within the sole discretion of the Department, and the Department reserves the right to require insurance from third-party commercial insurers.

6) Endorsements – Any required endorsements requested by the Department must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

7) Inadequate Insurance – Inadequate or lack of insurance does not negate the Subrecipient's, Developer's, or contractor's obligations under this Agreement or the terms specific to the relevant Approved Project, nor does the availability or limits of any insurance policies required herein in any way limit the liability of Subrecipient, or any Developer or contractor, to the Department hereunder, nor does it in

any way limit the liability of such parties to the Department in regards to any indemnification obligations of such parties herein.

8) Available Coverages/Limits – All coverage and limits available to the Subrecipient, Developer, or contractor shall also be available and applicable to the Department.

9) Satisfying an SIR - All insurance required by this Agreement and any required by the terms specific to the relevant Approved Project must allow the Department to pay and/or act as the Subrecipient's, Developer's, or contractor's agent in satisfying any self-insured retention (SIR). The choice to pay and/or act as the Subrecipient's, Developer's, or contractor's agent in satisfying any SIR is at the Department's discretion.

10) Use of Subcontractors - In the case of Developer or contractor's utilization of subcontractors to complete the contracted scope of work for the relevant Approved Project, Developer or contractor shall include all subcontractors as insureds under Developer's or contractor's insurance or supply evidence of subcontractor's insurance to the Department equal to policies, coverages, and limits required of Developer and contractor.

B. Project Insurance Requirements

Subrecipient, Developer, and/or contractor shall display evidence, as applicable for the relevant Approved Project, of the following on a certificate of insurance evidencing the below coverages. No work shall be commenced on any Approved Project prior to such coverages being in effect and the required certificate(s) have been provided to the Department.

1) **Commercial General Liability** – Developer or contractor on an Approved Project shall maintain commercial general liability insurance on an occurrence form with limits not less than $1,000,000 per occurrence for bodily injury and property damage liability combined with a $2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Developer's or contractor's limit of liability.

The policy must name The State of California, its officers, agents, and employees as additional insureds.

2) **Automobile Liability** – Developer or Contractor shall maintain, as applicable, business automobile liability insurance for limits not less than $1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. Should the scope of the relevant Approved Project involve transportation of hazardous materials, evidence of an MCS-90 endorsement is required.

The policy must name The State of California, its officers, agents, and employees as additional insured.

3) **Workers' Compensation and Employer's Liability** – Developer or Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of this Agreement and the relevant Approved Project. In addition, employer's liability limits of $1,000,000 are required. By signing this Agreement, Subrecipient acknowledges compliance with these regulations. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must be attached to certificate.

4) **Flood Insurance** – The Subrecipient shall ensure that Developer complies with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). Subrecipient shall ensure flood insurance coverage is provided by the Developer for the Approved Project if required by the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). The Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, that flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

5) **Builders Risk insurance** – Developer or Developer's contractor on an Approved Project shall maintain builders risk coverage prior to or upon commencement of construction of the Approved Project, including any delivery and storage of materials to be incorporated into the Approved Project. This coverage must cover all risk of physical damage or risk of loss for an amount equal to the full amount of the construction contract. This coverage must include coverage for flood if the Property is located in a Special Flood Hazard Area as determined by the Federal Emergency Management Agency. Additionally, Developer or Developer's general contractor must obtain a builder's risk installation floater for coverage of the

contractor's labor, materials, and equipment to be used for completion of work performed under the construction contract. The minimum amount of coverage to be carried must be equal to the full amount of the construction contract.

6) **Property Insurance –** Developer on an Approved Project shall maintain including all risk coverage or standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements to the extent of full replacement value of the Approved Project for the duration of the term of the Affordability Period. Coverage amount may be adjusted for fluctuation in replacement values. This coverage is required upon completion of construction of the Approved Project, or upon closing of the financing for the Approved Project if it is a rehabilitation project.

24. Condemnation

A. The Developer shall at all times keep the Development insured against loss by fire and such other hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the Subrecipient. All insurance policies and renewals thereof shall be issued by a carrier and in form acceptable to the Subrecipient.

B. In the event of any fire or other casualty to the Development or eminent domain proceedings resulting in condemnation of the Development or any part thereof, Developer shall be obligated to rebuild the Development, and to use all available insurance or condemnation proceeds therefore, provided that, as determined by the Subrecipient in its sole discretion, (i) such proceeds are sufficient to keep the Assistance in balance and rebuild the Development in a manner that provides adequate security to the Subrecipient for repayment of the Assistance or if such proceeds are insufficient, then Developer shall have funded any deficiency (ii) the Subrecipient shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (iii) no material breach or default then exists under the Program Legal Documents. If the casualty or condemnation affects only part of the Development and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Assistance in a manner that provides adequate security to the Subrecipient for repayment of the remaining balance of the Assistance.

C. In the event that the Developer fails to commence or to complete the rebuilding, repair, replacement or restoration of the Project timely, the Department and Subrecipient shall have the right, in addition to any

other remedies granted in the Program Legal Documents or at law or in equity, to repair, restore, rebuild or replace the Project so as to prevent the occurrence of a default hereunder.

25. Anti-Lobbying Certification

The Subrecipient shall require that the language of this certification be included in all contracts or subcontracts entered into in connection with the Approved Project(s) and shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into.

Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and no more than $100,000 for such failure.

A. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

26. Conflict of Interest

Pursuant to 24 CFR § 570.489(h), no member, officer, or employee of the Developer, or its designees or agents, no member of the governing body of the locality in which the Approved Project is situated, and no other public official of such locality or localities who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, including members and delegates to the Congress of the United States, may obtain a financial interest or benefit from a CDBG-DR-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to a CDBG-DR-assisted activity or its proceeds, either for themselves or those with whom they have business or immediate family ties, during their tenure, or for one (1) year thereafter.

27. Energy Policy and Conservation Act

This Agreement is subject to mandatory standards and policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the federal Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

28. State Contract Manual Requirements (Section 3.11, Federally Funded Contracts (Rev. 3/03):

A. All contracts, except for State construction projects that are funded in whole or in part by the Federal government, must contain a 30-day cancellation clause and the following provisions:

1) It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.

2) This contract is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the purpose of this Program. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.

3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.

4) The Department has the option to invalidate the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction in funds.

B. Exemptions from provisions A.1 through A.4 above may be granted by the Department of Finance provided that the director of the State agency can certify in writing that Federal funds are available for the term of the contract.

C. Gov. Code § 8546.4(e) provides that State agencies receiving Federal funds shall be primarily responsible for arranging for Federally required financial and compliance audits, and shall immediately notify the Director of Finance, the State Auditor, and the State Controller when they are required to obtain Federally required financial and compliance audits.

29. Indemnification

Subrecipient and Developer, at their sole cost and expense, shall jointly and severally indemnify, defend, and hold harmless the Department, its employees, representatives, attorneys, agents, and their respective successors, heirs, and assigns (collectively, the "**Department Indemnified Parties**") from and against any and all claims, demands, actions, costs, losses, damages, and liabilities, whether direct or indirect (collectively, "**Damages**"), and regardless of their nature or source, which in any way relate to or arise from the actions or inactions of Subrecipient, Developer, or its contractors, subcontractors, agents, or representatives (collectively, the "**Developer Parties**") in connection with this RIDER and any agreement or instruments executed in connection herewith. The obligations of the Developer Parties under this Section 26 shall apply to all actions or omissions of Developer Parties as described above which cause or are alleged to have caused Damages in connection with the Project. Further, the obligations of the Developer Parties under this Section 26 shall survive the expiration or earlier termination of the Development Agreement or this RIDER.

30. Conflicting Provisions

Should any of the provisions of this RIDER be found to be in conflict with any other provision of the Development Agreement to which this RIDER is attached, the terms of this RIDER shall prevail.

31. Third Party Beneficiaries

The Developer and Subrecipient expressly agree and acknowledge that the Department is an intended third-party beneficiary to the provisions of the Development Agreement and this RIDER. Among other things, the performance of the Development Agreement and this RIDER benefit the Department by creating, rehabilitating, or otherwise making available, affordable housing units within the State of California. The Department is the sole third-party beneficiary under Section 28 and no other parties are intended or should be deemed as such.

(Signatures Continue on Next Page)

SUBRECIPIENT:

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
a public body, corporate and politic

Executive Director or Designee

Emilio Salas

Printed Name

(Signatures Continue on Next Page)

DEVELOPER:

2052 LAKE ALTADENA, L.P.,
a California limited partnership

By: 2052 Lake Altadena EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: _____
Welton Jordan
Assistant Secretary