

\$82,467,538
CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE X (TAX-EXEMPT)

\$9,177,478
CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE X-T (TAXABLE)

GENERAL CERTIFICATE OF THE GOVERNMENTAL LENDER

December 29, 2022

The undersigned Director of Financing of the California Housing Finance Agency (the “Governmental Lender”) hereby certifies as of the date hereof, as follows:

1. The Governmental Lender is a public instrumentality and political subdivision of the State of California (the “State”) created by the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code (the “Act”).

2. For purposes of Section 51350 of the Act, after the delivery of the Governmental Lender Notes (as hereinafter defined) and other obligations executed and delivered on and as of the date hereof, the amount of bonds of the Governmental Lender, together with all other obligations of the Governmental Lender, does not exceed any limitation thereon imposed by law.

3. The undersigned has been duly authorized by the Governmental Lender to execute on behalf of the Governmental Lender the \$82,467,538 aggregate face amount (maximum principal amount) California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt) (the “Tax-Exempt Note”) and the \$9,177,478 aggregate face amount (maximum principal amount) California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) (the “Taxable Note” and, together with the Tax-Exempt Note, the “Governmental Lender Notes”) dated the date hereof.

4. All actions required to be taken, all consents required to be obtained, and all resolutions required to be adopted by the Governmental Lender under applicable law, the Funding Loan Agreement (defined below) and each other agreement or instrument to which the Governmental Lender is a party have been done, obtained and adopted, and are in full force and effect. A true and correct copy of Resolution No. Resolution No. 22-06, adopted April 21, 2022 (the “Resolution”) is included as EXHIBIT A.

5. The Governmental Lender has all necessary power and authority to execute, deliver and perform its obligations under each of the following (collectively, the “Governmental Lender Agreements”):

(a) the Funding Loan Agreement, dated as of December 1, 2022 (the “Funding Loan Agreement”), among the Governmental Lender, Bank of America, N.A., (the “Initial Funding Lender”) and U.S. Bank Trust Company, National Association (the “Fiscal Agent”);

(b) the Borrower Loan Agreement, dated as of December 1, 2022 (the “Borrower Loan Agreement”) among the Governmental Lender, LINC-CORE Pioneer LP, a California limited partnership (the “Borrower”), the Initial Funding Lender and the Fiscal Agent;

(c) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of December 1, 2022 (the “Regulatory Agreement”), among the Governmental Lender, the Fiscal Agent and the Borrower;

(d) the Tax Certificate and Agreement executed by the Governmental Lender and the Borrower, dated as of the date hereof; and

(e) the Assignment of Deed of Trust and Related Documents, dated as of December 1, 2022, by the Governmental Lender to the Initial Funding Lender.

6. The Governmental Lender has full legal right, power and authority to carry out, give effect to and consummate the transactions contemplated by the Governmental Lender Agreements.

7. The Governmental Lender Notes and the Governmental Lender Agreements have been duly authorized, executed and delivered by the Governmental Lender and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute legal, valid and binding obligations of the Governmental Lender.

8. All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Governmental Lender of its obligations under the Governmental Lender Agreements have been obtained and are in full force and effect.

9. To the best knowledge of the undersigned, the execution and delivery of the Governmental Lender Notes, the execution, delivery, and performance of and compliance with the provisions thereof by the Governmental Lender do not and will not conflict with or constitute on the part of the Governmental Lender a breach of, or a default under, any existing law, regulation, decree, order, or resolution or any agreement, indenture, mortgage, lease, or other instrument to which the Governmental Lender is subject or by which it is bound.

10. To the best knowledge of the undersigned, no litigation is pending, with service of process completed, or threatened (a) to restrain or enjoin delivery of the Governmental

Lender Notes or the pledge of revenues and other assets for the payment of the Governmental Lender Notes, respectively, pursuant to the Governmental Lender Agreements; (b) in any way contesting or affecting the authority for the execution of the Governmental Lender Notes, or the delivery or the validity thereof, or the validity of the Governmental Lender Agreements; or (c) in any way materially adversely affecting or questioning the existence or powers of the Governmental Lender.

11. The Governmental Lender has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof under the Governmental Lender Agreements, and the representations and warranties of the Governmental Lender contained herein and in each of the Governmental Lender Agreements are true and correct as of the date hereof in all material respects.

12. The Governmental Lender Agreements and the Resolution are in full force and effect and have not been amended, modified or supplemented.

13. At or prior to the date hereof, the Governmental Lender has performed all of its obligations, complied or will comply with all agreements, covenants and arrangements and satisfied all conditions on its part to be complied with, performed or satisfied under the Governmental Lender Agreements or in connection with the delivery of the Governmental Lender Notes.

14. The delivery of the Governmental Lender Notes, and the representations and warranties of the Governmental Lender contained herein and in each of the Governmental Lender Agreement, as applicable, are true and correct as of the date hereof in all material respects.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Funding Loan Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the date first above written.

CALIFORNIA HOUSING FINANCE
AGENCY

By: 

Erwin Tam
Director of Financing

[Signature page – Certificate of the Governmental Lender – 515 Pioneer Drive]

EXHIBIT A

(Resolution No. Resolution No. 22-06)

1 BOARD OF DIRECTORS
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

3 RESOLUTION NO. 22-06

4 RESOLUTION AUTHORIZING THE FINANCING OF THE AGENCY'S
5 MULTIFAMILY HOUSING PROGRAM, THE ISSUANCE OF MULTIFAMILY
6 BONDS, THE AGENCY'S MULTIFAMILY BOND INDENTURES, CREDIT
7 FACILITIES FOR MULTIFAMILY PURPOSES, AND RELATED FINANCIAL
8 AGREEMENTS AND CONTRACTS FOR SERVICES

9 WHEREAS, the California Housing Finance Agency (the "Agency") has
10 determined that there exists a need in California for the financing of mortgage loans for the
11 acquisition, construction, rehabilitation, refinancing or development of multi-unit rental housing
12 developments for the purpose of providing housing for persons and families of low or moderate
13 income (each a "Development");

14 WHEREAS, the Agency has determined that it is in the public interest for the
15 Agency to assist in providing such financing by means of an ongoing program to make or
16 acquire, or to make loans to lenders to make or acquire, mortgage loans (the "Loans"), or to act
17 as a conduit issuer, or otherwise to enter into such financial agreements and arrangements as may
18 reasonably be required for the purpose of financing Developments (the "Program");

19 WHEREAS, pursuant to Parts 1 through 4 of Division 31 of the Health and Safety
20 Code of the State of California (the "Act"), the Agency has the authority to issue bonds to
21 provide sufficient funds for the Program, including the making of loans to finance
22 Developments, the payment of capitalized interest on bonds, the establishment of reserves to
23 secure bonds, and the payment of other costs of the Agency incident to, and necessary or
24 convenient to, the issuance of bonds (the "Program Purposes"); and

25 WHEREAS, pursuant to the Act, the Agency has the authority to enter into credit
26 facilities and certain other agreements in connection with the Program;

27 NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the
28 California Housing Finance Agency as follows:

29 ARTICLE I
30 AUTHORIZATION AND TERMS OF REFUNDING BONDS

31 Section 1. **Determination of Need and Amount of Refunding Bonds.** The Agency
32 is of the opinion and hereby determines that the offer, sale and issuance of one or more series of
33 multifamily housing revenue bonds ("Refunding Bonds") in an aggregate amount not to exceed
34 the aggregate amount of prior multifamily bonds to be redeemed or maturing in connection with
35 such issuance (the related "Refunded Bonds") is necessary to provide sufficient funds for the
36 management of the Agency's existing debt related to the Program, or to provide sufficient funds
37 for Board-authorized, Agency financing of Developments (including permanent financing for
38 Developments which may originally be financed in part by Conduit Bonds, as defined herein), or
39 financing, refinancing or carrying existing Loans, and for related Program Purposes.

1 Section 2. **Authorization and Timing of Refunding Bonds.** The Refunding Bonds
2 described in Section 1 are hereby authorized to be issued for the purposes described in Section 1.
3 Refunding Bonds may be issued at such time or times on or before the day 60 days after the first
4 date after March 1, 2023 on which is held a meeting of the Board of Directors of the Agency (the
5 “Board”) at which a quorum is present, as the Executive Director of the Agency (the “Executive
6 Director”) deems appropriate, upon consultation with the Treasurer of the State of California (the
7 “Treasurer”) as to the timing of each such issuance; *provided, however,* that if the Refunding
8 Bonds are sold at a time on or before the day 60 days after the date on which is held such
9 meeting, pursuant to a forward purchase agreement providing for the issuance of such Refunding
10 Bonds on a later date on or before October 1, 2024, upon specified terms and conditions, such
11 Refunding Bonds may be issued on such later date.

12 Section 3. **Approval of Refunding Bond Indentures.** (a) Refunding Bonds may be
13 issued under and pursuant to any new indenture or similar form of document (each a “Refunding
14 Bond New Indenture”), in one or more forms similar to one or more of the following
15 (collectively, the “Refunding Bond Prior Indentures” and, together with the Refunding Bond New
16 Indentures, the “Refunding Bond Indentures”):

17 (i) the Multifamily Housing Revenue Bonds III indenture, dated as of
18 March 1, 1997;

19 (ii) the Affordable Multifamily Housing Revenue Bonds indenture,
20 dated as of December 1, 2009;

21 (iii) any indenture authorizing Special Obligation Multifamily Housing
22 Revenue Bonds; or

23 (iv) any indenture authorizing Multifamily Housing Revenue Bonds
24 (FHA Risk-Share Insured Mortgage Loan program).

25 (b) The Executive Director and the Secretary of the Board (the “Secretary”)
26 are hereby authorized and directed, for and on behalf and in the name of the Agency, to execute
27 and acknowledge and to deliver with respect to each series of Refunding Bonds a Refunding
28 Bond Indenture with such changes therein as the officers executing the same approve upon
29 consultation with the Agency’s legal counsel, such approval to be conclusively evidenced by the
30 execution and delivery thereof.

31 The Executive Director is hereby expressly authorized and directed, for and on
32 behalf and in the name of the Agency, to determine in furtherance of the objectives of the
33 Program those matters required to be determined under the applicable Refunding Bond Indenture
34 in connection with the issuance of each such series of Refunding Bonds.

35 ARTICLE II
36 AUTHORIZATION AND TERMS OF NEW MONEY BONDS

37 Section 4. **Determination of Need and Amount of New Money Bonds.** The
38 Agency is of the opinion and hereby determines that the offer, sale and issuance of one or more
39 series of multifamily housing revenue bonds (“New Money Bonds”) in an aggregate amount not

1 to exceed the sum of the following amounts is necessary to provide sufficient funds for new
2 lending under the Program:

3 (i) the aggregate amount of private activity bond allocations under
4 federal tax law heretofore or hereafter made available to the Agency for such
5 purpose, plus the preservation of allocations made available to other bond issuers
6 pursuant to 26 U.S.C. 146(i)(6); and

7 (ii) if and to the extent the New Money Bonds are “qualified 501(c)(3)
8 bonds” under federal tax law, are not “private activity bonds” under federal tax
9 law, or are determined by the Executive Director to be intended not to be tax-
10 exempt for federal income tax purposes, \$500,000,000.

11 Section 5. **Authorization and Timing of New Money Bonds.** The New Money
12 Bonds described in Section 4 are hereby authorized to be issued for the purpose of financing the
13 acquisition, construction, rehabilitation, refinancing or development of Developments and for
14 other Program Purposes. New Money Bonds may be issued at such time or times on or before the
15 day 60 days after the first date after March 1, 2023 on which is held a meeting of the Board at
16 which a quorum is present, as the Executive Director deems appropriate, upon consultation with
17 the Treasurer as to the timing of each such issuance; *provided, however*, that if the New Money
18 Bonds are sold at a time on or before the day 60 days after the date on which is held such
19 meeting, pursuant to a forward purchase agreement providing for the issuance of such New
20 Money Bonds on a later date on or before October 1, 2024, upon specified terms and conditions,
21 such New Money Bonds may be issued on such later date.

22 Section 6. **Approval of New Money Bond Indentures.** (a) New Money Bonds
23 may be issued under and pursuant to any new indenture or similar form of document (each a
24 “New Money Bond New Indenture”), in one or more forms similar to one or more of the
25 following (collectively, the “New Money Bond Prior Indentures” and, together with the New
26 Money Bond New Indentures, the “New Money Bond Indentures”):

27 (i) the Multifamily Housing Revenue Bonds III indenture, dated as of
28 March 1, 1997;

29 (ii) the Affordable Multifamily Housing Revenue Bonds indenture,
30 dated as of December 1, 2009;

31 (iii) any indenture authorizing Special Obligation Multifamily Housing
32 Revenue Bonds; or

33 (iv) any indenture authorizing Multifamily Housing Revenue Bonds
34 (FHA Risk-Share Insured Mortgage Loan program).

35 (b) The Executive Director and the Secretary are hereby authorized and
36 directed, for and on behalf and in the name of the Agency, to execute and acknowledge and to
37 deliver with respect to each series of New Money Bonds a New Money Bond Indenture with
38 such changes therein as the officers executing the same approve upon consultation with the

1 Agency’s legal counsel, such approval to be conclusively evidenced by the execution and
2 delivery thereof.

3 The Executive Director is hereby expressly authorized and directed, for and on
4 behalf and in the name of the Agency, to determine in furtherance of the objectives of the
5 Program those matters required to be determined under the applicable New Money Bond
6 Indenture in connection with the issuance of each such series of New Money Bonds.

7 ARTICLE III
8 AUTHORIZATION AND TERMS OF CONDUIT BONDS

9 Section 7. **Determination of Need and Amount of Conduit Bonds.** The Agency is
10 of the opinion and hereby determines that the offer, sale and issuance of one or more series of
11 multifamily housing revenue bonds on a “conduit” basis, meaning that (a) the Agency is not liable
12 for payment of the principal of, premium or interest on such bonds, except from revenues
13 received from loans made or purchased with the proceeds of such bonds and related or ancillary
14 collateral, (b) the Agency has not contributed or pledged any funds or assets to such bonds other
15 than the collateral described in the immediately preceding clause, and (c) there is otherwise no
16 obligation of or material financial risk to the General Fund of the Agency under the terms of such
17 bonds (the “Conduit Bonds”), in an aggregate amount not to exceed the sum of the following
18 amounts, is necessary to provide sufficient funds for the Program:

19 (i) the aggregate amount of private activity bond allocations under
20 federal tax law heretofore or hereafter made available to the Agency for such
21 purpose, plus the preservation of allocations made available to other bond issuers
22 pursuant to 26 U.S.C. 146(i)(6); and

23 (ii) if and to the extent the Conduit Bonds are (A) refunding bonds in
24 an aggregate amount not to exceed the aggregate amount of bonds to be redeemed
25 or maturing in connection with such issuance, (B) “qualified 501(c)(3) bonds”
26 under federal tax law, (C) are otherwise not “private activity bonds” under federal
27 tax law, or (D) are determined by the Executive Director not to be intended to be
28 tax-exempt for federal income tax purposes, \$2,500,000,000.

29 Section 8. **Authorization and Timing of Conduit Bonds.** The Conduit Bonds
30 described in Section 7 are hereby authorized to be issued for the purpose of providing funding for
31 the Program, and for other Program Purposes. Conduit Bonds may be issued at such time or
32 times on or before the day 60 days after the first date after March 1, 2023 on which is held a
33 meeting of the Board at which a quorum is present, as the Executive Director deems appropriate,
34 upon consultation with the Treasurer as to the timing of each such issuance; *provided, however,*
35 that if Conduit Bonds are sold at a time on or before the day 60 days after the date on which is
36 held such meeting, pursuant to a forward purchase agreement providing for the issuance of such
37 Conduit Bonds on a later date on or before October 1, 2024, upon specified terms and conditions,
38 such Conduit Bonds may be issued on such later date.

39 Section 9. **Approval of Conduit Bond Indentures.** (a) Conduit Bonds may be
40 issued under and pursuant to any indenture or similar form of document (each a “Conduit Bond

1 Indenture”) meeting the requirements for Conduit Bonds described in Section 7(a), (b) and (c),
2 above.

3 (b) The Executive Director and the Secretary are hereby authorized and
4 directed, for and on behalf and in the name of the Agency, to execute and acknowledge and to
5 deliver with respect to each series of Conduit Bonds a Conduit Bond Indenture with such
6 changes therein as the officers executing the same approve upon consultation with the Agency’s
7 legal counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

8 The Executive Director is hereby expressly authorized and directed, for and on
9 behalf and in the name of the Agency, to determine in furtherance of the objectives of the
10 Program those matters required to be determined under the applicable Conduit Bond Indenture in
11 connection with the issuance of each such series of Conduit Bonds.

12 ARTICLE IV
13 PROVISIONS APPLICABLE TO ALL BONDS ISSUED UNDER THIS RESOLUTION

14 Section 10. **Approval of Forms and Terms of Bonds.** Refunding Bonds, New
15 Money Bonds and Conduit Bonds (collectively, “Bonds”) shall be in such denominations, have
16 such registration provisions, be executed in such manner, be payable in such medium of payment
17 at such place or places within or outside of the State of California, be subject to such terms of
18 prepayment or redemption (including from such sinking fund installments as may be provided
19 for) and contain such terms and conditions as each Refunding Bond Indenture, New Money Bond
20 Indenture or Conduit Bond Indenture (each a “Bond Indenture”) shall provide. Bonds shall have
21 the maturity or maturities and shall bear interest at the fixed, adjustable or variable rate or rates
22 deemed appropriate by the Executive Director in furtherance of the objectives of the Program.

23 Bonds and the related Bond Indenture(s) may contain such provisions as may be
24 necessary to accommodate an option to put such Bonds prior to maturity for purchase by or on
25 behalf of the Agency or a person other than the Agency, to accommodate the requirements of
26 any provider of bond insurance or other credit enhancement or liquidity support or to
27 accommodate the requirements of purchasers of indexed floating-rate bonds.

28 Bonds may be issued on a drawdown basis comprised of one or more advances.
29 For purposes of Sections 2, 5 and 8, the date of the initial draw (or advance) for any issue of
30 drawdown Bond shall be considered the issue date of such issue.

31 Bonds may otherwise have such commercially reasonable terms as may be
32 approved by the Executive Director, such approval to be evidenced by the execution and delivery
33 of the documents relating to such Bonds in accordance with this resolution.

34 Section 11. **Authorization of Disclosure.** The Executive Director is hereby
35 authorized to circulate one or more preliminary official statements relating to Bonds and to
36 execute and circulate one or more official statements relating to Bonds, and the circulation of such
37 preliminary official statement and such official statement to prospective and actual purchasers of
38 Bonds is hereby approved. The Executive Director is further authorized to hold information
39 meetings concerning Bonds and to distribute other information and material relating to Bonds,

1 including by posting of such information on one or more websites maintained by or at the
2 direction of the Agency.

3 Section 12. Authorization of Sale of Bonds. Bonds are hereby authorized to be sold
4 at negotiated or competitive sale or sales, including but not limited to private placements and
5 public offerings. The Executive Director is hereby authorized and directed, for and in the name
6 and on behalf of the Agency, to execute and deliver one or more agreements, by and among the
7 Agency, the Treasurer, if applicable, and such purchasers or underwriters as the Executive
8 Director may select (the "Purchasers"), relating to the sale of the Bonds, in such form as the
9 Executive Director may approve upon consultation with the Agency's legal counsel, such
10 approval to be evidenced conclusively by the execution and delivery of said agreements by the
11 Executive Director.

12 The Treasurer is hereby authorized and requested, without further action of this
13 Board and unless instructed otherwise by this Board, to sell the Bonds pursuant to the terms and
14 conditions set forth in each such agreement as finally executed on behalf of the Agency. The
15 Treasurer is hereby further authorized and requested to deposit the proceeds of any good faith
16 deposit to be received by the Treasurer under the terms of such agreement in a special trust
17 account for the benefit of the Agency, and the amount of such deposit shall be retained by the
18 Agency, applied at the time of delivery of the applicable Bonds as part of the purchase price
19 thereof, or returned to the Purchasers, as provided in such agreement.

20 Section 13. Authorization of Execution of Bonds. The Executive Director is hereby
21 authorized and directed to execute, and the Secretary is hereby authorized and directed to attest,
22 for and on behalf and in the name of the Agency and under its seal, the Bonds, in an aggregate
23 amount not to exceed the amount authorized hereby, in accordance with each Bond Indenture in
24 one or more of the forms set forth in such indenture.

25 Section 14. Authorization of Delivery of Bonds. The Bonds when so executed shall
26 be delivered to the trustee, fiscal agent or other authenticating agent ("Trustee") to be
27 authenticated or caused to be duly and properly authenticated. The Trustee is hereby requested
28 and directed to authenticate, or cause to be authenticated, the Bonds by the execution of the
29 certificate of authentication and registration appearing thereon, and to deliver or cause to be
30 delivered the Bonds when duly executed and authenticated to the Purchasers in accordance with
31 written instructions executed on behalf of the Agency by the Executive Director, which
32 instructions said officer is hereby authorized and directed, for and on behalf and in the name of
33 the Agency, to execute and deliver to the Trustee.

34 Section 15. Authorization of Program Documents. The Executive Director is
35 hereby authorized and directed to execute all documents the Executive Director deems necessary
36 or appropriate in connection with the Program, including but not limited to (in each case with
37 such other parties as the Executive Director may select in furtherance of the objectives of the
38 Program):

39 (a) regulatory agreements, loan agreements, origination and/or servicing
40 agreements (or other loan-to-lender documents), developer agreements, financing agreements,
41 investment agreements, intercreditor agreements, subordination agreements, agreements to enter

1 into escrow and forward purchase agreements, escrow and forward purchase agreements,
2 refunding agreements and continuing disclosure agreements;

3 (b) one or more mortgage sale agreements with such purchasers as the
4 Executive Director may select in accordance with the objectives of the Program (and any such
5 sale of Loans may be on either a current or a forward purchase basis);

6 (c) contracts to conduct foreclosures of mortgages owned or serviced by the
7 Agency with such attorneys or foreclosure companies as the Executive Director may select in
8 accordance with the objectives of the Program;

9 (d) contracts for the sale of foreclosed properties with such purchasers as the
10 Executive Director may select in accordance with the objectives of the Program, which may be
11 on an all-cash basis or may include financing by the Agency; and

12 (e) any other agreements, including but not limited to real estate brokerage
13 agreements and construction contracts, necessary or convenient for the rehabilitation, listing and
14 sale of such foreclosed properties.

15 Section 16. **Authorization of Credit Facilities and Related Agreements.** The
16 Executive Director is hereby authorized to enter into, for and in the name and on behalf of the
17 Agency, one or more short-term or long-term credit facilities, together with any extensions or
18 other amendments thereto, including but not limited to repurchase agreements, for the purposes of
19 (i) improving the credit and/or liquidity profile of Bonds of the Agency, (ii) making or financing
20 the purchase of Loans and/or mortgage-backed securities on an interim basis, prior to the sale
21 thereof to third parties and/or the financing thereof with Bonds, whether issued or to be issued, or
22 other internal or external Agency sources, as authorized by the Board; (iii) financing expenditures
23 of the Agency incident to, and necessary or convenient to, the issuance of Bonds and/or the
24 preservation of private activity bond volume cap for subsequent recycling, including, but not
25 limited to, Agency expenditures to pay costs of issuance, capitalized interest, redemption price of
26 Prior Bonds (as defined below) of the Agency or bonds issued by another issuer for the purpose of
27 preservation of private activity volume cap for subsequent recycling, costs relating to credit
28 enhancement or liquidity support, costs relating to investment products, or net payments and
29 expenses relating to interest rate hedges and other financial products; and (iv) enabling the
30 Agency to restructure existing debt and related purposes, including, but not limited to, the
31 redemption of existing bonds and the acquisition of bonds that have been put to liquidity
32 providers as bank bonds. Any such credit facility may be secured by any Loans, mortgage-
33 backed securities and/or other assets thereunder and/or the general obligation of the Agency. Any
34 such credit facility may be from any appropriate source as determined by the Director of
35 Financing and approved by the Executive Director; provided, however, that the aggregate
36 outstanding principal amount of credit facilities authorized under this resolution and the other
37 financing resolutions adopted at the same meeting, as amended from time to time, may not at any
38 time exceed \$1,000,000,000. For purposes of clarity, the above limitation applicable to credit
39 facilities does not limit the amount of Bonds authorized by this resolution.

40 The Executive Director is hereby further authorized to enter into, for and in the
41 name and on behalf of the Agency, one or more reimbursement agreements, letter of credit

1 agreements, standby bond purchase agreements, or other arrangements with respect to credit
2 enhancement or liquidity support, and any intercreditor agreements related thereto, together with
3 any extensions or other amendments thereto.

4 Section 17. **Use of Agency Moneys for Debt Restructuring.** The Executive Director
5 is hereby authorized to use available Agency moneys (other than and in addition to the proceeds
6 of Bonds) (i) to make or purchase loans to be financed by Bonds (including Bonds authorized by
7 prior resolutions of the Board) in anticipation of draws on a credit facility, the issuance of Bonds
8 or the availability of Bond proceeds for such purposes and (ii) to purchase Agency Bonds to
9 enable the Agency to restructure its debt and for related purposes as authorized under Resolution
10 No. 08-42 and any future Board resolutions amendatory or supplemental thereto.

11 The Executive Director is hereby authorized to use available Agency moneys to
12 purchase Agency Bonds to enable the Agency to restructure its debt and for related purposes.
13 Any Agency Bonds so purchased shall remain outstanding for all purposes except to the extent
14 that the Executive Director expressly provides for the retirement or redemption, and cancellation,
15 of such Bonds. Any Agency Bonds so purchased may be purchased and resold, in each case on
16 such terms as may be determined by the Executive Director to be in the best interests of the
17 Agency. The Agency may establish any account or accounts as may be necessary or desirable in
18 connection with the purchase of such Bonds.

19 Section 18. **Authorization of Other Financial Agreements Related to Bonds.** The
20 Executive Director is hereby authorized to enter into, for and in the name and on behalf of the
21 Agency, any and all agreements and documents designed to amend, modify or replace existing
22 agreements and documents related to Bonds to (i) reduce or hedge the amount or duration of any
23 payment, interest rate, spread or similar risk with respect to Bonds or related investments,
24 (ii) result in a lower cost of borrowing when used in combination with the issuance or carrying of
25 Bonds or related investments, or (iii) enhance the relationship between risk and return with
26 respect to the existing debt of the Program or any portion thereof. Such agreements and other
27 documents are authorized to be entered into with parties selected by the Executive Director, after
28 giving due consideration for the creditworthiness of the counterparties, when applicable, or any
29 other criteria in furtherance of the objectives of the management of the debt of the Program.

30 Section 19. **Ratification of Prior Actions; Not a Repeal of Prior Resolutions.**
31 (a) All actions previously taken by the officers of the Agency in connection with the
32 implementation of the Program, including but not limited to the issuance of the Bonds, the
33 issuance of any prior bonds of the Agency (the "Prior Bonds"), the execution and delivery of
34 related financial agreements and related program agreements and the implementation of any credit
35 facilities as described above are hereby approved and ratified.

36 (b) This resolution is not intended to repeal in whole or in part any prior
37 resolution of the Agency with respect to the authority granted to the Executive Director in
38 relation to Prior Bonds and related agreements, including but not limited to (i) the authority to
39 determine in furtherance of the objectives of the Program those matters required to be
40 determined in relation to Prior Bonds, whether under indentures or other related agreements, and
41 (ii) the authority to amend, modify or replace financial agreements of the types described in
42 Section 18 of this resolution.

1 Section 20. **Authorization of Related Actions and Agreements.** The Treasurer and
2 any duly authorized deputy thereof, the Executive Director, and any other persons authorized in
3 writing by the Executive Director are hereby authorized and directed, jointly and severally, to do
4 any and all things and to execute and deliver any and all agreements and documents which they
5 individually or collectively deem necessary or advisable in order to consummate the issuance,
6 sale, delivery, remarketing, conversion and administration of Bonds and Prior Bonds and
7 otherwise to effectuate the purposes of this resolution, including declaring the official intent of the
8 Agency for purposes of U.S. Treasury Regulations Section 1.150-2, and including executing and
9 delivering any amendment or supplement to any agreement or document, or executing and
10 delivering any termination agreement or other document relating to Bonds or Prior Bonds in any
11 manner. Such agreements may include, but are not limited to, remarketing agreements, tender
12 agreements or similar agreements regarding any put option for Bonds or Prior Bonds, broker-
13 dealer agreements, market agent agreements, auction agent agreements or other agreements
14 necessary or desirable in connection with the issuance of Bonds in, or the conversion of Bonds or
15 Prior Bonds to or from, an auction rate mode or an indexed rate mode, agreements for the
16 investment of moneys relating to the Bonds or Prior Bonds, reimbursement agreements, letter of
17 credit agreements, intercreditor agreements or other arrangements relating to any credit
18 enhancement or liquidity support or put option provided for the Bonds or the Prior Bonds,
19 continuing disclosure agreements and agreements for necessary services provided in the course of
20 the issuance of the bonds, including but not limited to, agreements with bond underwriters,
21 remarketing agents, placement agents, private placement purchasers, bond trustees, fiscal agents,
22 escrow agents, bond counsel and financial advisors and contracts for consulting services or
23 information services relating to the financial management of the Agency, including advisors or
24 consultants on interest rate swaps, cash flow management, and similar matters, and contracts for
25 financial printing and similar services. The Executive Director, any persons authorized in writing
26 by the Executive Director are hereby authorized and directed, jointly and severally, to provide as
27 necessary for payment of costs of issuance related to Bonds and to provide for the Agency to
28 contribute capital as necessary to facilitate the issuance of Bonds.

29 This resolution shall constitute full, separate, complete and additional authority
30 for the execution and delivery of all agreements and instruments described in this resolution,
31 without regard to any limitation in the Agency's regulations and without regard to any other
32 resolution of the Board that does not expressly amend and limit this resolution.

33 Section 21. **Certain Definitions.** For purposes of this resolution, the term "financing"
34 shall include both "financing and "refinancing", the term "bonds" shall include, as set forth in
35 Section 50058 of the Act, "bonds, notes (including bond anticipation notes and construction loan
36 notes), debentures, interim or other certificates, or other evidences of financial indebtedness
37 issued by the Agency, the term "indenture" shall include indentures, trust agreements, loan
38 agreements, financing agreements and all comparable documents providing for the issuance of
39 bonds, and the term "costs of issuance" shall include costs of refunding or other customary
40 transaction costs as applicable.

41 Section 22. **Additional Delegation.** Any and all actions by the Executive Director
42 approved or authorized by this resolution may be taken instead by the Chief Deputy Director of
43 the Agency or the Director of Financing of the Agency, or by any other person specifically
44 authorized in writing by the Executive Director, and except to the extent otherwise taken by

1 another person shall be taken by the Chief Deputy Director during any period during which the
2 office of the Executive Director is vacant.

1 SECRETARY'S CERTIFICATE

2 I, CLAIRE TAURIAINEN, the undersigned, do hereby certify that I am the duly authorized
3 Secretary of the Board of Directors of the California Housing Finance Agency, and hereby further
4 certify that the foregoing is a full, true, and correct copy of Resolution No. 22-06 duly adopted at
5 a regular meeting of the Board of Directors of the California Housing Finance Agency duly called
6 and held on the 21st day of April 2022, at which meeting all said directors had due notice, a quorum
7 was present and that at said meeting said resolution was adopted by the following vote:


8 AYES: Avila Farias, Cervantes, Imbasciani, Hunter, Starr (for Ma),
9 Velasquez, Castro Ramirez, Sotelo, White

10 NOES: None

11 ABSTENTIONS: None

12 ABSENT: Gallagher, Prince

13 IN WITNESS WHEREOF, I have executed this certificate hereto this 21st day of April,
14 2022.



CLAIRE TAURIAINEN
Secretary of the Board of Directors of the
California Housing Finance Agency

FUNDING LOAN AGREEMENT

among

**BANK OF AMERICA, N.A.,
as Funding Lender**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Fiscal Agent**

and

**CALIFORNIA HOUSING FINANCE AGENCY,
as Governmental Lender**

Dated as of December 1, 2022

relating to:

\$82,467,538

**California Housing Finance Agency
Limited Obligation Multifamily Housing Revenue Note
(515 Pioneer Drive) 2022 Issue X (Tax-Exempt)**

\$9,177,478

**California Housing Finance Agency
Limited Obligation Multifamily Housing Revenue Note
(515 Pioneer Drive) 2022 Issue X-T (Taxable)**

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1.	Definitions	2
Section 1.2.	Effect of Headings and Table of Contents	17
Section 1.3.	Date of Funding Loan Agreement.....	17
Section 1.4.	Designation of Time for Performance.....	17
Section 1.5.	Interpretation	17

ARTICLE II

TERMS; GOVERNMENTAL LENDER NOTES

Section 2.1.	Terms.....	17
Section 2.2.	Form of Governmental Lender Notes.....	20
Section 2.3.	Execution and Delivery of Governmental Lender Notes	20
Section 2.4.	Authentication	21
Section 2.5.	Registration and Transfer of Governmental Lender Notes	21
Section 2.6.	Required Transferee Representations; Participations; Sale and Assignment.....	22

ARTICLE III

PREPAYMENT

Section 3.1.	Prepayment of the Governmental Lender Notes From Prepayment under the Related Borrower Note.....	23
Section 3.2.	Notice of Prepayment.....	23
Section 3.3.	Recycling Transactions	23

ARTICLE IV

SECURITY

Section 4.1.	Security for the Funding Loan.....	24
Section 4.2.	Delivery of Security	25

ARTICLE V

LIMITED LIABILITY

Section 5.1.	Source of Payment of Funding Loan and Other Obligations	26
Section 5.2.	Exempt From Individual Liability.....	26

TABLE OF CONTENTS
(continued)

Page

ARTICLE VI

CLOSING CONDITIONS; APPLICATION OF FUNDS

Section 6.1.	Conditions Precedent to Closing	26
--------------	---------------------------------------	----

ARTICLE VII

FUNDS AND ACCOUNTS

Section 7.1.	Authorization to Create Funds and Accounts.....	27
Section 7.2.	[Reserved].....	28
Section 7.3.	Establishment of Funds	28
Section 7.4.	Funding Loan Payment Fund	28
Section 7.5.	Expense Fund	29
Section 7.6.	Closing Costs Fund.....	29
Section 7.7.	Project Fund.....	30
Section 7.8.	Rebate Fund.....	31
Section 7.9.	Investments.....	32

ARTICLE VIII

REPRESENTATIONS AND COVENANTS

Section 8.1.	General Representations	32
Section 8.2.	No Encumbrance on Security	33
Section 8.3.	Repayment of Funding Loan	33
Section 8.4.	Servicer.....	33
Section 8.5.	Borrower Loan Agreement Performance	33
Section 8.6.	Maintenance of Records; Inspection of Records.....	34
Section 8.7.	Tax Covenants	34
Section 8.8.	Performance by the Borrower	35
Section 8.9.	Maintenance of Records	35
Section 8.10.	Monthly Statements.....	35

ARTICLE IX

DEFAULT; REMEDIES

Section 9.1.	Provisions Regarding Any Default and Acceleration	36
Section 9.2.	Events of Default.....	36
Section 9.3.	Acceleration of Maturity; Rescission and Annulment	37
Section 9.4.	Additional Remedies; Funding Lender Enforcement.....	38
Section 9.5.	Application of Money Collected	39
Section 9.6.	Remedies Vested in Funding Lender	40
Section 9.7.	Restoration of Positions.....	40
Section 9.8.	Rights and Remedies Cumulative	40

TABLE OF CONTENTS
(continued)

	Page
Section 9.9. Delay or Omission Not Waiver	40
Section 9.10. Waiver of Past Defaults	40
Section 9.11. Remedies Under Borrower Loan Agreement or Borrower Notes	41
Section 9.12. Waiver of Appraisal and Other Laws	41
Section 9.13. Suits to Protect the Security	41
Section 9.14. Remedies Subject to Applicable Law	41
Section 9.15. Assumption of Obligations	41

ARTICLE X

AMENDMENT; AMENDMENT OF BORROWER LOAN AGREEMENT
AND OTHER DOCUMENTS

Section 10.1. Amendment of Funding Loan Agreement	42
Section 10.2. Amendments Require Funding Lender Consent	42
Section 10.3. Consents and Opinions	42

ARTICLE XI

THE FISCAL AGENT

Section 11.1. Appointment of Fiscal Agent; Acceptance	43
Section 11.2. Certain Duties and Responsibilities of Fiscal Agent	43
Section 11.3. Notice of Defaults	44
Section 11.4. Certain Rights of Fiscal Agent	44
Section 11.5. Not Responsible for Recitals	46
Section 11.6. May Hold Funding Loan	47
Section 11.7. Moneys Held in Trust	47
Section 11.8. Compensation and Reimbursement	47
Section 11.9. Fiscal Agent Required; Eligibility	48
Section 11.10. Resignation and Removal; Appointment of Successor	48
Section 11.11. Acceptance of Appointment by Successor	49
Section 11.12. Merger, Conversion, Consolidation or Succession to Business	49
Section 11.13. Appointment of Co-Fiscal Agent	50
Section 11.14. Loan Servicing	50
Section 11.15. No Recourse Against Officers or Employees of Fiscal Agent	50

ARTICLE XII

MISCELLANEOUS

Section 12.1. Notices	51
Section 12.2. Term of Funding Loan Agreement	53
Section 12.3. Successors and Assigns	53
Section 12.4. Legal Holidays	53
Section 12.5. Governing Law	53

TABLE OF CONTENTS
(continued)

	Page
Section 12.6. Entire Agreement; Severability	53
Section 12.7. Execution in Several Counterparts	53
Section 12.8. Nonrecourse Obligation of the Borrower	53
Section 12.9. Waiver of Trial by Jury	53
Section 12.10. Electronic Transactions	54
Section 12.11. Reference Date	54
EXHIBIT A	FORM OF GOVERNMENTAL LENDER NOTES
EXHIBIT B	FORM OF REQUIRED TRANSFEREE REPRESENTATIONS
EXHIBIT C	FORM OF WRITTEN REQUISITION (PROJECT FUND)
EXHIBIT D	CLOSING COSTS REQUISITION
EXHIBIT E	INITIAL DEPOSITS AT CLOSING

FUNDING LOAN AGREEMENT

This Funding Loan Agreement, dated as of December 1, 2022 (this “Funding Loan Agreement”), is entered into by BANK OF AMERICA, N.A., a national banking association, as initial funding lender (together with any successor hereunder, the “Funding Lender”), CALIFORNIA HOUSING FINANCE AGENCY (together with its successors and assigns, the “Governmental Lender”), a public instrumentality and political subdivision of the State of California (the “State”) created by the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code (the “Act”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as fiscal agent (the “Fiscal Agent”).

RECITALS:

WHEREAS, pursuant to the Act, the Governmental Lender is authorized: (a) to make loans to provide financing for residential rental developments intended to be occupied by persons of low and very low income; (b) to incur indebtedness for the purpose of obtaining moneys to make such loans and provide such financing, to establish any required reserve funds and to pay administrative costs and other costs incurred in connection with the incurrence of such indebtedness of the Governmental Lender; and (c) to pledge the revenues and receipts to be received by the Governmental Lender from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans to secure the payment of the principal of, prepayment premium, if any, on and interest on such indebtedness of the Governmental Lender; and

WHEREAS, LINC-CORE Pioneer LP, a California limited partnership (the “Borrower”), has requested that the Governmental Lender enter into this Funding Loan Agreement under which the Funding Lender will advance funds (the “Funding Loan”) to or for the account of the Governmental Lender, and the Governmental Lender will apply the proceeds of the Funding Loan to make a loan (the “Borrower Loan”) to the Borrower to finance the acquisition, construction and development of a 340-unit (including three manager’s units) multifamily residential rental housing development for families and seniors to be located in Glendale, California, and known or to be known as 515 Pioneer Drive (the “Project”); and

WHEREAS, simultaneously with the delivery of this Funding Loan Agreement, the Governmental Lender, the Funding Lender, the Fiscal Agent and the Borrower will enter into a Borrower Loan Agreement of even date herewith (as it may be supplemented or amended, the “Borrower Loan Agreement”), whereby the Governmental Lender agrees to make the Borrower Loan to the Borrower, and the Borrower agrees to make loan payments to the Governmental Lender in an amount which, when added to other funds available under this Funding Loan Agreement, will be sufficient to enable the Governmental Lender to repay the Funding Loan and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Borrower Loan Agreement, the Borrower will execute and deliver to the Governmental Lender its Promissory Note (Tax-Exempt Loan) (the “Borrower Tax-Exempt Note”), dated as of December 1, 2022, and its Promissory Note

(Taxable) (the “Borrower Taxable Note” and together with Borrower Tax-Exempt Note, the “Borrower Notes”), dated as of December 1, 2022, as assigned to the Funding Lender pursuant to an allonge attached thereto, and the obligations of the Borrower under the Borrower Notes will be secured by a lien on and security interest in the Project pursuant to a Deed of Trust, with Assignment of Rents, Security Agreement and Fixture Filing, dated as of December 1, 2022 (as amended, restated and/or supplemented from time to time, the “Security Instrument”), made by the Borrower in favor of the Governmental Lender and assigned to the Funding Lender to secure, among other things, the performance by the Governmental Lender of its obligations under the Funding Loan Agreement; and

WHEREAS, the Governmental Lender has executed and delivered to the Funding Lender its California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt) (the “Tax-Exempt Governmental Lender Note”) and its California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) (the “Taxable Governmental Lender Note” and together with the Tax-Exempt Governmental Lender Note, the “Governmental Lender Notes”) evidencing its obligation to make the payments due to the Funding Lender under the Funding Loan as provided in this Funding Loan Agreement, all things necessary to make this Funding Loan Agreement the valid, binding and legal limited obligation of the Governmental Lender, have been done and performed and the execution and delivery of this Funding Loan Agreement and the execution and delivery of the Governmental Lender Notes, subject to the terms hereof, have in all respects been duly authorized.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1. Definitions. For all purposes of this Funding Loan Agreement, except as otherwise expressly provided or unless the context otherwise clearly requires:

(a) Unless specifically defined herein, all capitalized terms shall have the meanings ascribed thereto in the Borrower Loan Agreement.

(b) The terms “herein,” “hereof” and “hereunder” and other words of similar import refer to this Funding Loan Agreement as a whole and not to any particular Article, Section or other subdivision. The terms “agree” and “agreements” contained herein are intended to include and mean “covenant” and “covenants.”

(c) All references made (i) in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Singular terms shall include the plural as well as the singular, and vice versa.

(d) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with the Approved Accounting Method. All references herein to “Approved Accounting Method” refer to such principles as they exist at the date of application thereof.

(e) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(g) References to the Tax-Exempt Governmental Lender Note as “tax exempt” or to the “tax exempt status” of the Tax-Exempt Governmental Lender Note are to the exclusion of interest on the Tax-Exempt Governmental Lender Note (other than any portion of the Tax-Exempt Governmental Lender Note held by a “substantial user” of the Project or a “related person” within the meaning of Section 147 of the Code) from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

(h) The following terms have the meanings set forth below:

“Additional Borrower Payments” shall have the meaning given such term in the Borrower Loan Agreement.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly, is in Control of, is Controlled by or is under common Control with such Person.

“Approved Transferee” means (1) a “qualified institutional buyer” (“QIB”) as defined in Rule 144A promulgated under the Securities Act that is a financial institution or commercial bank having capital and surplus of \$5,000,000,000 or more, (2) an affiliate of the Funding Lender, (3) a trust or custodial arrangement established by the Funding Lender or one of its affiliates or any state or local government or any agency or entity which is a political subdivision of a federal, state or local government (a “Governmental Entity”), in each case (i) the beneficial interests in which will be owned only by QIBs or (ii) the beneficial interests in which will be rated in the “BBB” category or higher without regard to modifier (or the equivalent investment grade category) by at least one nationally recognized rating agency, or (4) a Governmental Entity.

“Authorized Amount” means, (i) with respect to the Tax-Exempt Governmental Lender Note, \$82,467,538, the maximum principal amount of the Tax-Exempt Governmental Lender Note authorized under this Funding Loan Agreement; and (ii) with respect to the Taxable Governmental Lender Note, \$9,177,478, the maximum principal amount of the Taxable Governmental Lender Note authorized under this Funding Loan Agreement.

“Authorized Governmental Lender Representative” means the Executive Director, the Director of Financing, the Chief Deputy Director, and such additional Person or

Persons, if any, duly designated in writing for such purpose by the Executive Director of the Governmental Lender.

“Borrower” means LINC-CORE Pioneer LP, a California limited partnership, and its permitted successors and assigns.

“Borrower Controlling Entity” means any general partner or managing partner of the Borrower.

“Borrower Equity Account” means the Borrower Equity Account of the Project Fund established under Section 7.3 hereof.

“Borrower Loan” means the mortgage loan made by the Governmental Lender pursuant to the Borrower Loan Agreement in the maximum principal amount of the Borrower Loan Amount, as evidenced by the Borrower Notes.

“Borrower Loan Agreement” means the Borrower Loan Agreement, of even date herewith, among the Governmental Lender, the Funding Lender, the Fiscal Agent, and the Borrower, as supplemented, amended or replaced from time to time in accordance with its terms.

“Borrower Loan Agreement Default” means any “Event of Default” set forth in Section 7.1 of the Borrower Loan Agreement. A Borrower Loan Agreement Default shall “exist” if a Borrower Loan Agreement Default shall have occurred and be continuing beyond any applicable cure period.

“Borrower Loan Amount” means \$91,645,016, the maximum aggregate principal amount of the Borrower Loan under the Borrower Loan Agreement.

“Borrower Loan Documents” shall have the meaning given to such term in the Borrower Loan Agreement.

“Borrower Loan Payments” means the monthly payments payable pursuant to the Borrower Notes.

“Borrower Notes” shall have the meaning given such term in the Borrower Loan Agreement.

“Borrower Tax-Exempt Note” shall have the meaning given such term in the Borrower Loan Agreement.

“Borrower Taxable Note” shall have the meaning given such term in the Borrower Loan Agreement.

“Borrower Required Equity” shall have the meaning given such term in the Borrower Loan Agreement.

“Business Day” means any day other than (i) a Saturday or a Sunday, (ii) a day on which federally insured depository institutions in the State of California, New York, New York or in the city where the Fiscal Agent is located are authorized or obligated by law, regulation, governmental decree or executive order to be closed, or (iii) a California state holiday when the Governmental Lender is authorized or obligated to be closed.

“Capitalized Interest Account” means the Capitalized Interest Account of the Project Fund established under Section 7.3 hereof.

“Capitalized Interest Subaccount (Tax-Exempt)” means the Capitalized Interest Subaccount (Tax-Exempt) of the Capitalized Interest Account of the Project Fund established under Section 7.3 hereof.

“Capitalized Interest Subaccount (Taxable)” means the Capitalized Interest Subaccount (Taxable) of the Capitalized Interest Account of the Project Fund established under Section 7.3 hereof.

“Closing Costs Fund” means the fund of that name established under Section 7.3(d) hereof.

“Closing Date” means December 29, 2022, the date that initial proceeds of the Funding Loan are disbursed hereunder.

“Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Completion Deadline” shall have the meaning given such term in the Construction Disbursement Agreement.

“Construction Disbursement Agreement” means that certain Construction Disbursement Agreement dated as of December 1, 2022, between the Initial Funding Lender, in its capacity as Servicer, and the Borrower, pursuant to which the Borrower Loan will be advanced by the Funding Lender (or the Servicer on its behalf), as agent of the Governmental Lender, to the Fiscal Agent for disbursement to the Borrower and setting forth certain provisions relating to disbursement of the Borrower Loan during construction, insurance and other matters, as such agreement may be amended, modified, supplemented and replaced from time to time.

“Control” means, with respect to any Person, either (i) ownership directly or through other entities of more than fifty percent (50%) of all beneficial equity interest in such Person, or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, through the ownership of voting securities, by contract or otherwise.

“Costs of Funding” shall have the meaning given such term in the Borrower Loan Agreement.

“Costs of Funding Deposit” shall have the meaning given such term in the Borrower Loan Agreement.

“Default” means the occurrence of an event, which, under any Funding Loan Document, would, but for the giving of notice or passage of time, or both, be an event of default under the applicable Funding Loan Document.

“Draw-Down Notice” means a notice described in Section 2.1 hereof regarding the conversion of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note from a draw down loan to a fully funded loan.

“Equity Contributions” shall have the meaning given such term in the Borrower Loan Agreement.

“Event of Default” shall have the meaning ascribed thereto in Section 9.2 hereof.

“Expense Fund” means the fund of that name established under Section 7.3(c) hereof.

“Fiscal Agent” means U.S. Bank Trust Company, National Association, a national banking association, as fiscal agent hereunder, and any successor fiscal agent or co-fiscal agent appointed under this Funding Loan Agreement.

“Fiscal Agent Fee” means the ongoing compensation and expenses payable to the Fiscal Agent as follows:

(a) shall mean initial fees of the Fiscal Agent payable on the Closing Date and the annual fee of the Fiscal Agent in the amount of \$3,200.00 annually, payable annually in advance by the Borrower to the Fiscal Agent on each anniversary of the Closing Date, so long as any portion of the Funding Loan is outstanding;

(b) the reasonable fees and charges of the Fiscal Agent for necessary extraordinary services rendered by it and/or reimbursement for extraordinary expenses incurred by it under this Funding Loan Agreement as and when the same become due, including reasonable fees and expenses of legal counsel and internal default administrators (including fees prior to litigation, at trial or for appellate proceedings); provided, however, that the Fiscal Agent shall not be required to undertake any such extraordinary services unless provision for payment of extraordinary expenses satisfactory to the Fiscal Agent shall have been made; and

(c) for purposes of the Borrower Loan Agreement, indemnification of the Fiscal Agent by the Borrower.

“Fitch” means Fitch, Inc., or its successor.

“Funding Lender” means Bank of America, N.A., a national banking association, and any successor under this Funding Loan Agreement and the Borrower Loan Documents.

“Funding Loan Agreement” means this Funding Loan Agreement, dated of December 1, 2022, by and among the Funding Lender, the Governmental Lender and the Fiscal Agent, as it may from time to time be supplemented, modified or amended by one or more amendments or other instruments supplemental hereto entered into pursuant to the applicable provisions hereof.

“Funding Loan Documents” means (i) this Funding Loan Agreement, (ii) the Borrower Loan Agreement, (iii) the Regulatory Agreement, (iv) the Tax Certificate, (v) the Borrower Loan Documents, (vi) all other documents evidencing, securing, governing or otherwise pertaining to the Funding Loan, and (vii) all amendments, modifications, renewals and substitutions of any of the foregoing.

“Funding Loan Payment Fund” means the fund of that name established under Section 7.3(a) hereof.

“Government Obligations” means noncallable, nonprepayable (i) direct, general obligations of the United States of America, or (ii) any obligations unconditionally guaranteed as to the full and timely payment of all amounts due thereunder by the full faith and credit of the United States of America (including obligations held in book entry form), but specifically excluding any mutual funds or unit investment trusts invested in such obligations.

“Governmental Lender” means the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California, and any successor under this Funding Loan Agreement and the Funding Loan Documents.

“Governmental Lender Notes” means the Governmental Lender Notes described in the recitals of this Funding Loan Agreement, and a “Governmental Lender Note” means one of such Governmental Lender Notes.

“Ground Lease” means that certain Ground Lease, executed substantially concurrently herewith and dated on or about the Closing Date, between the Borrower and the Ground Lessor, as the same may be amended from time to time.

“Ground Lessor” means the Housing Authority of the City of Glendale, California, together with its permitted successors and assigns under the Ground Lease.

“Highest Rating Category” means, with respect to a Permitted Investment, that the Permitted Investment is rated by each Rating Agency in the highest rating category given by that Rating Agency for that general category of security. If at any time the Governmental Lender Notes are not rated (and, consequently, there is no Rating Agency), then the term “Highest Rating Category” means, with respect to a Permitted Investment, that the Permitted Investment is rated by S&P or Moody’s in the highest rating given by that rating agency for that general category of security. By way of example, the Highest Rating Category for tax exempt municipal debt established by S&P is “A 1+” for debt with

a term of one year or less and “AAA” for a term greater than one year, with corresponding ratings by Moody’s of “MIG 1” (for fixed rate) or “VMIG 1” (for variable rate) for three (3) months or less and “Aaa” for greater than three (3) months. If at any time (i) the Governmental Lender Notes are not rated, (ii) both S&P and Moody’s rate a Permitted Investment and (iii) one of those ratings is below the Highest Rating Category, then such Permitted Investment will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency. For example, a Permitted Investment rated “AAA” by S&P and “Aa3” by Moody’s is rated in the Highest Rating Category. If, however, the lower rating is more than one full rating category below the Highest Rating Category of that Rating Agency, then the Permitted Investment will be deemed to be rated below the Highest Rating Category. For example, a Permitted Investment rated “AAA” by S&P and “A1” by Moody’s is not rated in the Highest Rating Category.

“Maturity Date” means with respect to the Tax-Exempt Governmental Lender Note, January 1, 2027, and with respect to the Taxable Governmental Lender Note, January 1, 2027.

“Maximum Rate” means the lesser of (i) twelve percent (12%) per annum and (ii) the maximum interest rate that may be paid on the Funding Loan under State law.

“Minimum Beneficial Ownership Amount” means \$100,000 or the full outstanding principal amount of the Funding Loan, if such principal amount is less than \$100,000.

“Moody’s” means Moody’s Investors Service, Inc., or its successor.

“Note Proceeds Account” means the Note Proceeds Account of the Project Fund established under Section 7.3 hereof.

“Note Proceeds Subaccount (Tax-Exempt)” means the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund established under Section 7.3 hereof.

“Note Proceeds Subaccount (Taxable)” means the Note Proceeds Subaccount (Taxable) of the Note Proceeds Account of the Project Fund established under Section 7.3 hereof.

“Noteowner” or “owner of a Governmental Lender Note” means the owner, or as applicable, collectively the owners, of the Governmental Lender Notes as shown on the registration books maintained by the Fiscal Agent pursuant to Section 2.5.

“Ongoing Governmental Lender Fee” shall have the meaning given such term in the Borrower Loan Agreement.

“Opinion of Counsel” means a written opinion from an attorney or firm of attorneys, acceptable to the Funding Lender and the Governmental Lender with experience in the matters to be covered in the opinion; provided that whenever an Opinion of Counsel is required to address the exclusion of interest on the Tax-Exempt Governmental Lender

Note from gross income for purposes of federal income taxation, such opinion shall be provided by Tax Counsel.

“Permitted Investments” means, to the extent authorized by law for investment of any moneys held under this Funding Loan Agreement:

(a) Government Obligations.

(b) Direct obligations of, and obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by, any agency or instrumentality of the United States of America (other than the Federal Home Loan Mortgage Corporation) or direct obligations of the World Bank, which obligations are rated in the Highest Rating Category.

(c) Obligations, in each case rated in the Highest Rating Category, of (i) any state or territory of the United States of America, (ii) any agency, instrumentality, authority or political subdivision of a state or territory or (iii) any public benefit or municipal corporation the principal of and interest on which are guaranteed by such state or political subdivision.

(d) Any written repurchase agreement entered into with a Qualified Financial Institution whose unsecured short term obligations are rated in the Highest Rating Category.

(e) Commercial paper rated in the Highest Rating Category.

(f) Interest bearing negotiable certificates of deposit, interest bearing time deposits, interest bearing savings accounts and bankers’ acceptances, issued by a Qualified Financial Institution if either (i) the Qualified Financial Institution’s unsecured short term obligations are rated in the Highest Rating Category or (ii) such deposits, accounts or acceptances are fully collateralized by investments described in clauses (a) or (b) of this definition or fully insured by the Federal Deposit Insurance Corporation.

(g) Subject to the requirements of the Tax Certificate, an agreement held by the Fiscal Agent for the investment of moneys at a guaranteed rate with a Qualified Financial Institution whose unsecured long term obligations are rated in the Highest Rating Category or the Second Highest Rating Category, or whose obligations are unconditionally guaranteed or insured by a Qualified Financial Institution whose unsecured long term obligations are rated in the Highest Rating Category or Second Highest Rating Category; provided that such agreement is in a form acceptable to the Funding Lender and the Fiscal Agent; and provided further that such agreement includes the following restrictions:

(1) the invested funds will be available for withdrawal without penalty or premium, at any time that (A) the Funding Lender is required to pay moneys from the fund(s) established under this Funding Loan Agreement to which the agreement is applicable, or (B) any Rating Agency indicates that it will lower or actually lowers, suspends or withdraws the rating on the Funding Loan on account

of the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement;

(2) the agreement, and if applicable the guarantee or insurance, is an unconditional and general obligation of the provider and, if applicable, the guarantor or insurer of the agreement, and ranks pari passu with all other unsecured unsubordinated obligations of the provider, and if applicable, the guarantor or insurer of the agreement;

(3) the Funding Lender and the Fiscal Agent receive an Opinion of Counsel, which may be subject to customary qualifications, that such agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and, if applicable, an Opinion of Counsel that any guaranty or insurance policy provided by a guarantor or insurer is legal, valid, binding and enforceable upon the guarantor or insurer in accordance with its terms; and

(4) the agreement provides that if during its term the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement, is withdrawn, suspended by any Rating Agency or falls below the Second Highest Rating Category, the provider must, within ten (10) days, either: (A) collateralize the agreement (if the agreement is not already collateralized) with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Fiscal Agent or a third party custodian, such collateralization to be effected in a manner and in an amount reasonably satisfactory to the Funding Lender, or, if the agreement is already collateralized, increase the collateral with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Fiscal Agent or a third party custodian, in an amount reasonably satisfactory to the Funding Lender, (B) at the request of the Funding Lender, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium unless required by law or (C) transfer the agreement, guarantee or insurance, as applicable, to a replacement provider, guarantor or insurer, as applicable, then meeting the requirements of a Qualified Financial Institution and whose unsecured long term obligations are then rated in the Highest Rating Category or the Second Highest Rating Category. The agreement may provide that the downgraded provider may elect which of the remedies to the downgrade (other than the remedy set out in (B)) to perform.

(h) Subject to the ratings requirements set forth in this definition, shares in any money market mutual fund (including those of the Fiscal Agent, the Funding Lender or any of their affiliates) registered under the Investment Company Act of 1940, as amended, that have been rated “AAAm G” or “AAAm” by S&P or “Aaa” by Moody’s so long as the portfolio of such money market mutual fund is limited to Government Obligations and agreements to repurchase Government Obligations. If approved in writing by the Funding Lender, a money market mutual fund portfolio may also contain obligations and agreements to repurchase obligations described in paragraphs (b) or (c). If the Governmental Lender Note is rated by a Rating Agency, the money market mutual fund must be rated “AAAm G” or “AAAm” by S&P, if S&P is a Rating Agency, or “Aaa” by

Moody's, if Moody's is a Rating Agency. If at any time the Governmental Lender Note is not rated (and, consequently, there is no Rating Agency), then the money market mutual fund must be rated "AAAm G" or "AAAm" by S&P or "Aaa" by Moody's. If at any time (i) the Governmental Lender Note is not rated, (ii) both S&P and Moody's rate a money market mutual fund and (iii) one of those ratings is below the level required by this paragraph, then such money market mutual fund will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency.

(i) Any other investment authorized by the laws of the State, if such investment is approved in writing by the Funding Lender.

For the avoidance of doubt, Permitted Investments shall not include any of the following:

(1) Except for any investment described in the next sentence, any investment with a final maturity or any agreement with a term greater than one (1) year from the date of the investment. This exception (1) shall not apply to Permitted Investments listed in paragraphs (g) and (i).

(2) Except for any obligation described in paragraph (a) or (b), any obligation with a purchase price greater or less than the par value of such obligation.

(3) Any asset backed security, including mortgage-backed securities, real estate mortgage investment conduits, collateralized mortgage obligations, credit card receivable asset backed securities and auto loan asset backed securities.

(4) Any interest only or principal only stripped security.

(5) Any obligation bearing interest at an inverse floating rate.

(6) Any investment which may be prepaid or called at a price less than its purchase price prior to stated maturity.

(7) Any investment the interest rate on which is variable and is established other than by reference to a single index plus a fixed spread, if any, and which interest rate moves proportionately with that index.

(8) Any investment described in paragraph (d) or (g) with, or guaranteed or insured by, a Qualified Financial Institution described in clause (iv) of the definition of Qualified Financial Institution if such institution does not agree to submit to jurisdiction, venue and service of process in the United States of America in the agreement relating to the investment.

(9) Any investment to which S&P has added an "r" or "t" highlighter.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association, any federal, state, county or

municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

“Pledged Revenues” means the amounts pledged under this Funding Loan Agreement to the payment of the principal of, Prepayment Premium, if any, and interest on the Funding Loan and the Governmental Lender Notes, consisting of the following: (i) all income, revenues, proceeds and other amounts to which the Governmental Lender is entitled (other than amounts received by the Governmental Lender with respect to the Unassigned Rights) derived from or in connection with the Borrower Loan, the Project and the Funding Loan Documents, including all Borrower Loan Payments due under the Borrower Loan Agreement and the Borrower Notes, payments with respect to the Borrower Loan Payments and all amounts obtained through the exercise of the remedies provided in the Funding Loan Documents and all receipts credited under the provisions of this Funding Loan Agreement against said amounts payable, and (ii) moneys held in the funds and accounts established under this Funding Loan Agreement, together with investment earnings thereon (except any amounts on deposit in the Expense Fund, the Rebate Fund and Closing Costs Fund).

“Potential Default” means the occurrence of an event which, under the Borrower Loan Agreement, would, but for the giving of notice of passage of time, be an Event of Default.

“Prepayment Premium” means any premium payable by the Borrower pursuant to the Borrower Loan Documents in connection with a prepayment of the Borrower Notes (including any Prepayment Premium as set forth in the Borrower Notes) and (ii) any premium payable on the Governmental Lender Notes pursuant to this Funding Loan Agreement.

“Project” shall have the meaning given to that term in the Borrower Loan Agreement.

“Project Fund” means the fund of that name established under Section 7.3(b) hereof.

“Qualified Financial Institution” means any (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank, savings and loan association, or insurance company or association chartered or organized under the laws of any state of the United States of America, (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provisions of law or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, (v) government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, (vi) securities dealer approved in writing by the Funding Lender the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation and (vii) other entity which is acceptable to the Funding Lender. With respect to an entity which provides an agreement held by the Fiscal Agent for the investment of

moneys at a guaranteed rate as set out in paragraph (g) of the definition of the term “Permitted Investments” or an entity which guarantees or insures, as applicable, the agreement, a “Qualified Financial Institution” may also be a corporation or limited liability company organized under the laws of any state of the United States of America.

“Qualified Project Costs” means costs paid with respect to the Project that meet each of the following requirements with respect to the Tax-Exempt Governmental Note: (i) the costs are properly chargeable to capital account (or would be so chargeable with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs) in accordance with general federal income tax principles and in accordance with Section 1.103-8(a)(1) of the Regulations, provided, however, that only such portion of the interest accrued during rehabilitation or construction of the Project (in the case of rehabilitation, with respect to vacated units only) shall be eligible to be a Qualified Project Cost as bears the same ratio to all such interest as the Qualified Project Costs bear to all costs of the acquisition and construction or rehabilitation of the Project; and provided further that interest accruing after the Completion Date shall not be a Qualified Project Cost; and provided still further that if any portion of the Project is being constructed or rehabilitated by an Affiliate (whether as general contractor or a subcontractor), Qualified Project Costs shall include only (A) the actual out of pocket costs incurred by such affiliate in constructing or rehabilitating the Project (or any portion thereof) and (B) any overhead expenses incurred by such affiliate which are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an “affiliated group” (within the meaning of Section 1504 of the Code) participating in the rehabilitation or construction of the Project or payments received by such affiliate due to early completion of the Project (or any portion thereof); (ii) the costs are paid with respect to a qualified residential rental project or projects within the meaning of Section 142(d) of the Code; (iii) the costs are paid after the earlier of sixty (60) days prior to February 16, 2022, being the date on which the Governmental Lender first declared its “official intent” to reimburse costs paid with respect to the Project (within the meaning of Section 1.150-2 of the Regulations) or the date of issue of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note; and (iv) if the costs of the acquisition and construction or rehabilitation of the Project were previously paid and are to be reimbursed with proceeds of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note such costs were (A) “preliminary expenditures” (within the meaning of Section 1.150-2(f)(2) of the Regulations) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition and construction or rehabilitation of the Project that do not exceed twenty percent (20%) of the issue price of the portion of Funding Loan related to the Tax-Exempt Governmental Lender Note (as defined in Section 1.148-1 of the Regulations), or (B) were capital expenditures with respect to the Project that are reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three (3) years after the expenditures is paid); provided, however, that (w) Costs of Funding shall not be deemed to be Qualified Project Costs; (x) fees, charges or profits (including, without limitation, any Developer Fee) payable to the Borrower or a “related person” (within the meaning of Section 144(a)(3) of the Code) shall not be deemed to be Qualified Project Costs; (y) letter of credit fees and municipal bond insurance premiums which represent a transfer of credit

risk shall be allocated between Qualified Project Costs and other costs and expenses to be paid from the proceeds of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note; and (z) letter of credit fees and municipal bond insurance premiums which do not represent a transfer of credit risk (including, without limitation, letter of credit fees payable to a “related person” to the Borrower) shall not constitute Qualified Project Costs.

“Rating Agency” means any one and each of S&P, Moody’s and Fitch then rating the Permitted Investments or any other nationally recognized statistical rating agency then rating the Permitted Investments, which has been approved by the Funding Lender.

“Rebate Amount” means, for any given period, the amount determined by the Rebate Analyst as required to be rebated or paid as a yield reduction payment to the United States of America with respect to the Funding Loan.

“Rebate Analyst” means any certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code, selected and retained by the Borrower to be engaged not later than 60 days following the Closing Date at the expense of the Borrower, to make the rebate computations required under this Funding Loan Agreement and the Borrower Loan Agreement.

“Rebate Analyst’s Fee” means the fee of the Rebate Analyst.

“Rebate Fund” means the fund of that name established under Section 7.3(e) hereof.

“Regulations” means with respect to the Code, the relevant U.S. Treasury regulations and proposed regulations thereunder or any relevant successor provision to such regulations and proposed regulations.

“Regulatory Agreement” means that certain Regulatory Agreement and Declaration of Restrictive Covenants, of even date herewith, between the Governmental Lender and the Borrower for the Project, as the same may be amended, modified or supplemented from time to time.

“Required Transferee Representations” means the representations in substantially the form attached to this Funding Loan Agreement as Exhibit B, duly executed by the holder of the Governmental Lender Notes and delivered to the Governmental Lender.

“Resolution” means the resolution or other approving documents of the Governmental Lender authorizing the Funding Loan and the execution and delivery of the Funding Loan Documents to which the Governmental Lender is a party.

“Responsible Officer” means any officer within the Corporate Trust Department (or any successor group) of the Fiscal Agent, including any vice president, assistant vice president, assistant secretary or any other officer or assistant officer of the Fiscal Agent customarily performing functions similar to those performed by the persons who at the

time shall be such officers, respectively, who is responsible for the administration of this Funding Loan Agreement.

“Second Highest Rating Category” means, with respect to a Permitted Investment, that the Permitted Investment is rated by each Rating Agency in the second highest rating category given by that Rating Agency for that general category of security. If at any time the Governmental Lender Notes are not rated (and, consequently, there is no Rating Agency), then the term “Second Highest Rating Category” means, with respect to a Permitted Investment, that the Permitted Investment is rated by S&P or Moody’s in the second highest rating category given by that rating agency for that general category of security. By way of example, the Second Highest Rating Category for tax exempt municipal debt established by S&P is “AA” for a term greater than one (1) year, with corresponding ratings by Moody’s of “Aa.” If at any time (i) the Governmental Lender Notes are not rated, (ii) both S&P and Moody’s rate a Permitted Investment and (iii) one of those ratings is below the Second Highest Rating Category, then such Permitted Investment will not be deemed to be rated in the Second Highest Rating Category. For example, an Investment rated “AA” by S&P and “A” by Moody’s is not rated in the Second Highest Rating Category.

“Securities Act” means the Securities Act of 1933, as amended.

“Security” shall have the meaning assigned to it in Section 4.1.

“Security Instrument” have the meaning given such term in the recitals hereto.

“Servicer” means any Servicer appointed by the Funding Lender to perform certain servicing functions with respect to the Funding Loan and/or the Borrower Loan pursuant to a separate servicing agreement to be entered into between the Funding Lender and the Servicer. Initially the Servicer shall be the Funding Lender pursuant to this Funding Loan Agreement.

“Servicing Agreement” means any servicing agreement entered into between the Funding Lender and the Servicer with respect to the servicing of the Funding Loan and/or the Borrower Loan.

“Standard & Poor’s” or “S&P” means S&P Global Ratings, a business unit of Standard & Poor’s Ratings Services, and its successors.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate and Agreement, dated the Closing Date, executed by the Governmental Lender and the Borrower, as amended or supplemented from time to time.

“Tax Counsel” means (a) Orrick, Herrington & Sutcliffe LLP; or (b) any other attorney or firm of attorneys designated by the Governmental Lender and approved by the Funding Lender having a national reputation in connection with the authorization and

issuance of municipal obligations under Sections 103 and 141 through 150 (or any successor provisions) of the Code.

“Tax Counsel Approving Opinion” means an opinion of Tax Counsel substantially to the effect that the Governmental Lender Notes constitute valid and binding limited obligations of the Governmental Lender and that, under existing laws, regulations, rulings and court decisions, the interest on the Tax-Exempt Governmental Lender Note is excluded from gross income for federal income tax purposes (subject to customary exceptions and exclusions).

“Tax Counsel No Adverse Effect Opinion” means an opinion of Tax Counsel substantially to the effect that the taking of the action specified therein will not, in and of itself, adversely affect any exclusion of interest on the Tax-Exempt Governmental Lender Note from gross income for federal income tax purposes (subject to customary exceptions and exclusions).

“Tax-Exempt Governmental Lender Note” means the Tax-Exempt Governmental Lender Note described in the recitals of this Funding Loan Agreement.

“Taxable Governmental Lender Note” means the Taxable Governmental Lender Note described in the recitals of this Funding Loan Agreement.

“Title Company” means Fidelity National Title Company.

“UCC” means the Uniform Commercial Code as in effect in the State.

“Unassigned Rights” means the Governmental Lender’s rights (a) to reimbursement and payment of its fees, costs and expenses under Section 2.5 of the Borrower Loan Agreement and Section 20 of the Regulatory Agreement, (b) to access to the Project under Section 5.17 of the Borrower Loan Agreement, (c) to indemnification under Section 5.15 of the Borrower Loan Agreement and Section 9 of the Regulatory Agreement, (d) to attorneys’ fees and other fees and expenses under Sections 5.11, 5.14, 5.15 and 9.14 of the Borrower Loan Agreement and Section 20 of the Regulatory Agreement, (e) to receive notices, reports and other statements and its rights to consent to certain matters, including but not limited to its right to consent to amendments to this Funding Loan Agreement, the Borrower Loan Agreement and the Regulatory Agreement, and otherwise as provided in this Funding Loan Agreement and the Borrower Loan Agreement, (f) to seek performance by the Borrower of its obligations under the Regulatory Agreement or the Tax Certificate, (g) to seek performance of, and enforce, various tax covenants as described in Section 2.2(b)(i) of the Borrower Loan Agreement, including but not limited to those in Sections 5.34 and 5.35 of the Borrower Loan Agreement, and (h) to enforce the provisions of Section 9.21 of the Borrower Loan Agreement.

“Written Certificate,” “Written Certification,” “Written Consent,” “Written Direction,” “Written Notice,” “Written Order,” “Written Registration,” “Written Request,” and “Written Requisition” means a written certificate, certification, consent, direction, notice, order, registration, request or requisition signed by an Authorized Borrower

Representative, an Authorized Governmental Lender Representative, an authorized representative of the Servicer, an authorized representative of the Fiscal Agent or an authorized representative of the Funding Lender and delivered to the Funding Lender, the Servicer, the Fiscal Agent, the Governmental Lender or such other Person as required under the Funding Loan Documents.

Section 1.2. Effect of Headings and Table of Contents. The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.3. Date of Funding Loan Agreement. The date of this Funding Loan Agreement is intended as and for a date for the convenient identification of this Funding Loan Agreement and is not intended to indicate that this Funding Loan Agreement was executed and delivered on said date.

Section 1.4. Designation of Time for Performance. Except as otherwise expressly provided herein, any reference in this Funding Loan Agreement to the time of day shall mean the time of day in the city where the Funding Lender maintains its place of business for the performance of its obligations under this Funding Loan Agreement.

Section 1.5. Interpretation. The parties hereto acknowledge that each of them and their respective counsel have participated in the drafting and revision of this Funding Loan Agreement. Accordingly, the parties agree that any rule of construction that disfavors the drafting party shall not apply in the interpretation of this Funding Loan Agreement or any amendment or supplement or exhibit hereto.

ARTICLE II

TERMS; GOVERNMENTAL LENDER NOTES

Section 2.1. Terms.

(a) Principal Amount. The total aggregate principal amount of the Funding Loan is hereby expressly limited to the Authorized Amount.

(b) Draw-Down Funding. The Funding Loan is originated on a draw-down basis. The proceeds of the Funding Loan shall be advanced by the Funding Lender directly to the Fiscal Agent for the account of the Governmental Lender for disbursement to the Borrower as and when needed to make each advance in accordance with the disbursement provisions of the Borrower Loan Agreement and the Construction Disbursement Agreement. Upon each advance of principal under the Borrower Loan Agreement and the Construction Disbursement Agreement, a like amount of the Funding Loan shall be deemed concurrently and simultaneously advanced under this Funding Loan Agreement, including the initial advance of \$2,498,941.02. Subject to the terms and conditions of the Borrower Loan Agreement, the Funding Lender agrees to advance, on behalf of the Governmental Lender, to the Fiscal Agent for disbursement to the Borrower under the Borrower Loan Agreement at least \$2,498,941.02 on the Closing Date, and the Funding Lender agrees to correspondingly and simultaneously advance for the account of the Governmental Lender under this Funding Loan Agreement an equal amount as an advance on the Funding Loan.

Borrower Loan advances and Funding Loan advances shall be allocated first to the Borrower Tax-Exempt Note and the related Tax-Exempt Governmental Lender Note and, once the foregoing Notes have been fully funded, then to the Borrower Taxable Note and the related Taxable Governmental Lender Note. Notwithstanding anything in this Funding Loan Agreement to the contrary, no additional amounts of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note may be drawn down and funded hereunder after December 31, 2025; provided, however, that upon the delivery of a Tax Counsel No Adverse Effect Opinion to the Governmental Lender and the Funding Lender such date may be changed to a later date as specified in such Tax Counsel No Adverse Effect Opinion.

(c) Early Draw-Down Event. Notwithstanding any provision herein to the contrary, in the event that the Funding Lender or the Borrower (each an “Interested Party”) determines in good faith that legislative, judicial or other developments have occurred or other circumstances have emerged which could result in interest on installments of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note which have not been drawn to date (the “Remaining Authorized Amount”), not being excluded from gross income for federal income tax purposes, or otherwise determines that it is in its best interest to convert the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note into a fully funded obligation of the Governmental Lender in order to assure that interest on the Tax-Exempt Governmental Lender Note will remain excluded from gross income for federal income tax purposes, and, in the case of such determination by the Borrower, such action will resolve the uncertainty with respect to the exclusion of interest on the Tax-Exempt Governmental Lender Note from gross income for federal income tax purposes and will not jeopardize receipt of previously committed unfunded debt or Equity Contributions for the Project, then such Interested Party may provide a Written Direction (a “Draw-Down Notice”) to the other Interested Party and the Fiscal Agent as provided herein to cause the Remaining Authorized Amount of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note to be funded. The Draw-Down Notice, if given, shall take effect on the fifth (5th) Business Day following the date (or such greater number of Business Days to which the Borrower and the Funding Lender may agree in writing, with Written Notice to the Fiscal Agent) on which either the Borrower or the Funding Lender sends Written Notice to the other Interested Party referencing the Draw-Down Notice and containing substantially the following words: “The [Borrower/Funding Lender] elects to [draw/fund] the Remaining Authorized Amount of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note (\$ _____) effective [_____] (the “Draw-Down Date”).” The Draw-Down Notice will be delivered in the manner provided for notices hereunder and the Borrower Loan Agreement.

Promptly after receipt of a Draw-Down Notice, the Funding Lender shall advance proceeds of the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note in the Remaining Authorized Amount (the “Remaining Funding Loan Proceeds”) into the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund to be held for disbursements to the Borrower pursuant to the Funding Loan Documents. The advance of the Remaining Funding Loan Proceeds shall be treated as an advance of the full remaining principal under this Funding Loan Agreement related to the Tax-Exempt Governmental Lender Note, and a like amount of the Borrower Loan Tax-Exempt shall be deemed concurrently and simultaneously advanced under the Borrower Loan Agreement and the Tax-Exempt Governmental Lender Note shall be deemed to have been issued in the full Authorized Amount against payment by the Funding Lender (taking into account amounts of the Funding Loan related to the Tax-Exempt

Governmental Lender Note previously funded) of the purchase price equal to the Remaining Authorized Amount.

If not otherwise accounted for in the Funding Loan Documents as confirmed in writing by the Funding Lender, the Borrower agrees to pay to the Fiscal Agent on the Draw-Down Date for deposit into the Capitalized Interest Subaccount (Tax-Exempt) of the Capitalized Interest Account of the Project Fund, an amount of funds to be agreed upon by the Funding Lender and the Borrower prior to the Draw-Down Date to cover the expected interest due on the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note as a result of the Draw-Down Notice for the period between the Draw-Down Date and the date of each expected draw in accordance with the then-approved draw schedule under the Funding Loan Documents. The Borrower agrees to pay to the Fiscal Agent, to be held hereunder, any amounts necessary to enable the Governmental Lender to pay, when due, all amounts due with respect to the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note, to the extent payments made or required to be made under the Borrower Loan Agreement and the Borrower Tax-Exempt Note are insufficient for such purpose.

(d) Origination Date; Maturity. The Funding Loan shall be originated on the Closing Date and shall mature on the corresponding Maturity Date at which time the entire principal amount, to the extent not previously paid, and all accrued and unpaid interest, shall be due and payable.

(e) Principal. The outstanding principal amount of each Governmental Lender Note and of the Funding Loan as of any given date shall be the total amount advanced by the Funding Lender to or for the account of the Governmental Lender to fund corresponding advances with respect to the related Borrower Note under the Borrower Loan Agreement and the Construction Disbursement Agreement as proceeds of the Borrower Loan, less any payments of principal of such Governmental Lender Note previously received upon payment of corresponding principal amounts under the related Borrower Note, including regularly scheduled principal payments and voluntary and mandatory prepayments. The principal amount of each Governmental Lender Note and interest thereon shall be payable on the basis specified in this paragraph (e) and in paragraphs (f) and (g) of this Section 2.1.

The Fiscal Agent shall keep a record of all principal advances and principal repayments made under the Governmental Lender Notes and shall, upon Written Request, provide the Governmental Lender and the Funding Lender with a statement of the outstanding principal balances of the Governmental Lender Notes and the Funding Loan. The foregoing shall be in addition to the requirement that the Funding Lender provide monthly statements to the Governmental Lender in accordance with Section 8.10 hereof.

(f) Interest. Interest shall be paid on the outstanding principal amount of each Governmental Lender Note at the rate or rates set forth in the related Borrower Note and otherwise as set forth in the Borrower Loan Agreement.

(g) Corresponding Payments. The payment or prepayment of principal, interest and premium, if any, due on the Funding Loan and the related Governmental Lender Note shall be identical with and shall be made on the same dates, terms and conditions, as the principal, interest, premiums, late payment fees and other amounts due on the corresponding Borrower Note. The

Tax-Exempt Governmental Lender Note shall be payable from payments on the corresponding Borrower Tax-Exempt Note and the Taxable Governmental Lender Note shall be payable from payments on the corresponding Borrower Taxable Note. Any payment or prepayment made by the Borrower of principal, interest and premium, if any, due on a Borrower Note shall be deemed to be a like payment or prepayment of principal, interest and premium, if any, due on the Funding Loan and the related Governmental Lender Note. The Funding Lender agrees to provide copies of the final Borrower Notes and any amendments thereto, as well as the Debt Service Schedule (as defined in Section 2.4(b) of the Borrower Loan Agreement) to the Fiscal Agent on the Closing Date, if applicable, or on the date an amendment to the Borrower Notes or Debt Service Schedule is executed or finalized, as applicable.

(h) Usury. The Governmental Lender intends to conform strictly to the usury laws applicable to this Funding Loan Agreement and the Governmental Lender Notes and all agreements made in the Governmental Lender Notes, this Funding Loan Agreement and the Funding Loan Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid as interest or the amounts paid for the use of money advanced or to be advanced hereunder exceed the highest lawful rate prescribed under any law which a court of competent jurisdiction may deem applicable hereto. If, from any circumstances whatsoever, the fulfillment of any provision of the Governmental Lender Notes, this Funding Loan Agreement or the other Funding Loan Documents shall involve the payment of interest in excess of the limit prescribed by any law which a court of competent jurisdiction may deem applicable hereto, then the obligation to pay interest hereunder shall be reduced to the maximum limit prescribed by law. If under any circumstances whatsoever, the Funding Lender shall ever receive anything of value deemed interest, the amount of which would exceed the highest lawful rate, such amount as would be excessive interest shall be deemed to have been applied, as of the date of receipt by the Funding Lender, to the reduction of the principal remaining unpaid hereunder and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance, such excess shall be refunded to the Borrower. This paragraph shall control every other provision of the Governmental Lender Notes, this Funding Loan Agreement and all other Funding Loan Documents.

In determining whether the amount of interest charged and paid might otherwise exceed the limit prescribed by law, the Governmental Lender intends and agrees that (i) interest shall be computed upon the assumption that payments under the Borrower Loan Agreement and other Funding Loan Documents will be paid according to the agreed terms, and (ii) any sums of money that are taken into account in the calculation of interest, even though paid at one time, shall be spread over the actual term of the Funding Loan.

Section 2.2. Form of Governmental Lender Notes. As evidence of its obligation to repay the Funding Loan, simultaneously with the delivery of this Funding Loan Agreement to the Funding Lender, the Governmental Lender hereby agrees to execute and deliver the Governmental Lender Notes. The Governmental Lender Notes shall be substantially in the forms set forth in Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Funding Loan Agreement.

Section 2.3. Execution and Delivery of Governmental Lender Notes. The Governmental Lender Notes shall be executed on behalf of the Governmental Lender by the manual or facsimile signature of an Authorized Governmental Lender Representative. The signatures of individuals

who were the proper officers of the Governmental Lender at the time of execution shall bind the Governmental Lender, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of the Governmental Lender Notes or shall not have held such offices at the date of the Governmental Lender Notes.

Section 2.4. Authentication. The Governmental Lender Notes shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Funding Loan Agreement unless a certificate of authentication on such Governmental Lender Notes, substantially in the form set forth in Exhibit A hereto, shall have been manually executed by the Fiscal Agent. The Fiscal Agent shall authenticate the Governmental Lender Notes by execution of the certificates of authentication on or attached to the Governmental Lender Notes, and the certificates of authentication so executed on or attached to the Governmental Lender Notes shall be conclusive evidence that they have been authenticated and delivered under this Funding Loan Agreement.

Section 2.5. Registration and Transfer of Governmental Lender Notes.

The Fiscal Agent acknowledges that the Funding Lender is the initial holder of the Governmental Lender Notes and shall remain the sole holder of the Governmental Lender Notes except as otherwise provided herein.

The Fiscal Agent, on behalf of the Governmental Lender, shall provide for the registration of the Governmental Lender Notes and the registration of transfers thereof. In that regard, the Fiscal Agent shall maintain a register which shall contain a record of every Governmental Lender Note at any time authenticated hereunder, together with the name and address of the holder thereof, the date of authentication, the date of transfer or payment, and such other matters as may be deemed appropriate by the Fiscal Agent or the Governmental Lender. The Governmental Lender, the Fiscal Agent and any agent of the Governmental Lender or the Fiscal Agent may treat the person in whose name a Governmental Lender Note is registered as the owner of a Governmental Lender Note for the purpose of receiving payment of such Governmental Lender Note and for all other purposes whatsoever whether or not the Governmental Lender Note payments are overdue, and, to the extent permitted by law, neither the Governmental Lender, the Fiscal Agent nor any such agent shall be affected by notice to the contrary.

The transfer of the Governmental Lender Notes is subject to registration by the holder thereof only upon compliance with the conditions for registration of transfer imposed on the holder under this Section 2.5 and under Section 2.6 hereof. Upon surrender of the Governmental Lender Note at the principal corporate trust office of the Fiscal Agent, the Governmental Lender shall execute (if necessary), and the Fiscal Agent shall authenticate and deliver, in the name of the designated transferee or transferees (but not registered in blank or to “bearer” or a similar designation), a new Governmental Lender Note of a like principal amount, and having the same stated maturity, tenor and interest rate.

A Governmental Lender Note delivered in exchange for or upon transfer of a Governmental Lender Note shall be a valid limited obligation of the Governmental Lender evidencing the same debt, and entitled to the same benefits under this Funding Loan Agreement, as the Governmental Lender Note surrendered for such exchange or transfer.

Registration of the transfer of the Governmental Lender Notes may be made on the Fiscal Agent's register by the holder thereof in person or by such holder's attorney duly authorized in writing. The Governmental Lender Notes presented or surrendered for registration of transfer or exchange shall (i) be accompanied by evidence of compliance with the provisions of Section 2.6 hereof, (ii) be duly endorsed or be accompanied by a written instrument or instruments of transfer, in a form satisfactory to the Fiscal Agent, duly executed and with guaranty of signature of the holder thereof or his, her or its attorney duly authorized in writing and (iii) include written instructions as to the details of the transfer of the Governmental Lender Notes.

No service charge shall be made to the registered holder of a Governmental Lender Note for any registration, transfer or exchange, but the Fiscal Agent and the Governmental Lender may require payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any transfer or exchange of a Governmental Lender Note, and any legal or unusual costs of transfers.

Section 2.6. Required Transferee Representations; Participations; Sale and Assignment.

(a) The Funding Lender shall deliver to the Governmental Lender the Required Transferee Representations in substantially the form attached hereto as Exhibit B on the Closing Date.

(b) The Funding Lender shall have the right to sell (i) the Governmental Lender Notes and the Funding Loan in whole or (ii) any portion of or participation interests in the Governmental Lender Notes and the Funding Loan, to the extent permitted by Section 2.6(c) below, provided that such sale shall be only to purchasers that are Approved Transferees and that execute and deliver to the Funding Lender, with a copy to the Governmental Lender and the Fiscal Agent, the Required Transferee Representations; provided, however, that no Required Transferee Representations shall be required to be delivered by transferees or beneficial interest holders described in clauses (3) or (4) of the definition of "Approved Transferee."

(c) Notwithstanding the other provisions of this Section 2.6, no beneficial ownership interest in the Governmental Lender Notes and the Funding Loan shall be sold in an amount that is less than the Minimum Beneficial Ownership Amount; provided, however, that beneficial ownership interests in the Governmental Lender Notes and Funding Loan described in clause (3) of the definition of "Approved Transferee" may be sold in any amount without regard to the Minimum Beneficial Ownership Amount.

(d) No service charge shall be made for any sale or assignment of the Governmental Lender Notes and the Funding Loan or any participation interest in the Governmental Lender Notes and the Funding Loan, but in each case the Governmental Lender may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such sale or assignment. Such sums shall be paid in every instance by the applicable purchaser or assignee of the Governmental Lender Notes and the Funding Loan or participation interest therein. The Governmental Lender Notes shall be in fully-registered form transferable to a subsequent Noteowner, subject to the foregoing limitations, only on the registration books for the Governmental Lender Notes which shall be maintained by the Fiscal Agent for such purpose consistent with the registration requirements of the Code applicable to tax-exempt obligations, and which shall be open to inspection by the Governmental Lender. The Governmental Lender Notes

shall not be transferred through the services of the Depository Trust Company or any other third party registrar.

(e) The parties agree that no rating shall be sought from a rating agency with respect to the Funding Loan or the Governmental Lender Notes.

ARTICLE III

PREPAYMENT

Section 3.1. Prepayment of the Governmental Lender Notes From Prepayment under the Related Borrower Note. Each Governmental Lender Note is subject to voluntary and mandatory prepayment as follows:

(a) Each Governmental Lender Note shall be subject to voluntary prepayment in full or in part by the Governmental Lender, from funds of the Governmental Lender received by the Governmental Lender or the Fiscal Agent, as provided in the Borrower Loan Agreement, to the extent and in the manner and on any date that the related Borrower Note is subject to voluntary prepayment as set forth therein, at a prepayment price equal to the principal balance of the related Borrower Note to be prepaid, plus interest thereon to the date of prepayment and the amount of any Prepayment Premium payable under such Borrower Note, plus any Additional Borrower Payments due and payable under the Borrower Loan Agreement through the date of prepayment.

The Borrower shall not have the right to voluntarily prepay all or any portion of a Borrower Note, thereby causing the related Governmental Lender Note to be prepaid, except as specifically permitted in such Borrower Note, without the prior Written Consent of Funding Lender, which may be withheld in Funding Lender's sole and absolute discretion.

(b) Each Governmental Lender Note shall be subject to mandatory prepayment in whole or in part upon prepayment of the related Borrower Note at the direction of the Funding Lender in accordance with the terms of the related Borrower Note, at a prepayment price equal to the outstanding principal balance of the related Borrower Note prepaid, plus accrued interest plus any other amounts payable under the related Borrower Note or the Borrower Loan Agreement.

Section 3.2. Notice of Prepayment. Notice of prepayment of a Governmental Lender Note shall be deemed given to the extent that notice of prepayment of the related Borrower Note is timely and properly given to Funding Lender and the Fiscal Agent in accordance with the terms of the related Borrower Note and the Borrower Loan Agreement, and no separate notice of prepayment of the corresponding Governmental Lender Note is required to be given.

Section 3.3. Recycling Transactions. Notwithstanding any provision of this Funding Loan Agreement or the Tax-Exempt Governmental Lender Note to the contrary, the Governmental Lender shall be permitted to direct Borrower Tax-Exempt Note prepayments to be transferred to a custodian or trustee selected by the Governmental Lender, in lieu of application to prepay a like portion of the Tax-Exempt Governmental Lender Note, so long as the Governmental Lender simultaneously causes other funds to be applied to prepay such portion of the Tax-Exempt Governmental Lender Note. The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

In connection with such recycling and Borrower Tax-Exempt Note prepayment, if so directed in a Written Direction of the Governmental Lender provided to the Fiscal Agent prior to any prepayment date, the Fiscal Agent is hereby authorized and directed to receive any such Borrower Tax-Exempt Note prepayment or amounts corresponding thereto and to hold such amounts, uninvested, for such period of time and to transfer such amounts to the Funding Lender, or to such custodian, fiscal agent or trustee designed by the Governmental Lender and specified in such Written Direction. For purposes of effectuating the foregoing, the Fiscal Agent is hereby authorized and directed to open and create such funds or accounts, which may be temporary in nature, as may be necessary or desirable, and to close such funds or accounts following the completion of the transfers set forth in such Written Direction.

ARTICLE IV

SECURITY

Section 4.1. Security for the Funding Loan. To secure the payment of the Funding Loan and each Governmental Lender Note, to declare the terms and conditions on which the Funding Loan and each Governmental Lender Note are secured, and in consideration of the premises and of the funding of the Funding Loan by the Funding Lender, the Governmental Lender, by these presents does grant, bargain, sell, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm to the Funding Lender (except as limited herein), a lien on and security interest in the following described property (excepting, however, in each case, the Unassigned Rights and amounts excluded from the definition of Pledged Revenues) (said property, rights and privileges being herein collectively called, the “Security”):

(a) All right, title and interest of the Governmental Lender in, to and under the Borrower Loan, the Borrower Loan Agreement, the Borrower Notes, and the other Borrower Loan Documents, including, without limitation, all rents, revenues and receipts derived by the Governmental Lender from the Borrower relating to the Project and including, without limitation, all Pledged Revenues, Borrower Loan Payments and Additional Borrower Payments derived by the Governmental Lender under and pursuant to, and subject to the provisions of, the Borrower Loan Agreement; provided that the pledge and assignment made under this Funding Loan Agreement shall not impair or diminish the obligations of the Governmental Lender under the provisions of the Borrower Loan Agreement;

(b) All right, title and interest of the Governmental Lender in, to and under, together with all rights, remedies, privileges and options pertaining to, the Funding Loan Documents, and all other payments, revenues and receipts derived by the Governmental Lender under and pursuant to, and subject to the provisions of, the Funding Loan Documents;

(c) Any and all moneys and investments from time to time on deposit in, or forming a part of, all funds and accounts created and held by the Fiscal Agent under this Funding Loan Agreement (other than the Rebate Fund, the Closing Costs Fund and the Expense Fund), subject to the provisions of this Funding Loan Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

(d) Any and all other real or personal property of every kind and nature or description, which may from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Funding Loan Agreement as additional security by the Governmental Lender or anyone on its part or with its consent, or which pursuant to any of the provisions hereof or of the Borrower Loan Agreement may come into the possession or control of the Fiscal Agent or the Funding Lender or a receiver appointed pursuant to this Funding Loan Agreement; and the Fiscal Agent or the Funding Lender is hereby authorized to receive any and all such property as and for additional security for the Funding Loan and each Governmental Lender Note and to hold and apply all such property subject to the terms hereof.

The pledge and assignment of and the security interest granted in the Security pursuant to this Section 4.1 for the payment of the principal of, premium, if any, and interest on each Governmental Lender Note, in accordance with its terms and provisions, and for the payment of all other amounts due hereunder, shall attach and be valid and binding from and after the time of the delivery of the Governmental Lender Notes by the Governmental Lender. The Security so pledged and then or thereafter received by the Fiscal Agent or the Funding Lender shall immediately be subject to the lien of such pledge and security interest without any physical delivery or recording thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Governmental Lender irrespective of whether such parties have notice thereof.

Section 4.2. Delivery of Security. To provide security for the payment of the Funding Loan and each Governmental Lender Note, the Governmental Lender has pledged and assigned to secure payment of the Funding Loan and the Governmental Lender Note its right, title and interest in the Security to the Funding Lender. In connection with such pledge, assignment, transfer and conveyance, the Governmental Lender shall deliver or cause to be delivered to the Funding Lender, by or at the direction of the Borrower, the following documents or instruments promptly following their execution and, to the extent applicable, their recording or filing:

(a) Each Borrower Note endorsed without recourse to the Funding Lender by the Governmental Lender;

(b) The originally executed Borrower Loan Agreement and Regulatory Agreement;

(c) The originally executed Security Instrument and all other Funding Loan Documents existing at the time of delivery of the Borrower Notes and an assignment for security of the Security Instrument from the Governmental Lender to the Funding Lender, in recordable form;

(d) UCC financing statements or other chattel security documents giving notice of the Funding Lender's status as an assignee of the Governmental Lender's security interest in any personal property forming part of the Project, in form suitable for filing; and

(e) UCC financing statements giving notice of the pledge by the Governmental Lender of the Security pledged under this Funding Loan Agreement.

The Governmental Lender shall deliver and deposit with the Funding Lender such additional documents, financing statements, and instruments as the Funding Lender may

reasonably request in writing from time to time for the better perfecting and assuring to the Funding Lender of its lien and security interest in and to the Security, at the expense of the Borrower.

ARTICLE V

LIMITED LIABILITY

Section 5.1. Source of Payment of Funding Loan and Other Obligations. Pursuant to the Act, the Funding Loan and the Governmental Lender Notes are limited obligations of the Governmental Lender, payable solely from the Pledged Revenues and other funds and the Security pledged and assigned hereunder notwithstanding the provisions of any other law or statute. NONE OF THE GOVERNMENTAL LENDER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE GOVERNMENTAL LENDER, TO THE LIMITED EXTENT SET FORTH HEREIN) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE GOVERNMENTAL LENDER NOTES AND THE FUNDING LOAN OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WITH RESPECT THERETO EXCEPT AS SET FORTH HEREIN, AND NONE OF THE FUNDING LOAN OR THE GOVERNMENTAL LENDER NOTES OR ANY OF THE GOVERNMENTAL LENDER'S AGREEMENTS OR OBLIGATIONS WITH RESPECT TO THE FUNDING LOAN, THE GOVERNMENTAL LENDER NOTES, OR HEREUNDER, SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE GOVERNMENTAL LENDER HAS NO TAXING POWER.

Section 5.2. Exempt From Individual Liability. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of any present or future officer, director, employee or agent of the Governmental Lender in his individual capacity, and neither the officers, directors, employees or agents of the Governmental Lender executing the Governmental Lender Notes or this Funding Loan Agreement shall be liable personally on the Governmental Lender Notes or under this Funding Loan Agreement or be subject to any personal liability or accountability by reason of the issuance of the Governmental Lender Notes or the execution of this Funding Loan Agreement.

ARTICLE VI

CLOSING CONDITIONS; APPLICATION OF FUNDS

Section 6.1. Conditions Precedent to Closing. Closing of the Funding Loan on the Closing Date shall be conditioned upon satisfaction or waiver by the Funding Lender in its sole discretion of each of the conditions precedent to closing set forth in this Funding Loan Agreement (other than the requirements in clauses (h) and (i) as applicable to deliverables to the Governmental Lender, or the requirements in clauses (f) and (j) below, each of which may only be waived by the Governmental Lender), including but not limited to the following:

- (a) Receipt by the Funding Lender of the original Governmental Lender Notes;
- (b) Receipt by the Funding Lender of the original executed Borrower Notes, endorsed without recourse to the Funding Lender by the Governmental Lender;
- (c) Receipt by the Funding Lender of executed counterparts of the Funding Loan Documents including this Funding Loan Agreement, the Borrower Loan Agreement, the Construction Disbursement Agreement, the Regulatory Agreement, the Tax Certificate and the Security Instrument;
- (d) A certified copy of the Resolution;
- (e) Executed Required Transferee Representations from the Funding Lender;
- (f) Delivery into escrow or to the Fiscal Agent, as applicable, of all amounts required to be paid in connection with the origination of the Borrower Loan and the Funding Loan and any underlying real estate transfers or transactions, including the Costs of Funding Deposit, as described and in accordance with Section 2.3(c)(ii) of the Borrower Loan Agreement;
- (g) Receipt by the Governmental Lender of a Tax Counsel Approving Opinion with a reliance letter addressed to the Funding Lender;
- (h) Receipt by the Funding Lender of an Opinion of Counsel from Tax Counsel to the effect that the Governmental Lender Notes are exempt from registration under the Securities Act of 1933, and this Funding Loan Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended;
- (i) Delivery of an opinion of counsel to the Borrower addressed to the Governmental Lender to the effect that the Funding Loan Documents to which the Borrower is a party are valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, subject to such exceptions and qualifications as are acceptable to the Governmental Lender; and
- (j) Receipt by the Funding Lender of any other documents or opinions that the Funding Lender or Tax Counsel may require.

ARTICLE VII

FUNDS AND ACCOUNTS

Section 7.1. Authorization to Create Funds and Accounts. Except as provided in Section 7.3 hereof, no funds or accounts shall be established in connection with the Funding Loan at the time of closing and origination of the Funding Loan. The Funding Lender, the Fiscal Agent (as directed by the Funding Lender) and the Servicer, if any, are authorized to establish and create from time to time such other funds and accounts or subaccounts as may be necessary for the deposit of moneys (including, without limitation, insurance proceeds and/or condemnation awards), if any, received by the Governmental Lender, the Fiscal Agent, the Funding Lender or the Servicer

pursuant to the terms hereof or any of the other Funding Loan Documents and not immediately transferred or disbursed pursuant to the terms of the Funding Loan Documents.

Section 7.2. [Reserved].

Section 7.3. Establishment of Funds. There are established with the Fiscal Agent the following funds and accounts:

(a) The Funding Loan Payment Fund;

(b) The Project Fund, and within the Project Fund (i) the Note Proceeds Account, and within the Note Proceeds Account the Note Proceeds Subaccount (Tax-Exempt) and the Note Proceeds Subaccount (Taxable); (ii) the Capitalized Interest Account, and within the Capitalized Interest Account the Capitalized Interest Subaccount (Tax-Exempt) and the Capitalized Interest Subaccount (Taxable); and (iii) the Borrower Equity Account;

(c) The Expense Fund;

(d) The Closing Costs Fund; and

(e) The Rebate Fund.

All money required to be deposited with or paid to the Fiscal Agent for the account of any of the funds or accounts created by this Funding Loan Agreement shall be held by the Fiscal Agent for the benefit of the Funding Lender, and except for money held in the Rebate Fund, the Expense Fund and Closing Costs Fund, shall, while held by the Fiscal Agent, constitute part of the Pledged Revenues and be subject to the lien hereof.

Section 7.4. Funding Loan Payment Fund. The Governmental Lender and the Borrower shall have no interest in the Funding Loan Payment Fund or the moneys therein, which shall always be maintained by the Fiscal Agent completely separate and segregated from all other moneys held hereunder and from any other moneys of the Governmental Lender and the Borrower.

The Fiscal Agent shall deposit into the Funding Loan Payment Fund any amounts received from the Borrower as payments of principal of, premium, if any, or interest on the Borrower Loan and any other amounts received by the Fiscal Agent that are subject to the lien and pledge of this Funding Loan Agreement, including any Pledged Revenues not required to be deposited to the Expense Fund or not otherwise specifically directed in writing to be deposited into other funds created by this Funding Loan Agreement.

The Fiscal Agent shall apply all amounts on deposit in the Funding Loan Payment Fund in the following order of priority:

First, to pay or provide for the payment of the interest then due on the Funding Loan;

Second, to pay or provide for the payment or the prepayment of principal (and premium, if any) on the Funding Loan, provided moneys have been transferred or deposited into the Funding Loan Payment Fund for such purpose; and

Third, to pay or provide for the payment of the Funding Loan on the applicable Maturity Date or earlier prepayment or acceleration date.

Section 7.5. Expense Fund. The Fiscal Agent shall deposit in the Expense Fund the amounts required by the Regulatory Agreement or the Borrower Loan Agreement to be paid by the Borrower to the Governmental Lender or the Fiscal Agent. Amounts on deposit in the Expense Fund shall be used to pay the fees and expenses of the Governmental Lender, the Rebate Analyst and the Fiscal Agent, as and when the same become due. In that regard, moneys in the Expense Fund shall be withdrawn or maintained, as appropriate, by the Fiscal Agent to pay (i) the Ongoing Governmental Lender Fee in accordance with Section 20 of the Regulatory Agreement, (ii) the Fiscal Agent Fee due, and (iii) the Rebate Analyst Fee due.

In the event that the amounts on deposit in the Expense Fund are not equal to the amounts payable from the Expense Fund as provided in the preceding paragraph on any date on which such amounts are due and payable, the Fiscal Agent shall give notice to the Borrower of such deficiency and of the amount of such deficiency and request payment within two (2) Business Days to the Fiscal Agent of the amount of such deficiency.

Written Notice of any deficiency, which results in the Governmental Lender not receiving the Ongoing Governmental Lender Fee on the applicable due date, shall be provided by the Fiscal Agent to the Governmental Lender (with a copy to the Borrower and the Funding Lender) within ten (10) days of the respective due date.

Upon payment by the Borrower of such deficiency, the amounts for which such deficiency was requested shall be paid by the Fiscal Agent.

Notwithstanding anything herein to the contrary, the Fiscal Agent, on behalf of the Governmental Lender, shall prepare and submit an invoice to the Borrower for payment of the Ongoing Governmental Lender Fee not later than thirty (30) days prior to the due date for payment of the Ongoing Governmental Lender Fee, and shall remit moneys received by the Borrower to the Governmental Lender for payment of such fee.

Section 7.6. Closing Costs Fund. On the Closing Date, the Borrower shall deposit or cause to be deposited with the Fiscal Agent, for deposit in the Closing Costs Fund, the amount set forth in Exhibit E hereto. Amounts in the Closing Costs Fund shall be disbursed by the Fiscal Agent to pay Costs of Funding on the Closing Date or as soon as practicable thereafter as set forth in a closing memorandum prepared by the Funding Lender and approved by the Governmental Lender. Any interest earnings on amounts on deposit in the Closing Costs Fund shall remain in the Closing Costs Fund. Any moneys remaining in the Closing Costs Fund (including investment proceeds) after the earlier of (i) the payment of all costs of issuance as certified in writing to the Fiscal Agent by the Borrower or (ii) a period of 180 days after the Closing Date, shall be transferred to the applicable subaccount of the Note Proceeds Account of the Project Fund, to the extent such amounts were funded with proceeds of the Tax-Exempt Governmental Lender Note and the Taxable Governmental Lender Note, respectively, and the Closing Costs Fund shall be closed.

Section 7.7. Project Fund.

(a) Proceeds of the Funding Loan provided by the Funding Lender shall be deposited to the appropriate subaccounts of the Note Proceeds Account and the Capitalized Interest Account of the Project Fund as directed in writing by the Funding Lender. The Fiscal Agent shall disburse moneys in the Note Proceeds Account and its subaccounts, the Capitalized Interest Account and its subaccounts, and the Borrower Equity Account of the Project Fund for the acquisition, construction and equipping of the Project and other costs related to the Project as provided herein, and with respect to the portion of the Funding Loan related to the Tax-Exempt Governmental Lender Note, to pay Qualified Project Costs and other costs related to the Project as provided herein and with respect to the portion of the Funding Loan related to the Taxable Governmental Lender Note to pay costs related to the Project as provided herein.

Not less than 97% of the moneys deposited in and credited to the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund representing the proceeds of the portion of the Funding Loan financed with the Tax-Exempt Governmental Lender Note, including Investment Income thereon, will be expended for Qualified Project Costs (the "97% Requirement"). The amounts on deposit in the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund shall not be applied to the payment of Closing Costs.

Except as otherwise provided in this Section, and except with respect to the initial disbursement on the Closing Date which shall be wired directly to the Title Company without need for a Requisition therefor, payments shall only be made from the Project Fund upon delivery to the Fiscal Agent of a Written Requisition substantially in the form attached hereto as Exhibit C or as otherwise provided in Exhibit I of the Construction Disbursement Agreement, and approved by the Funding Lender pursuant to the terms, conditions and provisions hereof and of the Construction Disbursement Agreement.

In addition to the above, in connection with any requisition or disbursement from the Project Fund:

(i) The Fiscal Agent shall disburse amounts in the Project Fund upon receipt of a Written Requisition signed only by the Funding Lender, without any need for any signature by an Authorized Borrower Representative, so long as the amount to be disbursed is to be used solely to make payments of principal, interest and/or fees due under the Funding Loan Documents.

(ii) Upon the occurrence of any mandatory prepayment of the Funding Loan pursuant to the terms hereof or an Event of Default, any amounts then remaining in the Project Fund may, at the Written Direction of the Funding Lender, be transferred to the Funding Loan Payment Fund to be applied to the prepayment of the Funding Loan without a Written Requisition.

(iii) The Fiscal Agent shall immediately provide Written Notice to the Borrower, the Funding Lender, the Servicer and the Governmental Lender if there are not

sufficient funds available to or on deposit with the Fiscal Agent to make the disbursements as and when required by this Section.

(iv) The Fiscal Agent may conclusively rely on all Written Requisitions executed by the Authorized Borrower Representative and approved by the Funding Lender, as required by this Section, as conditions of payment from the Project Fund, and shall constitute to the Fiscal Agent, irrevocable determinations that all conditions to payment of the specified amounts from the Project Fund have been satisfied. All Written Requisitions delivered to the Fiscal Agent shall be retained by the Fiscal Agent, subject at all reasonable times to examination by the Borrower, the Governmental Lender, the Funding Lender and the agents and representatives thereof upon reasonable notice to the Fiscal Agent. The Fiscal Agent is not required to make any independent investigation with respect to the matters set forth in any Written Requisition or other statements, orders, certifications and approvals received by the Fiscal Agent.

Upon receipt of each Written Requisition signed by the Authorized Borrower Representative and approved in writing by the Funding Lender, the Fiscal Agent shall promptly, but in any case within two (2) Business Days, make payment from the applicable account within the Project Fund in accordance with such Written Requisition. All such payments shall be made by check or draft payable, or by wire transfer, either (i) directly to the person, firm or corporation to be paid as provided in the Written Requisition, (ii) to the Borrower who shall then promptly pay such person, firm or corporation to be paid, or (iii) upon receipt by the Funding Lender of evidence that the Borrower has previously paid such amount, directly to the Borrower. Upon final disbursement of all amounts on deposit in the Project Fund, the Fiscal Agent shall close the Project Fund.

(b) Amounts set aside to pay capitalized interest on the applicable Governmental Lender Note, including additional capitalized interest deposited by the Borrower in connection with any deposits made pursuant to Section 2.1 hereof or extension of the Completion Deadline, shall be deposited in the applicable subaccount of the Capitalized Interest Account of the Project Fund. On the last Business Day immediately preceding each Interest Payment Date, the Fiscal Agent shall transfer funds from the Capitalized Interest Subaccount (Tax-Exempt) and the Capitalized Interest Subaccount (Taxable) of the Capitalized Interest Account of the Project Fund, as applicable, to pay the interest then due on the applicable Governmental Lender Note; or to the extent that insufficient funds are on deposit in the Capitalized Interest Account and subaccounts therein, from the Borrower Equity Account of the Project Fund, to the Funding Loan Payment Fund to pay the interest due on the Funding Loan on the following Interest Payment Date without the need for a Written Requisition.

Section 7.8. Rebate Fund. The Fiscal Agent shall deposit or transfer to the credit of the Rebate Fund each amount delivered to the Fiscal Agent by the Borrower for deposit thereto and each amount directed by the Borrower or the Rebate Analyst to be transferred thereto pursuant to Section 5.35 of the Borrower Loan Agreement.

Section 7.9. Investments.

Amounts on deposit in all funds and accounts held hereunder shall be invested in Permitted Investments as directed in writing by the Borrower and approved in writing by the Funding Lender. In the absence of such written instructions, funds shall be held uninvested. Investment income earned on amounts on deposit in each fund and account shall be retained in and credited to and become a part of the amounts on deposit in such fund or account. Amounts held in any funds or accounts created under this Funding Loan Agreement shall be subject in all cases to the applicable restrictions of Section 8.7 hereof and of the Tax Certificate.

The Fiscal Agent may make any and all investments permitted under this Funding Loan Agreement through its own trust or banking department or any affiliate and may pay said department reasonable, customary fees for placing such investments. The Fiscal Agent and its affiliates may act as principal, agent, sponsor, advisor or depository with respect to Permitted Investments under this Funding Loan Agreement. The Fiscal Agent shall not be liable for any losses from investments made by the Fiscal Agent in accordance with this Funding Loan Agreement.

The Governmental Lender, the Funding Lender and the Borrower (by its execution of the Borrower Loan Agreement) acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Governmental Lender or the Funding Lender the right to receive brokerage confirmations of security transactions as they occur, the Governmental Lender and the Funding Lender will not receive such confirmations to the extent permitted by law. The Fiscal Agent shall furnish the Borrower, the Funding Lender and the Governmental Lender (to the extent requested by such parties) periodic cash transaction statements which shall include detail for all investment transactions, if any, made by the Fiscal Agent hereunder.

The amounts received upon the sale of the Tax-Exempt Governmental Lender Note and interest and other investment earnings on those amounts shall be allocated and used for financing Qualified Project Costs of each building and related land in the Project so that the aggregate basis of each such building and related land, within the meaning of Section 42(h)(4) of the Code, shall be financed by fifty percent (50%) or more from those amounts.

ARTICLE VIII

REPRESENTATIONS AND COVENANTS

Section 8.1. General Representations. The Governmental Lender makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Governmental Lender is a public instrumentality and political subdivision of the State of California.

(b) The Governmental Lender has all necessary power and authority to execute and deliver the Governmental Lender Notes and to execute and deliver this Funding Loan Agreement, the Borrower Loan Agreement and the other Funding Loan Documents and Borrower Loan

Documents to which it is a party, and to perform its duties and discharge its obligations hereunder and thereunder.

(c) The revenues and receipts to be derived from the Borrower Loan Agreement, the Borrower Notes and this Funding Loan Agreement have not been pledged previously by the Governmental Lender to secure any of its notes or bonds, other than this Funding Loan Agreement as evidenced by the Governmental Lender Notes.

(d) The California Debt Limit Allocation Committee has provided an allocation of the State's private activity bond volume cap under Section 146 of the Code to the Governmental Lender for the Tax-Exempt Governmental Lender Note and the Governmental Lender has timely made any required carry forward elections with respect to such allocation. The Governmental Lender hereby elects to apply the alternative option under clause (2) of the first paragraph of Section 3.01 of IRS Notice 2011-63 with respect to the issue date of the Tax-Exempt Governmental Lender Note; and, in connection therewith, has directed Tax Counsel to include the information on Form 8038 filed for the Tax-Exempt Governmental Lender Note that is required by section 3.03 of said Notice.

THE GOVERNMENTAL LENDER MAKES NO REPRESENTATION, COVENANT OR AGREEMENT AS TO THE FINANCIAL POSITION OR BUSINESS CONDITION OF THE BORROWER OR THE PROJECT AND DOES NOT REPRESENT OR WARRANT AS TO ANY STATEMENTS, MATERIALS, REPRESENTATIONS OR CERTIFICATIONS FURNISHED BY THE BORROWER IN CONNECTION WITH THE FUNDING LOAN OR THE BORROWER LOAN, OR AS TO THE CORRECTNESS, COMPLETENESS OR ACCURACY THEREOF.

Section 8.2. No Encumbrance on Security. The Governmental Lender will not knowingly create or knowingly permit the creation of any mortgage, pledge, lien, charge or encumbrance of any kind on the Security or any part thereof prior to or on a parity with the lien of this Funding Loan Agreement, except as expressly permitted or contemplated by the Funding Loan Documents.

Section 8.3. Repayment of Funding Loan. Subject to the provisions of Articles III and V hereof, the Governmental Lender will duly and punctually repay, or cause to be repaid, the Funding Loan, as evidenced by the Governmental Lender Notes, as and when the same shall become due, all in accordance with the terms of the Governmental Lender Notes and this Funding Loan Agreement.

Section 8.4. Servicer. The Funding Lender may appoint the Servicer to service and administer the Funding Loan and/or the Borrower Loan on behalf of the Funding Lender, including without limitation the fulfillment of rights and responsibilities granted by Governmental Lender to Funding Lender pursuant to Section 2.1 of the Borrower Loan Agreement.

Section 8.5. Borrower Loan Agreement Performance.

(a) The Funding Lender, the Fiscal Agent and the Servicer, if any, on behalf of the Governmental Lender, may (but shall not be required or obligated to) perform and observe any agreement or covenant of the Governmental Lender under the Borrower Loan Agreement, all to

the end that the Governmental Lender's rights under the Borrower Loan Agreement may be unimpaired and free from default.

(b) The Governmental Lender will promptly notify or cause to be notified the Borrower, the Servicer and the Funding Lender in writing of the occurrence of any Borrower Loan Agreement Default, provided that the Governmental Lender has received Written Notice of such event.

Section 8.6. Maintenance of Records; Inspection of Records.

(a) The Fiscal Agent shall keep and maintain adequate records pertaining to any funds and accounts established hereunder, including all deposits to and disbursements from said funds and accounts and shall keep and maintain the registration books for the Governmental Lender Notes and interests therein. The Fiscal Agent shall retain in its possession all certifications and other documents presented to it, all such records and all records of principal, interest and premium paid on the Funding Loan, subject to the inspection of the Funding Lender and the Governmental Lender and their representatives at all reasonable times and upon reasonable prior notice.

(b) The Governmental Lender and the Funding Lender will at any and all times, upon the reasonable request of the Servicer, the Borrower, the Fiscal Agent, the Governmental Lender or the Funding Lender, afford and procure a reasonable opportunity by their respective representatives to inspect the books, records, reports and other papers of the Governmental Lender or the Funding Lender, as appropriate, relating to the Project and the Funding Loan, if any, and to make copies thereof.

Section 8.7. Tax Covenants. The Governmental Lender covenants to and for the benefit of the Funding Lender that, notwithstanding any other provisions of this Funding Loan Agreement or of any other instrument, it will:

(a) Enforce or cause to be enforced all obligations of the Borrower under the Regulatory Agreement in accordance with its terms and seek to cause the Borrower to correct any violation of the Regulatory Agreement within a reasonable period after any such violation is first discovered;

(b) Not knowingly take or cause to be taken any action or actions, or knowingly fail to take any action or actions, which would cause the interest payable on the Tax-Exempt Governmental Lender Note to be includable in gross income for federal income tax purposes;

(c) Whenever and so often as requested by Funding Lender, the Governmental Lender (at the sole cost and expense of the Borrower) shall do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Governmental Lender on the Tax-Exempt Governmental Lender Note will be excluded from the gross income of the holders of the Tax-Exempt Governmental Lender Note, for federal income tax purposes, pursuant to Section 103 of the Code, except in the event where any holder of the Tax-Exempt Governmental Lender Note or a portion thereof is a "substantial user" of the facilities financed with the Funding Loan or a "related person" within the meaning of Section 147(a) of the Code;

(d) Not knowingly take any action nor, solely in reliance upon the covenants and representations of the Borrower in the Borrower Loan Agreement, in the Regulatory Agreement and in the Tax Certificate, knowingly permit or suffer any action to be taken if the result of the

same would be to cause the Tax-Exempt Governmental Lender Note to be “federally guaranteed” within the meaning of Section 149(b) of the Code and the Regulations;

(e) Require the Borrower to agree, solely by causing the Borrower to execute and deliver the Borrower Loan Agreement, not to commit any act and not to make any use of the proceeds of the Funding Loan financed with the proceeds of the Tax-Exempt Governmental Lender Note, or any other moneys which may be deemed to be proceeds of the Funding Loan financed with the proceeds of the Tax-Exempt Governmental Lender Note, which would cause the Tax-Exempt Governmental Lender Note to be an “arbitrage bond” within the meaning of Sections 103(b) and 148 the Code, and to comply with the requirements of the Code throughout the term of the Funding Loan financed with the proceeds of the Tax-Exempt Governmental Lender Note; and

(f) Require the Borrower, solely by causing the Borrower to execute and deliver the Borrower Loan Agreement, to take all steps necessary to compute and pay any rebatable arbitrage in accordance with Section 148(f) of the Code.

In furtherance of the covenants in this Section 8.7, the Governmental Lender and the Borrower shall execute, deliver and comply with the provisions of the Tax Certificate, which are by this reference incorporated into and made a part of this Funding Loan Agreement as if set forth in this Funding Loan Agreement in full. In the event of any conflict between any provision or requirement of this Funding Loan Agreement and the Tax Certificate, the requirements of the Tax Certificate shall control.

For purposes of this Section 8.7 the Governmental Lender’s compliance shall be based solely on matters within the Governmental Lender’s knowledge and control and no acts, omissions or directions of the Borrower, the Fiscal Agent, the Funding Lender or any other Persons shall be attributed to the Governmental Lender.

In complying with the foregoing covenants, the Governmental Lender may rely from time to time on a Tax Counsel No Adverse Effect Opinion or other appropriate opinion of Tax Counsel.

Section 8.8. Performance by the Borrower. Without relieving the Governmental Lender from the responsibility for performance and observance of the agreements and covenants required to be performed and observed by it hereunder, the Borrower, on behalf of the Governmental Lender, may perform any such agreement or covenant if no Borrower Loan Agreement Default or Potential Default under (and as such term is defined in) the Borrower Loan Agreement exists.

Section 8.9. Maintenance of Records. The Funding Lender shall keep and maintain adequate records pertaining to the funds and accounts relative to the Borrower Loan established with the Fiscal Agent, if any, including all deposits to and disbursements from said funds and will provide information and records relating thereto.

Section 8.10. Monthly Statements. On or before the fifth day of each month, beginning January 5, 2023, the Funding Lender shall provide a statement of all loan and fund balances under this Funding Loan Agreement to the Governmental Lender, with a copy to the Fiscal Agent, in form and substance satisfactory to the Governmental Lender.

ARTICLE IX

DEFAULT; REMEDIES

Section 9.1. Provisions Regarding Any Default and Acceleration.

(a) Notwithstanding the foregoing, or anything else to the contrary herein, no default by the Borrower under the Borrower Loan Agreement or the Borrower Notes shall constitute an event of default with respect to the Funding Loan (including, without limitation, a failure to make any payment due with respect to the Funding Loan as a consequence of the Borrower's failure to make any payment due under the Borrower Loan Agreement). The Governmental Lender's, Funding Lender's and Servicer's remedies with respect to a default under the Borrower Loan Documents shall be as set forth under the Borrower Loan Documents.

(b) In the event of a default by the Borrower under the Borrower Loan Documents, the Funding Lender, in its discretion, may accelerate the amounts due under the Borrower Loan Agreement and take other remedial actions available thereunder without accelerating the amounts due with respect to the Funding Loan. Notwithstanding the foregoing, the Funding Lender may, upon the acceleration of the Borrower's obligations under the Borrower Loan Documents, simultaneously accelerate the maturity of the Funding Loan and apply any funds available hereunder to the payment of the Funding Loan (after paying the fees and expenses of the Fiscal Agent and the Governmental Lender). Any portion of the Funding Loan remaining outstanding upon such an acceleration of the Funding Loan shall be deemed paid upon transfer, to or at the direction of the Funding Lender, of the Borrower Loan Documents and all security therefor free and clear of the lien of this Funding Loan Agreement.

(c) The Governmental Lender shall cooperate with the Fiscal Agent and the Funding Lender in exercising rights and remedies under the Borrower Loan Documents, but only upon being satisfactorily indemnified by the Borrower for any fees or expenses relating thereto as provided in the Borrower Loan Agreement and Regulatory Agreement.

(d) In the event of a Borrower Loan Agreement Default, so long as there is no Event of Default hereunder pursuant to the provisions of this Section 9.1 and Section 9.2, the Funding Lender agrees to (x) provide notice to the Governmental Lender and the Fiscal Agent of any agreement with the Borrower to change in the amount and/or timing of payments due under the Borrower Loan Agreement at least ten (10) Business Days prior to the effective date of such agreement, and (y) notify the Governmental Lender and Fiscal Agent semiannually and at any time upon the written request of the Governmental Lender, but in any event no more frequently than quarterly, as to the status of the Funding Lender's pursuit of remedies under the Borrower Loan Documents.

Section 9.2. Events of Default. Any one or more of the following shall constitute an event of default (an "Event of Default") under this Funding Loan Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or Governmental Authority):

(a) A default in the payment of any interest upon the Governmental Lender Notes when such interest becomes due and payable; or

(b) A default in the payment of principal of, or premium on, the Governmental Lender Notes when such principal or premium becomes due and payable, whether at its stated maturity, by declaration of acceleration, call for mandatory prepayment or otherwise; or

(c) Subject to Section 8.8 hereof, default in the performance or breach of any material covenant or warranty of the Governmental Lender in this Funding Loan Agreement (other than a covenant or warranty or default in the performance or breach of which is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of thirty (30) days after there has been given Written Notice, as provided in Section 12.1 hereof, to the Governmental Lender and the Borrower by the Funding Lender or the Servicer, specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under this Funding Loan Agreement; provided that, so long as the Governmental Lender or the Borrower on its behalf has commenced to cure such failure to observe or perform within the thirty (30) day cure period and the subject matter of the default is not capable of cure within said thirty (30) day period and the Governmental Lender or the Borrower on its behalf is diligently pursuing such cure to the Funding Lender’s satisfaction, with the Funding Lender’s Written Direction or consent, then the Governmental Lender or the Borrower on its behalf shall have an additional period of time as reasonably necessary (not to exceed thirty (30) days unless extended in writing by the Funding Lender) within which to cure such default; or

(d) A default in the payment of any of the Additional Borrower Payments; or

(e) Any other “Default” or “Event of Default” under any of the other Funding Loan Documents (taking into account any applicable grace periods therein).

Section 9.3. Acceleration of Maturity; Rescission and Annulment.

(a) Subject to the provisions of Section 9.10 hereof, upon the occurrence of an Event of Default under Section 9.2 hereof, then and in every such case, the Funding Lender may declare the principal of the Funding Loan and the Governmental Lender Notes and the interest accrued to be immediately due and payable, by notice to the Governmental Lender and the Borrower and upon any such declaration, all principal of and Prepayment Premium, if any, and interest on the Funding Loan and the Governmental Lender Notes shall become immediately due and payable.

(b) At any time after a declaration of acceleration has been made pursuant to subsection (a) of this Section, the Funding Lender may by Written Notice to the Governmental Lender, rescind and annul such declaration and its consequences if:

(i) There has been deposited with the Funding Lender a sum sufficient to pay (1) all overdue installments of interest on the Funding Loan and the Governmental Lender Notes, (2) the principal of and Prepayment Premium, on the Funding Loan and the Governmental Lender Notes that has become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in the Funding Loan and the Governmental Lender Notes, (3) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates prescribed therefor in the

Funding Loan and the Governmental Lender Notes, and (4) all sums paid or advanced by the Funding Lender and the reasonable compensation, expenses, disbursements and advances of the Funding Lender, its agents and counsel (but only to the extent not duplicative with subclauses (1) and (3) above); and

(ii) All Events of Default, other than the non-payment of the principal of the Funding Loan and the Governmental Lender Notes which have become due solely by such declaration of acceleration, have been cured or have been waived in writing as provided in Section 9.10 hereof.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

(c) Notwithstanding the occurrence and continuation of an Event of Default, it is understood that the Funding Lender shall pursue no remedies against the Borrower or the Project if no Borrower Loan Agreement Default has occurred and is continuing. An Event of Default hereunder shall not in and of itself constitute a Borrower Loan Agreement Default.

Section 9.4. Additional Remedies; Funding Lender Enforcement.

(a) Upon the occurrence of an Event of Default, the Funding Lender may, subject to the provisions of this Section 9.4 and Section 9.10 hereof, proceed to protect and enforce its rights by mandamus or other suit, action or proceeding at law or in equity. No remedy conferred by this Funding Loan Agreement upon or remedy reserved to the Funding Lender is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Funding Lender hereunder or now or hereafter existing at law or in equity or by statute.

(b) Upon the occurrence and continuation of any Event of Default, the Funding Lender may proceed forthwith to protect and enforce its rights and this Funding Loan Agreement by such suits, actions or proceedings as the Funding Lender, in its sole discretion, shall deem expedient. Funding Lender shall have upon the occurrence and continuation of any Event of Default all rights, powers, and remedies with respect to the Security as are available under the UCC applicable thereto or as are available under any other applicable law at the time in effect and, without limiting the generality of the foregoing, the Funding Lender may proceed at law or in equity or otherwise, to the extent permitted by applicable law:

(i) to take possession of the Security or any part thereof, with or without legal process, and to hold, service, administer and enforce any rights thereunder or thereto, and otherwise exercise all rights of ownership thereof, including (but not limited to) the sale of all or part of the Security;

(ii) to become mortgagee of record for the Borrower Loan including, without limitation, completing the assignment of the Security Instrument by the Governmental Lender to the Funding Lender as anticipated by this Funding Loan Agreement, and recording the same in the real estate records of the jurisdiction in which the Project is located, without further act or consent of the Governmental Lender, and to service and administer the same for its own account;

(iii) to service and administer the Funding Loan as agent and on behalf of the Governmental Lender or otherwise, and, if applicable, to take such actions necessary to enforce the Funding Loan Documents on its own behalf, and to take such alternative courses of action, as it may deem appropriate; or

(iv) to take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Governmental Lender Notes, this Funding Loan Agreement or the other Funding Loan Documents, or in and of the execution of any power herein granted, or for foreclosure hereunder, or for enforcement of any other appropriate legal or equitable remedy or otherwise as the Funding Lender may elect.

(c) Whether or not an Event of Default has occurred, the Funding Lender, in its sole discretion, shall have the sole right to waive or forbear from enforcing any term, condition, covenant or agreement of the Security Instrument, the Borrower Loan Agreement, the Borrower Notes or any other Funding Loan Documents applicable to the Borrower, or any breach thereof, other than a covenant that would adversely impact the tax-exempt status of the interest on the Tax-Exempt Governmental Lender Note, and provided that the Governmental Lender may seek specific performance by the Borrower to enforce the Unassigned Rights.

(d) If the Borrower defaults in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in the Regulatory Agreement, and if such default remains uncured for a period of sixty (60) days after the Borrower and the Funding Lender receive Written Notice stating that a default under the Regulatory Agreement has occurred and specifying the nature of the default, the Funding Lender shall have the right to seek specific performance of the provisions of the Regulatory Agreement or to exercise its other rights or remedies thereunder.

(e) If the Borrower defaults in the performance of its obligations under the Borrower Loan Agreement or any of the other Funding Loan Documents to make rebate payments, to comply with any applicable continuing disclosure requirements, or to make payments owed thereunder, the Funding Lender shall have the right to exercise all its rights and remedies thereunder.

Section 9.5. Application of Money Collected. Any money collected by the Funding Lender pursuant to this Article and any other sums then held by the Funding Lender as part of the Security, shall be applied in the following order, at the date or dates fixed by the Funding Lender:

(a) First: To the payment of any and all amounts due under the Funding Loan Documents other than with respect to principal and interest accrued on the Funding Loan, including, without limitation, any amounts due to the Governmental Lender, the Funding Lender, the Servicer and the Rebate Analyst;

(b) Second: To the payment of the whole amount of the Funding Loan, as evidenced by the Governmental Lender Notes, as applicable, then due and unpaid in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Funding Loan Documents) on overdue principal of, and Prepayment Premium and overdue installments of interest on the

Funding Loan; provided, however, that partial interests in any portion of the Funding Loan shall be paid in such order of priority as may be prescribed by Written Direction of the Funding Lender in its sole and absolute discretion; and

(c) Third: The payment of the remainder, if any, to the Borrower or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

If and to the extent this Section 9.5 conflicts with the provisions of the Servicing Agreement, if any, the provisions of the Servicing Agreement shall control. Capitalized terms used in this Section 9.5 but not otherwise defined in this Funding Loan Agreement shall have the meanings given such terms in the Servicing Agreement.

Section 9.6. Remedies Vested in Funding Lender. All rights of action and claims under this Funding Loan Agreement or the Governmental Lender Notes may be prosecuted and enforced by the Funding Lender without the possession of the Governmental Lender Notes or the production thereof in any proceeding relating thereto.

Section 9.7. Restoration of Positions. If Funding Lender shall have instituted any proceeding to enforce any right or remedy under this Funding Loan Agreement and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Funding Lender, then and in every such case the Governmental Lender and the Funding Lender shall, subject to any determination in such proceeding, be restored to their former positions hereunder, and thereafter all rights and remedies of the Governmental Lender and the Funding Lender shall continue as though no such proceeding had been instituted.

Section 9.8. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Funding Lender is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 9.9. Delay or Omission Not Waiver. No delay or omission of the Funding Lender to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Funding Lender may be exercised from time to time, and as often as may be deemed expedient, by Funding Lender. No waiver of any default or Event of Default pursuant to Section 9.10 hereof shall extend to or shall affect any subsequent default or Event of Default hereunder or shall impair any rights or remedies consequent thereon.

Section 9.10. Waiver of Past Defaults. Before any judgment or decree for payment of money due has been obtained by the Funding Lender, the Funding Lender may, subject to Section 9.7 hereof, by Written Notice to the Governmental Lender and the Borrower, waive any past default hereunder or under the Borrower Loan Agreement and its consequences except for default in obligations due to the Governmental Lender pursuant to or under the Unassigned Rights. Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom

shall be deemed to have been cured, for every purpose of this Funding Loan Agreement and the Borrower Loan Agreement; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 9.11. Remedies Under Borrower Loan Agreement or Borrower Notes. As set forth in this Section 9.11 but subject to Section 9.10 hereof, the Funding Lender shall have the right, in its own name or on behalf of the Governmental Lender, to declare any default and exercise any remedies under the Borrower Loan Agreement or the Borrower Notes, whether or not the Governmental Lender Notes have been accelerated or declared due and payable by reason of an Event of Default.

Section 9.12. Waiver of Appraisal and Other Laws.

(a) To the extent permitted by law, the Governmental Lender will not at any time insist upon, plead, claim or take the benefit or advantage of, any appraisal, valuation, stay, extension or redemption law now or hereafter in force, in order to prevent or hinder the enforcement of this Funding Loan Agreement; and the Governmental Lender, for itself and all who may claim under it, so far as it or they now or hereafter may lawfully do so, hereby waives the benefit of all such laws. The Governmental Lender, for itself and all who may claim under it, waives, to the extent that it may lawfully do so, all right to have the property in the Security marshaled upon any enforcement hereof.

(b) If any law now in effect prohibiting the waiver referred to in Section 9.12(a) above shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the application of this Section 9.12.

Section 9.13. Suits to Protect the Security. The Funding Lender shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Security by any acts that may be unlawful or in violation of this Funding Loan Agreement and to protect its interests in the Security and in the rents, issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interests of the Funding Lender.

Section 9.14. Remedies Subject to Applicable Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Funding Loan Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

Section 9.15. Assumption of Obligations. In the event that the Funding Lender or its assignee or designee shall become the legal or beneficial owner of the Project by foreclosure or

deed in lieu of foreclosure, such party shall have the right, to be exercised in its sole discretion, to succeed to the rights and the obligations of the Borrower under the Borrower Loan Agreement, the Borrower Notes, the Regulatory Agreement and any other Funding Loan Documents to which the Borrower is a party. Such an assumption, if elected, would be effective from and after the effective date of such acquisition and would be made with the benefit of the limitations of liability set forth therein and without any liability for the prior acts of the Borrower.

It is the intention of the parties hereto that upon the occurrence and continuance of an Event of Default hereunder, rights and remedies may be pursued pursuant to the terms of the Funding Loan Documents.

ARTICLE X

AMENDMENT; AMENDMENT OF BORROWER LOAN AGREEMENT AND OTHER DOCUMENTS

Section 10.1. Amendment of Funding Loan Agreement. Any of the terms of this Funding Loan Agreement and the Governmental Lender Notes may be amended or waived only by an instrument signed by the Funding Lender, the Fiscal Agent and the Governmental Lender; provided, however, no such amendment which materially affects the rights, duties, obligations or other interests of the Borrower shall be made without the consent of the Borrower and, provided further, that if the Borrower is in default under any Funding Loan Document, no Borrower consent shall be required unless such amendment has a material adverse effect on the rights, duties, obligations or other interests of the Borrower. All of the terms of this Funding Loan Agreement shall be binding upon the successors and assigns of and all persons claiming under or through the Governmental Lender or any such successor or assign, and shall inure to the benefit of and be enforceable by the successors and assigns of the Funding Lender.

Section 10.2. Amendments Require Funding Lender Consent. The Governmental Lender shall not consent to any amendment, change or modification of the Borrower Loan Agreement or any other Funding Loan Document (except the Tax Certificate and the Regulatory Agreement) without the prior Written Consent of the Funding Lender.

Section 10.3. Consents and Opinions. No amendment to this Funding Loan Agreement or any other Funding Loan Document entered into under this Article X or any amendment, change or modification otherwise permitted under this Article X shall become effective unless and until (i) the Funding Lender shall have approved the same in writing in its sole discretion, and (ii) to the extent requested by the Funding Lender, the Funding Lender shall have received, at the expense of the Borrower, a Tax Counsel No Adverse Effect Opinion and an Opinion of Counsel to the effect that any such proposed amendment is authorized and complies with the provisions of this Funding Loan Agreement and is a legal, valid and binding obligation of the parties thereto, subject to normal exceptions relating to bankruptcy, insolvency and equitable principles limitations.

ARTICLE XI

THE FISCAL AGENT

Section 11.1. Appointment of Fiscal Agent; Acceptance. The Governmental Lender hereby appoints U.S. Bank Trust Company, National Association as Fiscal Agent hereunder. The Fiscal Agent shall signify its acceptance of the duties and obligations imposed upon it by this Funding Loan Agreement by executing this Funding Loan Agreement.

Section 11.2. Certain Duties and Responsibilities of Fiscal Agent.

(a) The Fiscal Agent undertakes to perform such duties and only such duties as are specifically set forth in this Funding Loan Agreement, and no implied covenants or obligations shall be read into this Funding Loan Agreement against the Fiscal Agent.

(b) If an event of default exists hereunder or under any Funding Loan Document, the Fiscal Agent shall exercise such rights and powers vested in it by this Funding Loan Agreement, and subject to Section 11.2(c) hereof, use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of corporate trust business.

(c) No provision of this Funding Loan Agreement shall be construed to relieve the Fiscal Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, in each case, as finally adjudicated by a court of law, except that:

(i) This subsection shall not be construed to limit the effect of subsection (a) of this Section;

(ii) The Fiscal Agent shall not be liable for any errors of judgment made in good faith, unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts;

(iii) The Fiscal Agent shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Funding Lender relating to the time, method and place of conducting any proceeding for any remedy available to the Fiscal Agent, or exercising any trust or power conferred upon the Fiscal Agent under this Funding Loan Agreement;

(iv) No provision of this Funding Loan Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it in its sole discretion.

Subject to its rights to indemnification pursuant to Section 11.4 hereof, the Fiscal Agent is directed to enter into the Funding Loan Documents to which it is a party and other related documents, solely in its capacity as Fiscal Agent.

(a) Whether or not therein expressly so provided, every provision of this Funding Loan Agreement and the other Funding Loan Documents relating to the conduct or affecting the liability of or affording protection to the Fiscal Agent shall be subject to the provisions of this Section.

(b) The Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Funding Loan Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Funding Loan Agreement.

(c) The permissive rights of the Fiscal Agent to do things enumerated in this Funding Loan Agreement shall not be construed as a duty.

(d) The rights of the Fiscal Agent and limitations of liability enumerated herein and in Section 11.4 hereof shall extend to actions taken or omitted in its role as a party to the Borrower Loan Agreement and the other Funding Loan Documents.

Section 11.3. Notice of Defaults. Upon the occurrence of any default hereunder or under any other Funding Loan Document and provided that a Responsible Officer of the Fiscal Agent is aware of or has received Written Notice of the existence of such default, promptly, and in any event within fifteen (15) days, the Fiscal Agent shall transmit to the Governmental Lender, the Borrower, the Equity Investor, the Servicer, if any, and the Funding Lender, in the manner and at the addresses for notices set forth in Section 12.1 hereof, notice of such default hereunder known to the Fiscal Agent pursuant to Section 11.4(g) hereof, unless such default shall have been cured or waived.

Section 11.4. Certain Rights of Fiscal Agent. Except as otherwise provided in Section 11.1 hereof:

(a) The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, debenture, coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) Any request or direction of the Governmental Lender mentioned herein shall be sufficiently evidenced by a certificate or order executed by an Authorized Governmental Lender Representative;

(c) Whenever in the administration of this Funding Loan Agreement or any of the other Funding Loan Documents the Fiscal Agent shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Fiscal Agent (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a Written Certificate of the Governmental Lender, the Funding Lender, the Servicer or the Borrower, as appropriate;

(d) The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Funding Loan Agreement or any other Funding Loan Document at the request

or direction of the Funding Lender, pursuant to this Funding Loan Agreement, unless the Funding Lender shall have offered to the Fiscal Agent in writing security or indemnity reasonably satisfactory to the Fiscal Agent against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction, except costs, expenses and liabilities which are adjudicated to have resulted from its own negligence or willful misconduct, provided, that nothing contained in this subparagraph (d) shall be construed to require such security or indemnity for the performance by the Fiscal Agent of its obligations under Article VIII hereof;

(e) The Fiscal Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, debenture, coupon or other paper or document but the Fiscal Agent, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Fiscal Agent shall determine to make such further inquiry or investigation, it shall be entitled to examine the books and records of the Governmental Lender, if any, and of the Borrower, in either case personally or by agent or attorney after reasonable notice and during normal business hours;

(f) The Fiscal Agent may execute any of its powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and pay reasonable compensation thereto and the Fiscal Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder. The Fiscal Agent may request, rely and act in accordance with any Written Certificate, or upon the advice and opinion of counsel of its choice and at its expense concerning all matters hereof and the Fiscal Agent shall not be responsible for any loss or damage resulting from any action or inaction taken in good faith in respect of said certificates, advice and/or opinions;

(g) The Fiscal Agent shall not be required to take notice or be deemed to have notice of any default hereunder or under any other Funding Loan Document except for failure by the Borrower to make payments of principal, interest, premium, if any, or Ongoing Governmental Lender Fee when due, unless a Responsible Officer of the Fiscal Agent shall be specifically notified by a Written Direction of such default by the Governmental Lender, the Servicer or the Funding Lender, and all notices or other instruments required by this Funding Loan Agreement or under any other Funding Loan Document to be delivered to the Fiscal Agent, must, in order to be effective, be delivered in writing to a Responsible Officer of the Fiscal Agent at the office of the Fiscal Agent, and in the absence of such Written Notice so delivered the Fiscal Agent may conclusively assume there is no default as aforesaid;

(h) The Fiscal Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Funding Loan Agreement and delivered using Electronic Means (“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Fiscal Agent, or another method or system specified by the Fiscal Agent as available for use in connection with its services hereunder.); provided, however, that the Funding Lender, the Governmental Lender, the Servicer, if any, and/or the Borrower, as applicable, shall provide to the Fiscal Agent an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate

shall be amended by the Funding Lender, the Governmental Lender, the Servicer and/or the Borrower, as applicable, whenever a person is to be added or deleted from the listing. If the Funding Lender, the Governmental Lender, the Servicer and/or the Borrower, as applicable, elects to give the Fiscal Agent Instructions using Electronic Means and the Fiscal Agent in its discretion elects to act upon such Instructions, the Fiscal Agent's understanding of such Instructions shall be deemed controlling. The Funding Lender, the Governmental Lender, the Servicer and the Borrower understand and agree that the Fiscal Agent cannot determine the identity of the actual sender of such Instructions and that the Fiscal Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Fiscal Agent have been sent by such Authorized Officer. The Funding Lender, the Governmental Lender, the Servicer and the Borrower shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Fiscal Agent and that the Funding Lender, the Governmental Lender, the Servicer, the Borrower and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Funding Lender, the Governmental Lender, the Servicer and/or the Borrower, as applicable. The Fiscal Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Funding Lender, the Governmental Lender, the Servicer and the Borrower agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Fiscal Agent, including without limitation the risk of the Fiscal Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Fiscal Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Funding Lender, the Governmental Lender, the Servicer and/or the Borrower, as applicable; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Fiscal Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

(i) The Fiscal Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is rendered impossible by reason of force majeure and the Fiscal Agent gives immediate notice to the Borrower, the Governmental Lender and the Funding Lender, which may be telephonically or electronically, subsequently confirmed in writing, of such occurrence. The term "force majeure" for purposes of this paragraph means an occurrence that is beyond the control of the Fiscal Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics, pandemics or other similar occurrences.

Section 11.5. Not Responsible for Recitals. The recitals contained herein and in the Governmental Lender Notes shall be taken as the statements of the Governmental Lender, and the Fiscal Agent assumes no responsibility for their correctness. The Fiscal Agent makes no representations as to the value or condition of the Pledged Revenues, the Security or any part thereof, or as to the title of the Governmental Lender thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Funding Loan Agreement or of the Funding Loan.

The Fiscal Agent shall have no responsibility or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the funding of the Funding Loan.

The Fiscal Agent shall not be required to monitor the financial condition of the Borrower or the physical condition of the Project. Unless otherwise expressly provided, the Fiscal Agent shall be under no obligation to analyze, review or make any credit decisions with respect to any financial statements, reports, notices, certificates or documents received hereunder but shall hold such financial statements reports, notices, certificates and documents solely for the benefit of, and review by, the Funding Lender and such other parties to whom the Fiscal Agent may provide such information pursuant to this Funding Loan Agreement.

The Fiscal Agent shall not be required to monitor the financial condition of the Borrower or the physical condition of the Project. Unless otherwise expressly provided, the Fiscal Agent shall be under no obligation to analyze, review or make any credit decisions with respect to any financial statements, reports, notices, certificates or documents received hereunder but shall hold such financial statements reports, notices, certificates and documents solely for the benefit of, and review by, the Funding Lender and such other parties to whom the Fiscal Agent may provide such information pursuant to this Funding Loan Agreement.

The Fiscal Agent makes no representations as to and shall have no responsibility for the sufficiency of the insurance required under any of the Borrower Loan Documents.

Section 11.6. May Hold Funding Loan. The Fiscal Agent in its individual or any other capacity may become the owner or pledgee of the Funding Loan and may otherwise deal with the Governmental Lender, the Funding Lender and the Borrower with the same rights it would have if it were not Fiscal Agent.

Section 11.7. Moneys Held in Trust. Moneys held by the Fiscal Agent in trust hereunder need not be segregated from other funds except to the extent hereunder directed or as required by law. The Fiscal Agent shall be under no liability for interest on any moneys received by it hereunder except as otherwise provided herein.

Section 11.8. Compensation and Reimbursement. Under the Borrower Loan Agreement, the Borrower has agreed to, except as otherwise expressly provided herein, reimburse the Fiscal Agent as provided in this Funding Loan Agreement or the Borrower Loan Agreement, upon its request for all reasonable expenses, disbursements and advances incurred or made by the Fiscal Agent in accordance with any provision of this Funding Loan Agreement (including the reasonable fees, expenses and disbursements of its agents and counsel, and including, without limitation, fees and expenses incurred in connection with enforcement of this Section 11.8), except any such expense, disbursement or advance as may be attributable to the Fiscal Agent's negligence or willful misconduct, both as finally adjudicated by a court of law.

When the Fiscal Agent incurs expenses or renders service in connection with any bankruptcy or insolvency proceeding, such expenses (including the fees and expenses of its counsel) and the compensation for such services are intended to constitute expenses of administration under any bankruptcy law or law relating to creditors rights generally.

(a) The Governmental Lender has no obligation to pay the Fiscal Agent for services rendered.

(b) As security for the performance of the obligations of the Borrower under this Section and for the payment of such compensation, expenses, reimbursements and indemnity, subject to the rights of the Funding Lender, the Fiscal Agent shall have the right to use and apply any moneys held by it as Pledged Revenues.

(c) The Fiscal Agent's rights to compensation and reimbursement shall survive its resignation or removal, the payment of the Funding Loan or the Borrower Loan or the release of this Funding Loan Agreement.

Section 11.9. Fiscal Agent Required; Eligibility. Any successor Fiscal Agent shall at all times be a trust company, a state banking corporation or a national banking association with the authority to accept trusts in the State approved in writing by the Governmental Lender and either (a) have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition, (b) be a wholly owned subsidiary of a bank holding company, or a wholly owned subsidiary of a company that is a wholly owned subsidiary of a bank holding company, having a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition, have at least \$500,000,000 of trust assets under management and have a combined capital and surplus of at least \$2,000,000 as set forth in its most recent published annual report of condition, or (c) be otherwise acceptable to the Funding Lender and the Governmental Lender in their sole and absolute discretion.

Section 11.10. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Fiscal Agent hereunder and no appointment of a successor Fiscal Agent pursuant to this Article shall become effective until the written acceptance by the successor Fiscal Agent of such appointment.

(b) The Fiscal Agent may resign at any time by giving sixty (60) calendar days prior Written Notice thereof to the Governmental Lender, the Borrower, the Servicer, if any, and the Funding Lender.

(c) The Fiscal Agent may be removed at any time with thirty (30) days notice (i) by the Governmental Lender, with Written Notice delivered to the Fiscal Agent, the Funding Lender and the Borrower, or (ii) by the Funding Lender, with Written Notice delivered to the Fiscal Agent, the Governmental Lender and the Borrower.

(d) If the Fiscal Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Fiscal Agent for any cause, the Governmental Lender shall promptly appoint a successor Fiscal Agent, with the consent of the Funding Lender. In case all or substantially all of the Pledged Revenues and the Security shall be in the possession of a receiver or Fiscal Agent lawfully appointed, such receiver or trustee may similarly appoint a successor to fill such vacancy until a new Fiscal Agent shall be so appointed by the Governmental Lender. If, within sixty (60) calendar days after such resignation, removal or incapability or the occurrence of such vacancy, an instrument of acceptance by a successor Fiscal Agent shall not have been delivered to the Governmental Lender (with a copy to the Fiscal Agent), then either (i) the Fiscal

Agent may petition any court of competent jurisdiction for the appointment of a successor Fiscal Agent; or (ii) a successor Fiscal Agent shall be appointed by the Funding Lender (from any of the institutions approved by the Governmental Lender to serve as a fiscal agent or trustee) with Written Notice thereof delivered to the Governmental Lender, the Borrower, the Servicer, if any, and the retiring Fiscal Agent, and the successor Fiscal Agent so appointed shall, forthwith upon its acceptance of such appointment, become the successor Fiscal Agent and supersede the successor Fiscal Agent appointed by such receiver or the Fiscal Agent.

(e) The retiring Fiscal Agent shall cause Written Notice of each resignation and each removal of the Fiscal Agent and each appointment of a successor Fiscal Agent to be provided to the Funding Lender (unless the Funding Lender removes the Fiscal Agent). Each notice shall include the name of the successor Fiscal Agent and the address of the office of the successor Fiscal Agent.

(f) The Fiscal Agent agrees to cooperate promptly with the Governmental Lender, the Funding Lender, and any successor Fiscal Agent to execute any documents, instruments or assignments necessary or desirable to effect the appointment of such successor Fiscal Agent hereunder.

Section 11.11. Acceptance of Appointment by Successor.

(a) Every successor Fiscal Agent appointed hereunder shall execute, acknowledge and deliver to the Governmental Lender and to the retiring Fiscal Agent an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Fiscal Agent shall become effective and the successor Fiscal Agent, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Fiscal Agent; notwithstanding the foregoing, on request of the Governmental Lender, the Funding Lender or the successor Fiscal Agent, the retiring Fiscal Agent shall execute and deliver any instruments conveying and transferring to the successor Fiscal Agent all the estates, properties, rights, powers and trusts of the retiring Fiscal Agent, and shall duly assign, transfer and deliver to the successor Fiscal Agent all property and money held by the retiring Fiscal Agent hereunder. Any fees or expenses of the retiring Fiscal Agent in connection therewith shall be the responsibility of the Borrower. Upon request of any successor Fiscal Agent, the Governmental Lender may execute any and all instruments necessary or desirable to confirm to the successor Fiscal Agent all such estates, properties, rights, powers and trusts. Any fees or expenses of the Governmental Lender incurred in connection therewith shall be the responsibility of the Borrower.

(b) No successor Fiscal Agent shall accept its appointment unless at the time of such acceptance the successor Fiscal Agent shall be qualified and eligible under this Article, to the extent operative.

Section 11.12. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Fiscal Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Fiscal Agent shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Fiscal Agent, shall be the successor of the Fiscal Agent hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative,

without the execution or filing of any paper or any further act on the part of any of the parties hereto. Notwithstanding the foregoing, any successor Fiscal Agent shall cause Written Notice of such succession to be delivered to the Funding Lender and the Governmental Lender within thirty (30) days of such succession.

Section 11.13. Appointment of Co-Fiscal Agent. It is recognized that in case of litigation under this Funding Loan Agreement, the Borrower Loan Agreement, any other Funding Loan Document, and in particular in case of the enforcement of any of them on default, or in case the Fiscal Agent deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Fiscal Agent or hold title to the properties, in trust, as herein provided, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Fiscal Agent appoint an additional individual or institution as a separate or co-fiscal agent. The following provisions of this Section are adopted to these ends.

The Fiscal Agent is hereby authorized to appoint an additional individual or institution as a separate or co-fiscal agent hereunder, upon Written Notice to the Governmental Lender, the Funding Lender and the Borrower, and with the Written Consent of the Governmental Lender and the Funding Lender, but without the necessity of further authorization or consent, in which event each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Funding Loan Agreement or any Funding Loan Document to be exercised by or vested in or conveyed to the Fiscal Agent with respect thereto shall be exercisable by and vest in such separate or co-fiscal agent but only to the extent necessary to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-fiscal agent shall run to and be enforceable by either of them.

Should any instrument in writing from the Governmental Lender be required by the separate fiscal agent or co-fiscal agent appointed by the Fiscal Agent for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request of the Fiscal Agent, be executed, acknowledged and delivered by the Governmental Lender. In case any separate fiscal agent or co-fiscal agent, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate fiscal agent or co-fiscal agent, so far as permitted by law, shall vest in and be exercised by the Fiscal Agent until the appointment of a successor to such separate fiscal agent or co-fiscal agent.

Section 11.14. Loan Servicing. The Governmental Lender and the Fiscal Agent acknowledge that the Funding Lender shall have the right to appoint the Servicer to service and administer the Funding Loan and the Borrower Loan as set forth in a Servicing Agreement. The Governmental Lender and the Fiscal Agent shall not be responsible for monitoring the performance of the Servicer or for any acts or omissions of the Servicer. The Funding Lender may, in its sole discretion, terminate or replace the Servicer.

Section 11.15. No Recourse Against Officers or Employees of Fiscal Agent. No recourse with respect to any claim related to any obligation, duty or agreement contained in this Funding Loan Agreement or any other Funding Loan Document shall be had against any officer or

employee, as such, of the Fiscal Agent, it being expressly understood that the obligations, duties and agreements of the Fiscal Agent contained in this Funding Loan Agreement and the other Funding Loan Documents are solely corporate in nature.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Notices. All notices, demands, requests and other communications required or permitted to be given by any provision of this Funding Loan Agreement shall be in writing and sent by first class, regular, registered or certified mail, commercial delivery service, overnight courier, telegraph, telex, telecopier or facsimile transmission, air or other courier, or hand delivery to the party to be notified addressed as follows:

If to the Governmental Lender:	California Housing Finance Agency Financing Division, MS 940 500 Capitol Mall, Suite 1400 Sacramento, CA 95814
If to the Borrower:	LINC-CORE Pioneer LP c/o National Community Renaissance of California 9421 Haven Avenue Rancho Cucamonga, CA 91730
with a copy to:	Linc-CORE Pioneer LP c/o Linc Housing Corporation 3590 Elm Avenue Long Beach, CA 90807
And:	Gubb & Barshay LLP 235 Montgomery Street, Suite 1110 San Francisco, CA 94104 Attention: Lauren B. Fechter
The Funding Lender:	Bank of America, N.A. 2000 Clayton Road, Bldg. D, 6th Floor Concord, CA 94520 Mail Code: CA4-704-06-06 Attention: Loan Administration Manager Facsimile: (415) 844-2884

with a copy to:

Buchalter, a Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017
Attn: Michael A. Williamson, Esq.
Facsimile: (213) 630-5799
Matter: 515 Pioneer Drive

If to Fiscal Agent:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attention: Global Corporate Trust

If to the Equity Investor:

Bank of America, N.A.
MA1-225-02-02
225 Franklin Street
Boston, MA 02110
Attention: Asset Management
Facsimile: (617) 346-2257

With a copy to:

Buchalter, a Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017
Attn: Michael A. Williamson, Esq.
Facsimile: (213) 630-5799
Matter: 515 Pioneer Drive

Any such notice, demand, request or communication shall be deemed to have been given and received for all purposes under this Funding Loan Agreement: (i) three (3) Business Days after the same is deposited in any official depository or receptacle of the United States Postal Service first class, or, if applicable, certified mail, return receipt requested, postage prepaid; (ii) on the date of transmission when delivered by telecopier or facsimile transmission, telex, telegraph or other telecommunication device, provided any telecopy or other electronic transmission received by any party after 4:00 p.m., local time, as evidenced by the time shown on such transmission, shall be deemed to have been received the following Business Day; (iii) on the next Business Day after the same is deposited with a nationally recognized overnight delivery service that guarantees overnight delivery; and (iv) on the date of actual delivery to such party by any other means; provided, however, if the day such notice, demand, request or communication shall be deemed to have been given and received as aforesaid is not a Business Day, such notice, demand, request or communication shall be deemed to have been given and received on the next Business Day. Any facsimile signature by a Person on a document, notice, demand, request or communication required or permitted by this Funding Loan Agreement shall constitute a legal, valid and binding execution thereof by such Person.

Any party to this Funding Loan Agreement may change such party's address for the purpose of notice, demands, requests and communications required or permitted under this Funding Loan Agreement by providing Written Notice of such change of address to all of the parties by Written Notice as provided herein.

Section 12.2. Term of Funding Loan Agreement. This Funding Loan Agreement shall be in full force and effect until all payment obligations of the Governmental Lender hereunder have been paid in full and the Funding Loan has been retired or the payment thereof has been provided for; except that on and after payment in full of the Governmental Lender Notes, this Funding Loan Agreement shall be terminated, without further action by the parties hereto.

Section 12.3. Successors and Assigns. All covenants and agreements in this Funding Loan Agreement by the Governmental Lender shall bind its successors and assigns, whether so expressed or not.

Section 12.4. Legal Holidays. In any case in which the date of payment of any amount due hereunder or the date on which any other act is to be performed pursuant to this Funding Loan Agreement shall be a day that is not a Business Day, then payment of such amount or such act need not be made on such date but may be made on the next succeeding Business Day, and such later payment or such act shall have the same force and effect as if made on the date of payment or the date fixed for prepayment or the date fixed for such act, and no additional interest shall accrue for the period from and after such date and prior to the date of payment.

Section 12.5. Governing Law. This Funding Loan Agreement and the Governmental Lender Notes shall be governed by and shall be enforceable in accordance with the laws of the State.

Section 12.6. Entire Agreement; Severability. This Funding Loan Agreement and the other Funding Loan Documents constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter hereof. If any provision of this Funding Loan Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired. In case any covenant, stipulation, obligation or agreement contained in the Governmental Lender Notes or in this Funding Loan Agreement shall for any reason be held to be usurious or in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Governmental Lender or the Funding Lender only to the full extent permitted by law.

Section 12.7. Execution in Several Counterparts. This Funding Loan Agreement may be contemporaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

Section 12.8. Nonrecourse Obligation of the Borrower. Except as otherwise provided in the Borrower Loan Agreement, any obligations of the Borrower under this Funding Loan Agreement are without recourse to the Borrower or to the Borrower's partners or members, as the case may be, and the provisions of Section 10.1 of the Borrower Loan Agreement are by this reference incorporated herein.

Section 12.9. Waiver of Trial by Jury. IF AND TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF BORROWER, THE GOVERNMENTAL LENDER AND THE FUNDING LENDER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS FUNDING LOAN


AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL. IF FOR ANY REASON THIS WAIVER IS DETERMINED TO BE UNENFORCEABLE, ALL DISPUTES WILL BE RESOLVED BY JUDICIAL REFERENCE PURSUANT TO THE PROCEDURES SET FORTH IN THE CONSTRUCTION DISBURSEMENT AGREEMENT.

Section 12.10. Electronic Transactions. The transactions described in this Funding Loan Agreement may be conducted and the related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12.11. Reference Date . This Funding Loan Agreement is dated for reference purposes only as of the first (1st) day of December 2022.

IN WITNESS WHEREOF, the Funding Lender, the Fiscal Agent and the Governmental Lender have caused this Funding Loan Agreement to be duly executed by their respective representatives as of the date first written above.

BANK OF AMERICA, N.A.,
a national banking association

By: 
Name: Michael K. Petty
Title: Senior Vice President

[Signature page – Funding Loan Agreement – 515 Pioneer Drive]

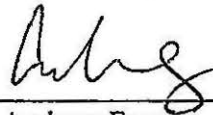
CALIFORNIA HOUSING FINANCE
AGENCY, as Governmental Lender

By: 

Erwin Tam
Director of Financing

[Signature page – Funding Loan Agreement – 515 Pioneer Drive]

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Fiscal Agent

By: 

Andrew Fung
Vice President

[Signature page – Funding Loan Agreement – 515 Pioneer Drive]

EXHIBIT A

FORM OF GOVERNMENTAL LENDER NOTES

THIS GOVERNMENTAL LENDER NOTE MAY BE OWNED ONLY BY AN “APPROVED TRANSFEREE” (AS SUCH TERM IS DEFINED IN THE FUNDING LOAN AGREEMENT REFERENCED BELOW), AND THE HOLDER HEREOF, BY THE ACCEPTANCE OF THIS GOVERNMENTAL LENDER NOTE (A) REPRESENTS THAT IT IS AN APPROVED TRANSFEREE AND (B) ACKNOWLEDGES THAT IT CAN ONLY TRANSFER THIS GOVERNMENTAL LENDER NOTE OR ANY INTEREST HEREIN TO ANOTHER APPROVED TRANSFEREE IN ACCORDANCE WITH THE TERMS OF THE FUNDING LOAN AGREEMENT.

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE [X][X-T]
[(TAX-EXEMPT)][(TAXABLE)]**

[Closing Date]

[\$82,467,538][\$9,177,478]

FOR VALUE RECEIVED, the undersigned CALIFORNIA HOUSING FINANCE AGENCY (“Obligor”) promises to pay to the order of BANK OF AMERICA, N.A. (“Holder”) the maximum principal sum of [EIGHTY-TWO MILLION FOUR HUNDRED SIXTY-SEVEN THOUSAND FIVE HUNDRED THIRTY-EIGHT][NINE MILLION ONE HUNDRED SEVENTY-SEVEN THOUSAND FOUR HUNDRED SEVENTY EIGHT] DOLLARS (\$_____), on _____ 1, 20__, or earlier as provided herein, together with interest thereon at the rates, at the times and in the amounts provided below.

Obligor shall pay to the Holder on or before each date on which payment is due under that certain Funding Loan Agreement, dated as of December 1, 2022 (the “Funding Loan Agreement”), among Obligor, U.S. Bank Trust Company, National Association, as Fiscal Agent (the “Fiscal Agent”), and Holder, an amount in immediately available funds sufficient to pay the principal amount of and Prepayment Premium, if any, on this [Tax-Exempt][Taxable] Governmental Lender Note then due and payable, whether by maturity, acceleration, prepayment or otherwise. In the event that amounts held derived from proceeds of the Borrower Loan, condemnation awards or insurance proceeds or investment earnings thereon are applied to the payment of principal due on the Funding Loan applicable to this [Tax-Exempt][Taxable] Governmental Lender Note in accordance with the Funding Loan Agreement, the principal amount due hereunder shall be reduced to the extent of the principal amount of the Funding Loan applicable to this [Tax-Exempt][Taxable] Governmental Lender Note so paid. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Funding Loan Agreement.

Obligor shall pay to the Holder on or before each date on which interest on the Funding Loan is payable, interest on the unpaid balance hereof in an amount in immediately available funds

sufficient to pay the interest on the Funding Loan then due and payable in the amounts and at the rate or rates set forth in the Funding Loan Agreement.

The Funding Loan and the portion thereof applicable to this [Tax-Exempt][Taxable] Governmental Lender Note are pass-through obligations relating to a construction loan (the “Borrower Loan”) made to LINC-CORE Pioneer LP, a California limited partnership, as borrower (the “Borrower”), by Obligor from the proceeds of a portion of the Funding Loan, under that certain Borrower Loan Agreement, dated as of December 1, 2022 (as the same may be modified, amended or supplemented from time to time, the “Borrower Loan Agreement”), among the Obligor, the Fiscal Agent, the Funding Lender and the Borrower, evidenced by the Borrower [Tax-Exempt][Taxable] Note (as defined in the Borrower Loan Agreement). Reference is made to the Borrower Loan Agreement and to the Borrower [Tax-Exempt][Taxable] Note for complete payment and prepayment terms of the Borrower [Tax-Exempt][Taxable] Note, payments on which are passed-through under this [Tax-Exempt][Taxable] Governmental Lender Note. To provide additional financing for the Project, concurrently with the making of this [Tax-Exempt][Taxable] Governmental Lender Note, the Governmental Lender is also making its Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X[-T] [(Tax-Exempt)][(Taxable)] in the principal amount of \$[82,467,538][9,177,478], which is also payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement.

This [Tax-Exempt][Taxable] Governmental Lender Note and the Funding Loan are limited obligations of the Obligor, payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement. None of the Obligor, the City, the County or the State or any political subdivision thereof (except the Obligor, to the limited extent set forth herein) shall in any event be liable for the payment of the principal of, premium (if any) or interest on the Funding Loan or for the performance of any pledge, obligation or agreement of any kind whatsoever with respect thereto except as set forth herein and in the Funding Loan Agreement, and none of the Funding Loan or this [Tax-Exempt][Taxable] Governmental Lender Note or any of the Obligor’s agreements or obligations with respect to the Funding Loan or this [Tax-Exempt][Taxable] Governmental Lender Note shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. The Obligor has no taxing power.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Funding Loan Agreement or in the Borrower Loan Agreement.

This [Tax-Exempt][Taxable] Governmental Lender Note is subject to the express condition that at no time shall interest be payable on this [Tax-Exempt][Taxable] Governmental Lender Note or the Funding Loan at a rate in excess of the Maximum Rate provided in the Funding Loan Agreement; and Obligor shall not be obligated or required to pay, nor shall the Holder be permitted to charge or collect, interest at a rate in excess of such Maximum Rate. If by the terms of this [Tax-Exempt][Taxable] Governmental Lender Note or of the Funding Loan Agreement, Obligor is required to pay interest at a rate in excess of such Maximum Rate, the rate of interest hereunder or thereunder shall be deemed to be reduced immediately and automatically to such Maximum

Rate, and any such excess payment previously made shall be immediately and automatically applied to the unpaid balance of the principal sum hereof and not to the payment of interest.

Amounts payable hereunder representing late payments, penalty payments or the like shall be payable to the extent allowed by law.

This [Tax-Exempt][Taxable] Governmental Lender Note is subject to all of the terms, conditions, and provisions of the Funding Loan Agreement, including those respecting prepayment and the acceleration of maturity and those respecting limitations of liability in Article V of the Funding Loan Agreement.

If there is an Event of Default under the Funding Loan Documents, then in any such event and subject to the requirements set forth in the Funding Loan Agreement, the Holder may declare the entire unpaid principal balance of this [Tax-Exempt][Taxable] Governmental Lender Note and accrued interest, if any, due and payable at once. All of the covenants, conditions and agreements contained in the Funding Loan Documents are hereby made part of this [Tax-Exempt][Taxable] Governmental Lender Note.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this [Tax-Exempt][Taxable] Governmental Lender Note or the Funding Loan Documents shall operate as a waiver of such remedy, right or option. In any event a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The rights, remedies and options of the Holder under this [Tax-Exempt][Taxable] Governmental Lender Note and the Funding Loan Documents are and shall be cumulative and are in addition to all of the rights, remedies and options of the Holder at law or in equity or under any other agreement.

Obligor shall pay all costs of collection on demand by the Holder, including without limitation, reasonable attorneys' fees and disbursements, which costs may be added to the indebtedness hereunder, together with interest thereon, to the extent allowed by law, as set forth in the Funding Loan Agreement.

This [Tax-Exempt][Taxable] Governmental Lender Note may not be changed orally. Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived. The acceptance by the Holder of any amount after the same is due shall not constitute a waiver of the right to require prompt payment, when due, of all other amounts due hereunder. The acceptance by the Holder of any sum in an amount less than the amount then due shall be deemed an acceptance on account only and upon condition that such acceptance shall not constitute a waiver of the obligation of Obligor to pay the entire sum then due, and Obligor's failure to pay such amount then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid. Consent by the Holder to any action of Obligor which is subject to consent or approval of the Holder hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions.

This [Tax-Exempt][Taxable] Governmental Lender Note (and the Funding Loan that it represents), and any interests herein or therein, are transferable by the registered owner hereof, but only in the manner, subject to the limitations and upon payment of the charges provided in the

Funding Loan Agreement. Upon such transfer a new fully registered [Tax-Exempt][Taxable] Governmental Lender Note will be issued to the transferee in exchange herefor. The Obligor and the Funding Lender may treat the registered owner hereof as the absolute owner hereof for all purposes, and the Obligor and the Funding Lender shall not be affected by any notice to the contrary.

[Tax-Exempt Governmental Lender Note only: Notwithstanding any provision of this Tax-Exempt Governmental Lender Note or the Funding Loan Agreement to the contrary, the Governmental Lender shall be permitted to direct Borrower Tax-Exempt Note prepayments to be transferred to a custodian or trustee selected by the Governmental Lender, in lieu of application to prepay a like portion of this Tax-Exempt Governmental Lender Note, so long as the Governmental Lender simultaneously causes other funds to be applied to prepay such portion of this Tax-Exempt Governmental Lender Note. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code.]

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this [Tax-Exempt][Taxable] Governmental Lender Note or caused this [Tax-Exempt][Taxable] Governmental Lender Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

OBLIGOR:

CALIFORNIA HOUSING FINANCE
AGENCY

By: _____
Director of Financing

[Signature page to [Tax-Exempt][Taxable] Governmental Lender Note – 515 Pioneer Drive]

CERTIFICATE OF AUTHENTICATION

This [Tax-Exempt][Taxable] Governmental Lender Note is the [Tax-Exempt][Taxable] Governmental Lender Note described in the within -mentioned Funding Loan Agreement.

Date of Authentication _____

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Fiscal Agent

By: _____

Name: _____

Title: Authorized Signatory

EXHIBIT B

FORM OF REQUIRED TRANSFEREE REPRESENTATIONS

[_____, 20__]

The undersigned, as holder (the “Holder”) of a loan (the “Funding Loan”) in the maximum amount of \$91,645,016 from Bank of America, N.A. (the “Funding Lender”) to the California Housing Finance Agency (the “Governmental Lender”) pursuant to a Funding Loan Agreement dated as of December 1, 2022 (the “Funding Loan Agreement”), among the Funding Lender, U.S. Bank Trust Company, National Association, as Fiscal Agent (the “Fiscal Agent”), and the Governmental Lender evidenced by the California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt) (the “Tax-Exempt Governmental Lender Note”) and its California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) (the “Taxable Governmental Lender Note” and, together with the Tax-Exempt Governmental Lender Note, the “Governmental Lender Notes”), or an interest therein, hereby represents that:

1. The Holder has sufficient knowledge and experience in financial and business matters with respect to the evaluation of residential real estate developments such as the Project to be able to evaluate the risk and merits of the investment represented by the Funding Loan and the Governmental Lender Notes. We are able to bear the economic risks of such investment.

2. The Holder acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Holder has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Governmental Lender, the Project, the use of proceeds of the Governmental Lender Notes and the Funding Loan, and the Funding Loan and the Governmental Lender Notes and the security therefor so that, as a reasonable investor, the Holder has been able to make its decision to [extend/purchase] the Governmental Lender Notes and the Funding Loan [or an interest therein]. In entering into this transaction, the Holder acknowledges that it has not relied upon any representations or opinions of the Governmental Lender relating to the legal consequences to the Funding Lender or other aspects of its making the Funding Loan and acquiring the Governmental Lender Notes [or an interest therein], nor has it looked to, nor expected, the Governmental Lender to undertake or require any credit investigation or due diligence reviews relating to the Borrower, its financial condition or business operations, the Project (including the financing or management thereof), or any other matter pertaining to the merits or risks of the transactions contemplated by the Funding Loan Agreement and the Borrower Loan Agreement, or the adequacy of the funds pledged to the Funding Lender to secure repayment of the Governmental Lender Notes.

3. The Holder is an Approved Transferee (as defined in the Funding Loan Agreement).

4. The Holder acknowledges that it is purchasing [an interest in] the Funding Loan and the Governmental Lender Notes for investment for its own account and not with a present view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise

dispose of all or any part of its interests in the Funding Loan; provided, however, that the Holder may sell or transfer the Governmental Lender Notes and the Funding Loan as provided in Section 2.5 of the Funding Loan Agreement.

5. In the event any placement memorandum to be provided to any subsequent buyer or beneficial owner of such portion of the Funding Loan and the Governmental Lender Notes will disclose information with respect to the Governmental Lender other than its name, location and type of political subdivision and general information with respect to the Funding Loan and Borrower Loan and related documents, the Holder will provide the Governmental Lender with a draft of such placement memorandum and the Governmental Lender shall have the right to approve any description of the Governmental Lender therein (which approval shall not be unreasonably withheld).

6. The Holder understands that the Funding Loan and the Governmental Lender Notes are limited obligations of the Governmental Lender; payable solely from funds and moneys pledged and assigned under the Funding Loan Agreement, and that the liabilities and obligations of the Governmental Lender with respect to the Funding Loan and the Governmental Lender Notes are expressly limited as set forth in the Funding Loan Agreement and related documents.

7. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Funding Loan Agreement.

[_____], as Holder

By:

Name:

Its:

EXHIBIT C

**FORM OF WRITTEN REQUISITION
(Project Fund)**

Draw # _____

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Global Corporate Trust

Re: California Housing Finance Agency Limited Obligation Multifamily Housing
Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt)

California Housing Finance Agency Limited Obligation Multifamily Housing
Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable)

This requisition (“Requisition”) is being delivered to you in accordance with the Funding Loan Agreement dated as of December 1, 2022 (the “Funding Loan Agreement”) among Bank of America, N.A. (the “Funding Lender”), the California Housing Finance Agency (the “Governmental Lender”) and U.S. Bank Trust Company, National Association, as Fiscal Agent (the “Fiscal Agent”) pursuant to which the above-referenced notes were issued. Capitalized terms not defined herein shall have the meanings assigned thereto in the Funding Loan Agreement.

1. You are requested to disburse funds in the amount of \$ _____ from the Note Proceeds Subaccount [(Tax-Exempt)][(Taxable)] of the Note Proceeds Account and \$ _____ from the Borrower Equity Account of the Project Fund as Draw # _____ pursuant to Section 7.7 of the Funding Loan Agreement in the amount(s), to the person(s) and for the purpose(s) set forth on Schedule I attached hereto and incorporated herein by reference.

2. The undersigned certifies that:

(i) there has been received no notice (a) of any lien, right to lien or attachment upon, or claim affecting the right of the payee to receive payment of, any of the moneys payable under this Requisition to any of the persons, firms or corporations named therein, and (b) that any materials, supplies or equipment covered by this Requisition are subject to any lien or security interest, or if any notice of any such lien, attachment, claim or security interest has been received, such lien, attachment, claim or security interest has been released, discharged, insured or bonded over or will be released, discharged, insured or bonded over upon payment of this Requisition;

(ii) this Requisition contains no items representing payment on account of any percentage entitled to be retained at the date of the certificate;

(iii) the obligation stated on this Requisition has been incurred in or about the acquisition, construction, rehabilitation, development or equipping of the Project, each

item is a proper charge against the Project Fund, and the obligation has not been the basis for a prior requisition that has been paid;

(iv) the amounts included in this Requisition to be funded from the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund contains no items representing any Costs of Funding or any other amount constituting an issuance cost under Section 147(g) of the Code;

(v) payment of the costs included in this Requisition will not violate any representation, warranty or covenant of the Borrower in the Borrower Loan Agreement, the Regulatory Agreement or the Tax Certificate;

(vi) not less than ninety seven percent (97%) of the sum of: (a) the amounts included in this Requisition to be funded from the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund plus (b) all amounts previously disbursed from the Note Proceeds Subaccount (Tax-Exempt) of the Note Proceeds Account of the Project Fund have been or will be applied by the Borrower to pay Qualified Project Costs relating solely to the Project;

(vii) the Borrower acknowledges that fees, charges or profits (including, without limitation, developer fees) payable to the Borrower or a "related person" (within the meaning of Section 144(a)(3) of the Code) are not deemed to be Qualified Project Costs; and

(viii) as of the date hereof, no event or condition has happened or is happening or exists that constitutes, or that with notice or lapse of time or both, would constitute, an Event of Default under the Funding Loan Agreement or under the Borrower Loan Agreement.

Dated: _____, 20__

Linc-CORE Pioneer LP,
a California limited partnership

By: NCRC Pioneer GP, LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By:
Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By:
Anders Plett
Senior Vice President of Housing Development

Approved by the Funding Lender:

BANK OF AMERICA, N.A.

By: _____
Title: _____
Date: _____

EXHIBIT D

CLOSING COSTS REQUISITION

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attention: Global Corporate Trust

Re: California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt)

California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable)

The undersigned, an authorized representative of LINC-CORE Pioneer LP, a California limited partnership (the "Borrower"), hereby certifies to you that he/she is authorized and empowered to submit this requisition to you and that attached hereto as Schedule "A" is a schedule of issuance costs incurred in connection with the closing of the funding loan evidenced by the California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt) (the "Tax-Exempt Governmental Lender Note") and its California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) (the "Taxable Governmental Lender Note" and, together with the Tax-Exempt Governmental Lender Note, the "Governmental Lender Notes"), including the names and addresses of the payees and the specific amounts payable to each such payee, and that to the best of the undersigned's information and belief, such amounts are true and correct.

This requisition is being delivered to you in accordance with the Funding Loan Agreement dated as of December 1, 2022 (the "Funding Loan Agreement") among Bank of America, N.A. (the "Funding Lender"), the California Housing Finance Agency (the "Governmental Lender") and U.S. Bank Trust Company, National Association, as Fiscal Agent (the "Fiscal Agent") pursuant to which the Governmental Lender Notes were issued and delivered. You are hereby instructed to withdraw from the Closing Costs Fund created under the Funding Loan Agreement the amounts shown across from each payee listed on Schedule "A" hereto and pay such amounts to each such payee by wire transfer or by such other means as is acceptable to you and any such payee.

Dated: _____, 20__

Very truly yours,

Linc-CORE Pioneer LP,
a California limited partnership

By: NCRC Pioneer GP, LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By:
Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By:
Anders Plett
Senior Vice President of Housing Development

Approved by the Funding Lender:

BANK OF AMERICA, N.A.

By: _____

Title: _____

Date: _____

SCHEDULE "A"

Note: \$82,467,538 California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt)

Note: \$9,177,478 California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable)

Payee:

Amount:

Method of Payment:

Description of Expense:

EXHIBIT E

INITIAL DEPOSITS AT CLOSING

Sources	Note Proceeds Subaccount (Tax-Exempt)	Note Proceeds Subaccount (Taxable)	Borrower Equity Account	Closing Costs Fund	Expense Account	Total
Tax-Exempt Governmental Lender Note	\$2,498,941.02*	\$0.00	\$0.00	\$0.00	\$0.00	\$2,498,941.02
Taxable Governmental Lender Note	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Equity	\$0.00	\$0.00	\$0.00**	\$0.00	\$0.00	\$0.00
Total	\$2,498,941.02	\$0.00	\$0.00**	\$0.00	\$0.00	\$2,498,941.02

*To be forwarded to Title Company upon receipt.

**On or shortly following the Closing Date, the Fiscal Agent is authorized to receive funds from the Title Company (such amount subject to determination and adjustment in accordance with the final settlement statement) and is hereby instructed to deposit such funds, if any are received, in the Borrower Equity Account. None of such funds to be deposited in the Borrower Equity Account constitute proceeds of the Governmental Lender Notes.

CONSTRUCTION DISBURSEMENT AGREEMENT

This Construction Disbursement Agreement (as amended, modified or supplemented from time to time, this “**Agreement**”) is dated as of December 1, 2022, between **Linc-CORE Pioneer LP**, a California limited partnership (together with its permitted successors and assigns, the “**Borrower**”), and **BANK OF AMERICA, N.A.**, a national banking association, in its capacity as the initial servicer of the herein below described Borrower Loan (the initial “**Servicer**”).

Factual Background

A. Pursuant to the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code (the “**Act**”), California Housing Finance Agency, a public instrumentality and political subdivision of the State of California (the “**Governmental Lender**”), has determined to make a mortgage loan to the Borrower in the maximum aggregate principal amount of \$91,645,016 (the “**Borrower Loan**”) to provide for the financing of a 340-unit affordable housing project located at 515 Pioneer Drive, Glendale, CA 91203, commonly known as “515 Pioneer Drive” (the “**Project**”). The Borrower Loan will be made pursuant to that certain Borrower Loan Agreement (as amended from time to time, the “**Borrower Loan Agreement**”), dated as of December 1, 2022, among Governmental Lender, as governmental lender, Borrower, as borrower, and Bank of America, N.A., a national banking association, as funding lender (in such capacity, the “**Initial Funding Lender**”) and U.S. Bank Trust Company, National Association, a national banking association, as fiscal agent (in such capacity, “**Fiscal Agent**”). Pursuant to the Loan Documents, Bank of America, N.A., a national association has been appointed by Governmental Lender as the “**Servicer**” under the Loan Documents (in such capacity, the “**Servicer**”). The Borrower Loan will be disbursed pursuant to this Agreement. The Borrower Loan will be evidenced by, among other things, that certain Promissory Note (Tax-Exempt), in the maximum principal amount of \$82,467,538 (as amended from time to time, the “**Tax Exempt Borrower Loan Note**”); and that certain Promissory Note (Taxable), in the maximum principal amount of \$9,177,478 (as amended from time to time, the “**Taxable Borrower Loan Note**”, and together with the Tax Exempt Borrower Loan Note, the “**Borrower Loan Note**”). To secure, among other obligations, Borrower’s obligations under the Borrower Loan Agreement and the Borrower Loan Note, Borrower is executing and delivering that certain Construction Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing for the benefit of Governmental Lender dated as of even date herewith (as amended from time to time, the “**Mortgage**”), encumbering the property described on **Exhibit A** attached hereto (the “**Land**”) and described in the Mortgage as the “**Property**”. The Mortgage shall be recorded substantially concurrently herewith in the Official Records of Los Angeles County, California (“**Official Records**”).

C. Governmental Lender, in order to obtain the funds necessary to enable it to make the Borrower Loan to the Borrower, has obtained a loan from the Initial Funding Lender, in the maximum aggregate principal amount of \$91,645,016 (the “**Funding Loan**”). The Funding Loan will be made by Initial Funding Lender to Governmental Lender pursuant to that certain Funding Loan Agreement, by and among Initial Funding Lender, as lender, Governmental Lender, as borrower, and Fiscal Agent, as fiscal agent (as amended from time to time, the “**Funding Loan Agreement**”). The Funding Loan will be evidenced by, among other things, that certain \$82,467,538 California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X (Tax-Exempt) dated as of November 1, 2022, made by Governmental Lender to the order of Initial Funding Lender (as amended from time to time, the “**Tax Exempt Funding Loan Note**”); and that certain \$9,177,478 California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) dated as of November 1, 2022, made by Governmental Lender to the order of Initial Funding Lender (as amended from time to time, the “**Taxable Funding Loan Note**”, and together with the Tax Exempt Funding Loan Note, the “**Funding Loan Note**”). Pursuant to the terms and subject to the conditions of the Funding Loan Agreement, Initial Funding Lender has agreed to fund the proceeds of the Funding Loan to Governmental Lender on a draw-down basis, and Governmental Lender will, in turn, use the proceeds of the Funding Loan to fund the Borrower Loan to Borrower. To secure the repayment of the Funding Loan, Governmental Lender has pledged to Initial Funding Lender, pursuant to the terms and conditions of the Funding Loan Agreement, all of Governmental Lender’s right, title and interest in, to and

under the Borrower Loan, the Borrower Loan Agreement, the Borrower Note, the Mortgage and together with all of their exhibits, and all other documents, which evidence, guarantee, secure, or otherwise pertain to the Borrower Loan, collectively constitute the "**Loan Documents**". To further evidence and perfect such pledge, Governmental Lender, substantially concurrently herewith, has duly endorsed the Borrower Note to the order of Initial Funding Lender and has executed and delivered to Initial Funding Lender that certain Assignment of Deed of Trust and Related Documents dated as of even date herewith (the "**Assignment**"), assigning to Initial Funding Lender, among other items, all of Governmental Lender's right, title and interest under the Mortgage. The Assignment is being recorded in the Official Records substantially concurrently herewith.

D. A material inducement to Servicer to enter into this Agreement, and to Governmental Lender to agree to make the Borrower Loan, is the availability of federal low-income housing tax credits (the "**Tax Credits**") reserved by the California Tax Credit Allocation Committee (the "**Allocation Authority**") acting under Section 42 of the Internal Revenue Code, pursuant to the certain Reservation Letter Tax Exempt with State Credits dated June 15, 2022 (the "**Reservation Letter**") and any final allocation of Tax Credits, which allocation and which rights, title and interest of Borrower arise out of or with respect to and are appurtenant to the Project.

E. Bank of America, N.A., a national banking association (the "**Investor Limited Partner**"), shall make capital contributions to the Borrower in the approximate amount of \$72,533,296 (the "**Capital Contributions**") pursuant to the Amended and Restated Agreement of Limited Partnership of Borrower dated as of December 29, 2022, as amended and supplemented (the "**Partnership Agreement**"), among NCRC Pioneer GP LLC (the "**NCRC General Partner**"), LINC Pioneer LLC, a California limited liability company (the "**LINC General Partner**", and together with the NCRC General Partner, the "**General Partners**"), Investor Limited Partner, Banc of America CDC Special Holding Company, Inc., a North Carolina corporation (the "**Special Limited Partner**," the Special Limited Partner and Investor Limited Partner are collectively referred to as "**Limited Partners**"), which shall be used to acquire, construct and equip the Project, and pay other costs and expenses of the Project.

F. The Housing Authority of the City of Glendale (the "**Authority**") is providing additional funds necessary for the construction of the Project by making a loan (the "**Authority Loan**") pursuant to that certain Affordable Housing Agreement (515 Pioneer) dated as of December 1, 2022, by and between Borrower and the Authority.

G. LINC Housing Corporation, a California nonprofit public benefit corporation ("**LINC**") is providing additional funds necessary for the construction of the Project by making a loan (the "**LINC Sponsor Loan**") pursuant to that certain Loan Agreement dated as of December 1, 2022, by and between Borrower and LINC.

H. National Community Renaissance of California, a California nonprofit public benefit corporation ("**NCRC**") is providing additional funds necessary for the construction of the Project by making a loan (the "**NCRC Sponsor Loan**", and together with the LINC Sponsor Loan, the "**Sponsor Loans**") pursuant to that certain Loan Agreement dated as of December 1, 2022, by and between Borrower and NCRC.

If Borrower satisfies the conditions contained in that certain California Housing Finance Agency Final Commitment Letter for Permanent Financing HUD Risk Sharing Program and Mixed-Income Program Subsidy Financing dated on or about October 26, 2022, as modified on or about even date herewith (collectively, the "**Permanent Loan Commitment**") by and between Borrower and California Housing Finance Agency (in its capacity as a lender, the "**Permanent Lender**"), the Loan will convert to a term loan (the date of such conversion is referred to herein as the "**Conversion Date**") and Permanent Lender will disburse the following permanent loans (collectively, the "**Permanent Loans**"): (i) a permanent loan in the approximate principal amount of up to \$30,757,000 (the "**Senior Permanent Loan**"), and (ii) a permanent loan in the approximate principal amount of up to \$10,203,625 (the "**Junior Permanent Loan**"). In connection with the Permanent Loan Commitment, Borrower is entering into that certain Promissory Note (Breakage Fee) dated on or about the date hereof and that certain Deed of Trust, Security Agreement and

Fixture Filing (Breakage Fee) dated on or about the date hereof (the "**Breakage Fee Documents**"). Additionally in connection with the Permanent Loan Commitment and the Loan, Permanent Lender, Servicer, and Borrower are entering into that certain Take-Out Agreement dated on or about the date hereof (the "**Take-Out Agreement**").

Capitalized terms used in this Agreement and not otherwise defined herein, or in **Exhibit J** attached hereto and incorporated herein by reference, shall have the meanings set forth for such terms in the Funding Loan Agreement and the Borrower Loan Agreement.

Therefore, the Servicer and the Borrower, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, hereby agree as follows:

Agreement

1. Disbursement

1.1 Disbursement of Borrower Loan; Development Budget

(a) Subject to the terms and conditions of the Borrower Loan Agreement, this Agreement and the other Loan Documents, and solely with the proceeds of the Funding Loan disbursed by Initial Funding Lender to Governmental Lender from time to time under the Funding Loan Agreement, Governmental Lender shall disburse the proceeds of the Borrower Loan to Borrower from time to time to pay costs incurred by Borrower in connection with the acquisition, development, construction, financing, and leasing of the Project (collectively, "**Project Costs**"), as shown on a detailed cost breakdown (as amended, modified and supplemented from time to time, the "**Development Budget**") of acquisition, development, construction, financing and leasing costs, upon Fiscal Agent's receipt from Servicer of a Requisition for disbursement of Borrower Loan proceeds, signed by Borrower and approved in writing by Servicer in accordance with the terms and conditions of this Agreement, and accompanied by a Funding Request signed by Servicer. The initial Development Budget is attached hereto as **Exhibit D** to this Agreement and is an analysis, prepared by the Borrower and approved by the Servicer, of the total amount needed by the Borrower to construct the Improvements and to perform the Borrower's other obligations under this Agreement and the other Borrower Loan Documents. The analysis breaks down that total amount into three (3) cost categories of "**Land Cost**", "**Hard Costs**" and "**Soft Costs**". The categories of Hard Costs and Soft Costs are further broken down by line items, each for a specific type of cost associated with construction or performance of the Borrower's obligations under this Agreement and the other Borrower Loan Documents.

(b) After review and approval of a Requisition in accordance with the terms and conditions of this Agreement, the Servicer shall give written notice, in substantially the form attached hereto as **Exhibit G** (each a "**Funding Notice**"), to the Fiscal Agent and Governmental Lender that such Requisition has been approved. Within three (3) business days after the Fiscal Agent's receipt of a signed Funding Notice, the Initial Funding Lender will fund the portion of the requested disbursement approved by Servicer in such Funding Notice by wiring such amount to the Fiscal Agent on behalf of Governmental Lender, and Fiscal Agent on behalf of Governmental Lender will immediately disburse such proceeds to Borrower to be used solely for the approved uses in such Requisition.

(c) **Exhibit D** hereto shows the initial Development Budget of the costs for each line item as projected by the Borrower. The Borrower agrees to use the principal of the Borrower Loan, as advanced by the Fiscal Agent with the approval of Servicer in accordance with this Agreement, and the Capital Contributions solely in conformity with the Development Budget and in accordance with the requirements of the Loan Documents. If the Improvements cannot be completed in strict conformity with the most recently approved Development Budget, the Borrower must immediately prepare and submit a proposal for a revised Development Budget to the Servicer for approval in a form acceptable to the Servicer in its reasonable discretion. Any proposal for a revised Development Budget shall become effective as the Development Budget only if it is approved by the Servicer. In the revised Development Budget, the

Borrower must identify requested changes from the then effective Development Budget in any line items and provide a written statement of reasons for the changes. The Borrower must execute such documentation as the Servicer may reasonably require in connection with the revised Development Budget. The Servicer shall have no obligation to consent to any further disbursements unless and until it approves the revised Development Budget. The Servicer reserves the right to approve or disapprove any Development Budget in its reasonable judgment, provided that if the Servicer does not respond to a request for approval of a revised Development Budget within ten (10) business days of submission, such revised Development Budget shall be deemed rejected. The most recently approved Development Budget supersedes all previously approved Development Budgets.

(d) The signature of the Borrower or its Authorized Person on the initial Development Budget or any revised Development Budget constitutes a reaffirmation of each of the representations and warranties made by the Borrower to Servicer under Sections 4.5 (“Accuracy”) and 4.6 (“Loan in Balance; Adequacy of Loan”) of this Agreement.

1.2 Loan in Balance; the Borrower Equity Account

(a) The Borrower Loan is “in balance” whenever the amount of the then undisbursed Borrower Loan proceeds, plus any GP Capital Contributions on deposit or to be deposited in the Borrower Equity Account (as defined in the Funding Loan Agreement), plus Project revenues, plus undisbursed proceeds of the Subordinate Loans and any other sums provided or to be provided by the Borrower or any other party as shown in the Development Budget most recently approved by the Servicer, are sufficient in the Servicer’s reasonable judgment to pay, through Completion and maturity of the Borrower Loan, all of the following sums: (i) all costs of construction, marketing, ownership, maintenance, funding of required reserves and sale or leasing of the Land and Improvements; and (ii) all interest and all other sums accruing or payable under the Borrower Loan Agreement and the other Borrower Loan Documents. Unless otherwise shown in the Development Budget, all sums provided by the Borrower shall be deposited into the Borrower Equity Account. The Borrower Loan is “out of balance” if and when the Servicer in its reasonable judgment determines that the funds (including all undisbursed Borrower Loan proceeds, Capital Contributions and any other sums provided or to be provided by the Borrower or any other party) are insufficient to pay for all such costs and sums payable under the Loan Documents.

(b) The Borrower acknowledges that the Borrower Loan may become “out of balance” in numerous ways, not all of which may now be foreseen. The Borrower further acknowledges that the Borrower Loan may become “out of balance” from a shortage of funds in any single line item or category of the Development Budget, even if there are undisbursed Borrower Loan proceeds or other sums in other line items or categories. Undisbursed Borrower Loan proceeds or other sums in one category or line item (e.g., insurance costs) may not be applied to another category or line item (e.g., interest reserve) unless either the Development Budget allows such use (and only to the extent specifically allowed) or the Servicer consents in writing to such use in each instance in its reasonable discretion. Each Requisition for hard or soft cost contingency funds must contain such supporting documentation, including invoices and, if requested, canceled checks, in such forms as the Servicer requires to evaluate the request for reallocation of actual cost savings in the Development Budget. Such reallocated cost savings will be taken into account in determining whether the Borrower Loan is “out of balance”.

(c) Whenever the Borrower Loan is “out of balance,” the Servicer may make written demand on the Borrower to deposit the Borrower’s own funds into the Borrower Equity Account in an amount sufficient in the Servicer’s reasonable judgment to cause the Borrower Loan to be “in balance.” The Borrower must deposit within five (5) business days of demand all funds required by the Servicer’s demand. Also, if required by the Servicer, the Borrower must submit, for the Servicer’s approval, a revised Development Budget within fifteen (15) days after any such demand. As a condition to further advances of Borrower Loan proceeds, the Servicer may require that sums in the Borrower Equity Account be fully disbursed and applied in accordance with the Development Budget. Borrower hereby pledges to Governmental Lender and Initial Funding Lender, and grants a security interest to the Governmental Lender and Initial Funding Lender, in and to, the Borrower Equity Account, all monies therein from time to time, all earnings thereon from time to time (if any), all amendments, modifications, renewals, rollovers,

replacements and substitutions therefore, and all proceeds thereof. That pledge and security interest shall secure the performance by Borrower of all the obligations of Borrower under the Borrower Loan Agreement, this Agreement, the Borrower Note and the other Loan Documents. Governmental Lender and Initial Funding Lender shall have available to them all rights and remedies available to a secured party under the Uniform Commercial Code of the State of California in connection with such security interest. Borrower agrees to execute and deliver to Governmental Lender and Initial Funding Lender such additional documents as Governmental Lender and/or Initial Funding Lender may reasonably require from time to time in order to further evidence or perfect such pledge and security interest. As between Governmental Lender and Initial Funding Lender, Initial Funding Lender shall have the sole right to give instructions to Servicer regarding the Borrower Equity Account (and Servicer shall comply solely with the instructions of Initial Funding Lender (and not Governmental Lender, Borrower or any other party) with respect to the Borrower' Equity Account). This Agreement constitutes a "control agreement" for all purposes of the Uniform Commercial Code.

(d) At any time, the Servicer may evaluate the sufficiency of undisbursed Borrower Loan proceeds, undisbursed Subordinate Loan proceeds or Capital Contributions, allocated for payment of future interest, exercising its reasonable judgment in light of: (i) the Servicer's projections of interest rates for period(s) up to and including the full remaining term of the construction period (and permitted extensions, if any); (ii) cost overruns or change orders; and (iii) failure of the Improvements to be completed or leased as projected by the Borrower in **Exhibit F** (the "**Pro Forma Schedule**"). Based on the Servicer's evaluation of these data and projections, the Borrower Loan may be "out of balance". If this happens, at its sole election and discretion, the Servicer may exercise its rights under clause (c) above or make written demand on the Borrower to pay all future interest out of the Borrower's own funds until the amount of undisbursed Borrower Loan proceeds or Capital Contributions allocated to the interest line items in the Approved Budget is sufficient, in the Servicer's reasonable judgment, to cover any and all such amounts coming due during the remaining term of the construction period.

1.3 Disbursement Conditions, Amounts and Procedures

The Disbursement Schedule attached as **Exhibit E** (the "**Disbursement Schedule**") sets forth disbursement conditions, amounts and procedures applicable to the Borrower Loan. The Servicer will authorize disbursement by the Initial Funding Lender to Fiscal Agent, and disbursement by Fiscal Agent to Borrower of such proceeds and Capital Contributions on deposit with Fiscal Agent, upon satisfaction of the disbursement conditions and procedures set forth in the Disbursement Schedule and subject to the terms and conditions of this Agreement and the Borrower Loan Agreement.

2. Covenants of the Borrower

The Borrower promises to keep each of the covenants set forth below, unless the Servicer has waived compliance in writing.

2.1 Commencement and Completion of Improvements; Maturity Date

(a) The Borrower shall commence construction of the Improvements on or before the date which is thirty (30) days from the date the Borrower Note is issued and the Deed of Trust is recorded in the Official Records, and will diligently pursue construction to Completion. Completion shall be achieved on or before March 30, 2026 (the "**Completion Deadline**"). Moreover, regardless of the existence or non-existence or occurrence or non-occurrence of Force Majeure, in no event shall Completion of the Improvements occur later than the Initial Maturity Date (as defined in the Borrower Note).

(b) The Borrower shall cause the Conversion Date to be achieved by the Initial Maturity Date; provided, however, that the Initial Maturity Date may be extended by: (i) an additional three (3) months to March 29, 2026 (the "**First Extended Maturity Date**"); (ii) an additional three (3) months to June 29, 2026 (the "**Second Extended Maturity Date**"); and (iii) an additional six (6) months to December 29, 2026 (the "**Third Extended Maturity Date**"); each of the First Extended Maturity Date, Second Extended

Maturity Date, and Third Extended Maturity Date are referred to as an “**Extended Maturity Date**”), upon the timely prior satisfaction of all of the conditions set forth in Sections 1A, 1B, and 1C of the Borrower Note.

(c) The Borrower shall cause the Permanent Loan to fund on or before the Initial Maturity Date, as the same may be extended from time to time in accordance with the Borrower Note.

2.2 Requirements

The Borrower must construct the Improvements in a good and workmanlike manner in accordance with sound building practices, as well as the Plans and Specifications and the recommendations of any environmental report satisfactory to the Servicer. The Borrower must comply with all existing and future laws, regulations, orders, building codes, restrictions and requirements of, and all agreements with and commitments to, all local, city, state or federal governmental agencies having jurisdiction over the Project (collectively, “**Governmental Agencies**”), including those pertaining to the construction, operation, leasing or financing of the Improvements, and with all recorded covenants and restrictions affecting the Project (all collectively, the “**Requirements**”).

2.3 Changes

(a) The Borrower agrees to provide the Servicer with copies of all change orders and/or revisions, amendments or changes to the Construction Contract or the Plans and Specifications (collectively, “**Change Orders**”), together with all additional documents that the Servicer may reasonably require. These documents may include the following: (i) plans and specifications indicating the proposed change; (ii) a written description of the proposed change and related working drawings; and (iii) a written estimate of the cost of the proposed change and the time necessary to complete it.

(b) The Borrower must obtain the Servicer’s prior written approval of any Change Order (each a “**Material Change Order**”) that:

- (i) regardless of cost, is a material change in structure, design, function or exterior appearance; or
- (ii) requires the approval of the Limited Partners, any Subordinate Lender, the Permanent Lender, or any Governmental Agency; or
- (iii) would cause any line item or category of the Development Budget to be increased or decreased by five percent (5%) or more; or
- (iv) might delay Completion of the Improvements beyond the Completion Deadline; or
- (v) would result in an increase or decrease in the aggregate contract price for construction of the Project in excess of \$150,000; or
- (vi) when aggregated with other Change Orders previously effected would result in an increase or decrease in the aggregate contract price for construction of the Project in excess of \$1,000,000; or
- (vii) would alter the number of apartment units in the Project designated for occupancy by low and moderate income tenants; or
- (viii) would reduce the number of apartment units in the Project; or

- (ix) would change the number or unit mix of the apartments in the Project from the unit mix as of the date hereof to a material degree, or the scope of the amenities to be provided.

(c) In addition, the Borrower must obtain the Servicer's prior written approval of all material changes in the Architecture Contract or any other contracts for the design, engineering or construction of the Improvements.

(d) The Servicer may take a reasonable time to evaluate any requests for proposed changes, provided that if the Servicer does not respond to a Material Change Order request provided to it within fifteen (15) days the request shall be deemed rejected. The Servicer will commence evaluation of such proposed changes, but Servicer may condition its ultimate approval of such proposed changes on obtaining all approvals required from other parties. The Servicer may approve or disapprove changes in the exercise of its reasonable judgment. The Borrower acknowledges that delays may result and agrees that, so long as the delays are not unreasonable in duration, they will not affect the Borrower's obligation to complete the Improvements by the Completion Deadline.

2.4 Construction Information and Verification

(a) Within fifteen (15) days after receiving notification from the Servicer, the Borrower must deliver to the Servicer any and all of the following information and documents that the Servicer may request, all in forms acceptable to the Servicer:

- (i) Current Plans and Specifications, certified by the Architect as being complete and accurate;
- (ii) A current, complete and correct list showing the name, address and telephone number of each contractor, subcontractor with a contract price in excess of \$100,000 and material supplier with a contract price in excess of \$100,000 engaged in connection with the construction of the Improvements and the total dollar amount of each contract and subcontract (including any changes), together with the amounts paid through the date of the list;
- (iii) True and correct copies of the most current versions of all executed contracts and subcontracts identified in the list described in clause (ii) above, including any changes;
- (iv) A current construction progress schedule showing the progress of construction of the Improvements and the projected sequencing and completion times for uncompleted work, all as of the date of the schedule; and
- (v) Any update to any item described above, previously delivered to the Servicer.

(b) Within sixty (60) days after receiving notification from the Servicer, the Borrower must deliver, or cause the Architect to deliver, to the Servicer as built plans and specifications for the Improvements as actually completed to date, certified by the Architect as being complete and accurate.

(c) The Borrower expressly authorizes the Servicer to contact the Architect, the Contractor or any contractor, subcontractor, material supplier, surety or any Governmental Agency to verify or discuss any information disclosed in accordance with this Section ("**Construction Information and Verification**") and any other information the Servicer may reasonably require.

(d) Any defaulting architect, contractor, subcontractor, material supplier or surety must be replaced promptly (if such default extends beyond any applicable notice and cure period), and the Borrower must deliver promptly to the Servicer all required information and documents regarding each replacement architect, contractor, subcontractor, material supplier and surety. The Servicer may disapprove any architect, contractor, subcontractor, material supplier, surety or other party the Servicer in its reasonable judgment deems financially or otherwise unqualified; however, in no event may the absence of disapproval be deemed approval.

(e) If, based on any construction progress schedule or other materials submitted by the Borrower, the Servicer in its reasonable judgment determines that Completion of the Improvements will not occur by the Completion Deadline, the Servicer may request the Borrower in writing to reasonably reschedule the construction work to permit timely Completion. Within fifteen (15) days after receiving such a request from the Servicer, the Borrower must deliver to the Servicer a revised construction progress schedule and Pro Forma Schedule showing Completion of the Improvements by the Completion Deadline.

(f) Within fifteen (15) days following the occurrence of each of the following events, the Borrower shall provide to the Servicer the Architect's written confirmation that the Architect has inspected the Improvements and is confirming the status of the Improvements as of the date of such occurrence:

- (1) Completion of construction of the first apartment unit, including connection to utilities; and
- (2) at the time the first building is first turned over for use.

(g) Within forty-five (45) days following Completion of the construction of each building, the Borrower shall provide to the Servicer the written confirmation from the Architect that such building was completed in substantial compliance with the Plans and Specifications.

2.5 Permits, Licenses and Approvals

The Borrower must obtain properly, comply with and keep in effect all permits, licenses and approvals required from Governmental Agencies in order to construct, occupy, operate and lease the units within the Project. The Borrower must deliver copies of all such permits, licenses and approvals to the Servicer promptly, and in any event within five (5) days after receipt thereof. The Borrower shall assign its rights in such permits, licenses and approvals to the Governmental Lender as security for the Borrower Loan obligations pursuant to the Assignment of Project Documents.

2.6 Purchase of Materials; Conditional Sales Contracts

The Borrower may not purchase or contract for any materials, equipment, furnishings, fixtures or articles of personal property to be placed or constructed within the Project under any security agreement or other agreement where the seller reserves or purports to reserve title or the right of removal or repossession, or the right to consider them personal property after their incorporation in the work of construction, unless the Servicer in each instance has authorized the Borrower to do so in writing.

2.7 Site Visits; Right to Stop Work

(a) The Servicer and its agents and representatives have the right to enter and visit the Project, at any reasonable time, upon twenty-four (24) hours advance notice, for the purposes of performing an appraisal, observing the work of construction and examining all materials, plans, specifications, working drawings and other matters relating to the construction. For purposes of these site visits, the Borrower must maintain at all times a full set of working drawings at the Project site. The Servicer has the right to examine, copy and audit the books, records, accounting data and other documents of the Borrower and its contractors relating to the Project or construction of the Improvements. The Servicer will

make reasonable efforts to avoid interfering with the Borrower's use of the Project when exercising any of the rights granted in this Section.

(b) If the Servicer in its reasonable judgment determines that any work or materials fail to conform to the approved Plans and Specifications or sound building practices, or that they otherwise depart from any of the requirements of this Agreement, the Servicer may require the work to be stopped and withhold disbursements until the matter is corrected. If this occurs, the Borrower must correct the work to the Servicer's reasonable satisfaction promptly and halt all other work pending completion of such corrective work. No such action by the Servicer will affect the Borrower's obligation to complete the Improvements in accordance with the Pro Forma Schedule and on or before the Completion Deadline.

(c) The Servicer has no duty to visit the Project, to supervise or observe construction or to examine any books or records. Any site visit, observation or examination by the Servicer is solely for the purpose of protecting the Servicer's rights and interests. No site visit, observation or examination by the Servicer will impose any liability on the Servicer or result in a waiver of any default of the Borrower or be a representation that the Borrower is or will be in compliance with the Plans and Specifications, that the construction is free from defective materials or workmanship, or that the construction complies with all applicable Requirements. Neither the Borrower nor any other party is entitled to rely on any site visit, observation or examination by the Servicer. The Servicer owes no duty of care to protect the Borrower or any other party against, or to inform the Borrower or any other party about any negligent or defective design or construction of the Improvements or any other adverse condition affecting the Project.

2.8 Protection Against Lien Claims

The Borrower must pay or otherwise discharge promptly all claims and liens for labor done and materials and services furnished in connection with the construction of the Improvements. The Borrower has the right to contest in good faith any claim or lien, provided that it does so diligently and without prejudice to the Servicer or delay in completing the Improvements. Borrower shall notify Servicer of its intent to contest such claim or lien and, promptly upon the Servicer's request, the Borrower must provide a note, cash deposit or other security satisfactory to the Servicer in the exercise of its reasonable judgment.

2.9 Records and Accounts

The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with Generally Accepted Accounting Principles, which records and books will not be maintained on a consolidated basis with those of any other Person, including any Affiliate of the Borrower and (b) maintain adequate accounts and reserves for all taxes (including income taxes), depreciation and amortization of its properties, contingencies, and other reserves, all of which accounts shall not be commingled with accounts of any other Person, including any or Affiliate of the Borrower.

2.10 Financial Statements and Information

The Borrower will deliver, or cause to be delivered, to the Servicer all of the financial reports in the manner and not later than the deadlines set forth on **Exhibit K**.

(a) Additional Financial Reporting may be required at certain times, including but not limited to: during initial lease-up and stabilization, at times of current or potential tenant roll-over or as a result of local, regional or macro-economic market disturbance, or other situations whether within or outside of Borrower's or Servicer's control. If Additional Financial Reporting is required by Servicer, Borrower shall submit such reporting to Servicer within forty-five (45) days of each period end for which the statement is requested.

(b) Borrower will keep and maintain full and accurate books and records administered in accordance with sound accounting principles, consistently applied, showing in detail the earnings and

expenses of the Property and the operation thereof. All financial statements and property schedules shall be in form and detail satisfactory to Servicer and shall contain or be attached to the signed and dated written certification of the reporting party in form specified by Servicer to certify that the financial statements are furnished to Servicer in connection with the extension of credit by Servicer and constitute a true and correct statement of the reporting party's financial position. All certifications and signatures on behalf of corporations, partnerships, limited liability companies or other entities shall be by a representative of the reporting party satisfactory to Servicer. Additionally, Borrower will provide Servicer at Borrower's expense with all evidence that Servicer may from time to time reasonably request in writing as to compliance with all provisions of the Loan Documents.

2.11 Insurance

(a) The Borrower shall obtain and maintain insurance with respect to the Property and the operations of the Borrower as required from time to time by the Servicer. The initial insurance requirements have been provided to Borrower in an insurance requirements letter prior to the closing of the Borrower Loan. All renewal policies, with premiums paid, shall be delivered to the Servicer at least thirty (30) days before expiration of the existing policies. If any such insurance shall expire or be canceled, or become void or voidable by reason of the breach of any condition of coverage, or if the Servicer determines that any coverage is unsatisfactory by reason of the failure or impairment of the capital of any insurance carrier, or if any insurance is unsatisfactory to the Servicer, in its sole judgment, the Borrower shall promptly place new insurance satisfactory to the Servicer.

(b) The Borrower shall provide the Initial Funding Lender and the Servicer with certificates evidencing such insurance upon the request of the Servicer.

(c) If the Borrower fails to provide, maintain, keep in force or deliver to the Servicer the policies of insurance and certificates required by this Agreement, the Servicer may (but shall have no obligation to) procure such insurance, and the Borrower shall pay all premiums thereon promptly on demand by the Servicer, and until such payment is made by the Borrower, the amount of all such premiums shall bear interest at the Default Rate (as defined in the Borrower Loan Note).

2.12 Inspection of Project and Books; Appraisals

(a) The Borrower shall permit the Governmental Lender, the Fiscal Agent and the Servicer upon, no less than twenty four (24) hours' notice, at reasonable times during normal business hours, at the Borrower's cost and expense, to visit and inspect the Project and all materials to be used in the construction and equipping thereof and shall cooperate with the Governmental Lender, the Fiscal Agent and the Servicer during such inspections (including making available working drawings of the Plans and Specifications); provided that this provision shall not be deemed to impose on the Governmental Lender, the Fiscal Agent, and the Servicer any obligation to undertake such inspections.

(b) The Borrower shall permit the Governmental Lender, the Fiscal Agent and the Servicer, upon no less than twenty-four (24) hours' notice, at reasonable times during normal business hours, at no cost to Governmental Lender, the Fiscal Agent, or the Servicer, to examine the books of account of the Borrower and the Project (and to make copies thereof and extracts therefrom) and to discuss the affairs, finances and accounts of the Borrower and the Project with, and to be advised as to the same by, its officers, partners, or trustees, all at such reasonable times and intervals as the Governmental Lender, the Fiscal Agent and the Servicer may reasonably request;

(c) The Governmental Lender, the Fiscal Agent and the Servicer shall have the right to obtain from time to time, at the Borrower's cost and expense, updated Appraisals of the Project.

(d) The costs and expenses incurred by the Governmental Lender, the Fiscal Agent and the Servicer in obtaining such Appraisals or performing such inspections shall be paid by the Borrower

promptly upon billing or request by the Governmental Lender, the Fiscal Agent and the Servicer for reimbursement.

2.13 Compliance with Laws, Contracts, Licenses, and Permits

The Borrower shall at all times comply with (a) all requirements of all applicable law, including the Controlled Substances Act and all anti-money laundering Laws, (b) the provisions of its Organizational Documents, (c) all applicable decrees, orders and judgments, and (d) all licenses and permits required by applicable laws and regulations for the conduct of its business or the ownership, use or operation of its properties, including all Requirements.

2.14 Use of Proceeds.

In accordance with the Development Budget, the Borrower shall use the proceeds of the Borrower Loan solely for the purpose of paying for Costs of the Project.

2.15 Laborers, Subcontractors and Materialmen

The Borrower shall furnish to the Governmental Lender, the Fiscal Agent or the Servicer, upon reasonable request, and from time to time, affidavits listing all laborers, subcontractors, materialmen, and any other Persons who might or could claim statutory or common law liens and are furnishing or have furnished labor or material to the Project or any part thereof, together with affidavits, or other evidence satisfactory to the Governmental Lender, the Fiscal Agent or the Servicer, showing that such parties have been paid all amounts then due for labor and materials furnished to the Project, subject to Borrower's right to contest liens as herein set forth. Subject to such right to contest liens as herein set forth, the Borrower will also furnish to the Governmental Lender, the Fiscal Agent, and the Servicer, at any time and from time to time upon reasonable request by the Governmental Lender, the Fiscal Agent or the Servicer, lien waivers bearing a then current date and prepared on a form satisfactory to the Governmental Lender, the Fiscal Agent or the Servicer from the Contractor and such subcontractors or materialman as the Governmental Lender, the Fiscal Agent or the Servicer may designate.

2.16 Further Assurance of Title

If at any time the Servicer has reason to believe that any Borrower Loan disbursement is not secured or will or may not be secured by the Mortgage as a first priority mortgage lien and security interest on the Property, then the Borrower shall, within ten (10) days after written notice from the Servicer, do all things and matters necessary, to assure to the satisfaction of the Servicer that any Borrower Loan disbursement previously made hereunder or to be made hereunder is secured or will be secured by the Mortgage as a first priority mortgage lien and security interest on the Property, and the Servicer, at its option, may decline to approve any further Requisitions until the Servicer has received such assurance. Nothing in this Section shall limit the right of the Servicer, at the Borrower's expense, to order searches of title from time to time and to require bringdowns or endorsements extending the effective date of the Title Policy in connection with the making of advances as herein set forth.

2.17 Solvency; Adequate Capital

The Borrower shall:

- (a) Remain solvent and pay all of its indebtedness from its assets as the same become due (subject to the right to contest); and
- (b) Maintain adequate capital for the normal obligations reasonably foreseeable for a business of its size and character and in light of its contemplated business operations.

2.18 Management Contract

(a) At all times, the Project shall be managed pursuant to a management contract with National Community Renaissance of California, a California nonprofit public benefit corporation (in such capacity, the "**Manager**"), which contract shall be terminable with or without cause by the Borrower or its successors as owners of the Project and shall otherwise be in form and substance reasonably satisfactory to the Servicer. The Borrower acknowledges that the Governmental Lender, the Fiscal Agent and the Servicer will rely on the Manager's experience in operating properties such as the Project as a means of maintaining the value of the collateral. In connection with the approval of the Manager, or any replacement management company:

- (i) the Manager or holder of the stock or partnership interest therein, shall be a Person whose character, financial strength, stability and experience is acceptable to the Servicer and who shall have experience managing properties of a type and size reasonably similar to the Project;
- (ii) the Manager shall deliver all organizational documentation and other materials evidencing its experience acceptable to the Servicer; and
- (iii) if the Manager is affiliated to the Guarantor, the terms of any management contract shall provide for management fees to be subordinate to payments owed by the Borrower under the Loan Documents and otherwise must be acceptable to the Servicer in all respects.

(b) The Borrower shall, from time to time, obtain from the Manager such certificates of estoppel with respect to compliance by the Borrower with the terms of the management contract as may be requested by the Servicer and the Fiscal Agent.

(c) The Project shall be managed by the Manager pursuant to the Management Agreement. The Borrower acknowledges and agrees that Initial Funding Lender, as assignee of the interest of the mortgagee under the Mortgage, is and shall be a third-party beneficiary of the Management Agreement and any replacement management agreement. Any amendment, modification, extension, renewal, cancellation or termination of the Management Agreement, or any execution or delivery of any replacement management agreement, must first be approved in writing by the Servicer. As of the date hereof, Servicer approves National Community Renaissance of California as the initial Manager.

2.19 Negative Covenants of the Borrower

The Borrower covenants and agrees that:

(a) Restrictions on Indebtedness. Without obtaining the prior written consent of the Servicer, the Borrower shall not create, incur, assume, guarantee or be or remain liable, contingently or otherwise, with respect to any Indebtedness other than:

- (i) Indebtedness arising under the Loan Documents and/or the Funding Loan Documents;
- (ii) Indebtedness arising in connection with any Subordinate Loan;
- (iii) current liabilities of the Borrower relating to the Project, incurred in the ordinary course of business but not incurred through (A) the borrowing of money, or (B) the obtaining of credit except for credit on an open account basis customarily extended and in fact extended in connection with normal purchases of goods and services;

(iv) Indebtedness relating to the Project, in respect of taxes, assessments, governmental charges or levies and claims for labor, materials and supplies to the extent that payment therefor shall not at the time be required to be made; and

(v) Loans described in the Partnership Agreement.

(b) Restrictions on Liens. The Borrower shall not subject the Property, or permit the Property to be subjected, to any Lien or encumbrance, whether voluntarily, involuntarily or by operation of law or otherwise, except as permitted pursuant to the Mortgage.

(c) Transfers. The Borrower shall not sell, assign, transfer, encumber, hypothecate, or otherwise dispose of, whether directly, indirectly, voluntarily or by operation of law or otherwise, (a) all or any part of the Property (or any direct or indirect interest in the Property), (b) any direct or indirect interest (whether legal, equitable or beneficial) in the Borrower or in any owner or holder of any direct or indirect interest in Borrower, or suffer or permit any such transfer, except as expressly permitted pursuant to the Mortgage.

(d) Merger, Consolidation, Conversion and Disposition of Assets

(i) The Borrower shall not become a party to any merger or consolidation, or agree to or effect any asset acquisition or stock acquisition.

(ii) The Borrower shall not convert into any other type of entity.

(iii) The Borrower shall not seek the dissolution or winding up, in whole or in part, of the Borrower or voluntarily file, or consent to the filing of, a petition for bankruptcy, reorganization, assignment for the benefit of creditors or similar proceedings.

(iv) Neither the Borrower nor any General Partner shall amend, supplement terminate or otherwise modify or waive any provision of its Organizational Documents or any documents relating to the contribution of equity by the partners of the Borrower without obtaining the prior written consent of the Servicer.

(e) Sale and Leaseback. The Borrower shall not enter into any arrangement, directly or indirectly, whereby the Borrower shall sell or transfer any property owned by it in order then or thereafter to lease such property or lease other property that the Borrower intends to use for substantially the same purpose as the property being sold or transferred.

(f) Preservation of Tax Exemption. The Borrower shall not take any action that would adversely affect the exclusion of interest on the Funding Loan Note from gross income for purposes of federal income taxation, nor omit or fail to take any action required to maintain the exclusion of interest on the Funding Loan from gross income for purposes of federal income taxation; provided, however, that that the foregoing shall not be deemed violated by the Borrower or any Partner thereof being deemed a "substantial user" (within the meaning of Section 147(a) of the Code) of the Project or a "related person" (as defined in Section 147(a) of the Code). In furtherance thereof, the Borrower shall not enter into any agreement, written or otherwise, directly or indirectly relating to the Project with an Affiliate of the Borrower without the prior written consent of the Servicer. The Borrower hereby agrees to comply with all of the following covenants (each, a "**Tax Credit Covenant**"):

(i) To observe and perform all obligations imposed on the Borrower in connection with the Tax Credits, including the obligation to have the Project "placed in service" (within the meaning given in Section 42 of the

Code) in a timely manner; and to operate the residential units of the Project, and to use the Borrower's best efforts to cause all appropriate parties to operate the same, in accordance with all requirements, statutes, and regulations governing the Tax Credits;

- (ii) To preserve at all times the allocation and availability of the Tax Credits;
- (iii) Not to release, forego, alter, amend, or modify its rights to the Tax Credits without the Servicer's prior written consent, which the Servicer may give or withhold in the Servicer's reasonable discretion;
- (iv) Not to execute any residential lease of all or any portion of the Project which does not comply fully with all requirements, statutes, and regulations governing the Tax Credits, without the Servicer's prior written consent, which the Servicer may give or withhold in the Servicer's sole and absolute discretion;
- (v) To cause to be kept all records, and cause to be made all elections and certifications, pertaining to the number and size of apartment units, occupancy thereof by tenants, income level of tenants, set-asides for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits in connection with the low-income occupancy of the Project;
- (vi) To comply with the appropriate minimum low-income set-aside requirements under the Code or applicable federal regulations (the "**Federal Laws**") and all laws and regulations of the State (the "**State Laws**") applicable to the creation, maintenance and continued availability of the Tax Credits;
- (vii) To certify compliance with the set-aside requirements and report the dollar amount of qualified basis and maximum applicable percentage, date of placement in service and any other information required for the Tax Credits at such time periods as required by Federal Laws or State Laws for such Tax Credits;
- (viii) To set aside the appropriate number of units for households with incomes meeting the required standards of the median income of the county in which the Project is located to qualify for the Tax Credits (as determined pursuant to Section 42 of the Code and/or State Laws), adjusted for family size, and to operate and maintain all such units as "low-income units" qualifying for the Tax Credits under Section 42(i)(3) of the Code and/or State Laws;
- (ix) To exercise good faith in all activities relating to the operation and maintenance of the Project in accordance with the requirement of Federal Laws and State Laws; and
- (x) To promptly deliver to the Servicer true and correct copies of all notices or other documents or communications received or given by the Borrower with regard to or relating in any way to the Borrower's partnership interests and/or the Tax Credits. Immediately upon receipt thereof, the Borrower shall deliver to the Servicer a copy of (i) the fully-executed Letter of Determination for the Project; (ii) the basis audit (as required by Section 42 of the Code) for the Project (including a certificate of the Borrower's

accountant or attorneys if requested by the Servicer); (iii) the first annual income certification for all tenants of the Project showing that the tenants are qualified for purposes of the Borrower's obtaining Tax Credits, and (iv) the fully-completed Form 8609 (required by the Code) issued for the Project. The Borrower shall deliver promptly to the Servicer such other certificates, income certificates, reports and information as the Servicer may request.

The Borrower understands and acknowledges that the Initial Funding Lender is making the Funding Loan based, in part, upon the value of the Tax Credits, and the Tax Credits, directly or indirectly, constitute part of the security of the Initial Funding Lender, for the obligations of the Borrower in connection with the Borrower Loan. The Borrower agrees to indemnify, defend, and hold the Servicer and the Initial Funding Lender harmless for, from, and against any and all actions, suits, claims, demands, liabilities, losses, damages, obligations, and costs or expenses, including litigation costs and reasonable attorneys' fees, arising from or in any way connected with the Borrower's failure to comply with one or more Tax Credit Covenants, excepting those arising out of, or resulting, solely from the gross negligence or willful misconduct of the Servicer.

(g) Controlled Substances. Borrower shall not, and shall not suffer or permit a tenant under any Lease to violate any Laws affecting the Property, including the Controlled Substances Act, or which could otherwise result in the occurrence of an Event of Default hereunder, including the commencement of any proceedings under the Civil Asset Forfeiture Reform Act. Upon learning of any conduct contrary to this Section, Borrower shall immediately take all actions reasonably expected under the circumstances to terminate any such use of the Property, including: (a) to give timely notice to an appropriate law enforcement agency of information that led Borrower to know such conduct had occurred, and (b) in a timely fashion to revoke or make a good faith attempt to revoke permission for those engaging in such conduct to use the Property or to take reasonable actions in consultation with a law enforcement agency to discourage or prevent the illegal use of the Property.

2.20 Leasing

(a) The Servicer (and all other parties whose approval is required) must approve the Borrower's standard form of residential lease or rental agreement prior to its use by the Borrower. The Borrower may not materially modify the approved standard form of residential lease without the Servicer's prior written consent in each instance (which consent shall not be unreasonably withheld), together with the approval of all other parties whose consent is required. Borrower shall not enter into any lease of all or any part of the Property without the Servicer's written approval as to form and substance. Notwithstanding the foregoing, the Borrower may enter into residential leases (and amendments) in the ordinary course of business with bona fide third party tenants without the Servicer's prior written consent if the Borrower uses the approved standard form of residential lease (without material modification) and:

- (i) Within fifteen (15) days after the Servicer's written request therefor, the Servicer receives a copy of the executed lease (accompanied by all financial information and certificates obtained by the Borrower pertaining to the tenant);
- (ii) The Borrower, acting in good faith and exercising due diligence, has determined that the tenant qualifies as a low-income family for purposes of meeting the requirements for obtaining Tax Credits;
- (iii) The lease meets the standards required by Section 42 of the Code;
- (iv) The lease meets the requirements of the Servicer, the Governmental Lender, the Subordinate Lenders, and the Investor Limited Partner;

- (v) The lease reflects an arm's-length transaction and, so long as this Agreement is in effect, conforms to the projections of the Pro Forma Schedule attached hereto;
- (vi) The lease does not affect more than one (1) residential unit within the Improvements and is for a minimum term of six (6) months and a maximum term of twelve (12) months, unless otherwise agreed in writing by the Servicer; and
- (vii) So long as this Agreement is in effect, the lease, together with all leases previously executed, does not cause the Borrower Loan to become "out of balance" as that term is defined herein. The Borrower acknowledges that the Borrower Loan may become "out of balance" if the landlord's aggregate economic obligations under the leases exceed, or the net operating income from the Project fails to meet, the Borrower's projections for such obligations, thereby increasing the cost or decreasing the value of the Project.

(b) The Servicer in the exercise of its sole discretion may consider any executed lease it receives to be unsatisfactory if the lease fails to meet any of the requirements of this Agreement. If this happens, or if the Borrower at any time fails to submit any executed lease (and accompanying information) at the time required by this Section, or if any Event of Default has occurred and is continuing, the Servicer may make written demand on the Borrower to submit all future leases for the Servicer's approval prior to execution. The Borrower must comply with any such demand by the Servicer.

(c) The Servicer's approval of any lease is for the sole purpose of protecting the Servicer's security and preserving the Servicer's rights under the Loan Documents. No approval by the Servicer will result in a waiver of any default of the Borrower. In no event will the Servicer's approval of any lease be a representation of any kind with regard to the lease, its enforceability or the financial capacity of any tenant or guarantor.

(d) The Borrower must perform all obligations required to be performed by it as landlord under any lease affecting any part of the Land or any space within the Improvements.

2.21 Further Assurances

(a) Regarding Construction. The Borrower shall furnish or cause to be furnished to the Governmental Lender, the Initial Funding Lender and the Servicer all instruments, documents, boundary surveys, ALTA as-built surveys, certificates, plans and specifications, title and other insurance, reports and agreements and each and every other document and instrument required to be furnished by the terms of this Agreement or the other Loan Documents, all at the Borrower's expense.

(b) Regarding Preservation of Collateral. The Borrower shall execute and deliver to the Governmental Lender, the Initial Funding Lender and the Servicer such further documents, instruments, assignments and other writings, and will do such other acts necessary or desirable, to preserve and protect the collateral at any time securing or intended to secure the obligations of the Borrower under the Loan Documents, as the Governmental Lender, the Initial Funding Lender and the Servicer may require.

(c) Regarding this Agreement. The Borrower will cooperate with, and shall do such further acts and execute such further instruments and documents as the Governmental Lender, the Initial Funding Lender and the Servicer shall reasonably request to carry out to their satisfaction the transactions contemplated by this Agreement and the other Loan Documents.

(d) Bank of Account. The Borrower shall utilize the Fiscal Agent as its principal bank of account, including all construction disbursement, operating accounts, and reserve accounts.

2.22 Signs and Publicity

At the Servicer's request, the Borrower will identify the Servicer as the construction lender on any signs posted on the Project and use its best efforts to identify the Servicer in publicity concerning the project. In the alternative, with the Borrower's consent, which may not be unreasonably withheld, the Servicer may post signs on the Project identifying itself as the construction lender for the Project. The Servicer may refer to the Property in its own promotional and advertising materials. The Borrower may not post signs, or otherwise identify the Servicer as the construction lender, except with the Servicer's prior written consent in each instance.

2.23 Cooperation

The Borrower must cooperate at all times with the Servicer in bringing about the timely Completion, and the Borrower must resolve all disputes arising during the construction of the Improvements in a manner allowing work to proceed expeditiously.

2.24 Income from Property

The Borrower shall first apply all income from leases, and all other income derived from the Project, to pay costs and expenses associated with the ownership, maintenance, construction, operation, and marketing of the Land and Improvements, including all amounts then required to be paid under the Loan Documents, before using or applying such income for any other purpose. All Net Monthly Cash Income shall be used first to pay monthly interest payments coming due under the Borrower Loan Note except as otherwise provided in the Loan Documents. During the term of this Agreement, Borrower may not distribute any income to any of its partners, members, or shareholders, allow any partner, member, or shareholder to withdraw capital or make any payments on indebtedness owed to any member, partner or shareholder. For purposes hereof, "**Net Monthly Cash Income**" shall mean all actual cash income received from the Project during a calendar month less the actual operating expenses incurred for or attributable to the Property, but not including debt service payable in respect of the Borrower Loan. For the avoidance of doubt, fees paid to the Manager in accordance with the Property Management Agreement are recognized as operating expenses and not as a distribution of income that is prohibited hereunder.

2.25 Payment of Expenses

The Borrower must pay the Servicer's reasonable costs and expenses incurred in connection with the disbursement and administration of the Loan. The Borrower shall pay to the Servicer, on or before the Closing Date, an origination fee for the Servicer's agreement to service the Borrower Loan in an amount equal to \$916,450.16. The Borrower must also pay any and all the Servicer's costs and expenses incurred in connection with the exercise of any of the Servicer's rights or remedies under this Agreement. Such costs and expenses include charges for title insurance (including endorsements), filing, recording and escrow charges, fees for appraisal, architectural and engineering review, construction services and environmental services, mortgage taxes, document review and preparation, modification/amendment fees to Servicer not to exceed \$2,000 per modification, extension fees, legal fees and expenses of the Servicer's counsel and any other reasonable fees and costs for services, regardless of whether such services are furnished by the Servicer's employees or agents or independent contractors.

2.26 Notices

The Borrower must notify the Servicer promptly in writing of:

(a) Any investigation by any Governmental Agency, or any litigation, arbitration or other proceeding instituted or threatened in writing against Borrower, General Partner, or Guarantor or the Property, including pursuant to the Controlled Substances Act, anti-money laundering Laws, or the Civil Asset Forfeiture Reform Act, and any material development therein; except to the extent litigation affecting

the Borrower, the General Partner, or any Guarantor, where the amount claimed is not fully covered by insurance beyond the deductible amount that has been approved by Servicer;

(b) Any written or oral communication the Borrower receives from any Governmental Agency giving notice of any claim or assertion that the Land or Improvements fail in any respect to comply with any of the Requirements or any other applicable governmental law, including without limitation, pursuant to the Controlled Substances Act, anti-money laundering Laws, or the Civil Asset Forfeiture Reform Act;

(c) Any material adverse change in the physical condition of the Project (including any damage suffered as a result of earthquakes or floods);

(d) Any material adverse change in the Borrower's or the General Partner's financial condition or operations, including a change in management of the Borrower or the General Partner;

(e) Any default by the Contractor or any subcontractor, material supplier or surety, or any material adverse change in the financial condition or operations of any of them; and

(f) Any notices sent pursuant to the Partnership Agreement, the Ground Lease, the Funding Loan Documents, or the Subordinate Loan Documents.

2.27 Keeping Guarantor Informed

The Borrower must keep each Guarantor informed of the Borrower's financial condition and business operations, the condition and all uses of the Project, including all changes in condition or use, and any and all other circumstances that might affect the Borrower's ability to pay or perform its obligations under the Loan Documents.

2.28 Performance of Acts

Upon the Servicer's request, the Borrower must perform all acts necessary or advisable to perfect any lien or security interest provided for in the Loan Documents or to carry out the intent of the Loan Documents.

2.29 Capital Contributions of Investor Limited Partner and General Partner

The Borrower must enforce Investor Limited Partner's and General Partner's obligations to make the Capital Contributions in at least the amounts required pursuant to the Partnership Agreement, as it exists as of the date of this Agreement, at the times and in the amounts specified therein, and such capital contributions (except those amounts applied at closing to payment of Limited Partners' closing costs and expenses) shall be deposited into the Borrower Equity Account.

2.30 Appraisals

If reasonably required by the Servicer, or if required by law or regulations, the Servicer shall have the right to order appraisals of the Project from time to time from an appraiser selected by the Servicer, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to the Servicer in all material respects. The Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by the Servicer pursuant to this paragraph.

2.31 Compliance with Anti-Terrorism Regulations.

(a) None of the Related Persons will be included in, owned by, Controlled by, act for or on behalf of, provide assistance, support, sponsorship, or services of any kind to, or otherwise associate with any of the Persons referred to or described in any list of persons, entities, and governments issued by

the Office of Foreign Assets Control of the United States Department of the Treasury (“**OFAC**”) pursuant to Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended (“**Executive Order 13224**”), or any similar list issued by OFAC or any other department or agency of the United States of America (collectively, the “**OFAC Lists**”).

(b) Borrower will comply at all times with the requirements of Executive Order 13224; the International Emergency Economic Powers Act, 50 U.S.C. Sections 1701-06; the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56 (the “**PATRIOT Act**”); the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa 9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596; the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597; the Bank Secrecy Act, Pub. L. 91-508, 84 Stat. 1114, 1118; the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et seq.; the laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957 and any similar laws or regulations currently in force or hereafter enacted (collectively, the “**Anti-Terrorism Regulations**”).

(c) If Borrower becomes aware or receives any notice that any of the Related Persons are named on any of the OFAC Lists (such occurrence, an “**OFAC Violation**”), Borrower will immediately (i) give notice to Servicer of such OFAC Violation, and (ii) comply with all laws applicable to such OFAC Violation (regardless of whether the party included on any of the OFAC Lists is located within the jurisdiction of the United States of America), including, without limitation, the Anti-Terrorism Regulations, and Borrower hereby authorizes and consents to Servicer’s taking any and all steps Servicer deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including, without limitation, the requirements of the Anti-Terrorism Regulations (including the “freezing” and/or “blocking” of assets).

(d) Upon Servicer’s request from time to time during the term of the Loan, Borrower agrees deliver a certification confirming that the representations and warranties set forth in this Agreement remain true and correct as of the date of such certificate and confirming Borrower’s compliance with this Section. Borrower also agrees to cooperate with Servicer, and to cause each Related Person to cooperate with Servicer, in providing such additional information and documentation on Borrower’s and such Related Person’s legal or beneficial ownership, policies, procedures and sources of funds as Servicer deems necessary or prudent to enable Servicer to comply with the Anti-Terrorism Laws as now in existence or hereafter amended. From time to time upon the written request of Servicer, Borrower shall deliver to Servicer a schedule of the name, legal domicile, address and jurisdiction of organization, if applicable, for each Related Party and each holder of a legal interest in any Borrower.

2.32 KYC Requirements.

Promptly following any request therefor, Borrower shall provide information and documentation reasonably requested by Servicer for purposes of compliance with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation or other applicable anti-money laundering laws.

3. Pro Forma Schedule

(a) The Borrower has prepared and the Servicer has approved the Pro Forma Schedule attached as **Exhibit F**.

(b) The Borrower understands and acknowledges that the Servicer, in agreeing to enter into this Agreement, has relied on the Borrower’s projections as set forth in the Pro Forma Schedule. At all times, the Borrower must use its best efforts to meet the projections of the currently approved Pro Forma Schedule.

(c) Whenever the Borrower knows or believes there has been or will be a material failure to meet the projections of the Pro Forma Schedule, the Borrower must submit to the Servicer for its approval a revised Pro Forma Schedule in the form of **Exhibit F**. Also, whenever the Servicer in its reasonable judgment determines that there has been or will be a material failure to meet such projections, the Servicer may make written demand on the Borrower to submit a revised Pro Forma Schedule to the Servicer for its approval. The Borrower must submit a revised Pro Forma Schedule to the Servicer within twenty (20) days after any such demand.

(d) Any revised Pro Forma Schedule must identify any changes in any projections or other economic terms and be accompanied by the Borrower's statement of reasons for the changes. The Borrower must execute such documentation and provide such endorsements to the Servicer's title insurance policy as the Servicer may reasonably require in connection with the revised Pro Forma Schedule. The Servicer need make no further disbursements unless and until it approves the revised Pro Forma Schedule. The Servicer reserves the right to approve or disapprove any Pro Forma Schedule in its reasonable judgment. The most recently approved Pro Forma Schedule supersedes all previously approved Pro Forma Schedules.

4. Representations and Warranties

The Borrower promises that each representation and warranty set forth below is true, accurate and correct as of the date of this Agreement. Each Requisition, as described in Section 4.1 of **Exhibit E**, will be deemed a reaffirmation of each and every representation and warranty made by the Borrower in this Agreement.

4.1 Authority; Enforceability

The Borrower and the General Partner have complied with any and all laws and regulations concerning their organization, existence and the transaction of their business. The Borrower and the General Partners have the right and power to lease the Land and own the Improvements and to construct the Improvements as contemplated in the Loan Documents. The Borrower, General Partner and Guarantor are authorized to execute, deliver and perform under the Loan Documents to which each of them is a party. Those documents executed by Borrower, General Partners and/or Guarantor are valid and binding obligations of the Borrower, General Partner and Guarantor, as applicable. The Borrower possesses, and will at all times possess, all franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted or as it is intended to be conducted with respect to the Project without known conflict with any rights of others. The Borrower is not subject to any charter, partnership, or other legal restriction, or any judgment, decree, order, rule or regulation that has or is expected in the future to have a materially adverse effect on the business assets or financial condition of the Borrower. The Borrower is not, and will not be, a party to any contract or agreement that has or is expected, in the judgment of the Borrower's partners, to have any materially adverse effect on the business or financial condition of the Borrower.

4.2 Compliance; No Violation

The Borrower is familiar and, to the best of its knowledge, has complied with, or prior to the time required will comply with, all of the Requirements, as well as all other applicable laws, regulations and ordinances. The Borrower has properly obtained, or prior to commencing construction of any portion of the Improvements for which a permit is required will obtain, all permits, licenses and approvals necessary to complete the Improvements. The Borrower will properly obtain all permits, licenses and approvals necessary to occupy, operate and lease the Improvements prior to the Completion Deadline. The Borrower has delivered, or within five (5) days after receipt of each will deliver, to the Servicer true and correct copies of each permit, license and approval referred to in this Section. No information or fact exists that would reasonably cause the Borrower to believe that all permits, licenses and approvals in accordance with the Pro Forma Schedule and required to construct, occupy, operate, market and lease the Improvements will not be readily and properly obtainable as and when needed for the construction and operation of the Improvements in the manner contemplated hereby and by the other Loan Documents. No provision or

obligation of the Borrower or either General Partner, or the Guarantor contained in any of the Loan Documents violates any of the Requirements, any other applicable law, regulation or ordinance or any order or ruling of any court or Governmental Agency, including the Controlled Substances Act. No such provision or obligation conflicts with, or constitutes a breach or default under, any agreement binding or regulating the Project. There has not been and shall never be committed by the Borrower or any other Person in occupancy of or involved with the operation or use of the Project, any act or omission affording any Governmental Agencies the right of forfeiture as against the Project or any part thereof any moneys paid in performance of the Borrower's obligations under any Loan Document.

4.3 No Claims

No claims, actions, proceedings or investigations are pending against the Borrower or General Partner or affecting the Project except for those previously disclosed by the Borrower to the Servicer in writing. To the best of the Borrower's knowledge, no threat of any such claim, action, proceeding or investigation exists, except for those previously disclosed by the Borrower to the Servicer in writing. There is no action, suit or proceeding by or before any court or Governmental Agency or any arbitrator involving Borrower, General Partner, Guarantor or the Property with respect to the Controlled Substances Act, any anti-money laundering Laws, or the Civil Asset Forfeiture Reform Act that is pending or, to the knowledge of Borrower, threatened. Borrower is not in default with respect to any order, writ, injunction, decree or demand of any court or any Governmental Agency affecting Borrower or the Property.

4.4 Financial Information

The Borrower shall keep true and accurate records and books of account with full, true and correct entries. All financial information delivered to the Servicer, including all information relating to the financial condition of the Borrower, the General Partner, any Guarantor or the Project fairly and accurately represents the financial condition being reported on. All such information is prepared in accordance with generally accepted accounting principles consistently applied, unless otherwise noted. There has been no material adverse change in any financial condition reported at any time to the Servicer except as previously disclosed to the Servicer in writing in later financial information and found acceptable to the Servicer. The Borrower has disclosed to the Servicer any and all leases affecting the Project or any portion of or interest in it.

4.5 Accuracy

All reports, documents, instruments, information and forms of evidence delivered to the Servicer concerning the Borrower Loan or required by the Loan Documents are accurate, correct and sufficiently complete to give the Servicer true and accurate knowledge of their subject matter. None of them contains any material misrepresentation or omission.

4.6 Loan in Balance; Adequacy of Loan

The Borrower Loan is "in balance" (as set forth in Section 1.2, above), and the undisbursed Project (a) Loan proceeds, (b) any Subordinate Loan proceeds, and (c) the Capital Contributions (so long as no default then exists under the Partnership Agreement) as shown in the Development Budget, are sufficient to construct the Improvements in accordance with the Plans and Specifications and to accomplish the purposes contemplated by the Loan Documents.

4.7 Taxes; PACE Financing

The Borrower, each General Partner and each Guarantor (i) has made or filed, and will make or file in a timely fashion, all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid, and will pay before past due, all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, (iii) if a

partnership, limited liability partnership or limited liability company, has, and will maintain, partnership tax classification under the Code, and (iv) has set aside, and will at all times set aside, on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the period to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the partners, officers, members or trustees of the Borrower know of no basis for any such claim. The Borrower has filed, and will continue to file, all of such tax returns, reports, and declarations either (x) separately from any Affiliate or (y) if part of a consolidated filing, as a separate member of any such consolidated group. Borrower shall maintain adequate accounts and reserves for all taxes (including income taxes), depreciation and amortization of its properties, contingencies, and other reserves, all of which accounts shall not be commingled with accounts of any other Person, including any Affiliate of the Borrower. The Borrower knows of no basis for any additional assessment of taxes. Borrower has not entered into any PACE Financing and has no knowledge of any pending assessments or adjustments in connection therewith.

4.8 Utilities

All utility services, including water, sewage, electrical and telephone, necessary to develop and occupy the Land and Improvements are available at or within the boundaries of the Land. In the alternative, the Borrower has taken all steps necessary to assure that all utility services will be available upon Completion of the Improvements.

4.9 Tax Certificate

Each of the certifications, representations, warranties, statements, information and descriptions contained in the Tax Certificate is hereby incorporated into this Agreement by reference, as if fully set forth herein. The Borrower has furnished to the Governmental Lender in the Tax Certificate all information necessary for the Governmental Lender to file an IRS Form 8038 with respect to the Funding Loan, and all of such information is and will be on the date of filing, true, complete and correct.

4.10 Bankruptcy Filing

The Borrower is not contemplating either the filing of a petition by it or by the General Partner under any state or federal bankruptcy or insolvency law or the liquidation of all or a major portion of its property, and the Borrower has no knowledge of any Person contemplating the filing of any such petition against it or any General Partner or Guarantor. The Borrower has not entered into the Borrower Loan or any Loan Document with the actual intent to hinder, delay, or defraud any creditor, and the Borrower has received reasonably equivalent value in exchange for its obligations under the Loan Documents. Giving effect to the transactions contemplated by the Loan Documents, the fair saleable value of the Borrower's assets exceeds and will, immediately following the execution and delivery of the Loan Documents, exceed the Borrower's total liabilities, including subordinated, unliquidated, disputed or contingent liabilities. The fair saleable value of the Borrower's assets is and will, immediately following the execution and delivery of the Loan Documents, be greater than the Borrower's probable liabilities, including maximum amount of its contingent liabilities or its debts as such debts become absolute and matured. The Borrower's assets do not and, immediately following the execution and delivery of the Loan Documents, will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. The Borrower does not intend to, and does not believe it will, incur debts and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such debts as they mature (taking into account the timing and amounts to be payable on or in respect of obligations of the Borrower).

4.11 ERISA

The Borrower is not an "employee benefit plan," as defined in Section 3(3) of ERISA, subject to Title I of ERISA, and none of the assets of the Borrower constitutes or will constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3-101.

4.12 Margin Stock

No part of the proceeds of the Borrower Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or for any other purpose that would be inconsistent with such Regulation U or any other Regulation of such Board of Governors, or for any purpose prohibited by applicable law or any Loan Document.

4.13 Investment Company

The Borrower is not (i) an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended; (ii) a "holding company" or a "subsidiary company" of a "holding company" or an "affiliate" of either a "holding company" or a "subsidiary company" within the meaning of the Public Utility Holding Company Act of 1935, as amended; or (iii) subject to any other federal or state law or regulation which purports to restrict or regulate its ability to borrow money.

4.14 Rights of Way

The rights of way for all public roads necessary for the full utilization of the Project for its intended purposes have either been acquired by the appropriate Governmental Agency or have been dedicated to public use and accepted by such Governmental Agency. All such public roads shall have been completed, and the right to use all such roads, or suitable substitute rights of way approved by the initial Servicer, shall be maintained at all times for the Project. All curb cuts, driveways and traffic signals shown on the Plans and Specifications are existing or have been fully approved by the appropriate Governmental Agency and after the completion thereof, shall be maintained at all times for the Project.

4.15 Borrower Not a "Foreign Person"

The Borrower is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended from time to time.

4.16 Disclosure to Guarantor

Before any Guarantor became obligated in connection with the obligations of the Borrower under the Loan Documents, the Borrower made full disclosure to the Guarantors regarding the Borrower's financial condition and business operations, the present and former condition, uses and ownership of the Project and all other circumstances bearing upon the Borrower's ability to pay and perform its obligations under the Loan Documents.

4.17 OFAC Lists

The Related Persons are not (and to Borrower's knowledge after diligent inquiry, no other Person holding any legal or beneficial interest whatsoever in the Related Persons, directly or indirectly, is) included in, owned by, Controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the Persons referred to or described in any list of persons, entities, and governments issued by OFAC pursuant to Executive Order 13224 or any other OFAC Lists.

4.18 Beneficial Ownership Certification

The information included in the Beneficial Ownership Certification is true and correct in all respects.

4.19 Legal Actions

There is no action, suit or proceeding by or before any court or Governmental Agency or any arbitrator involving Borrower, any Guarantor or the Property with respect to the Controlled Substances Act, any anti-money laundering Laws, or the Civil Asset Forfeiture Reform Act that is pending or, to the knowledge of Borrower, threatened. Each of Borrower, Guarantor, and the Property is in compliance with the Controlled Substances Act and all anti-money laundering Laws.

5. Default and Remedies

5.1 Events of Default

The Borrower will be in default under this Agreement upon the following events (each, an “**Event of Default**”, and, collectively, “**Events of Default**”):

(a) An Event of Default (subject to any applicable notice and cure period) occurs under the Funding Loan Agreement, the Borrower Loan Agreement, or any other Loan Document;

(b) The Borrower fails to pay any fee or other amount that it is obligated to pay under this Agreement, or make any deposit of funds demanded by the Servicer under this Agreement, within five (5) days after the Servicer gives written notice of such failure; or

(c) The Borrower fails to comply with any other covenant contained in this Agreement calling for the payment of money and does not cure that failure within thirty (30) days after written notice from the Servicer; or

(d) Construction of the Improvements is abandoned or Completion does not occur by the Completion Deadline, subject to such extensions as are permitted under Section 7.14; or

(e) Any Governmental Agency having jurisdiction over the Project orders or requires that construction of the Improvements be stopped in whole or in part, or any required approval, license or permit is withdrawn or suspended, and the order, requirement, withdrawal or suspension remains in effect either (i) for a period of thirty (30) consecutive days (“**Initial Cure Period**”), or (ii) so long as the Borrower begins within the Initial Cure Period and continues diligently to take steps to remove the effect of the order, requirement, withdrawal or suspension, and the Servicer, exercising reasonable judgment, determines that the Borrower is reasonably likely to prevail, for a total period of ninety (90) days; or

(f) The Borrower receives a notice of default under the Architecture Contract, the Construction Contract, any other contract under which Borrower is obligated to pay in excess of \$50,000 for the construction of the Improvements or any lease of any part of the Land or any space within the Improvements, either (i) for the Initial Cure Period (or such longer time as is permitted by the relevant contract), or (ii) so long as the Borrower begins within the Initial Cure Period and continues diligently to cure the default, and the Servicer, exercising reasonable judgment, determines that the cure cannot be reasonably completed at or before expiration of the Initial Cure Period, for a total period of ninety (90) days (provided, however, that in all events, Borrower shall not be deemed in default of a contract so long as Borrower is pursuing appropriate dispute resolution under such contract and the counterparty has not suspended its performance so as to pose a material threat to the progress of construction); or

(g) A default or failure of condition of the Borrower occurs under the Partnership Agreement, which continues beyond expiration of any applicable notice and cure period and which default was not waived by the Investor Limited Partner or the Borrower fails for any reason to receive Capital Contributions in at least the following amounts (subject to capital adjusters pursuant to the terms of the Partnership Agreement) and on or before the following deadline dates:

Capital Contribution Amount

Date

\$7,253,330	Closing Date of Partnership
\$7,253,330	50% Completion
\$3,626,665	75% Completion
\$8,051,196	100% Completion
\$45,921,281	Conversion Date
\$427,495	Form 8609

or

(h) A material adverse change in the Borrower's, General Partner's or Guarantor's financial condition, or an event or condition materially impairing Borrower's intended use of the Project or the Borrower's ability to repay the Borrower Loan occurs; or

(i) The Borrower fails to meet the conditions of, or fails to perform any obligation under, any other agreement Borrower has with the Servicer or any affiliate of the Servicer beyond expiration of any applicable notice and cure period; for the purpose of this Section, "**affiliated with**" means in control of, controlled by or under common control with; or

(j) The Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement or any other document executed in connection with the Funding Loan or Borrower Loan is modified (including any "automatic" modification of the Regulatory Agreement in accordance with its terms) in a way that is material and adverse to the interests of the Governmental Lender, the Initial Funding Lender, Fiscal Agent, or Servicer, without the express prior written consent of the Servicer; or

(k) Any dissolution, termination, partial or complete liquidation, merger or consolidation of Borrower, any General Partner or any Guarantor (in the case of Guarantor, and Guarantor is not the surviving entity in connection with any such merger or consolidation) occurs, or any sale or other transfer of all or substantially all of the assets of Borrower, any General Partner; or

(l) Any change in the direct or indirect ownership of the Borrower occurs, whether voluntarily, involuntarily, by operation or law or otherwise, other than as expressly permitted by the Mortgage; or

(m) The General Partner ceases for any reason to act in the capacity as the general partner of Borrower; or

(n) Borrower, any General Partner or any Guarantor, shall file a voluntary petition in bankruptcy under Title 11 of the United States Code, or an order for relief shall be issued against any such Person in any involuntary petition in bankruptcy under Title 11 of the United States Code, or any such Person shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other relief of debtors, or any such Person shall seek or consent to or acquiesce in the appointment of any custodian, trustee, receiver, conservator or liquidator of such Person, or of all or any substantial part of its respective property, or any such Person shall make an assignment for the benefit of creditors, or such Person shall give notice to any Governmental Agency or body of insolvency or pending insolvency or suspension of operation; or

(o) An involuntary petition in bankruptcy under Title 11 of the United States Code shall be filed against the Borrower, the General Partner or any Guarantor and such petition shall not be dismissed within ninety (90) days of the filing thereof; or

(p) A court of competent jurisdiction shall enter any order, judgment or decree approving a petition filed against Borrower, any General Partner or any Guarantor seeking any

reorganization, arrangement, composition, readjustment, liquidation or similar relief under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other relief for debtors, or appointing any custodian, trustee, receiver, conservator or liquidator of all or any substantial part of its property; or

(q) The Borrower defaults under any agreement in connection with any credit Borrower has obtained from anyone else if the default consists of failing to make a payment when due (beyond expiration of any applicable notice and cure period) or gives the other lender the right to accelerate the obligation; or

(r) The Borrower, the General Partner or any Guarantor or any person affiliated with the Borrower or the General Partner or any Guarantor fails to meet the conditions of, or fails to perform any obligation under (beyond expiration of any applicable notice and cure period), any other agreement, the Borrower, the General Partner or any Guarantor has executed with the Servicer or any affiliate of the Servicer; for the purpose of this Section, "**affiliated with**" means in control of, controlled by, or under common control with; or

(s) A lawsuit or suits are filed against the Borrower, the General Partner or any Guarantor, or a judgment or judgments are entered against the Borrower, the General Partner or any Guarantor, or any Governmental Agency takes action any of which materially adversely affects the construction of the Improvements, the Borrower's intended use of the Project or the Borrower's ability to repay the Borrower Loan; or

(t) Any Guarantor purports to rescind, cancel or deny its obligations under any Guaranty that it has executed; or

(u) Failure of the Conversion Date to occur on or before the Forward Commitment Maturity Date (as it may be extended pursuant to Section 2.1); or

(v) any breach or default occurs under any of the Subordinate Loan Documents which is not cured within any applicable cure period granted to Borrower in such document, or (ii) the Borrower defaults under any agreement in connection with any other credit Borrower has obtained from anyone else if the default consists of failing to make a payment when due (beyond expiration of any applicable notice and cure period) or gives the other lender the right to accelerate the obligation; or

(w) Any of the Subordinate Loan Documents is amended, modified, supplemented, or terminated without Servicer's express prior written consent; or

(x) A default occurs under any recorded covenants and restrictions affecting the Project; or

(y) Any Determination of Taxability (as defined in Section 7.25) occurs; or

(z) The Borrower fails to comply with any provision contained in this Agreement other than those provisions elsewhere referred to in this Section 5.1, and does not cure that failure either (i) within the Initial Cure Period after written notice from the Servicer, or (ii) within ninety (90) days after such written notice, so long as the Borrower begins within the Initial Cure Period and continues diligently to cure the failure, and the Servicer, exercising reasonable judgment, determines that the cure cannot be reasonably completed at or before expiration of the Initial Cure Period; or

(aa) A judicial or nonjudicial forfeiture or seizure proceeding is commenced by a Governmental Agency and remains pending with respect to the Property or any part thereof, on the grounds that the Property or any part thereof had been used to commit or facilitate the commission of a criminal offense by any Person, including any tenant, pursuant to any Law, including under the Controlled

Substances Act or the Civil Asset Forfeiture Reform Act, regardless of whether or not the Property or the Mortgage shall become subject to forfeiture or seizure in connection therewith; or

(bb) The occurrence of: (i) any default or event of default (however defined or described) under the terms and conditions of the Ground Lease if such default is not cured within any grace period applicable thereto; (ii) any termination or attempted termination of the Ground Lease without the prior consent of the Servicer; and/or (iii) the rejection of the Ground Lease under Title 11 of the United States Code entitled "Bankruptcy", as now or hereafter in effect or any successor statute thereto.

5.2 Remedies

(a) If an Event of Default occurs under this Agreement, the Servicer may exercise or direct the Initial Funding Lender or Fiscal Agent to exercise any right or remedy under any of the Loan Documents (including without limitation acceleration of the Borrower Loan, foreclosure of the Mortgage and implementation of remedies under the Guaranties) or otherwise available at law or in equity, and all of the Servicer's rights and remedies are cumulative. If any Event of Default occurs, the Servicer's obligation to approve Requisitions under the Loan Documents automatically terminates, and the Servicer in its sole discretion may withhold any one or more disbursements. The Servicer may also withhold any further consent to any one or more disbursements of proceeds of the Borrower Loan after an event occurs that, with notice or the passage of time, could become an Event of Default, until such possible Event of Default is cured or removed. No disbursement of Borrower Loan proceeds or approval of any Requisition by the Servicer will cure any default of the Borrower, unless the Servicer agrees otherwise in writing in each instance.

(b) If the Borrower becomes the subject of any Insolvency Proceeding, all of Borrower's obligations under the Loan Documents automatically become immediately due and payable upon the filing of the petition commencing such proceeding, all without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind or character. Upon the occurrence of any other Event of Default, all of the Borrower's obligations under the Loan Documents may become due and payable immediately without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor or other notices or demands of any kind or character, all at the Servicer's option, exercisable in its sole discretion. If such acceleration occurs, the Servicer may instruct that the Fiscal Agent apply the undisbursed Borrower Loan proceeds and any other sums in the Borrower Equity Account to the Borrower's obligations under the Loan Documents, in any order and proportions in the Servicer's sole discretion.

(c) Also upon any Event of Default, the Initial Funding Lender, as mortgagee, or nominee of the Initial Funding Lender (in either case at the direction of Servicer in its sole discretion) may enter and take possession of the Project, whether in person, by agent or by court-appointed receiver, and take any and all actions that the Servicer in its sole discretion may consider necessary to complete construction of the Improvements, including making changes in plans, specifications, work or materials and entering into, modifying or terminating any contractual arrangements, all subject to the Fiscal Agent's right at any time at the direction of Servicer to discontinue any work without liability. By choosing to complete the Improvements, none of the Initial Funding Lender, the Fiscal Agent or the Servicer assumes any liability to the Borrower or any other person for completing them or for the manner or quality of their construction, and the Borrower expressly waives any such liability. If the Initial Funding Lender, Fiscal Agent or Servicer exercises any of the rights or remedies provided in this clause (c), that exercise will not make the Fiscal Agent, Initial Funding Lender or Servicer, or cause the Fiscal Agent, Initial Funding Lender or Servicer to be deemed, a partner or joint venturer of Borrower.

5.3 Notice to Investor Limited Partner

The Servicer agrees that it shall not direct the Initial Funding Lender to complete a foreclosure sale of the Project or record a deed-in-lieu of foreclosure with respect to the Project (each, a "**Foreclosure Remedy**") unless and until Investor Limited Partner has first been given thirty (30) days' written notice of the default(s) or Event(s) of Default giving rise to the Initial Funding Lender's right to complete such

Foreclosure Remedy, and the Investor Limited Partner has failed, within such thirty (30) day period to cure such default(s) and Event(s) of Default; provided, however, that the Initial Funding Lender shall be entitled during such thirty (30) day period to continue to pursue all of its rights and remedies under the Loan Documents, including, but not limited to, acceleration of the Borrower Loan Note (subject to any de-acceleration provisions specifically set forth in the Loan Documents), commencement and pursuit of foreclosure (but not completion of the foreclosure sale), any guaranty (subject to any notice and cure provisions contained therein), and/or any other Loan Document. In the event the Initial Funding Lender has accelerated the Borrower Loan Note and the Investor Limited Partner cures all Events of Default giving rise to such acceleration within the thirty (30) day cure period described above, such cure shall have the effect of de-accelerating the Borrower Loan Note; provided, however, that such de-acceleration shall not waive or limit any of the Initial Funding Lender's rights to accelerate the Borrower Loan Note or exercise any other remedies under the Loan Documents as to any future or continuing Events of Default. It is the express interest of the parties hereunder that the Initial Funding Lender shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to the Investor Limited Partner for failure to provide notice to the Investor Limited Partner, and that the liability of Servicer hereunder shall be expressly limited to actual damages to the Investor Limited Partner directly caused by the Initial Funding Lender's completion of a Foreclosure Remedy at the direction of the Servicer without liability to the Investor Limited Partner receiving the notice and opportunity to cure described above. The Servicer's failure to give any such notice for any reason shall not act to impair or waive any remedy or right of the Servicer under this Agreement or any other Loan Document. Except as specifically provided herein or in any other Loan Document, the Servicer's failure to give any such notice for any reason shall not impair or waive any remedy or right of the Servicer under this Agreement or any other Loan Document. The Servicer shall give the Investor Limited Partner notice at the following address:

Bank of America, N.A.
MA1-225-02-02
225 Franklin Street
Boston, MA 02110
Attention: Asset Management

With a copy to:

Buchalter, a Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, California 90027
Attention: Michael Williamson, Esq.
Re: B0954-0685 (515 Pioneer)

or such other address as Investor Limited Partner may instruct the Servicer in writing from time to time.

5.4 Substitution of General Partner to Cure Event of Default

(a) **Cure of Event of Default.** In the event that an Event of Default occurs under this Agreement by reason of any act or omission of General Partner, the Investor Limited Partner shall have the right to cure such Event of Default (subject to applicable provisions of the Partnership Agreement) by removing such General Partner and replacing any such General Partner with (1) an Approved Transferee or (2) a Person other than an Approved Transferee, whose substitution has received the prior written approval of the Servicer in its sole and absolute discretion; provided, in each case, that the partnership interests pursuant to the terms of the Security Agreement, and any such substitute general partner shall execute any and all documents, including security agreements and financing statements as the Servicer may reasonably request in order to create, perfect or continue such security interests. For purposes hereof, "Approved Transferee" shall mean the Investor Limited Partner or any "Approved Affiliate" of the Investor Limited Partner. For purposes hereof, an "Approved Affiliate" means any affiliated limited partnership or limited liability company in which (i) the Investor Limited Partner is a general partner, manager or managing member, or (ii) an entity which is the general partner, manager or managing member of such Approved Affiliate is a partnership or limited liability company affiliated with the Investor Limited Partner, or another

entity that is under common control with the Investor Limited Partner as its sole general partner or sole managing member, as applicable.

(b) **Removal of General Partner Pursuant to the Partnership Agreement.** In the event a General Partner is removed pursuant to the terms and conditions set forth in the Partnership Agreement, the Investor Limited Partner shall have the right to replace such removed General Partner with (1) an Approved Transferee or (2) a Person other than an Approved Transferee, whose substitution has received the prior written approval of the Servicer in its sole and absolute discretion; provided, in each case, that the partnership interests pursuant to the terms of the Security Agreement, and any such substitute general partner shall execute any and all documents, including security agreements and financing statements as the Servicer may reasonably request in order to create, perfect or continue such security interests. For purposes hereof, "**Approved Transferee**" shall mean the Investor Limited Partner or any Approved Affiliate of the Investor Limited Partner.

For purposes of this Section 5.4(a) and (b), "**Approved Affiliate**" shall mean any corporation, limited partnership, or limited liability company which is owned by, or under common control with Bank of America, N.A.

6. Intentionally Omitted.

7. Miscellaneous Provisions

7.1 No Waiver; Consents

Each waiver by the Servicer must be in writing, and no waiver may be construed as a continuing waiver. No waiver will be implied from the Servicer's delay in exercising or failure to exercise any right or remedy against the Borrower or any security. The Servicer's consent to any act or omission by Borrower may not be construed as a consent to any other or subsequent act or omission or as a waiver of the requirement for the Servicer's consent to be obtained in any future or other instance. All the Servicer's rights and remedies are cumulative.

7.2 Purpose and Effect of the Servicer Approval

The Servicer's approval of any matter in connection with the Borrower Loan is for the sole purpose of protecting the Servicer's security and rights. No such approval will result in a waiver of any default of Borrower. In no event may the Servicer's approval be a representation of any kind with regard to the matter being approved.

7.3 No Third Parties Benefited

This Agreement is made for the purpose of setting forth certain rights and obligations of Borrower and the Servicer in connection with the disbursement of Loan proceeds for construction of the Project. It is made for the sole protection of Borrower, the Servicer and the Servicer's successors and assigns, and, except as provided herein, no other Person shall have any rights hereunder or by reason hereof. The Fiscal Agent and Initial Funding Lender are a third party beneficiary with respect to expressly granted rights hereunder.

7.4 Joint and Several Liability

If the Borrower consists of more than one person or entity, each is jointly and severally liable to the Servicer for the faithful performance of this Agreement.

7.5 Notices; Electronic Communications

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in clause (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail, sent by facsimile or electronic mail, or if expressly permitted hereunder to be given by telephone, to the address, facsimile number, electronic mail address, or telephone number specified for notices (unless changed by similar notice in writing given by the particular party whose address is to be changed) as follows: (i) if to Borrower at the addresses set forth on the signature page of this Agreement, (ii) if to any Guarantor at the addresses set forth on the signature page of the Guaranty, or (iii) if to Servicer at the addresses set forth on the signature page of this Agreement.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient); provided, however, that service of a notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notices and other communications delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in such clause (b).

(b) Electronic Communications. Notices and other communications to Servicer hereunder may be delivered or furnished by electronic communication (including e-mail, and Internet or intranet websites) pursuant to procedures approved by Servicer. Servicer or Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless Servicer otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, Etc. Each of Borrower or Servicer may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto.

(d) Reliance by Servicer. Servicer shall be entitled to rely and act upon any notices (including telephonic notices, any notices received by Servicer given through the Online Banking Portal, and Draw Requests) purportedly given by or on behalf of Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Borrower and Guarantor shall indemnify Servicer and its partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives from all losses, costs, expenses and liabilities resulting from the reliance by such party on each notice purportedly given by or on behalf of Borrower. All telephonic notices to and other telephonic communications with Servicer may be recorded by Servicer, and each of the parties hereto hereby consents to such recording.

7.6 Authority to File Notices

The Borrower irrevocably appoints the Servicer as its attorney-in-fact, with full power of substitution, to file or record, at the Borrower's cost and expense and in the Borrower's name, any notices of completion, notices of cessation of labor or any other notices that the Servicer in its reasonable discretion considers necessary or desirable to protect its security, if Borrower fails to do so.

7.7 Actions

The Servicer has the right, but not the obligation, to commence, appear in and defend any action or proceeding that might affect its security or its rights, duties or liabilities relating to the Borrower Loan, the Project or any of the Loan Documents. The Borrower must pay promptly on demand all of the Servicer's reasonable out-of-pocket costs, expenses and legal fees and expenses of the Servicer's counsel incurred in those actions or proceedings.

7.8 Attorneys' Fees

In any lawsuit, reference or arbitration arising out of or relating to this Agreement, the Loan Documents or the Borrower Loan, the prevailing party will be entitled to recover from each other party such sums as the court, referee or arbitrator adjudges to be reasonable attorneys' fees in the action, reference or arbitration, in addition to costs and expenses otherwise allowed by law. In all other situations, including any matter arising out of or relating to any Insolvency Proceeding, the Borrower agrees to pay all of the Servicer's costs and expenses, including attorneys' fees, incurred in enforcing or protecting the Servicer's rights or interests. From the time(s) incurred until paid in full to the Servicer, all such sums will bear interest at the Default Rate (as defined in the Borrower Loan Note).

7.9 In-House Counsel Fees

Whenever the Borrower is obligated to pay or reimburse the Servicer for any attorneys' fees, those fees include the allocated costs for services of in-house counsel.

7.10 Applicable Law

This Agreement is governed by the laws of the State, without regard to the choice of law rules of that State.

7.11 Heirs, Successors and Assigns; Participations

The terms of this Agreement will bind and benefit the heirs, legal representatives, successors and assigns of the parties, including without limitation all future holders, from time to time, of the Borrower Loan Note; provided, however, that the Borrower may not assign this Agreement, or assign or delegate any of its rights or obligations, without the prior written consent of the Servicer in each instance. Also without notice to or the consent of the Borrower, the Servicer may disclose to any actual or prospective purchaser of the Borrower Loan, any financial or other information, data or material in the Servicer's possession relating to the Borrower, the General Partner of the Borrower, the Guarantor, the Borrower Loan, the Improvements or the Project.

7.12 Relationships With Other Customers

From time to time, the Servicer may have business relationships with the Borrower's customers, suppliers, contractors, tenants, partners, shareholders, officers or directors, or with businesses offering products or services similar to those of the Borrower, or with persons seeking to invest in, borrow from or lend to the Borrower. The Borrower agrees that the Servicer may extend credit to such parties and take any action it deems necessary to collect the credit, regardless of the effect that such extension or collection of credit may have on the Borrower's financial condition or operations. The Borrower further agrees that in

no event will the Servicer be obligated to disclose to the Borrower any information concerning any other customer of the Servicer.

7.13 Disclosure to Title Company

Without notice to or the consent of the Borrower, the Servicer may disclose to any title insurance company insuring any interest of Initial Funding Lender under the Mortgage (whether as primary insurer, coinsurer or reinsurer) any information, data or material in the Servicer's possession relating to the Borrower, the Borrower Loan, the Improvements or the Project. Without notice to or the consent of the Borrower, the Servicer may disclose to any title insurance company insuring any interest of Initial Funding Lender under the Mortgage (whether as primary insurer, coinsurer or reinsurer) any information, data or material in the Servicer's possession relating to the Borrower, the Borrower Loan, the Improvements or the Project. Borrower acknowledges and agrees that Servicer shall have the right to share information pertaining to the Borrower, the Borrower Loan, any Guarantor, the Improvements or the Project with the following persons and their respective consultants, agents, advisors and counsel: (a) affiliates of Servicer (including without limitation Banc of America Securities LLC and other affiliates of Bank of America Corporation); and (b) any persons who request such information in connection with any subsequent sale of the Borrower Loan or in connection with the issuance or sale of any securities evidencing a beneficial interest in or backed by the Borrower Loan, including without limitation actual and prospective purchasers, investors, trustees, underwriters, expeditors, servicers, rating agencies and providers of bond insurance, liquidity facilities or other credit support.

7.14 Force Majeure

If the work of construction of the Improvements is affected and delayed directly by fire, earthquake or other acts of God, strike, lockout, acts of public enemy, acts of terrorism, riot, insurrection, any cessation of work in response to an order or directive by a Governmental Agency having jurisdiction over (a) the Property, (b) the general contractor, (c) any subcontractor or (d) any material supplier as a result of any actual or threatened pandemic and other severe human health risk declared or recognized by the Centers for Disease Control, the World Health Organization, or other similar body, or governmental regulation of the sale or transportation of materials, supplies or labor (collectively, "**Force Majeure**"), the Borrower must notify the Servicer in writing within five (5) calendar days after the event causing the delay. So long as no Event of Default has occurred and is continuing, and provided that Bond Counsel and the Investor Limited Partner also agree, the Servicer may instruct the Fiscal Agent to extend the Completion Deadline by a period of time equal to the period of the delay, but not more than a total of ninety (90) days unless the Borrower demonstrates to the reasonable satisfaction of the Servicer (i) the availability of necessary funds to achieve Completion, and (ii) an ability to achieve Completion prior to the earliest completion date set forth in any Subordinate Loan Document, the Partnership Agreement, the Subsidy Documents, or the Ground Lease. Such an extension, however, will not affect the time for performance of, or otherwise modify, any of the Borrower's other obligations under the Loan Documents.

7.15 Indemnity Regarding Construction and Other Risks

The Borrower indemnifies, defends and holds the Servicer, its parent, subsidiaries and any affiliated companies and the officers, directors, employees and agents of each of them, any assignees of any of the Servicer's interest in the Borrower Loan, any purchasers of the Project at any foreclosure sale or from the Servicer or any of its affiliates, and the officers, directors, employees and agents of each of them (each individually, an "**Indemnified Party**," and all collectively, the "**Indemnified Parties**") harmless from and against any and all actual or threatened liabilities, claims, actions, causes of action, judgments, orders, damages (including foreseeable and unforeseeable consequential damages), costs, expenses, fines, penalties and losses (including sums paid in settlement of claims and all consultant, expert and legal fees and expenses of the Servicer's counsel), including those incurred in connection with or any resulting damages, harm or injuries to the person or property of any third parties or to any natural resources directly or indirectly arising out of or resulting from construction of any improvements on the Project, including any defective workmanship or materials; or any failure to satisfy any requirements of any laws, regulations, ordinances, governmental policies or standards, reports, subdivision maps or development agreements

that apply or pertain to the Project; or breach of any representation or warranty made or given by the Borrower to any of the Indemnified Parties or to any prospective or actual buyer of all or any portion of the Project; or any claim or cause of action of any kind by any party that any Indemnified Party is liable for any act or omission of the Borrower or any other person or entity in connection with the ownership, sale, operation, construction or reconstruction of the Project; provided however that such indemnification shall not extend to liabilities, claims, actions, causes of action, judgments, orders, damages (including foreseeable or unforeseeable consequential damages), costs, expenses, fines, penalties and losses resulting from the gross negligence and willful malfeasance of an Indemnified Party.

7.16 Severability

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

7.17 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 sections of this Agreement are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to." No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Agreement. Time is of the essence in the performance of this Agreement by the Borrower. The exhibits to this Agreement are hereby incorporated in this Agreement.

7.18 Amendments

This Agreement may not be modified or amended except by a written agreement signed by the Servicer and the Borrower.

7.19 Counterparts

This Agreement and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts constitute but one and the same document.

7.20 Language of Agreement

The language of this Agreement will be construed as a whole according to its fair meaning and not strictly for or against any party.

7.21 Integration and Relation to Loan Commitment

The Loan Documents (a) integrate all the terms and conditions mentioned in or incidental to this Agreement, (b) supersede all oral negotiations and prior writings with respect to their subject matter, including the Servicer's loan commitment to the Borrower, and (c) are intended by the parties as the final expression of their agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. No representation, understanding, promise or condition is enforceable against any party unless it is contained in the Loan Documents. If there is any conflict between the terms, conditions and provisions of this Agreement and those of any other agreement or instrument, including any other Loan Document, the terms, conditions and provisions of this Agreement will prevail.

7.22 Dispute Resolution

This Section is referred to as the “Dispute Resolution Provision.” Servicer and Borrower (and any other party to this Agreement) agree that this Dispute Resolution Provision is a material inducement for their entering into this Agreement.

(a) Scope. This Dispute Resolution Provision concerns the resolution of any disputes, controversies, claims, counterclaims, allegations of liability, theories of damage, or defenses (collectively, a “Claim” or “Claims”) between Servicer, on the one hand, and Borrower and/or any obligor, on the other hand (each side being, for the purposes of this Dispute Resolution Provision, a “Party” and the two sides together being the “Parties”), regardless of whether based on federal, state, or local law, statute, ordinance, regulation, contract, common law, or any other source, and regardless of whether foreseen or unforeseen, suspected or unsuspected, or fixed or contingent at the time of this Agreement, including but not limited to Claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions or modifications); or (ii) any document related to this Agreement. For purposes of this Dispute Resolution Provision only, the terms “Servicer” or “Party” or “Parties” (to the extent referring to or including Servicer) shall include any parent corporation, subsidiary or affiliate of Servicer, and the terms “Borrower” or “Party” or “Parties” (to the extent referring to or including Borrower) shall include any parent corporation, subsidiary or affiliate of Borrower, as applicable.

(b) Judicial Reference. Any Claim brought by any Party in a California state court shall be resolved by a general reference to a referee (or a panel of referees) as provided in California Code of Civil Procedure Section 638. The referee (or presiding referee of the panel) shall be a retired Judge or Justice of the California state court system. The referee(s) shall be selected by mutual written agreement of the Parties. If the Parties do not agree, the referee(s) shall be selected by the Presiding Judge of the Court (or his or her representative) as provided in California Code of Civil Procedure Section 640. The referee(s) shall hear and determine all issues relating to the Claim, whether of fact or of law, and shall do so in accordance with the Laws of the State of California, and shall report a statement of decision. The referee(s) shall be empowered to enter equitable as well as legal relief, provide all temporary or provisional remedies, enter equitable and legal orders that will be binding on the Parties, and rule on any motion which would be authorized in court litigation, including motions to dismiss, for summary judgment, or for summary adjudication. The referee(s) shall award legal fees and costs (including the fees of the referee(s)) relating to the judicial reference proceeding, and to any related litigation or arbitration, in accordance with the terms of this Agreement. The award that results from the decision of the referee(s) shall be entered as a judgment in the court that appointed the referee(s), in accordance with the provisions of California Code of Civil Procedure Sections 644(a). Pursuant to California Code of Civil Procedure Sections 645, the Parties reserve the right to seek appellate review of any judgment or order, including but not limited to, orders pertaining to class certification, to the same extent permitted in a court of law.

(c) Arbitration Provisions. The Parties agree that judicial reference pursuant to Subsection (b) above is the preferred method of dispute resolution of all Claims, when available. The Parties therefore agree that injunctive relief, including a temporary restraining order, without the posting of any bond or security, shall be appropriate to enjoin the prosecution of any arbitration proceeding where the Claims at issue become subject to (and as long as they remain subject to) judicial reference pursuant to Subsection (b) above, provided that, subject to the provisions of Subsection (g) below, a Party moves for such relief within thirty (30) days of its receipt of a demand for arbitration of a Claim. However, with respect to any Claim brought in a forum other than a California state court, or brought in a California state court but judicial reference pursuant to Subsection (b) above is not available or enforced by the court, subject to the provisions of Subsection (g) below, the arbitration provisions in this Subsection (c) (collectively, the “Arbitration Provisions”) shall apply to the Claim. In addition, if either of the Parties serves demand for arbitration of a Claim in accordance with these Arbitration Provisions, and the other Party does not move to enjoin the arbitration proceeding within thirty (30) days of receipt of the demand, the right to judicial reference shall be waived and, subject to the provisions of Subsection (g) below, the Claim shall remain subject to these Arbitration Provisions thereafter. The inclusion of these Arbitration Provisions in this Agreement shall not otherwise be deemed as any limitation or waiver of the judicial reference provisions. The Arbitration Provisions are as follows:

(1) For any Claim for which these Arbitration Provisions apply, the Parties agree that at the request of any Party to this Agreement, such Claim shall be resolved by binding arbitration. The Claims shall be governed by the Laws of the State of California without regard to its conflicts of law principles. The Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. (the "Federal Arbitration Act"), shall apply to the construction, interpretation, and enforcement of these Arbitration Provisions, as well as to the confirmation of or appeal from any arbitration award.

(2) Arbitration proceedings will be determined in accordance with the Federal Arbitration Act, the then-current Commercial Finance rules and procedures of the American Arbitration Association or any successor thereof ("AAA") (or any successor rules for arbitration of financial services disputes), and the terms of these Arbitration Provisions. In the event of any inconsistency, the terms of these Arbitration Provisions shall control. The arbitration shall be administered by the Parties and not the AAA and shall be conducted, unless otherwise required by Law, at a location selected solely by Servicer in any U.S. state where real or tangible personal property collateral for this credit is located or where Borrower has a place of business. If there is no such state, Servicer shall select a location in California.

(3) If aggregate Claims are One Million Dollars (\$1,000,000) or less:

a. All issues shall be heard and determined by one neutral arbitrator. The arbitrator shall have experience with commercial financial services disputes and, if possible, prior judicial experience, and shall be selected pursuant to the AAA "Arbitrator Select: List and Appointment" process, to be initiated by Servicer. If the AAA "Arbitrator Select: List and Appointment" process is unavailable, Servicer shall initiate any successor process offered by the AAA or a similar process offered by any other nationally recognized alternative dispute resolution organization.

b. Unless the arbitrator has a dispositive motion under advisement or unforeseeable and unavoidable conflicts arise (as determined by the arbitrator), all arbitration hearings shall commence within ninety (90) days of the appointment of the arbitrator, and under any circumstances the award of the arbitrator shall be issued within one hundred twenty (120) days of the appointment of the arbitrator.

c. A Party shall be entitled to take no more than two (2) fact depositions, one or both of which may be taken in accordance with Fed. R. Civ. P. 30(b)(6), plus depositions of any experts designated by the other Party, each of seven (7) hours or less, during pre-hearing discovery.

d. There shall be no written discovery requests except a Party may serve document requests on the other Party not to exceed twenty (20) in number, including subparts. The requests shall be served within forty-five (45) days of the appointment of the arbitrator and shall be responded to within twenty-one (21) days of service.

(4) If aggregate Claims exceed One Million Dollars (\$1,000,000):

a. The issues shall be heard and determined by one neutral arbitrator selected as above unless either Party requests that all issues be heard and determined by three (3) neutral arbitrators. In that event, each Party shall select an arbitrator with experience with commercial financial services disputes, and the two arbitrators shall select a third arbitrator, who shall have prior judicial experience. If the arbitrators cannot agree, the third arbitrator shall be selected pursuant to the AAA "Arbitrator Select: List and Appointment" process, to be initiated by Servicer.

b. Unless the arbitrator(s) have a dispositive motion under advisement or other good cause is shown (as determined by the arbitrator(s)), all arbitration hearings shall commence within one hundred twenty (120) days of the appointment of the arbitrator(s), and under any circumstances the award of the arbitrator(s) shall be issued within one hundred eighty (180) days of the appointment of the arbitrator(s).

c. A Party shall be entitled to take no more than five (5) fact depositions, one or more of which may be taken in accordance with Fed. R. Civ. P. 30(b)(6), plus depositions of any experts designated by the other Party, each of seven (7) hours or less, during pre-hearing discovery.

d. There shall be no written discovery requests except a Party may serve document requests on the other Party not to exceed thirty (30) in number, including subparts. The requests shall be served within forty-five (45) days of the appointment of the arbitrator(s) and shall be responded to within twenty-one (21) days of service.

(5) Where a Party intends to rely upon the testimony of an expert on an issue for which the Party bears the burden of proof, the expert(s) must be disclosed within thirty (30) days following the appointment of the arbitrator(s), including a written report in accordance with Fed. R. Civ. P. 26(a)(2)(B). The arbitrator(s) shall exclude any expert not disclosed strictly in accordance herewith. The other Party shall have the right within thirty (30) days thereafter to take the deposition of the expert(s) (upon payment of the expert's reasonable fees for the in-deposition time), and to identify rebuttal expert(s), including a written report in accordance with Fed. R. Civ. P. 26(a)(2)(B).

(6) The arbitrator(s) shall consider and rule on motions by the Parties to dismiss for failure to state a claim; to compel; and for summary judgment, in a manner substantively consistent with the corresponding Federal Rules of Civil Procedure. The arbitrator(s) shall enforce the "Apex" doctrine with regard to requested depositions of high-ranking executives of both Parties. The arbitrator(s) shall exclude any Claim not asserted within thirty (30) days following the demand for arbitration. This shall not prevent a Party from revising the calculation of damages on any existing theory. All discovery shall close at least one (1) week before any scheduled hearing date, and all hearing exhibits shall have been exchanged by the same deadline or they shall not be given weight by the arbitrator(s).

(7) The arbitrator(s) will give effect to applicable statutes of limitations in determining any Claim and shall dismiss the Claim if it is barred by the statutes of limitations. For purposes of the application of any statutes of limitations, the service of a written demand for arbitration or counterclaim pursuant to the notice section of this Agreement is the equivalent of the filing of a lawsuit. At the request of any Party made at any time, including at confirmation of an award, the resolution of a statutes of limitations defense to any Claim shall be decided de novo by a court of competent jurisdiction rather than by the arbitrator(s). Otherwise, any dispute concerning these Arbitration Provisions or whether a Claim is arbitrable shall be determined by the arbitrator(s), except as otherwise set forth in this Dispute Resolution Provision.

(8) The arbitrator(s) shall have the power to award legal fees and costs relating to the arbitration proceeding and any related litigation or arbitration, pursuant to the terms of this Agreement. The arbitrator(s) shall provide a written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and have judgment entered and enforced.

(9) The filing of a court action is not intended to constitute a waiver of the right of any Party, including the suing Party, thereafter to require submittal of the Claims to arbitration.

(10) The arbitration proceedings shall be private. All documents, transcripts, and filings received by any Party shall not be disclosed by the recipient to any third parties other than attorneys, accountants, auditors, and financial advisors acting in the course of their representation, or as otherwise ordered by a court of competent jurisdiction. Any award also shall be kept confidential, although this specific requirement shall be void once the award must be submitted to a court for enforcement. The Parties agree that injunctive relief, including a temporary restraining order, from a trial court is the appropriate relief for breach of this Subsection, and they waive any security or the posting of a bond as a requirement for obtaining such relief.

(d) Self Help. This Dispute Resolution Provision does not limit the right of any Party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights; or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(e) Class Action Waiver. Any arbitration or court trial (whether before a judge or jury or pursuant to judicial reference) of any Claim will take place on an individual basis without resort to any form of class or representative action (the "**Class Action Waiver**"). **THE CLASS ACTION WAIVER PRECLUDES ANY PARTY FROM PARTICIPATING IN OR BEING REPRESENTED IN ANY CLASS OR REPRESENTATIVE ACTION REGARDING A CLAIM.** Regardless of anything else in this Dispute Resolution Provision, the validity and effect of the Class Action Waiver may be determined only by a court or referee and not by an arbitrator. The Parties to this Agreement acknowledge that the Class Action Waiver is material and essential to the arbitration of any disputes between the Parties and is nonseverable from the agreement to arbitrate Claims. If the Class Action Waiver is limited, voided or found unenforceable, then the Parties' agreement to arbitrate shall be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. **THE PARTIES ACKNOWLEDGE AND AGREE THAT UNDER NO CIRCUMSTANCES WILL A CLASS ACTION BE ARBITRATED.**

(f) Jury Waiver. By agreeing to judicial reference or binding arbitration, the Parties irrevocably and voluntarily waive any right they may have to a trial by jury as permitted by Law in respect of any Claim. Furthermore, without intending in any way to limit the provisions hereof, to the extent any Claim is not submitted to judicial reference or arbitration, the Parties irrevocably and voluntarily waive any right they may have to a trial by jury to the extent permitted by Law in respect of such Claim. This waiver of jury trial shall remain in effect even if the Class Action Waiver is limited, voided, or found unenforceable. **WHETHER THE CLAIM IS DECIDED BY JUDICIAL REFERENCE, BY ARBITRATION, OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS DISPUTE RESOLUTION PROVISION IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW.**

(g) **EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER DOCUMENTS CONTEMPLATED HEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION, AND (iii) CERTIFIES THAT THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE. IF THIS WAIVER IS DEEMED UNENFORCEABLE, ALL DISPUTES WILL BE SUBJECT TO RESOLUTION BY JUDICIAL REFERENCE PURSUANT TO SECTION 7.22 HEREOF.**

(h) Real Property Secured Claim. Notwithstanding any provision in this Agreement or any other Loan Document to the contrary, in no event shall the Arbitration Provisions apply to any Claim if the Claim, at the time of the proposed submission to arbitration, arises from or relates to an obligation to Servicer secured by real property. In this case, all of the parties to this Agreement, in their sole and absolute discretion, must consent to submission of the Claim to arbitration.

(i) Forum. Borrower hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the non-exclusive jurisdiction of any state court or any United States federal court sitting in the State specified in the governing law section of this Agreement and to the non-exclusive jurisdiction of any state court or any United States federal court sitting in the state in which any of the Property is located, over any Claim. Borrower hereby irrevocably waives, to the fullest extent permitted by law, any objection that Borrower may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Borrower hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of

process in any such suit, action or proceeding in any state court or any United States federal court sitting in the state specified in the governing law section of this Agreement or in which any of the Property is located may be made by certified or registered mail, return receipt requested, directed to Borrower at its address for notice set forth in this Agreement, or at a subsequent address of which Servicer received actual notice from Borrower in accordance with the notice section of this Agreement, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Servicer to serve process in any manner permitted by law or limit the right of Servicer to bring proceedings against Borrower in any other court or jurisdiction.

7.23 Reserved

7.24 PATRIOT Act Notice

Servicer hereby notifies Borrower and Guarantor that, pursuant to the requirements of the PATRIOT Act and 31 C.F.R. § 1010.230 (the "Beneficial Ownership Regulation"), Servicer is required to obtain, verify and record information that identifies Borrower and Guarantor, which information includes the names and addresses of Borrower and Guarantor, a Beneficial Ownership Certification, and other information that will allow Servicer to identify Borrower and Guarantor in accordance with the PATRIOT Act and the Beneficial Ownership Regulation. Borrower shall, promptly following a request by Servicer, provide all documentation and other information that Servicer requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act and the Beneficial Ownership Regulation. "Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

7.25 Determination of Taxability

Notwithstanding anything to the contrary contained in any other Loan Document, if an Initial Notification of Taxability shall occur, interest on the Borrower Loan shall thereafter accrue at the Taxable Rate. If such Initial Notification of Taxability is reversed by the Internal Revenue Service or a court of competent jurisdiction and a Determination of Taxability has not occurred, then the Borrower Loan shall bear interest from the date of such reversal at the rate applicable to the Borrower Loan prior to the Initial Notification of Taxability and the Fiscal Agent shall refund to the Borrower on or prior to the next succeeding interest payment date under the Borrower Loan Agreement, the excess interest previously paid. If a Determination of Taxability occurs, interest on the Borrower Loan shall thereafter accrue at the Default Rate and Initial Funding Lender, Fiscal Agent and Servicer shall have all rights and remedies available to it under this Agreement and the other Loan Documents, including, but limited to, the right to accelerate the Borrower Loan and foreclose under the Mortgage. As used herein, the term "Initial Notification of Taxability" means the receipt by Fiscal Agent, Initial Funding Lender, Servicer or any owner of all or any portion of the Funding Loan a communication from the Internal Revenue Service or any court of competent jurisdiction to the effect that the exclusion of interest on the Funding Loan from the gross income of the Owners, for federal income tax purposes, will not continue in effect. As used herein, the term "**Determination of Taxability**" means (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service, (iii) a determination by any court of competent jurisdiction, or (iv) receipt by the Fiscal Agent, at the request of the Servicer, of an opinion of Bond Counsel to the effect that the interest on the Funding Loan is includable in gross income for federal income tax purposes of the owners thereof or any former owner thereof, other than an owner who is a "substantial user" (within the meaning of Section 147(a) of the Code) of the Project or a "related person" (as defined in Section 147(a) of the Code); provided that no such Determination of Taxability under clause (i), (ii) or (iii) shall be deemed to have occurred if (a) the Borrower and the Servicer have been afforded the opportunity to contest such determination, and (b) if the Borrower or the Servicer has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (A) a final determination from which no appeal may be taken with respect to such determination, or (B) abandonment of such appeal by the Borrower or the Servicer. As used herein, the term "**Taxable Rate**" means a floating rate of interest per annum that is two percent (2%) in excess of the Prime Rate (as defined in the Borrower Loan Note) in effect from time to time, with changes in the Taxable Rate effective concurrently with each announced change in the Prime Rate.

7.26 Waiver by Borrower

The Borrower acknowledges that, to the extent that regulations of the Comptroller of the Currency or any other applicable regulatory agency require granting the Borrower the right to receive brokerage confirmations of securities transactions as they occur, the Borrower specifically waives the right to receive such confirmations.

7.27 Reserved

7.28 Electronic Signatures

This Agreement and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a “**Communication**”), including Communications required to be in writing, may, if agreed by Servicer, be in the form of an Electronic Record and may be executed using Electronic Signatures, including, without limitation, facsimile and/or .pdf. Borrower agrees that any Electronic Signature (including, without limitation, facsimile or .pdf) on or associated with any Communication shall be valid and binding on Borrower to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of Borrower enforceable against Borrower in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this Section may include use or acceptance by Servicer of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. Servicer may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (“**Electronic Copy**”), which shall be deemed created in the ordinary course of Servicer’s business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, Servicer is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by Servicer pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent Servicer has agreed to accept such Electronic Signature, Servicer shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of Borrower or any Guarantor without further verification and regardless of the appearance or form of such Electronic Signature and (b) upon the request of Servicer any Communication executed using an Electronic Signature shall be promptly followed by a manually executed, original counterpart. For purposes hereof, “**Electronic Record**” and “**Electronic Signature**” shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

7.29 Municipal Advisor

Borrower acknowledges and agrees that: (a) the Loan is an arm’s length, commercial transaction between Borrower and Servicer in which Servicer is acting solely as a principal and for its own interest; (b) Servicer is not acting as a municipal advisor or financial advisor to Borrower; (c) Servicer has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to Borrower with respect to the Loan and the discussions, undertakings and procedures leading thereto (irrespective of whether Servicer has provided other services or is currently providing other services to Borrower on other matters); and (d) Servicer is not recommending that Borrower take an action with respect to the Loan, and Borrower has discussed the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. Borrower is free to engage a municipal advisor as it deems appropriate. The Loan is provided to Borrower pursuant to and in reliance upon the “bank exemption” provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.

7.30 Acknowledgement Regarding Any Supported QFCs

To the extent that the Loan Documents provide support, through a guaranty, mortgage, or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**”, and each such QFC, a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

As used in this Section, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

7.31 Authorized Persons and Authorized Signers

Servicer is authorized to rely upon the continuing authority of the Authorized Persons, Authorized Signers, and designated Authorized Portal Users to bind Borrower as set forth in Borrower’s Instruction Certificate. Such authorization may be changed only upon written notice to Servicer accompanied by evidence, reasonably satisfactory to Servicer, of the authority of the Person giving such notice. Such notice shall be effective not sooner than five (5) Business Days (as defined in the Borrower Note) following receipt thereof by Servicer.

7.32 Electronic Transmission of Data

(a) Electronic Transmission of Data. Servicer and Borrower agree that certain data related to the Loan (including confidential information, documents, applications and reports) may be

transmitted electronically, including transmission over the Internet or using the Online Banking Portal. This data may be transmitted to, received from or circulated among agents and representatives of Borrower and/or Servicer and their Affiliates and other Persons involved with the subject matter of this Agreement.

(b) Assumption of Risks. Borrower acknowledges and agrees that (i) there are risks associated with the use of electronic transmission and that Servicer does not control the method of transmittal, the service providers or the operational or technical issues that could occur; and (ii) Servicer has no obligation or responsibility whatsoever and assumes no duty or obligation for the security, receipt or third party interception of any such electronic transmission of data or any operational or technical issues that may occur with the electronic transmission of data.

7.33 Online Banking Portal

Borrower hereby represents and warrants to Servicer that each individual identified as an Authorized Signer in the Borrower's Instruction Certificate has the power and authority to delegate, to one or more Authorized Portal Users, the power and authority to utilize and perform any and all Online Facility Transactions available to Borrower from time to time under any Online Banking Portal based on the terms of this Agreement and the Online Portal Agreements, and to bind Borrower with respect to any and all Online Facility Transactions performed on behalf of Borrower on such Online Banking Portal by such Authorized Portal Users. Servicer may rely, without further investigation, upon the foregoing representation and warranty by Borrower, and Servicer shall not be responsible for any Online Facility Transactions or other actions taken by any Authorized Portal Users in connection with the Online Banking Portal. Additionally, Servicer shall not be responsible to Borrower or any other Person for any loss, claim, liability, damage, cost or expense resulting from, related to, arising from or caused by any Online Facility Transactions or other actions by any Authorized Portal Users on the Online Banking Portal. Any Online Portal Agreements delivered to Servicer that are signed by an Authorized Signer shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of Borrower, and each Authorized Portal User shall be conclusively presumed to have acted on behalf of such Borrower. In the event of any conflict between the Online Portal Agreements and this Agreement, the terms of this Agreement shall control.

[Signature pages follow]

IN WITNESS WHEREOF, the Borrower and the Servicer have caused this Construction Disbursement Agreement to be executed in their respective names, as of the date first above written.

BORROWER:

LINC-CORE PIONEER LP,
a California limited partnership

By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: 

Michael Finn
Chief Financial Officer

By: LINC Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Anders Plett
Senior Vice President of Housing Development

Address:

Linc-CORE Pioneer LP
c/o National Community Renaissance of California
9421 Haven Avenue
Rancho Cucamonga, CA 91730

With a copy to:
Linc-CORE Pioneer LP
c/o Linc Housing Corporation
3590 Elm Avenue
Long Beach, CA 90807

With a copy to:
Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104

IN WITNESS WHEREOF, the Borrower and the Servicer have caused this Construction disbursement Agreement to be executed in their respective names, as of the date first above written.

BORROWER:

LINC-CORE PIONEER LP,
a California limited partnership


By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Michael Finn
Chief Financial Officer

By: LINC Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By:  _____
Anders Plett
Senior Vice President of Housing Development

Address:

Linc-CORE Pioneer LP
c/o National Community Renaissance of California
9421 Haven Avenue
Rancho Cucamonga, CA 91730

With a copy to:
Linc-CORE Pioneer LP
c/o Linc Housing Corporation
3590 Elm Avenue
Long Beach, CA 90807

With a copy to:
Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104

IN WITNESS WHEREOF, the Borrower and the Servicer have caused this Construction Disbursement Agreement to be executed in their respective names, as of the date first above written.

SERVICER:

BANK OF AMERICA, N.A.,
a national banking association

By: 
Name: Michael K. Petty
Title: Senior Vice President

Address:

Bank of America, N.A.
2000 Clayton Road, Building D, 6th Floor
Concord, California 94520
Mail Code: CA4-704-06-06
Attention: Loan Administration Manager

with a copy to:

Bank of America, N.A.
333 S. Hope Street, 20th Floor
Los Angeles, California 90071
Attention: Michael K. Petty

And to:

Buchalter, a Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, California 90027
Attention: Michael Williamson, Esq.
Re: B0965-0684 (515 Pioneer)

EXHIBITS

- A. Legal Description of Property
- B. Description of Improvements, Contracts, and Plans and Specifications
- C. Documents
- D. Initial Development Budget
- E. Disbursement Schedule
- F. Pro Forma Schedule
- G. Notice of Funding
- H. Stored Materials Requirements
- I. Form of Requisition
- J. Definitions
- K. Financial Reporting

Exhibit A

Legal Description

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

ALL OF LOTS 167 TO 176, 186 AND 187 AND THOSE PORTIONS OF LOTS 177 TO 185 INCLUSIVE AND LOT 188 OF TRACT NO. 1587, IN THE CITY OF GLENDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 20, PAGE 95 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND A PORTION OF FAIRMONT AVENUE 50 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO. 1587, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 176;

THENCE ALONG THE WESTERLY LINE OF SAID LOTS 176 AND 177, NORTH 00° 20' 57" WEST 185.09 FEET TO A POINT DISTANT THEREON NORTH 00° 20' 57" WEST 64.09 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 177;

THENCE NORTH 89° 39' 03" EAST 4.00 FEET;

THENCE NORTH 78° 01' 45" EAST 144.07 FEET;

THENCE NORTH 83° 41' 51" EAST 452.49 FEET TO THE INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 188;

THENCE SOUTHERLY ALONG SAID PROLONGATION AND SAID EASTERLY LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 71.5 FEET OF SAID LOT 188;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF SAID LOT 187;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO THE SOUTHEAST CORNER THEREOF;

THENCE WESTERLY A DISTANCE OF 50 FEET ALONG THE SOUTHERLY LINE OF SAID LOT 187 TO THE NORTHEAST CORNER OF SAID LOT 167;

THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT 167, A DISTANCE OF 121.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 167;

THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LOTS 167 TO 176 INCLUSIVE, A DISTANCE OF 494.59 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF FAIRMONT AVENUE AS VACATED BY RESOLUTION NO. 18543, RECORDED FEBRUARY 15, 1978 AS INSTRUMENT NO. 78-173308, OF OFFICIAL RECORDS.

EXCEPT FROM THAT PORTION OF SAID LAND LYING WITHIN THE LINES OF LOTS 177 TO 187 INCLUSIVE, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF AS EXCEPTED BY THE STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC WORKS IN DEED RECORDED JULY 16, 1968 AS INSTRUMENT NO. 451 IN BOOK D4066, PAGE 666, OF OFFICIAL RECORD.

ABOVE LEGAL DESCRIPTION IS DESCRIBED AS PARCEL A OF PARCEL MAP NO. 1259A FILED IN BOOK 91, PAGE 89 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Exhibit A

1

Assessor's Parcel Number; 5637-023-806

Exhibit A
2

Construction Disbursement Agreement
(515 Pioneer)

Exhibit B
Description of Improvements, Contracts
and Plans
(Affordable Housing)

1. Improvements

When completed, the Improvements will consist of 340 residential apartment units, including 3 manager's units, together with all fixtures, tenant improvements and appurtenances now or later located on the Land or in the Improvements.

2. Architecture Contract

Borrower has engaged KFA, LLP, licensed architects, to act as the Architect in connection with the design and construction of the Improvements. The architecture contract between Borrower and the Architect governing this engagement is dated June 7, 2021. Borrower must require the Architect to perform in accordance with the terms and conditions of the architecture contract.

3. Construction Contract

Borrower has engaged National Community Renaissance of California, a general contractor licensed in California (the "**Contractor**") to act as the contractor for the construction of the Improvements. The construction contracts between Borrower and the Contractor governing this engagement are entitled Guaranteed Maximum Price 515 Pioneer dated as of December 22, 2022. Borrower must require the Contractor to perform in accordance with the terms and conditions of the construction contracts.

4. Plans and Specifications

The plans and specifications described below ("**Plans and Specifications**") were prepared and certified by the Architect for the use of Borrower and the Contractor in constructing the Improvements.

Exhibit B 1

List of Plans and Specifications

[See Attached]

NON-UNIT AREAS

PARKING CALCULATION

BUILDING A

NUMBER	NAME	AREA
1ST FLOOR		
A141	TRASH	38 SF
A142	LAUNDRY	132 SF
A145	COMMUNITY SPACE	698 SF
A146	QUIET ROOM	288 SF
A147	OFFICE	142 SF
A148	WELLNESS	80 SF
A150	OFFICE LOBBY	248 SF
A151	OFFICE	113 SF
A152	OFFICE	118 SF
2ND FLOOR		
A241	TRASH	38 SF
A242	LAUNDRY	132 SF
3RD FLOOR		
A341	TRASH	38 SF
A342	LAUNDRY	132 SF
4TH FLOOR		
A441	TRASH	38 SF
A442	LAUNDRY	132 SF
5TH FLOOR		
A541	TRASH	38 SF
A542	LAUNDRY	132 SF
TOTAL: 17		2535 SF

BUILDING B

NUMBER	NAME	AREA
TOTAL: 17		

REQUIRED PARKING

A MINIMUM OF ZERO AUTOMOBILE PARKING
DENSITY BONUS LAW - GOVERNMENT OFFICIALS

PARKING - SENIOR UNITS

PARKING - NON SENIOR UNITS

- 0 TO 1 BEDROOMS

- 2 TO 3 BEDROOMS

TOTAL PARKING:

REQUIRED ACCESSIBLE PARKING

REQUIRED

TOTAL RESIDENTIAL STALLS PER CBC SECTION 1109A.5 & 1109A.8.6

TOTAL GUEST STALLS PER CBC SECTION 11B-208.2.3.3

TOTAL REQUIRED ACCESSIBLE PARKING

Exhibit C
Documents
(Affordable Housing)

For purposes of this Agreement, the “**Loan Documents**” are defined to include all documents identified below in Section 1 (“Loan Documents”) together with the exhibits to each of them, as one or more of them may be extended, modified or renewed from time to time with the prior written consent of the Servicer in each instance. The Loan Documents also include any document to be executed in the future that is identified in writing as a Loan Document.

1. Loan Documents

- 1.1 Funding Loan Agreement;
- 1.2 Borrower Loan Agreement;
- 1.3 Borrower Loan Note;
- 1.4 Regulatory Agreement and Declaration of Restrictive Covenants, dated as of December 1, 2022, by and between Governmental Lender and Borrower (“**Regulatory Agreement**”);
- 1.5 Mortgage;
- 1.6 Subordination Agreement (Glendale HA Loan) dated as of even date herewith by and among Borrower, the Authority, and Initial Funding Lender (“**BOA/Authority Subordination Agreement**”);
- 1.7 Subordination Agreement (Senior Loan – NCRC Sponsor Loan) dated as of even date herewith by and among Borrower, NCRC, and Initial Funding Lender (“**BOA/NCRC Subordination Agreement**”);
- 1.8 Subordination Agreement (Senior Loan – LINC Sponsor Loan) dated as of even date herewith by and among Borrower, LINC, and Initial Funding Lender (“**BOA/LINC Subordination Agreement**”);
- 1.9 Completion Agreement;
- 1.10 Payment Guaranty;
- 1.11 Indemnity Agreement dated as of even date herewith, by Borrower for the benefit of Lender and Servicer (“**Borrower Environmental Indemnity**”);
- 1.12 Indemnity Agreement dated as of even date herewith, by Guarantor for the benefit of Governmental Lender and Servicer (“**Third Party Environmental Indemnity**”);
- 1.13 Assignment of Contracts, Plans and Specifications dated as of even date herewith from Borrower to Governmental Lender (“**Assignment of Project Documents**”);
- 1.14 Security Agreement (Assignment of Partnership Interests and Capital Contributions) dated as of even date herewith from Borrower and General Partner to Governmental Lender (“**Security Agreement**”);
- 1.15 Assignment of Management Agreement and Subordination of Management Agreement and Fees dated as of even date herewith by and among Borrower, National Community

Renaissance of California, and Governmental Lender (**"Assignment of Management Agreement"**);

1.16 Promotional Materials and Artwork Release dated as of even date herewith by Borrower in favor of Initial Funding Lender (**"Promotional Artwork Release"**);

1.17 State of California Uniform Commercial Code Financing Statement Form UCC-1, naming Borrower as debtor for the benefit of Governmental Lender, as secured party, and Initial Funding Lender, as assignee of secured party, relating to the Mortgage and other personal property of Borrower, to be filed with the California Secretary of State (the **"Borrower UCC"**);

1.18 State of California Uniform Commercial Code Financing Statement Form UCC-1, naming General Partner as debtor, for the benefit of Governmental Lender, as secured party, and Initial Funding Lender, as assignee of secured party, relating to the Security Agreement, to be filed with the California Secretary of State (the **"General Partner UCC"**); and

1.19 This Agreement.

2. **Partnership Documents**

2.1 Partnership Agreement.

3. **Ancillary Documents.**

3.1 Assignment of Deed of Trust and Related Documents dated as of even date herewith by Governmental Lender in favor of Initial Funding Lender (the **"Assignment of Deed of Trust and Related Documents"**);

3.2 Allonge to the Promissory Note (Tax-Exempt) dated as of even date herewith, made by Governmental Lender in favor of Initial Funding Lender, and Allonge to Promissory Note (Taxable) dated as of even date herewith, made by Governmental Lender in favor of Initial Funding Lender (collectively, the **"Allonge"**);

3.3 Delivery Assurance Multifamily Deed of Trust, Security Agreement and Fixture Filing dated as of even date herewith by Borrower to PRLAP, Inc. for the benefit of Permanent Lender (**"Delivery Assurance Deed of Trust"**);

3.4 Promissory Note (Delivery Assurance Fee) dated as of even date herewith by Borrower to Permanent Lender (**"Delivery Assurance Note"**);

3.5 Funding Loan Note.

4. **Evidence of Authority.**

4.1 Certificate of Partnership (Borrower) and Authorization to Sign;

4.2 Certificate and Resolution of General Partner; and

4.3 Certificate and Resolution of Guarantor.

5. **Opinions.**

5.1 Opinions of counsel to Borrower, General Partner, and Guarantor with respect to the due authorization, execution, delivery and enforceability of the Loan Documents to which they are a party; and

5.2 Opinion of Bond Counsel regarding the exemption of the interest on the Borrower Loan Note from federal income taxation.

Exhibit D
Development Budget
(Affordable Housing)

[See Attached]

BORROWER: LINC-CORE PIONEER LP
 PROJECT DESCRIPTION: 515 PIONEER

Project Uses

Description	Original Budget	Deferred? BLANK = "NO"
LAND		
Land Value	12,400,000.00	
Title / Recording / Escrow	5,000.00	
TOTAL LAND	12,405,000.00	
HARD COSTS		
Off Site Improvements	1,434,673.00	
On-Site Improvements	25,533,083.00	
Demolition	490,000.00	
Construction - Residential	61,890,243.00	
General Requirements	6,254,360.00	
Contractor Overhead & Profit	6,254,360.00	
GC Insurance	2,500,000.00	
Sub Total Contracts	104,356,719.00	
HC Contingency	5,657,404.00	
TOTAL HARD COSTS	110,014,123.00	
SOFT COSTS		
Insurance	500,000.00	
Utilities	906,820.00	
Real Estate Taxes	155,000.00	
Legal	185,000.00	
Pre-development Interest	30,000.00	
Architect	2,600,000.00	
Survey & Engineering	600,000.00	
Appraisal & Market Study	30,000.00	
Soils Investigation	65,000.00	
Impact Fees	1,529,477.00	
Permits	2,277,358.00	
Environmental Surveys	85,000.00	
Furnishings	229,500.00	
Deputy Inspections	75,000.00	
Security	216,000.00	
Green Consultant / LEED Cert	60,000.00	
Construction Loan Origination Fee	916,450.00	
Construction Title & Recording	80,000.00	
BofA Lender Legal	45,000.00	
Other Construction Financing Costs	44,150.00	
Perm Loan Origination Fee	308,920.00	
Per Lender Commitment Fee	432,036.00	
Perm Lender Closing Costs	1,000.00	
Perm Title & Recording	10,000.00	
Perm Lender Legal	35,000.00	
Bond Costs	630,311.00	

Accrued Interest - Glendale AHTF Funds	1,057,687.00	
Accrued Interest - Ground Lease	819,708.00	
Tax Credit Fees (Application, etc.)	77,358.00	
Tax Credit Fees (Application, etc.)-DEFERRED	139,400.00	YES
Marketing + Leasing	124,250.00	
Accounting	25,000.00	
Tax Credit Consultant	45,000.00	
Tax Credit Consultant-DEFERRED	5,000.00	YES
Developer Fee	7,877,167.00	
Developer Fee - DEFERRED	11,276,296.00	YES
Soft Cost Contingency	1,092,791.00	
Sub Total Misc	34,586,679.00	
Interest Reserve	9,767,553.00	
Sub Total Int Res	9,767,553.00	
Operating Reserve - DEFERRED	1,153,404.00	YES
Sub Total Op Def	1,153,404.00	
TOTAL SOFT COSTS	45,507,636.00	
TOTAL PROJECT USES	167,926,759.00	12,574,100.00

Project Sources

Description INCLUDE APPLICABLE TIMING	Original Budget	Deferred/ Unavailable?
Loan Funds - Tax Exempt	82,467,538.00	
Loan Funds - Taxable Tail	9,177,478.00	
SUB-TOTAL LOAN PROCEEDS	91,645,016.00	
Donated Land	12,400,000.00	
City of Glendale Def Interest	1,877,395.00	
GP Equity @ Close	1,652,389.00	
GP Equity by 4/1/2023	1,652,389.00	
GP Equity by 8/1/2023	1,652,389.00	
GP Capital Contribution	100.00	
ILP Equity @ Close - State TC	1,230,188.00	
ILP Equity @ Close - Fed TC	7,253,330.00	
ILP Equity @ 50% Completion - State TC	1,230,188.00	
ILP Equity @ 50% Completion - Fed TC	7,253,330.00	
ILP Equity @ 75% Completion - State TC	615,094.00	
ILP Equity @ 75% Completion - Fed TC	3,626,665.00	
ILP Equity @ Completion - State TC	1,365,509.00	
ILP Equity @ Completion - Fed TC	5,898,677.00	
City of Glendale	16,000,000.00	
DEFERRED	12,574,100.00	YES
SUB-TOTAL EQUITY/OTHER	76,281,743.00	
TOTAL PROJECT SOURCES	167,926,759.00	12,574,100.00

Exhibit E
Disbursement Schedule
(Affordable Housing)

1. Conditions to Approval. The obligation of the Servicer to approve a Requisition is subject to satisfaction of each of the following conditions precedent:

1.1 The Servicer shall have approved of each of the following:

(a) the state of Borrower's interest in the Land, any adjustments to the legal description of the Land, and all items to be insured pursuant to the Title Policy insuring the lien of the Mortgage;

(b) the compliance of the Project and the construction of the Improvements thereon and the intended use thereof with all Laws, including without limitation environmental and Hazardous Materials Laws, zoning and land use Laws and subdivision Laws;

(c) all Project Agreements;

(d) the Architect, the Contractor and any engineers involved in the design or planning of the construction of the Project;

(e) the initial Development Budget, also approved by Servicer; and

(f) such other matters related to the status or condition of the Project or the ability of Borrower to construct and use the Project as contemplated as may be reasonably required by the Servicer.

1.2 Each of the following documents shall have been delivered to the Servicer in form and substance satisfactory to the Servicer, fully executed by all of the appropriate parties:

(a) this Agreement;

(b) the Funding Loan Agreement;

(c) the Borrower Loan Agreement;

(d) the Borrower Loan Note

(f) the Mortgage;

(g) the Security Agreement;

(h) the Delivery Assurance Deed of Trust and Delivery Assurance Note;

(i) the Regulatory Agreement;

(j) Borrower UCC and General Partner UCC;

(k) Assignment of Project Documents;

(l) Consents to assignment by Borrower to Initial Funding Lender of the rights of Borrower under the Project Documents, executed by such parties to the Project Documents as Initial Funding Lender and the Servicer may require;

Exhibit E

1

- (m) Completion Agreement;
- (n) Payment Guaranty;
- (o) Borrower Environmental Indemnity;
- (p) Third Party Environmental Indemnity
- (q) Partnership Agreement;
- (r) Assignment of Deed of Trust and Related Documents;
- (t) Allonge;
- (u) Subordination Agreements (excepting those to be executed concurrent with the Conversion);
- (v) Assignment of Management Agreement;
- (w) Promotional Artwork Release;
- (x) Assignment of Subsidies; and
- (y) Funding Loan Note.

1.3 An undertaking for the recording of the following documents in the order indicated below, in Los Angeles County, California shall have been received from a party acceptable to the Servicer

- (a) The Memorandum of Ground Lease;
- (b) the Regulatory Agreement;
- (c) the Mortgage;
- (d) the Assignment of Deed of Trust;
- (e) CalHFA Delivery Assurance Deed of Trust;
- (f) Subordination Agreements.

1.4 The Borrower UCC and General Partner UCC shall also be filed with the California Secretary of State and the Servicer shall have confirmed that the liens perfected by the same are in a priority with respect to other liens that is acceptable to the Servicer.

1.5 A title insurance company acceptable to the Servicer must have issued or committed to issue an ALTA Mortgagee Policy of Title Insurance with respect to Borrower's interest in the Land together with such endorsements as the insured thereunder may require, including without limitation, survey, tax lot, access, comprehensive, environmental, zoning, doing business, land/same and gap, provided such endorsements are legally available in the State. The policy shall name the Initial Funding Lender as insured, and shall be in a liability amount of \$91,645,016, the aggregate principal amount of the Funding Loan Note. The title policy shall be in form and content satisfactory to the Servicer and the insured, and shall insure the Mortgage as a first priority lien on the leasehold interest in the Land, and subject only to the Regulatory Agreement and such other exceptions to which Initial Funding Lender has consented in writing upon the direction of the Servicer. The policy must contain such endorsements as the insured thereunder and the

Exhibit E

2

Servicer may reasonably require. No title matter may be insured over by any title company without the express written consent of the insured and the Servicer.

1.6 Each of the following documents shall have been delivered to the Servicer in form and substance satisfactory to the Servicer, fully executed by all of the appropriate parties:

(a) copies of all certificates and other documents that Borrower is required to furnish to any Person pursuant to any of the Loan Documents;

(b) evidence of the due formation and good standing of the Borrower, General Partner and the Guarantor, including such organizational documents (including articles of incorporation and articles of organization) and certificates of status as the Servicer requires;

(c) a copy of any fictitious business name statement required by law to be filed by the Borrower in connection with the conduct of its business, each certified by the General Partner to be true, complete and correct, and a copy of the Borrower's Certificate of Status as filed with the Secretary of State of the State; and

(d) a form of authorizing resolution of the Borrower, General Partner and Guarantor, in a form and substance acceptable to the Servicer.

1.7 All of the Loan Documents shall have been executed by all of the parties thereto, and the Servicer shall have approved of the content of all of the Loan Documents.

1.8 The Servicer shall have received an original of an opinion of counsel to Borrower, addressed to the Servicer and in form and substance satisfactory to the Servicer, opining as to the due formation, qualification and good standing of the Borrower, the General Partner and the Guarantor, the due authorization by the Borrower, the General Partner and the Guarantor of execution and performance of the Loan Documents, the enforceability of the Loan Documents, and such other matters as are listed on Schedule 4 attached to the Agreement.

1.9 Borrower shall have paid to the Initial Servicer, in immediately available funds, the following:

(a) the origination fee equal to one percent (1%) of the maximum principal amount of the Borrower Loan; and

(b) reimbursement of reasonable attorneys' fees, appraisal costs and fees of the Servicer, and all other costs and expenses incurred by the Servicer in connection with closing of the Borrower Loan.

1.10 The Servicer shall have received such financial statements, tax returns and other financial information as it may require regarding the financial condition of Borrower, General Partner, Guarantor or the Project.

1.11 The Servicer shall have received an Environmental Questionnaire and Disclosure Statement prepared and certified by Borrower using the Servicer's prescribed form, and the information set forth in it must be acceptable to the Servicer. If the Servicer requires, the Servicer also must receive a report prepared by a licensed or registered environmental engineer or other qualified party satisfactory to the Servicer stating that, other than as disclosed in the documents listed in Schedule 2.3 of the Borrower Environmental Indemnity (the "**Environmental Documents**") (i) no Hazardous Substance has been disposed of, or released to or from, or otherwise now exists in, on, under or around, the Project and (ii) no aboveground or underground storage tanks are now or have ever been located on or under the Land, and

(iii) no condition or circumstance warranting further investigation or analysis exists in the opinion of the preparer of the Environmental Documents.

1.12 The Borrower shall have deposited or caused to be deposited with the Fiscal Agent a sum reasonably determined by the Servicer to be sufficient to cover the costs of issuance of the Funding Loan Note and any “negative arbitrage” predicted to be incurred with respect to the Funding Loan Note.

1.13 The Borrower shall have provided policies of insurance as set forth in Section 5.21 and Exhibit B of the Borrower Loan Agreement (other than builder’s risk insurance; provided, however, that a draft certificate of insurance evidencing such builder’s risk insurance, in form and detail satisfactory to Servicer, must be provided to Servicer).

1.14 The Servicer shall have received an ALTA/NSPS survey of the Project acceptable in form and content to the Servicer and certified to the Initial Servicer, Borrower, and Title Insurance Company.

1.15 All Project Agreements must be acceptable to the Servicer and be in full force and effect, including the general construction contract and any design contract(s).

1.16 The Servicer shall have received evidence that all utilities necessary to develop and occupy the Project will be provided, including written assurances from such utility companies as the Servicer requires.

1.17 The Servicer shall have received evidence of such zoning (including variances) and other land use permits, building permits, licenses, approvals, entitlements necessary to permit the construction of, and any intended or foreseeable use of, the Project or Borrower’s interest in the Land.

1.18 The Servicer shall have approved the form of residential lease or rental agreement for Units in the Project.

1.19 The Servicer shall have approved the management agreement for the Project.

1.20 The Servicer shall have approved the Pro Forma Schedule and Plans and Specifications.

1.21 The Servicer has received a determination satisfactory to the Servicer that the Project does not lie in a special flood hazard area as identified by the Director of the Federal Emergency Management Agency.

1.22 The Servicer shall have inspected and approved any work performed on the Project to date, if any.

1.23 **Exhibit D** (initial Development Budget) must be attached to this Agreement signed by the Borrower in a form and substance approved by the Servicer.

1.24 The Servicer must receive a soils report prepared within three (3) years of the Closing Date prepared by qualified, licensed soils engineer acceptable to the Servicer.

1.25 At least five (5) days prior to the Closing Date, any Borrower that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation shall deliver to Servicer, a Beneficial Ownership Certification in relation to such Borrower.

1.26 The Servicer shall have approved the results of a review of the projected costs of construction of the Improvements.

Exhibit E

1.27 The Servicer shall have received evidence satisfactory to it that the Borrower has received funds from the following sources, and applied those funds to the payment of Project Costs in accordance with the Approved Budget: (a) Limited Partner's initial Capital Contribution in Borrower, and (b) General Partner's initial Capital Contribution in Borrower.

1.28 [intentionally omitted]

1.29 Upon the reasonable request of Servicer made at least ten (10) days prior to the Closing Date, Borrower shall have provided to Servicer, and Servicer shall be reasonably satisfied with, the documentation and other information so requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act, in each case at least five (5) days prior to the Closing Date.

1.30 The Servicer shall have received and approved an appraisal for the Project, and shall have determined on the basis of such appraisal that the as-stabilized fair market value of the Project is not less than \$56,570,000.

1.31 The Servicer shall have received and approved the Construction Contract and all subcontracts thereunder as to which the aggregate obligation for payment is in excess of \$100,000.

1.33 The Servicer shall have approved all instruments and documents relating to the provision of any sources of funding for the Project other than the Funding Loan Note.

2. Conditions to Disbursement.

Before the Servicer agrees to fund any installment of the purchase price of the Funding Loan Note and approves any disbursement of the Borrower Loan proceeds by the Servicer, the Servicer must receive a Requisition, as defined and described in Section 4.1 of this **Exhibit E** and all conditions to the disbursement must have been satisfied at Borrower's sole cost and expense in a manner acceptable to the Servicer in the exercise of its reasonable judgment. Borrower acknowledges that reasonable delays in disbursements may result from the time necessary for the Servicer to verify satisfactory fulfillment of any and all conditions to a given Disbursement. Borrower consents to all such delays.

No waiver of any condition to consent to disbursement is effective unless expressly made by the Servicer in writing. If the Servicer consents to a disbursement before fulfillment of one or more required conditions, that disbursement alone will not be a waiver of such conditions, and the Servicer reserves the right to require their fulfillment before consenting to any subsequent disbursements. If all conditions are not satisfied, the Servicer, acting in its reasonable judgment, may consent to disbursement as to certain items or categories of costs and not others.

2.1 First Disbursement.

The Servicer is not required to consent to the first disbursement until all conditions to disbursement pursuant to any Loan Document and all of the following conditions precedent are satisfied unless waived by the Servicer in writing:

- (a) The Servicer shall receive a Requisition duly executed by Borrower;
- (b) The Borrower shall have satisfied all of the conditions contained in Section 1 of this **Exhibit E**;
- (c) Either (i) the Investor Limited Partner must have delivered to Fiscal Agent its initial Capital Contribution in the amount of \$7,253,330 for deposit into the Borrower Equity Account, or (ii) the Borrower must furnish to the Servicer evidence satisfactory to the Servicer that such amount has been

delivered to the Borrower and applied to costs of the Project in accordance with the Development Budget; and either (A) the General Partner must have delivered to Fiscal Agent its initial GP Capital Contribution in the amount of \$1,652,389 for deposit into the Borrower Equity Account, or (ii) the Borrower must furnish to the Servicer evidence satisfactory to the Servicer that such amount has been delivered to the Borrower and applied to costs of the Project in accordance with the Development Budget; and

(d) The Servicer shall have received copies of all building permits necessary to permit the construction of the Project (or a permit-ready letter indicating that all conditions to the issuance of the building permits necessary for construction of the Project have been satisfied other than payment of applicable fees).

2.2 Subsequent Disbursements.

After the first disbursement, the Servicer is not required to consent to any further disbursements if:

(a) The Servicer does not receive a Requisition, or the Servicer in its reasonable judgment considers any Requisition to be incomplete or otherwise unacceptable, based on the Servicer's observations while visiting the Project site or for any other reason; or

(b) The Improvements are materially damaged and not repaired, unless the Servicer receives funds from the Borrower or insurance proceeds sufficient to pay for all repairs in a timely manner; or

(c) The Project or the Borrower's interest in the Land or any interest in them are affected by eminent domain or condemnation proceedings; or

(d) For any reason the title insurer fails or refuses at the Servicer's request to issue an endorsement in form and content satisfactory to the Servicer, downrating the coverage of the Title Policy through the date of disbursement, or any other title policy endorsement that the Servicer in its reasonable judgment requires and which is available for a ALTA policy and under California law; or

(e) The Servicer or the Fiscal Agent receives notice of the filing of a mechanic's lien, materialmen's lien or other lien securing claims for nonpayment of costs of labor, materials or supplies, or a bonded stop notice, unless the Borrower files a release bond satisfactory to the Servicer in its reasonable judgment; or

(f) The Development Budget is "out of balance" according to Section 1.2 of this Agreement, and Borrower fails to comply with any demand by the Servicer to deposit funds, or the Servicer does not approve in its reasonable discretion any revised Development Budget proposed by Borrower; or

(g) The Servicer in its reasonable judgment determines that there has been or will be a material failure to meet the projections of the Pro Forma Schedule, and the Borrower fails to comply with any demand by the Servicer to submit a revised Pro Forma Schedule or the Servicer does not approve any revised Pro Forma Schedule proposed by the Borrower; or

(h) The Servicer has a reasonable basis to believe that a breach, default or failure of condition exists under the Partnership Agreement, or any documents or agreements between or among the partners executed in connection therewith, and such breach, default or failure has not been cured within which cure is permitted; or

(i) (A) any default or failure of condition of the Borrower occurs under the Partnership Agreement, which if continued beyond expiration of any applicable notice and cure period, will have the effect of causing the failure of the limited partners of Borrower to make capital contributions in the amounts and at the times required under this Agreement; or (B) under any of the Loan Documents, an Event of

Default (as defined in that document) has occurred and is continuing, or an event has occurred that with notice or the passage of time could become such an Event of Default; or

or (j) The Borrower fails to comply with each of the conditions contained in Section 2.3;

(k) Ongoing equity contributions are not made as required by Section 2.16 of this Agreement;

(l) Following the completion of foundations of the Project, if required by Lender, Borrower fails to cause the Title Insurance Company to issue a CLTA Form Endorsement 102.5 confirming that all foundations are located entirely within the Property's boundaries with no encroachments and, if required by the Title Insurance Company in connection with the issuance of such endorsement, Borrower fails to deliver to the Servicer a foundation survey meeting the Servicer's or Title Insurance Company's requirements;

(m) Notwithstanding the foregoing, the Servicer is not required to purchase the last installment of the Funding Loan Note until the Investor Limited Partner has delivered its first, Second, and third contributions in accordance with the Partnership Agreement; or

(n) The Servicer has not received evidence of builder's risk insurance acceptable to Servicer.

3. Disbursement Amounts

The Development Budget is broken down by the line items and columns. From each line item, the Servicer will consent to disbursements in an aggregate amount not to exceed the total amount allocated from proceeds of the Funding Loan Note line item, taking into account all prior disbursements, a retention in the amount of ten percent (10%), where applicable, and any reallocation of funds to which the Servicer has consented in writing. The Borrower Loan proceeds plus any and all sums on deposit in the Borrower Equity Account ("Borrower's Funds") will be disbursed as described below.

3.1 Disbursement of Certain Costs not Requiring Retention: general contractor insurance, general conditions, material purchase orders (such as windows, appliances, to-lot supplier), erosion control, elevator (supplier/installer)

3.2 Disbursements of Certain Hard Costs Requiring Retention:

(a) Unless the Servicer, in its sole and absolute discretion, agrees in writing to an alternate arrangement, the Servicer will consent to periodic disbursements as construction progresses. Each disbursement will be equal to ninety percent (90%) of the amount applied for in the applicable Requisition, except for items described in Section 3.1. Until the conditions set forth in clause (b) below have been satisfied, Fiscal Agent will retain the remaining undisbursed portions of such costs, which will equal ten percent (10%) of the aggregate dollar amount for which the Servicer has given consent for disbursement from those costs, whether consisting of Borrower Loan proceeds, proceeds of the Subordinate Loans or Capital Contributions or a combination of any of them, or a reallocation from Contingency. The amount so retained by Servicer is sometimes referred to herein as the "**Retainage**".

(b) the Servicer will consent to the disbursement of the aggregate Retainage applicable to a particular property, less any amounts reasonably necessary for completion of Punchlist Items, upon satisfaction of the following conditions with respect to such property:

(i) Construction of the Improvements must be completed in accordance with this Agreement.

Exhibit E

7

- (ii) The Servicer must receive evidence that a valid notice of completion has been recorded.
- (iii) The Servicer must receive a Requisition for such retention, including written certification by the Architect and the Contractor that the completed Improvements conform to the Plans and Specifications.
- (iv) The Borrower has provided endorsements to or a reissue of the Servicer's title insurance policy insuring lien-free Completion of the Improvements as well as the disbursement priority required by this Agreement and such other endorsements insuring such other matters relating to the completed construction as the Servicer requires and are available under applicable law (including, without limitation, a "no encroachment" endorsement).
- (v) No event defined as an Event of Default under any of the Loan Owner Documents has occurred and is continuing, and no event has occurred that, with notice or the passage of time, would be such an Event of Default.
- (vi) The Servicer shall have received and approved a final ALTA/NSPS as-built survey for the Improvements.
- (vii) The Servicer shall have received and approved final as built plans and specifications for the Improvements.
- (viii) The Servicer shall have received and approved a certificates of occupancy from the requisite governmental authority for the Project.
- (ix) The disbursement to Borrower of all the proceeds of the Authority Loan (including all retention held back therefrom during construction), and the application of all such proceeds towards Project Costs shown on the Development Budget.

Notwithstanding the foregoing provisions of this Section 3.2, Servicer agrees that, within sixty (60) days after the following conditions are satisfied, Servicer shall approve the final advance of the Borrower Loan for hard costs (i.e., the remaining undisbursed portions of costs held as retention) for each subcontractor (for purposes of this Section 3.2, a "**Subcontractor**") performing grading, structural concrete, underground utilities, wet and dry utilities, demolition, and abatement (each, an "**Early Trade**"), provided that the following conditions are satisfied: (A) the Borrower and Investor Limited Partner approve such items prior to billing; (B) the Consulting Engineer and Architect shall have certified to Servicer that the construction of such Early Trade to be performed by such Subcontractor has been completed in a good and workmanlike manner, in accordance with applicable requirements of all Governmental Agencies and substantially in accordance with the Plans and Specifications, (C) Servicer shall have received a satisfactory final affidavit and full complete release of lien rights from such Subcontractor (i.e., conditional lien release in the exact amount of the payment to be disbursed to such Subcontractor with a final unconditional lien release delivered upon final payment to such Subcontractor), and such subcontract shall have no outstanding issues with Davis-Bacon wage requirements, (D) Servicer shall have received a satisfactory endorsement to its title insurance policy, (E) the Consulting Engineer shall have certified to Servicer that the overall effective Retainage is not less than 5%, (F) the Project has achieved no less than 50% Completion; and (G) all other terms and conditions of this Agreement and the other Borrower Loan Documents required to be met as of the date of such advance of Borrower Loan proceeds shall have been met to the satisfaction of Servicer.

3.3 Stored Materials

The Servicer requirements for stored materials are set forth in **Exhibit H** attached hereto.

Exhibit E

3.4 Disbursements from Interest Reserve Line Item

Any funds allocated to the Interest Reserve Line Item will be disbursed from time to time to pay interest on the Funding Loan Note. No Requisition is needed for a disbursement for the purposes in this Section 3.4.

3.5 Disbursements of Hard and Soft Cost Contingency Reserves

From time to time, Borrower may request the Servicer to reallocate Borrower Loan proceeds from the hard cost contingency reserve to other hard cost line items, subject to any retention requirements applying to those line items. From time to time, the Borrower also may request the Servicer to reallocate Borrower Loan proceeds from the soft cost contingency reserve to other soft cost line items. Each Requisition for hard or soft cost contingency funds must contain such supporting documentation, including invoices and canceled checks, in such forms as the Servicer requires. The Servicer in its sole judgment may decline any Requisition for hard or soft cost contingency funds and also decline any request by Borrower to increase, reallocate or deplete either of such reserves

3.6 Disbursements of Capital Contributions.

(a) Subject to the Development Budget and Disbursement Schedule, whenever Capital Contributions, if any, are allocated to any line item, the Servicer may make all disbursements first from those Capital Contributions until they are exhausted, regardless of the allocations of those funds set forth in the Development Budget, unless the Servicer and the Borrower have agreed otherwise in writing in each instance. This means that Capital Contributions allocated in the Development Budget to pay certain costs may be disbursed to pay other costs. As a result, one or more line items may have an excess of Capital Contributions, while one or more other line items may have a shortage of Capital Contributions. This, in turn, may cause the Borrower Loan to become "out of balance."

(b) If the Borrower Loan becomes "out of balance" for this reason, the Servicer may reallocate undisbursed Borrower Loan proceeds from any line items to any other line items, so long as the reallocation would cause the Borrower Loan to be "in balance". The Servicer, however, is not obligated to make any such reallocation if, under any of the Loan Documents, an Event of Default (as defined in that document) has occurred and is continuing, or if an event has occurred that with notice or the passage of time or both would be such an Event of Default. The Servicer will give written notice to Borrower of any reallocation, and the reallocation will be effective upon the sending of such notice without any further action.

3.8 Disbursements of Developer Fee. Subject to all conditions to disbursement of Loan proceeds set forth herein, Servicer shall consent to the following disbursements from the developer fee line item on the Development Budget: (i) \$4,172,867 of the amount set forth on the Development Budget concurrently with the Closing Date; (ii) \$1,487,150 of the amount set forth on the Development Budget on the date of 5% Completion; (iii) \$2,217,150 of the amount set forth on the Development Budget on the date of 10% Completion; (iv) \$730,000 of the amount set forth on the Development Budget on the date of 100% Completion; (v) \$3,150,000 of the amount set forth on the Development Budget shall be available for disbursement (provided all other conditions to disbursement are satisfied) upon Investor Limited Partner's making of the Fifth Installment of the Capital Contributions, and (vi) \$500,000 of the amount set forth in the Development Budget shall be available for disbursement (provided all other conditions to disbursement are satisfied) upon Investor Limited Partner's making of the Sixth Installment of the Capital Contributions. The remaining \$6,896,295 of the amount allocated to the developer fee line item shall be deferred and shall be solely available after repayment in full of the Loan from either net cash flow from the Project or capital contributions from Investor Limited Partner

4. Disbursement Procedures

The disbursement procedures described below apply to the Borrower Loan proceeds, proceeds of the Subordinate Loans, Capital Contributions and any other sums held by the Fiscal Agent under this Agreement or the Borrower Loan Agreement.

4.1 Requisitions

(a) For each requisition, Borrower will submit to the Servicer a written request ("**Requisition**"), substantially in the form of **Exhibit I** hereto, signed by Borrower or its agent designated below, together with the standard AIA Form G702 and G703 executed by Contractor and Architect and any other information the Servicer requires, not more than once monthly. Each Requisition must be acceptable in form and substance to the Servicer in the exercise of its reasonable judgment and include such items and documentation, including invoices, canceled checks, lien waivers, and other evidence as the Servicer requires, to show that Borrower is in compliance with the Loan Documents. Borrower shall also arrange to have an inspection made of the progress of the construction by the Consulting Engineer, providing them with a copy of the AIA Form G702 and 703 and any required documentation, and have a copy of a report of the inspection sent to the Servicer to correspond with the monthly Requisition. Upon receipt of the monthly Requisition, the Servicer shall order an update to the title insurance policy insuring no liens, excepting those previously approved, have been filed against the Land. All approvals for disbursements shall be issued within ten (10) days after receipt of all information required by the Servicer to approve the requested disbursements.

(b) Unless Borrower has notified the Servicer in writing to the contrary, each Requisition constitutes Borrower's representation and warranty to the Servicer that (i) the Development Budget is "in balance," (ii) all prior disbursements, as well as that currently being requested, were and will be used in strict compliance with the Development Budget and the Loan Documents, and (iii) no Event of Default has occurred, and no event has occurred that, with notice or the passage of time, could become an Event of Default.

(c) Upon its approval, the Servicer shall provide Fiscal Agent with a written notice as set forth in Section 1.1(b) of this Agreement and purchase an installment of the Funding Loan Note in the principal amount of such approved Requisition.

4.2 Authorized Signers

Borrower authorizes any of the persons whose names and signatures appear on the Borrower's Instruction Certificate, acting alone, to sign all Requisitions and other documents in connection with the administration of the Development Budget.

Exhibit F
Section 01.01 Pro-forma Schedule
(Affordable Housing)

Commencement of Construction	Within 30 days of the Closing Date
50% Completion (based on a certification by Consulting Engineer that the Improvements are 50% complete, based on the ratio of the cost of completed hard cost items under the Construction Contract to the total hard cost amounts in the Construction Contract, taking into account change orders and other revisions, as of the date of such certification)	September 1, 2024
Temporary Certificate of Occupancy	January 1, 2026
Lien Free Completion	March 30, 2026
90% Leased and Occupied	February 1, 2026

Exhibit G
Form of Notice of Funding
(Affordable Housing)

To: U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attention: _____

Bank of America, N.A., a national banking association (“**Bank**”), the Initial Servicer under that certain Borrower Loan Agreement dated as of December 1, 2022 among California Housing Finance Agency, a public instrumentality and political subdivision of the State of California (“**Lender**”), U.S. Bank Trust Company, National Association, a national banking association (“**Fiscal Agent**”), and Linc-CORE Pioneer LP, a California limited partnership (“**Borrower**”), pursuant to which Governmental Lender agreed to make a project loan to Borrower in the original principal amount of \$91,645,016 (the “**Borrower Loan**”) hereby gives you notice that: (i) Requisition No. _____ (“**Requisition**”) of Borrower pertaining to construction of the 515 Pioneer Drive Project financed with the Funding Loan Note has been approved by Servicer; and (ii) funding of an installment of the purchase price of the Funding Loan Note in the principal amount set forth below:

Borrower Loan Disbursement – Tax exempt \$ _____

Shall be wired to your account within three (3) business days of the date of this Notice; and (iii) the proceeds of such installment shall be applied for the purposes set forth on the approved Requisition described above.

Dated this ____ day of _____, 20__.

BANK OF AMERICA, N.A.

By: _____
Name: _____
Title: _____

Exhibit H

Stored Materials Requirements

PROCEDURE FOR STORED MATERIALS (B)

The Servicer disburses for Stored Materials on site as a convenience for its customers but anticipates that the customer will not request materials that cannot be incorporated into construction within one hundred eighty (180) days immediately following the cutoff date for each submission, excluding any force majeure delays. Notwithstanding anything to the contrary contained herein, all Stored Materials shall be incorporated into the Improvements within one hundred eighty (180) days of Borrower's receipt thereof, and all Stored Materials, at any given time, shall not exceed an aggregate purchase price paid by Borrower of \$5,000,000. The Servicer has also agreed to fund for materials stored off site on a case-by-case basis.

On the AIA form G702, materials requested on a current or first-time basis should be shown in Column F entitled Stored Materials. Items that have not been incorporated into the construction but remain stored should, on subsequent requisitions, be included under Column D entitled Previous Applications. The developer or contractor should attach an inventory along with invoices and/or delivery tickets for materials received. The invoices must list the quantity and cost of the stored materials and must add up to the amounts requested on the requisition for stored materials. Disbursements will be withheld on any questionable items.

We feel this procedure will aid both Borrower and Servicer in determination of the value of Stored Materials. It will also provide useful information in situations involving disappearance of the materials or theft.

Servicer has also agreed to fund for materials stored off-site on a case-by-case basis. The borrower should notify the Servicer as soon as an off-site storage situation arises for approval. The following conditions must be met prior to receiving funding for materials stored off-site:

- Appropriate insurance must be in place naming the Fiscal Agent, Initial Funding Lender and Borrower as additional insureds
- Inspection and recommendation for funding by the Servicer's construction consultant
- Receipt of Affidavit as to stored materials, executed by the contractor or subcontractor, as appropriate
- Receipt of bill of sale or paid invoice from the supplier
- If deemed necessary, filing of a UCC-1

AFFIDAVIT OF STORED MATERIALS

_____, DOES CERTIFY AND ATTEST the following:

1. (Sub)contractors and material vendors will be paid for stored material upon receipt of payment from _____ ("Owner");
2. Subcontractors and material vendors expressly waive and release any and all lien rights for subject Stored Materials, and any rights they might have to file a notice of mechanic's lien with respect thereto;
3. Subcontractors and materials vendors have not filed any preliminary notices of lien;
4. Quantity, cost and value of Stored Materials are as represented; and
5. The materials and/or equipment are in strict accordance with all requirements of the plans and/or specifications or written approval has been received for any variations.
6. _____ undertakes full responsibility for the care, custody, and protection of this material and/or equipment, and in the event of loss of damage not covered by Owner's insurance, they will replace in a timely manner at no cost to Owner, and
7. _____ agrees to transport this material and/or equipment to the place and position of final installation at its sole expense and risk, except as may be covered by owner's insurance.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized officers, have executed and set their hands and seals to this affidavit, this _____ day of _____, 20__.

(SUB)CONTRACTOR:

Name: _____

Title: _____

MATERIALS STORED AT _____

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: _____ (Seal)

Exhibit I

Form of Requisition

BORROWER: Linc-CORE Pioneer L.P.
PROJECT: 515 Pioneer
REQUISITION NO.: _____
In the Amount of \$ _____

TO: U.S. Bank Trust Company (the "**Fiscal Agent**")
One California Street, Suite 1000
San Francisco, CA 94111
Attention:

Bank of America, N.A. (the "**Servicer**")
Mail Code: CA4-704-06-06
2000 Clayton Road, Building D, 6th Floor
Concord, CA 94520
Attention: Loan Administration Manager

The Borrower hereby requests payments in the following amounts, from the following sources and to be made to the following parties, all as set forth on the Borrower's Request for Payment attached to this Requisition:

<u>Amount</u>	<u>Source</u>	<u>Payable to:</u>
	[identify name of Account & Fund in Funding Loan Agreement [proceeds of subordinate loans] or Capital Contributions]	Linc-CORE Pioneer LP, by wire to: [Borrower's account #] [third party payment/wire instructions must be attached]

Requisition - Contents and Attachments

- Borrower's Request for Payment
- Contractor's Application and Certification for Payment (AIA Form G-702) including change orders if applicable
- Paid Invoices Supporting Application-(AIA Form G-702), as appropriate
- Paid Invoices Supporting Borrower's Request for Payment, as appropriate
- Lien Waivers
- Borrower's Representations and Warranties

The Borrower hereby requisitions the funds described above, and makes the representations and warranties attached hereto to the Governmental Lender and the Fiscal Agent.

"Borrower":

LINC-CORE PIONEER LP,
a California limited partnership

By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Anders Plett
Senior Vice President of Housing Development

Date: _____

The foregoing Requisition is approved by Servicer.

“Servicer”:

BANK OF AMERICA, N.A.,
a national banking association

By: _____
Name: _____
Title: _____

Date: _____

Borrower's Request for Payment

[See attached Bank of America Form]

Contractor's Application and Certification for Payment
(AIA Form G-702) including change orders if applicable

Paid Invoices Supporting Application

(AIA Form G-702), as appropriate

Paid Invoices Supporting Borrower's Request for Payment, as appropriate

Lien Waivers

Architect's Certificate

(If required by Servicer)

Application for Payment No. _____

TO: U.S. Bank Trust Company, National Association ("**Fiscal Agent**")

BANK OF AMERICA, N.A. ("**Servicer**")

FROM: KFA, LLP ("**Architect**")

RE: Construction of 515 Pioneer, located in Los Angeles County (the "**Project**") by Linc-CORE Pioneer LP ("**Borrower**").

We are the architect for the Project, and to induce Servicer to approve advance loans of proceeds by the Fiscal Agent to assist in funding construction of the Project, and knowing that Servicer will rely on this certificate in doing so, we hereby certify as follows:

1. We inspected the Project on _____, 20__ and found the status of the Project on that date and the progress made on the Project since our last certificate to you dated _____, 20__ to be as follows:

[Space reserved for insertion of additional construction progress notes as needed.]

2. We delivered the Plans and Specifications for the Project, copies of which have been delivered to you (the "**Plans and Specifications**"). We have made no changes to the Plans and Specifications except as you have approved in writing. There are no pending change orders or construction change directives except as follows:

[Space reserved for insertion of outstanding Change Orders and Construction Change Directives.]

3. All work to date has been done in accordance with the Plans and Specifications and in a good and workmanlike manner. All materials and fixtures usually furnished and installed or stored on site at the current stage of construction have been furnished, installed or stored on site. All of the work to date is hereby approved except as follows:

[Space reserved for list of rejected work.]

4. We have examined the requisition being submitted herewith to you by Borrower, which requisition includes and Application for Payment from National Community Renaissance of California ("**Contractor**") respecting construction of the Project. The payment so applied for by Contractor does not exceed (when added to the payments heretofore applied for by and paid to Contractor) 90% of the value of labor and materials incorporated into the Project.

5. We have been advised that as of this date there remains unexpended funds of \$ _____ which are available to fund construction costs, from which funds to pay the aforementioned Application for Payment will be deducted. In our opinion, such unexpended funds, after deduction of funds sufficient to cover both the current Application for Payment and the applicable retainage heretofore withheld and to become due on account of previous Applications, will be sufficient to pay for all construction costs reasonably required to complete the Project, provided that the amount advanced under the current application is, in fact, applied against obligations incurred for labor and materials heretofore furnished on account of construction of the Project.

6. All permits, licenses, approvals and the like required to complete construction of the Project have been validly issued by the appropriate authorities and are in full force and effect, and there is no violation of any of the provisions thereof or of any legal requirements applicable to the Project of which we have notice or knowledge as of the date hereof except as follows:

7. Access to and egress from the Project and all improvements to be constructed thereon are in accordance with all applicable legal requirements. Water, drainage and sanitary sewerage facilities and telephone, gas and electric services of public utilities are or are due to be installed in the locations indicated on the Plans and Specifications and are adequate to serve the Project. All necessary approvals for installation of or connection to said facilities or services have been obtained.

8. To the best of our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid any laws, ordinances, regulations, permits, licenses or approvals for or relating to the Project.

9. No amendments, modifications or changes have been made to our contract dated _____, 20__ with the Borrowers except such as have had your prior written approval.

10. Borrower is not in default of any of Borrower's obligations to us as of the date hereof except as follows:

[Space reserved for list of any Borrower defaults.]

This certificate is rendered based on our examination of the Project, the Plans and Specifications, the data comprising the Application for Payment and all other matters which we deem relevant. We are to incur no liability under this certificate except for failure to exercise due professional skill and diligence.

Executed as a sealed instrument this _____ day of _____, 20__.

KFA, LLP

By: _____
Name: _____
Title: _____

Borrower's Representations and Warranties

1. No changes have been made in the Plans and Specifications which require and have not received the prior approval of (i) the Bank under the terms of the Construction Disbursement Agreement dated as of December 1, 2022 (the "**Agreement**"), (ii) any Governmental Agency having jurisdiction over the Project or (iii) any other parties from whom such approval is required.

2. Construction of the Improvements has been performed in accordance with the Plans and Specifications.

3. As of the date hereof, the Borrower has executed change orders (increasing/decreasing) the cost of the Improvements by \$_____ in the aggregate, has notified the Consulting Engineer of such changes and, to the extent necessary, has received any and all necessary approvals from the Servicer.

4. Funding of this Requisition shall be in accordance with the terms and provisions of the (i) Agreement, (ii) the Borrower Loan Agreement dated as of December 1, 2022 with respect to the Borrower Loan Note (the "**Borrower Loan Agreement**") and (iii) the Funding Loan Agreement dated as of December 1, 2022 with respect to the Funding Loan Note (the "**Funding Loan Agreement**").

5. All monies requisitioned by the Borrower for construction and disbursed by the v under previously approved requisitions have been paid to the Contractor and, to Borrower's best knowledge, all subcontractors, vendors and suppliers; all other funds requisitioned by the Borrower and disbursed by the Fiscal Agent under previously approved requisitions have been expended for the purpose for which they were requisitioned.

6. All of the information submitted to the Servicer and the Fiscal Agent in connection with this Requisition is true and accurate as of the date of submission.

7. The representations and warranties set forth in the Loan Documents are true and correct as of the date hereof with the same effect as if made on this date.

8. The Borrower represents and warrants that (i) there has occurred no Event of default or event which, with the passage of time or the giving or notice or both, would constitute an Event of Default on the part of the Borrower or the Guarantor under the terms of the Loan Documents, (ii) except as previously disclosed by the Borrower to the Servicer, the Borrower has not received notice from or been informed by any Governmental Agency or the Consulting Engineer of any alleged deficiencies in the work performed to date or any deviation of such work from Plans and Specifications or notice of any assertion of a claim that the Improvements are not been constructed in accordance with all applicable Requirements, (iii) with the exception of any Permitted Liens, there are no liens against any portion of the Project or any other asset of the Borrower, and (iv) the Loan Documents are in full force and effect.

9. The Borrower represents and warrants that this Requisition is in the form of requisition required by the Bank.

10. The Borrower represents and warrants that, following payment of the amounts requested under this Requisition, not less than 95% of amounts paid from proceeds of the Funding Loan Note have been applied to the payment of Qualified Costs of the Project.

11. Attached hereto are copies of lien waivers from all such subcontractors and materialmen requisitioning payment under this Requisition, the originals of which have been delivered to the Title Insurance Company.

12. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto under the Borrower Loan Agreement.

Executed this ____ day of ____, ____.

LINC-CORE PIONEER LP,
a California limited partnership

By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Anders Plett
Senior Vice President of Housing Development

Exhibit J

Definitions

The following capitalized terms referred to in the Construction Disbursement Agreement shall have the meanings specified in this **Exhibit J** unless the context requires otherwise. All other capitalized terms used herein which are defined in the Funding Loan Agreement and the Borrower Loan Agreement and not defined herein shall have the respective meanings ascribed thereto in the Funding Loan Agreement and the Borrower Loan Agreement unless otherwise expressly provided or unless the context otherwise requires. The singular shall include the plural and the masculine shall include the feminine and neuter shall include the masculine or feminine.

“Accountant” means an independent certified public accountant or firm of independent certified public accountants, selected by Borrower and approved by the Servicer, such approval not to be unreasonably withheld.

“Affiliate” means (a) with respect to an entity, (i) any manager, member, officer or director thereof and any Person who or which is, directly or indirectly, the beneficial owner of more than 10% of any class of shares or other equity security, or (ii) any Person which, directly or indirectly, controls or is controlled by or is under common control with such entity. Control (including the correlative meanings of “controlled by” and “under common control with”) means effective power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, and (b) with respect to a partnership or venture, “Affiliate” shall include, without limitation, any (i) general partner, (ii) general partner of a general partner, or (iii) partnership with a common general partner, and if any general partner is a corporation, any Person which is an “Affiliate” (as defined above) of such corporation. With respect to a limited liability company, “Affiliate” shall include, without limitation, any member.

“Appraisal” means an appraisal of the market value of the Project performed by a qualified independent appraiser approved by the Servicer.

“Architect” has the meaning set forth in Exhibit B.

“Architecture Contract” has the meaning set forth in Exhibit B.

“Authority Lender” means the Housing Authority of the City of Glendale.

“Authority Loan” means that certain loan from the Authority Lender to Borrower in the aggregate original principal amount of \$28,400,000.

“Authorized Person” means any representative of Borrower duly designated by Borrower in the Borrower’s Instruction Certificate, authorized in accordance with the governing documents of Borrower and all Laws applicable to Borrower, to bind Borrower in providing Draw Requests and requesting disbursements of Loan proceeds. An Authorized Person may also have the authority to perform Online Facility Transactions that may be granted to an Authorized Portal User under any Online Banking Portal if designated as such by an Authorized Signer in the Online Transaction Agreements. Authorized Person also includes any individual who is an Authorized Person of a Controlling Entity of Borrower.

“Authorized Portal User” means any and all individuals to whom access to an Online Banking Portal is granted, whether (a) by such individual being designated as an authorized user (or other applicable designation) of such Online Banking Portal as set forth in the Online Transaction Agreements, or (b) by such individual utilizing log-in credentials of an authorized user (or other applicable designation) of such Online Banking Portal, or (c) in any other manner pursuant to the terms of the Online Transaction Agreements.

“Authorized Signer” means any representative of Borrower duly designated by Borrower as such in the Borrower’s Instruction Certificate, authorized in accordance with the governing documents of Borrower and all applicable Laws to: (a) bind Borrower and to act for Borrower for all purposes in connection with the Borrower Loan, including but not limited to, requesting disbursements of Borrower Loan proceeds, requesting interest rate changes, obtaining information pertaining to the Loan, requesting any action under the Loan Documents, providing any certificates, and appointing and changing any Authorized Persons; and (b) delegate his/her authority to any Authorized Portal User solely to allow such Authorized Portal Users to perform Online Transaction Services on any Online Banking Portal in accordance with the terms of this Agreement and the Online Transaction Agreements. Authorized Signer includes, as to any Borrower, any individual who is an Authorized Signer of a Controlling Entity of such Borrower.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation, which certification shall be substantially similar in form and substance to the form of Certification Regarding Beneficial Owners of Legal Entity Customers published jointly, in May 2018, by the Loan Syndications and Trading Association and Securities Industry and Financial Markets Association.

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Civil Asset Forfeiture Reform Act” means the Civil Asset Forfeiture Reform Act of 2000 (18 U.S.C. Sections 983 et seq.), as amended from time to time, and any successor statute.

“Closing Date” means December 29, 2022.

“Completion” means: (i) the lien-free completion of construction or new construction, if any, of the Improvements in substantial compliance with the Specifications, the Partnership Agreement and the terms and conditions of the Loan Documents, and with no outstanding liens or lien rights, (ii) satisfaction of all of the conditions for the release of any Retainage, (iii) receipt of a full and unconditional Certificate of Occupancy for the Project; and (iv) payment of all amounts due in connection with the construction of the Project.

“Construction Capital Contributions” means the First Installment, Second Installment and the Third Installment of the Capital Contributions.

“Construction Contract” has the meaning set forth in Exhibit B.

“Construction Phase” means the term of the Funding Loan prior to the Conversion Date.

“Consulting Engineer” means Buis Construction Services or such other consulting architect, engineer or inspector as may be appointed by the Servicer from time to time.

“Contractor” has the meaning set forth in Exhibit B.

“Control”, “Controlled” or “Controlling” means, with respect to any Person, either (i) ownership directly or indirectly of more than 50% of all beneficial equity interest in such Person, or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, through the ownership of voting securities, by contract or otherwise.

“Controlled Substances Act” means the Controlled Substances Act (21 U.S.C. Sections 801 et seq.), as amended from time to time, and any successor statute.

“Controlling Entity” means any entity having the power and authority to control the business and activities and otherwise bind Borrower, pursuant to the governing documents of Borrower and applicable

Law, such as a general partner of a partnership or a manager or managing member of a limited liability company.

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Financing Statements” means, collectively, any UCC-1 financing statements filed with respect to the Borrower Loan.

“Generally Accepted Accounting Principles” means the principles that are (i) consistent with the principles promulgated or adopted by the Financial Accounting Standards Board and its predecessors, as in effect from time to time, and (ii) consistently applied with past financial statements of the Borrower adopting the same principles; provided that a certified public accountant would, insofar as the use of such accounting principles is pertinent, be in a position to deliver an unqualified opinion (other than a qualification regarding changes in Generally Accepted Accounting Principles) as to financial statements in which such principles have been properly applied.

“GP Capital Contributions” mean those capital contributions of the General Partner to the Borrower in accordance with the Partnership Agreement in the aggregate amount of \$4,957,168.

“Ground Lease” means that certain Ground Lease by and between Housing Authority, as lessor, and Borrower, and lessee dated on or about even date herewith.

“Hazardous Substance” means and includes any substance, material, or waste, including asbestos, petroleum, and petroleum products (including crude oil), that is or becomes designated, classified, or regulated as “toxic” or “hazardous” or a “pollutant,” or that is or becomes similarly designated, classified, or regulated, under any federal, state, or local law, regulation, or ordinance, but does not include any such substance that is a customary and ordinary household, cleaning, or office product used on the Property by Borrower or any tenant or agent of Borrower, or customary construction materials used during the course of construction of Improvements on the Property by Borrower or Contractor or operation of the Project, provided such use is in accordance with applicable hazardous materials laws.

“Improvements” means the 340–unit multifamily rental housing project with related site improvements and amenities located on the Land and constructed, equipped and furnished in accordance with the Plans and Specifications.

“Indebtedness” means all obligations, contingent and otherwise, that in accordance with Generally Accepted Accounting Principles should be classified upon the subject Person’s balance sheet as liabilities, or to which reference should be made by footnotes thereto, including in any event and whether or not so classified: (a) all debt and similar monetary obligations, whether direct or indirect; (b) all liabilities secured by any deed to secure debt, mortgage, deed of trust, pledge, security interest, lien, charge or other encumbrance existing on property owned or acquired subject thereto, whether or not the liability secured thereby shall have been assumed; (c) all liabilities under capitalized leases; and (d) all guaranties, endorsements and other contingent obligations whether direct or indirect in respect of indebtedness of others, including the obligations to reimburse the issuer of any letter of credit for amounts drawn on such letter of credit.

“Insolvency Proceeding” means any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships, including any proceeding under the

Bankruptcy Reform Act of 1978, as amended or recodified, or under any other present or future state or federal law regarding bankruptcy, reorganization or other relief to debtors.

“Law” or “Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Agency charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Agency, in each case whether or not having the force of law. With respect to Borrower and the Property, **“Law” or “Laws”** includes all Laws pertaining to the construction, sale, leasing or use of the Improvements and to access and facilities for handicapped or disabled persons, including and to the extent applicable, any building codes, the Controlled Substances Act, the Flood Insurance Laws, the Federal Architectural Barriers Act (42 U.S.C. § 4151 et seq.), the Fair Housing Amendments Act of 1988 (42 U.S.C. § 3601 et seq.), the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. § 794), each as amended to date and further amended from time to time.

“Loan Documents” has the meaning given to that term in **Exhibit C**.

“Management Agreement” means that certain Management Agreement dated as of August 26, 2021, between LINC, as predecessor-in-interest to Borrower, and Manager.

“Manager” means National Community Renaissance of California, or any substitute manager approved by Servicer and retained by Borrower to serve as the property manager for the Property.

“Maturity Date” has the meaning set forth in the Borrower Loan Note.

“Online Banking Portal” means any online banking portal and/or electronic transmission system as shall be made available by Servicer for use by Borrower to conduct Online Facility Transactions in connection with the terms of this Agreement and the applicable Online Portal Agreements.

“Online Facility Transactions” means any transactions that Authorized Portal Users may execute on the Online Banking Portal, including but not limited to: (a) electronically view Borrower’s Loan information, (b) to upload documentation; and (c) to take any actions allowed under the Online Banking Portal based on the terms of the Online Transaction Agreements, which may include, but not be limited to, making payments on the Loan, submitting Draw Requests, submitting rollover notices (if applicable), and any other actions which may be allowed under the Online Banking Portal at any time in the future, all in accordance with the terms of this Agreement and the Online Portal Agreements executed by Borrower.

“Online Portal Agreements” means all applicable treasury services agreements, terms and conditions (including any booklet with respect thereto), acceptance of services, cash management agreements and terms and conditions (including any booklet with respect thereto), supplements, addenda, amendments, setup and authorization forms, and/or any other documentation which Borrower is required to execute or agree to with respect to the use of, and conducting of any Online Facility Transactions on, the Online Banking Portal from time to time (including any of the foregoing agreed to or accepted by an Authorized Portal User in a “clickwrap” or “clickthrough” agreement on any such Online Banking Portal), and any and all amendments, restatements and modifications thereto.

“Organizational Documents” means for any corporation, partnership, trust, limited liability company, limited liability partnership, unincorporated association, business or other legal entity, the documents pursuant to which such entity has been established or organized, as such documents may be amended from time to time in accordance with the terms of this Agreement.

“Owner(s)” means the owners of the Funding Loan Note.

"PACE Financing" means any property assessed clean energy financing or similar energy efficiency or renewable energy financing repaid through assessments against property (without regard to the name given to such financing).

"Plans and Specifications" has the meaning set forth in **Exhibit B**.

"Project" has the meaning set forth in the Recitals.

"Property" shall have the meaning set forth in the Mortgage.

"Punchlist Items" means any items necessary at the time of the issuance of a temporary use and occupancy permit to complete fully the Project in accordance with the specifications, or required for the issuance of a final certificate of occupancy or its equivalent.

"Plans and Specifications" has the meaning set forth in Exhibit B.

"Property" has the meaning set forth in the Mortgage.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"Related Person" means a "related person" as defined in Section 147(a) of the Code.

"Requisition" means a written requisition in the form of **Exhibit I** attached to this Agreement.

"Stabilization" means that each of the following shall have occurred, and shall remain in effect as of the date of determination, with respect to the Project:

- (1) the Project has attained Completion;
- (2) at least 90% of the units within the Project have been occupied by tenants meeting the requirements of the Loan Documents in each of the three (3) consecutive months immediately preceding the date of determination; and
- (3) the ratio of (a) Net Operating Income in each of the three (3) consecutive months immediately preceding the date of determination to (b) maximum principal and interest payable in any month under the Loan Documents on the amount of Funding Loan Note as of the date of determination equals or exceeds 1.15 to 1.0.

"Stored Materials" means materials, furnishings, fixtures, machinery or equipment not yet incorporated into the Land or Improvements.

"Subordinate Lenders" means the Authority Lender.

"Subordinate Loans" means the Authority Loan.

"Subordinate Loan Documents" means all documents evidencing, securing, guaranteeing and otherwise relating to the Subordinate Loans.

"Survey" means an ALTA/NSPS survey of the Land and the Improvements prepared in accordance with the Servicer's survey requirements, such survey to be satisfactory to the Servicer in form and substance.

“Surveyor Certificate” means with respect to any Survey, a certificate executed by the surveyor who prepares such Survey dated as of a recent date and containing such information relating to the Project as the Servicer or the Title Insurance Company may require, such certificate to be satisfactory to the Servicer in form and substance.

Exhibit K

Financial Reporting

The Borrower will deliver, or cause to be delivered, to the Servicer the financial reports set forth below. In addition, upon Servicer's request, Borrower will deliver, or cause to be delivered, such additional information as Servicer may reasonably require, including, without limitation, a schedule of real estate owned, and financial statements and tax returns for General Partner and its members.

Entity	Document Type	Commencement	Late After
Borrower	In-House financial statement (Balance Sheet and Income Statement)	Beginning for the year in which the temporary certificate of occupancy is issued for the Project	120 days after the end of each fiscal year of the Borrower
Borrower	Company prepared, Net Operating Income Statement, Rent Roll	Beginning with the month after the month in which the temporary certificate of occupancy is issued for the Project	30 days after the end of each calendar month
Each Guarantor	Consolidated audited financial statements (Balance Sheet, Income Statement and Statement of Cash Flow)	Beginning with the fiscal year ending December 31, 2022	210 days after the end of each fiscal year of such Guarantor
Each Guarantor	Annual In-House financial statements (Balance Sheet and Income Statement)	Beginning with the fiscal year ending December 31, 2022	150 days after the end of each fiscal year of such Guarantor
Each Guarantor	Property Real Estate Owned Schedule (REO)	Beginning for the fiscal year ending December 31, 2022	210 days after the end of each fiscal year of such Guarantor
Each Guarantor	Compliance Certificate in the form attached to the Payment Guaranty	Beginning with the fiscal year ending December 31, 2022	150 days after the end of each fiscal year of such Guarantor

**PROMISSORY NOTE
(Tax-Exempt)**

\$82,467,538

December 1, 2022

FOR VALUE RECEIVED, LINC-CORE PIONEER LP, a California limited partnership (“Borrower”), hereby promises to pay to the order of the CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California (together with any and all of its successors and assigns and/or any other holder of this Note, “Lender”), without offset, in immediately available funds in lawful money of the United States of America, at c/o Bank of America, N.A., 2000 Clayton Road, 6th Floor, Concord, California 94520, Attention: Loan Administration Manager, or at such other place as the holder of this Note may from time to time designate in writing, the principal sum of \$82,467,538 (or the unpaid balance of all principal advanced against this Note, if that amount is less), together with interest on the unpaid principal balance of this Note from day to day outstanding as hereinafter provided.

Section 1. Payment Schedule and Maturity Date. Prior to maturity, accrued and unpaid interest shall be calculated from and including the first (1st) calendar day of each month commencing with the Closing Date through and including the last calendar day of each month, and shall be due and payable in arrears on the on the first (1st) day of each succeeding calendar month commencing on February 1, 2023. The entire principal balance of this Note then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the other Loan Documents (as hereinafter defined), shall be due and payable in full on December 29, 2025 (the “Initial Maturity Date”), the final maturity of this Note, subject to Sections 1A, 1B and 1C.

Section 1A. First Extension Option. Lender shall grant a request by Borrower to extend the Initial Maturity Date of this Note to March 29, 2026 (the “First Extended Maturity Date”), upon and subject to the satisfaction of each of the following terms and conditions:

(a) Basic Conditions. Unless otherwise agreed by Lender in writing:

(i) Borrower shall request the extension, if at all, by written notice to Lender not more than one hundred twenty (120) days, and not less than sixty (60) days, prior to the Initial Maturity Date;

(ii) At the time of the request, and at the time of the extension, there shall not exist any Event of Default, nor any condition or state of facts which after notice and/or lapse of time would constitute an Event of Default;

(iii) Current financial statements regarding Borrower and Guarantor (as defined in the Loan Agreement) (dated not earlier than thirty (30) days prior to the request for extension) and all other financial statements and other information as may be required under the Loan Documents regarding Borrower, General Partner, Guarantor and the Property (including the Guarantor compliance certificate), shall have been submitted promptly to Lender, and there shall not have occurred, in the reasonable opinion of Lender, any material adverse change in the business or financial condition of Borrower, General Partner or Guarantor, or in the Property or in any other state of facts submitted to Lender in connection with the Loan Documents, from that which existed on the date of this Note;

(iv) Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender or Servicer in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and reasonable attorneys’ fees actually incurred by Servicer; all such costs and expenses incurred up to the time of Lender’s written agreement to the extension shall be due and payable prior to Lender’s execution of that agreement (or if

the proposed extension does not become effective, then upon demand by Lender or Servicer), and any future failure to pay such amounts shall constitute a default under the Loan Documents;

(v) All applicable regulatory requirements, including but not limited to, appraisal and flood insurance requirements, shall have been satisfied with respect to the extension. Without limitation of the foregoing, not later than the Initial Maturity Date, Lender and Servicer shall have received evidence acceptable to Servicer that none of the Improvements are located in an area identified by the Federal Emergency Management Agency as having special flood hazards, or, if any portion of the Improvements is located within such an area, Borrower shall have provided a flood insurance policy acceptable to Servicer;

(vi) Not later than the Initial Maturity Date, (A) the extension shall have been consented to and documented to Servicer's satisfaction by Borrower, Guarantor, Lender, and all other parties deemed necessary by Servicer (such as any permitted subordinate lienholders, tenants of the Property and permanent lenders (if any)); and (B) Lender shall have been provided with an updated title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Lender or Servicer;

(vii) Lender shall be satisfied that the projections made by Borrower in the Project Schedule (including, without limitation, lien free construction completion and any lease up or other performance hurdles) attached to the Construction Disbursement Agreement have been fully met up to that time and that such projections will continue to be accurate prospectively, or in the alternative, Borrower shall have provided a new Project Schedule satisfactory to Lender;

(viii) Lender shall have received evidence satisfactory to Lender that (A) the expiration dates and/or outside funding dates for all takeout and/or permanent loan commitments have been extended to a date not earlier than the First Extended Maturity Date, along with evidence that all takeout and/or permanent Loan commitments are still on effect; (B) all co-construction loans maturing on or before the First Extended Maturity Date, if any, mature or are extended concurrent or past the First Extended Maturity Date;

(ix) Borrower shall pay the rate adjustment or fee payment, as appropriate, to cover the cost of revising the forward rate lock, if any;

(x) The Loan, as of the Initial Maturity Date, is "in-balance" in accordance with Section 4.6 of the Construction Disbursement Agreement (or Borrower shall have deposited funds into the Borrower Equity Account sufficient to bring the Loan "in-balance" as determined by Lender);

(xi) Lender shall have determined that the undisbursed portion of the interest reserve line item in the Development Budget will be sufficient to pay all amounts payable through the First Extended Maturity Date;

(xii) Any outside date for the conversion of the Loan from the construction phase to the permanent phase set forth in the Partnership Agreement is not earlier than the First Extended Maturity Date;

(xiii) Any outside date for the Conversion Date to occur set forth in any Subordinate Loan Document shall have been extended to a date not earlier than the First Extended Maturity Date;

(xiv) Proceeds of the Subordinate Loans shall have been disbursed to Borrower and applied by Borrower to pay Project costs shown in the Development Budget and approved by Lender; and

(xv) General Partner and Guarantor shall have executed consents to the extension of the then current Initial Maturity Date to the proposed First Extended Maturity Date in form and substance approved by Lender.

If all of the foregoing conditions are not satisfied strictly in accordance with their terms, the Lender shall not be obligated to grant the applicable extension.

(b) Changes in Loan Terms. All terms and conditions of the Loan Documents shall continue to apply to the extended term or terms during any extension period, except that the Maturity Date shall mean the First Extended Maturity Date.

Section 1B. Second Extension Option. Provided Lender granted Borrower's request to extend the Initial Maturity Date to the First Extended Maturity Date, Lender shall grant a request by Borrower to extend the Initial Maturity Date of this Note to June 29, 2026 (the "Second Extended Maturity Date"), upon and subject to the satisfaction of each of the following terms and conditions:

(a) Basic Conditions. Unless otherwise agreed by Lender in writing:

(i) Borrower shall request the extension, if at all, by written notice to Lender not more than one hundred twenty (120) days, and not less than sixty (60) days, prior to the First Extended Maturity Date;

(ii) At the time of the request, and at the time of the extension, there shall not exist any Event of Default, nor any condition or state of facts which after notice and/or lapse of time would constitute an Event of Default;

(iii) Current financial statements regarding Borrower and Guarantor (as defined in the Loan Agreement) (dated not earlier than thirty (30) days prior to the request for extension) and all other financial statements and other information as may be required under the Loan Documents regarding Borrower, General Partner, Guarantor and the Property (including the Guarantor compliance certificate), shall have been submitted promptly to Lender, and there shall not have occurred, in the reasonable opinion of Lender, any material adverse change in the business or financial condition of Borrower, General Partner or Guarantor, or in the Property or in any other state of facts submitted to Lender in connection with the Loan Documents, from that which existed on the date of this Note;

(iv) Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender or Servicer in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and reasonable attorneys' fees actually incurred by Servicer; all such costs and expenses incurred up to the time of Lender's written agreement to the extension shall be due and payable prior to Lender's execution of that agreement (or if the proposed extension does not become effective, then upon demand by Lender or Servicer), and any future failure to pay such amounts shall constitute a default under the Loan Documents;

(v) All applicable regulatory requirements, including but not limited to, appraisal and flood insurance requirements, shall have been satisfied with respect to the extension. Without limitation of the foregoing, not later than the First Extended Maturity Date, Lender and Servicer shall have received evidence acceptable to Servicer that none of the Improvements are located in an area identified by the Federal Emergency Management Agency as having special flood hazards, or, if any portion of the Improvements is located within such an area, Borrower shall have provided a flood insurance policy acceptable to Servicer;

(vi) Not later than the First Extended Maturity Date, (A) the extension shall have been consented to and documented to Servicer's satisfaction by Borrower, Guarantor, Lender, and all other parties deemed necessary by Servicer (such as any permitted subordinate lienholders, tenants of the Property and permanent lenders (if any)); and (B) Lender shall have been provided with an updated

title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Lender or Servicer;

(vii) Lender shall be satisfied that the projections made by Borrower in the Project Schedule (including, without limitation, lien free construction completion and any lease up or other performance hurdles) attached to the Construction Disbursement Agreement have been fully met up to that time and that such projections will continue to be accurate prospectively, or in the alternative, Borrower shall have provided a new Project Schedule satisfactory to Lender;

(viii) Lender shall have received evidence satisfactory to Lender that (A) the expiration dates and/or outside funding dates for all takeout and/or permanent loan commitments have been extended to a date not earlier than the Second Extended Maturity Date, along with evidence that all takeout and/or permanent Loan commitments are still on effect; (B) all co-construction loans maturing on or before the Second Extended Maturity Date, if any, mature or are extended concurrent or past the Second Extended Maturity Date;

(ix) Borrower shall pay the rate adjustment or fee payment, as appropriate, to cover the cost of revising the forward rate lock, if any;

(x) The Loan, as of the First Extended Maturity Date, is "in-balance" in accordance with Section 4.6 of the Construction Disbursement Agreement (or Borrower shall have deposited funds into the Borrower Equity Account sufficient to bring the Loan "in-balance" as determined by Lender);

(xi) Lender shall have determined that the undisbursed portion of the interest reserve line item in the Development Budget will be sufficient to pay all amounts payable through the Second Extended Maturity Date;

(xii) Any outside date for the conversion of the Loan from the construction phase to the permanent phase set forth in the Partnership Agreement is not earlier than the Second Extended Maturity Date;

(xiii) Any outside date for the Conversion Date to occur set forth in any Subordinate Loan Document shall have been extended to a date not earlier than the Second Extended Maturity Date;

(xiv) Proceeds of the Subordinate Loans shall have been disbursed to Borrower and applied by Borrower to pay Project costs shown in the Development Budget and approved by Lender; and

(xv) General Partner and Guarantor shall have executed consents to the extension of the then current First Extended Maturity Date to the proposed Second Extended Maturity Date in form and substance approved by Lender.

If all of the foregoing conditions are not satisfied strictly in accordance with their terms, the Lender shall not be obligated to grant the applicable extension.

(b) Changes in Loan Terms. All terms and conditions of the Loan Documents shall continue to apply to the extended term or terms during any extension period, except that the Maturity Date shall mean the Second Extended Maturity Date.

Section 1C. Third Extension Option. Provided Lender granted Borrower's request to extend the First Extended Maturity Date to the Second Extended Maturity Date, Lender shall grant a request by Borrower to extend the Second Extended Maturity Date of this Note to December 29, 2026 (the "Third Extended Maturity Date"), upon and subject to the satisfaction of each of the following terms and conditions:

(c) Basic Conditions. Unless otherwise agreed by Lender in writing:

(i) Borrower shall request the extension, if at all, by written notice to Lender not more than one hundred twenty (120) days, and not less than sixty (60) days, prior to the Second Extended Maturity Date;

(ii) At the time of the request, the construction of the Improvements (as defined in the Loan Agreement, defined below) shall have been completed in accordance with the requirements of the Loan Documents, and all conditions to the final disbursement shall have been satisfied, including, without limitation, (a) the receipt of a lien-free title endorsements to Lender's title policy, and (b) issuance of a final certificate of occupancy;

(iii) At the time of the request, and at the time of the extension, there shall not exist any Event of Default, nor any condition or state of facts which after notice and/or lapse of time would constitute an Event of Default;

(iv) Current financial statements regarding Borrower and Guarantor (as defined in the Loan Agreement) (dated not earlier than thirty (30) days prior to the request for extension) and all other financial statements and other information as may be required under the Loan Documents regarding Borrower, General Partner, Guarantor and the Property (including the Guarantor compliance certificate), shall have been submitted promptly to Lender, and there shall not have occurred, in the reasonable opinion of Lender, any material adverse change in the business or financial condition of Borrower, General Partner or Guarantor, or in the Property or in any other state of facts submitted to Lender in connection with the Loan Documents, from that which existed on the date of this Note;

(v) Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender or Servicer in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and reasonable attorneys' fees actually incurred by Servicer; all such costs and expenses incurred up to the time of Lender's written agreement to the extension shall be due and payable prior to Lender's execution of that agreement (or if the proposed extension does not become effective, then upon demand by Lender or Servicer), and any future failure to pay such amounts shall constitute a default under the Loan Documents;

(vi) All applicable regulatory requirements, including but not limited to, appraisal and flood insurance requirements, shall have been satisfied with respect to the extension. Without limitation of the foregoing, not later than the Initial Maturity Date, Lender and Servicer shall have received evidence acceptable to Servicer that none of the Improvements are located in an area identified by the Federal Emergency Management Agency as having special flood hazards, or, if any portion of the Improvements is located within such an area, Borrower shall have provided a flood insurance policy acceptable to Servicer;

(vii) Not later than the First Extended Maturity Date, (A) the extension shall have been consented to and documented to Servicer's satisfaction by Borrower, Guarantor, Lender, and all other parties deemed necessary by Servicer (such as any permitted subordinate lienholders, tenants of the Property and permanent lenders (if any)); (B) Lender shall have been provided with an updated title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Lender or Servicer; and (C) Borrower shall have paid to Servicer (1) a non-refundable extension fee in an amount equal to fifteen hundredths of one percent (0.15%) of the sum of the outstanding principal balance of the Note plus the undisbursed committed amount of the Note (the "Extension Fee"), of which one-half of the Extension Fee shall be due and payable no later than the Second Maturity Date and the remaining one-half of the Extension Fee shall be due and payable on the 1st day of the 4th month following the Second Extended Maturity Date, and (2) an amount reasonably determined by Lender to ensure a sufficient interest reserve through the Second Extended Maturity Date;

(viii) Lender shall be satisfied that the projections made by Borrower in the Project Schedule (including, without limitation, lien free construction completion and any lease up or other

performance hurdles) attached to the Construction Disbursement Agreement have been fully met up to that time and that such projections will continue to be accurate prospectively, or in the alternative, Borrower shall have provided a new Project Schedule satisfactory to Lender;

(ix) Lender shall have received evidence satisfactory to Lender that (A) the expiration dates and/or outside funding dates for all takeout and/or permanent loan commitments have been extended to a date not earlier than the Third Extended Maturity Date, along with evidence that all takeout and/or permanent Loan commitments are still on effect; (B) all co-construction loans maturing on or before the Second Extended Maturity Date, if any, mature or are extended concurrent or past the Third Extended Maturity Date;

(x) Borrower shall pay the rate adjustment or fee payment, as appropriate, to cover the cost of revising the forward rate lock, if any;

(xi) Lender shall have received evidence satisfactory to Lender that all of the buildings constituting the Improvements have been "placed in service" within the meaning of Section 42 of the Code;

(xii) The Loan, as of the Second Extended Maturity Date, is "in-balance" in accordance with Section 4.6 of the Construction Disbursement Agreement (or Borrower shall have deposited funds into the Borrower Equity Account sufficient to bring the Loan "in-balance" as determined by Lender);

(xiii) Lender shall have determined that the undisbursed portion of the interest reserve line item in the Development Budget will be sufficient to pay all amounts payable through the Third Extended Maturity Date;

(xiv) Any outside date for the conversion of the Loan from the construction phase to the permanent phase set forth in the Partnership Agreement is not earlier than the Third Extended Maturity Date;

(xv) Any outside date for the Conversion Date to occur set forth in any Subordinate Loan Document shall have been extended to a date not earlier than the Third Extended Maturity Date;

(xvi) Proceeds of the Subordinate Loans shall have been disbursed to Borrower and applied by Borrower to pay Project costs shown in the Development Budget and approved by Lender;

(xvii) General Partner and Guarantor shall have executed consents to the extension of the then current Second Extended Maturity Date to the proposed Third Extended Maturity Date in form and substance approved by Lender; and

(xviii) Borrower shall have provided to Lender projections, operating statements, current leasing reports and rent rolls as required by Lender, demonstrating that all requirements for (A) Investor Limited Partner's making of Fourth Installment of Capital Contributions, and (B) the Conversion Date, including the achievement of any loan-to-value and debt service coverage requirements set forth in the Partnership Agreement and the Permanent Loan Commitments, as applicable, can each be achieved prior to the Third Extended Maturity Date (as determined by Lender, in its reasonable discretion).

If all of the foregoing conditions are not satisfied strictly in accordance with their terms, the Lender shall not be obligated to grant the applicable extension.

(d) Changes in Loan Terms. All terms and conditions of the Loan Documents shall continue to apply to the extended term or terms during any extension period, except that the Maturity Date shall mean the Third Extended Maturity Date.

Section 2. Security; Loan Documents. The security for this Note includes a Construction Leasehold Deed of Trust, with Assignment of Rents, Security Agreement and Fixture Filing (as the same may from time to time be amended, restated, modified or supplemented, the "Security Instrument") of even date herewith from Borrower to Lender, conveying and encumbering certain real and personal property more particularly described therein (the "Property"). This Note, the Security Instrument, the Borrower Loan Agreement of even date herewith, among Lender, Borrower and U.S. Bank National Association, a national banking association, in its capacity as the "Fiscal Agent" thereunder (as the same may from time to time be amended, restated, modified or supplemented, the "Loan Agreement") and all other documents now or hereafter securing, guaranteeing or executed in connection with the loan evidenced by this Note, or the loan evidenced by the Taxable Note (collectively, the "Loan") as the same may from time to time be amended, restated, modified or supplemented, are herein sometimes called individually a "Loan Document" and together the "Loan Documents".

Section 3. Interest Rate.

(a) BSBY Daily Floating Rate; Computations. The unpaid principal balance of this Note from day to day outstanding which is not past due, shall bear interest at a fluctuating rate of interest per annum equal to the BSBY Daily Floating Rate for that day plus two hundred fifty (250) basis points (the "BSBY Rate"). "BSBY Daily Floating Rate" means, for any day, a fluctuating rate of interest per annum equal to the BSBY Screen Rate two (2) Business Days prior to such day for a term of one (1) month; provided that if the rate is not published on such determination date then the BSBY Daily Floating Rate means the BSBY Screen Rate on the first (1st) Business Day immediately prior thereto; provided, further, if the BSBY Daily Floating Rate determined in accordance with the foregoing provisions of this definition would otherwise be less than one percent (1%), the BSBY Daily Floating Rate shall be deemed to be one percent (1%) for purposes of this Note. All computations of interest for the Base Rate (to the extent applicable and as hereinafter defined) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Servicer shall determine each interest rate in accordance with this Note and its determination thereof shall be conclusive in the absence of manifest error. The books and records of Servicer shall be conclusive evidence, in the absence of manifest error, of all sums owing to Lender from time to time under this Note, but the failure to record any such information shall not limit or affect the obligations of Borrower under the Loan Documents. Lender and Servicer do not warrant, nor accept responsibility, nor shall Lender have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "BSBY Rate" or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) including any rate that is an alternative or replacement for or successor to any such rate (including any Successor Rate) or the effect of any of the foregoing, or of any Conforming Changes.

(b) Illegality. If Lender or Servicer determines that any Law has made it unlawful, or that any Governmental Authority (as defined in Section 7) has asserted it is unlawful, for Lender to make, maintain or fund Loan advances whose interest is determined by reference to the BSBY Screen Rate, or to determine or charge interest rates based upon the BSBY Screen Rate, then, upon notice thereof by Servicer to Borrower, any obligation of Lender to make or maintain advances of the Loan at the BSBY Rate shall be suspended, in each case until Servicer notifies Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, Borrower shall, upon demand from Lender or Servicer, prepay, or, if applicable, convert the unpaid principal balance of this Note to bear interest at the Base Rate. Upon any such prepayment or conversion, Borrower shall also pay accrued interest on the amount so prepaid or converted.

(c) Inability to Determine Rate. If (i) Lender or Servicer determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate has been determined in accordance with Subsection (d), and the circumstances under Subsection (d)(i) or the Scheduled Unavailability Date has occurred (as applicable), or (B) adequate and reasonable means do not exist for determining BSBY in connection with any proposed or existing advance of the Loan; or (ii) Lender or Servicer determines that for any reason the BSBY Daily Floating Rate does not adequately and fairly reflect

the cost to Lender of funding any requested advance of the Loan, Servicer will promptly so notify Borrower. Thereafter, the obligation of Lender to make or maintain advances of the Loan at the BSBY Rate shall be suspended, in each case until Servicer revokes such notice. Upon receipt of such notice, (1) Borrower may revoke any pending request for a borrowing at the BSBY Rate (to the extent of the affected Loan advances) or, failing that, will be deemed to have converted such request into a request to borrow at the Base Rate, and (2) all amounts from day to day outstanding which are not past due, shall bear interest at a fluctuating rate of interest per annum equal to the Base Rate.

(d) Successor Rate. Notwithstanding anything to the contrary in this Note or any other Loan Document, if Lender or Servicer determines (which determination shall be conclusive absent manifest error), or Borrower notifies Lender and Servicer that Borrower has determined, that:

(i) adequate and reasonable means do not exist for ascertaining one (1) month interest periods of BSBY, including, because the BSBY Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) Bloomberg or any successor administrator of the BSBY Screen Rate or a Governmental Authority having jurisdiction over Lender or Bloomberg or such administrator has made a public statement identifying a specific date after which one (1) month interest periods of the BSBY Screen Rate shall or will no longer be representative or made available, or used for determining the interest rate of loans, or shall or will otherwise cease, provided that, at the time of such statement, there is no successor administrator that is satisfactory to Lender, that will continue to provide such representative interest periods of the BSBY Screen Rate after such specific date (the latest date on which one (1) month interest periods of the BSBY Screen Rate are no longer representative or available permanently or indefinitely, the "Scheduled Unavailability Date");

then, on a date and time determined by Servicer (any such date, the "BSBY Replacement Date"), which date shall be on the relevant interest payment date for interest calculated and shall occur within a reasonable period of time after the occurrence of any of the events or circumstances under clauses (i) or (ii) above and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, BSBY will be replaced hereunder and under any Loan Document with, subject to the proviso below, the first available alternative set forth in the order below for any payment period for interest calculated that can be determined by Servicer, in each case, without any amendment to, or further action or consent of any other party to, this Note or any other Loan Document (the "Successor Rate"):

- (x) Term SOFR *plus* the SOFR Adjustment; and
- (y) Daily Simple SOFR *plus* the SOFR Adjustment;

provided that, if initially BSBY is replaced with the rate contained in clause (y) above (Daily Simple SOFR *plus* the SOFR Adjustment) and subsequent to such replacement, Lender or Servicer determines that Term SOFR has become available and is administratively feasible for Lender in its sole discretion, and Servicer notifies Borrower of such availability, then with Borrower's written consent from and after the relevant interest payment date or the beginning of the payment period for interest calculated, in each case, commencing no less than thirty (30) days after the date of such notice, the Successor Rate shall be Term SOFR *plus* the SOFR Adjustment.

If the Successor Rate is Daily Simple SOFR *plus* the SOFR Adjustment, all interest payments will be payable on a monthly basis.

Notwithstanding anything to the contrary herein, (A) if Lender or Servicer determines that neither of the alternatives set forth in clauses (x) and (y) above is available on or prior to the BSBY Replacement Date, or (B) if the events or circumstances of the type described in clauses (i) or (ii) above have occurred with respect to the Successor Rate then in effect, then in each case, Lender and Borrower may amend this Note solely for the purpose of replacing BSBY or any then current Successor Rate in accordance with this Section on the relevant interest payment date or at the end of any payment period for interest calculated, as applicable, with another alternate benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. Dollar denominated bilateral portfolio commercial real property loans for

such alternative benchmarks and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar U.S. Dollar denominated bilateral portfolio commercial real property loans for such benchmarks, which adjustment or method for calculating such adjustment shall be published on an information service as selected by Servicer from time to time in its reasonable discretion and may be periodically updated. For the avoidance of doubt, any such proposed rate and adjustments shall constitute a Successor Rate.

Servicer will promptly (in one or more notices) notify Borrower of the implementation of any Successor Rate.

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for Lender, such Successor Rate shall be applied in a manner as otherwise reasonably determined by Lender or Servicer.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than one percent (1%), the Successor Rate will be deemed to be one percent (1%) for the purposes of this Note and the other Loan Documents.

In connection with the implementation of a Successor Rate, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Note or the other Loan Documents; provided that, with respect to any such amendment effected, Lender shall deliver each such amendment implementing such Conforming Changes to Borrower reasonably promptly after such amendment becomes effective.

(e) Additional Defined Terms. In addition to other terms defined herein, as used herein the following terms shall have the meanings indicated, unless the context otherwise requires:

“Base Rate” means, on any day, a fluctuating rate per annum equal to the Base Rate Margin plus the highest of: (a) the Federal Funds Rate for that day plus ½ of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Lender as its “Prime Rate,” or (c) one percent (1.00%). The “Prime Rate” is a rate set by Lender based upon various factors including Lender’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such Prime Rate announced by Lender shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Margin” means one hundred fifty (150) basis points per annum.

“Bloomberg” means Bloomberg Index Services Limited.

“BSBY” means the Bloomberg Short-Term Bank Yield Index rate.

“BSBY Screen Rate” means BSBY as administered by Bloomberg and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by Lender from time to time).

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where Lender’s office is located, and if such day relates to any BSBY Rate advance or BSBY Rate principal, in New York City.

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with BSBY or any Successor Rate, any conforming changes to the timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definition of Business Day, BSBY Screen Rate, timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as

may be appropriate, in the discretion of Servicer, to reflect the adoption and implementation of such applicable rate, and to permit the administration thereof by Servicer in a manner substantially consistent with market practice (or, if Servicer determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as Servicer determines is reasonably necessary in connection with the administration of this Note and any other Loan Document).

“Daily Simple SOFR” with respect to any applicable determination date means the secured overnight financing rate (“SOFR”) published on such date by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York’s website (or any successor source).

“Federal Funds Rate” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Note.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“SOFR Adjustment” with respect to Daily Simple SOFR means 0.11448% (11.448 basis points); and with respect to Term SOFR means 0.11448% (11.448 basis points) for an interest period of one (1)-month’s duration, 0.26161% (26.161 basis points;) for an interest period of three (3)-months’ duration, 0.42826% (42.826 basis points) for an interest period of six (6)-months’ duration, and 0.71513% (71.513 basis points) for an interest period of twelve (12)–months’ duration.

“Term SOFR” means, for a one (1) month interest period of BSBY (or if there is no one (1) month interest period applicable to SOFR, the closest corresponding interest period of SOFR), the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

Section 4. Prepayment. Borrower may, upon notice to Lender and Servicer, at any time or from time to time voluntarily prepay the outstanding principal balance of this Note in whole or in part, without fee, premium or penalty, provided that such notice must be in a form acceptable to Lender and be received by Lender not later than 11:00 a.m. Lender’s time on the date of prepayment. Each such notice shall specify the date and amount of such prepayment. If such notice is given by Borrower, Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of this Note shall be accompanied by all accrued interest on the amount prepaid, together with any other sums which have become due to Lender under this Note and the Loan Documents on or before the date of prepayment but have not been paid. Notwithstanding the foregoing, no prepayment may be made which in Lender’s or Servicer’s judgment would contravene or prejudice funding under any applicable permanent loan commitment or tri-party agreement or the like. If the Loan is prepaid in full, any commitment of Lender for further advances shall automatically terminate.

Section 5. Late Charges. If Borrower shall fail to make any payment under the terms of this Note (other than the payment due at maturity) within fifteen (15) days after the date such payment is due, Borrower shall pay to Lender on demand a late charge equal to four percent (4%) of the amount of such payment. Such fifteen (15) day period shall not be construed as in any way extending the due date of any payment. The “late charge” is imposed for the purpose of defraying the expenses of Lender incident to handling such delinquent payment. This charge shall be in addition to, and not in lieu of, any other remedy

Lender may have and is in addition to any fees and charges of any agents or attorneys which Lender may employ upon the occurrence of an Event of Default, whether authorized herein or by Law.

Section 6. Default Rate. After the occurrence of an Event of Default (including the expiration of any applicable cure period), Servicer, in Servicer's sole discretion and without notice or demand, may raise the rate of interest accruing on the outstanding principal balance of this Note by five hundred (500) basis points above the rate of interest otherwise applicable (the "Default Rate"), independent of whether Servicer elects to accelerate the outstanding principal balance of this Note.

Section 7. Increased Costs. If any Change in Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, Lender (which shall include, for purposes of this Section, any corporation Controlling Lender) (excluding any reserve requirement already reflected in the calculation of the interest rate in this Note);

(b) subject Lender to any taxes (other than taxes imposed on or measured by net income, however denominated, franchise taxes or branch profits taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) impose on Lender or the London interbank eurodollar market any other condition, cost or expense affecting this Note or any outstanding amount of the Loan;

and the result of any of the foregoing shall be to increase the cost to Lender, of providing, continuing or maintaining the Loan, or to reduce the amount of any sum received or receivable by Lender hereunder (whether of principal, interest or any other amount) then, within ten (10) days after request by Lender, Borrower will pay to Lender such additional amount or amounts as will compensate Lender for such additional costs incurred or reduction suffered. Such additional costs and/or reduction shall be allocated to this Note or any outstanding amount of the Loan as determined by Lender, using any reasonable method. No failure by Lender to immediately demand payment of any amounts hereunder shall constitute a waiver of Lender's right to demand payment of such amounts at any subsequent time. Notwithstanding the foregoing, Borrower shall not be required to compensate Lender for any such increased costs incurred or reduction suffered more than nine (9) months before Lender's request for compensation hereunder, provided that if the applicable Change in Law is retroactive, the nine (9)-month period will be extended to include the period of retroactive effect thereof. Nothing herein contained shall be construed or shall operate to require Borrower to pay any interest, fees, costs or charges greater than is permitted by applicable Law.

"Change in Law" means the occurrence, after the date of this Note, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline, or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted, issued or implemented.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

Section 8. Capital Requirements. If Lender (which shall include, for purposes of this Section, any corporation Controlling Lender) determines that any Change in Law affecting Lender, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on Lender's capital, as allocated to this Note or the Loan, or to Lender's commitments under this Note or the Loan, to a level below that which Lender could have achieved but for such Change in Law (taking into consideration Lender's policies with respect to capital adequacy), then from time to time Borrower will pay to Lender, within ten (10) days after request by Lender, such additional amount or amounts as will compensate Lender for any such reduction suffered. The allocation shall be made as determined by Lender, using any reasonable method. No failure by Lender to immediately demand payment of any amounts hereunder shall constitute a waiver of Lender's right to demand payment of such amounts at any subsequent time. Notwithstanding the foregoing, Borrower will not be required to compensate Lender for any such increased costs incurred or reduction suffered more than nine (9) months before Lender's request for compensation hereunder, provided that if the applicable Change in Law is retroactive, the nine (9)-month period will be extended to include the period of retroactive effect thereof. Nothing herein contained shall be construed or shall operate to require Borrower to pay any interest, fees, costs or charges greater than is permitted by applicable Law.

Section 9. Certain Provisions Regarding Payments. All payments made under this Note shall be applied, to the extent thereof, to late charges, to accrued but unpaid interest (including interest at the Default Rate), to unpaid principal, and to any other sums due and unpaid to Lender under the Loan Documents, in such manner and order as Servicer may elect in its sole discretion, any instructions from Borrower or anyone else to the contrary notwithstanding. Remittances shall be made without offset, demand, counterclaim, deduction, or recoupment (each of which is hereby waived) and shall be accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the amount then due on any indebtedness shall be deemed an acceptance on account only, notwithstanding any notation on or accompanying such partial payment to the contrary, and shall not in any way (a) waive or excuse the existence of an Event of Default (as hereinafter defined), (b) waive, impair or extinguish any right or remedy available to Lender hereunder or under the other Loan Documents, or (c) waive the requirement of punctual payment and performance or constitute a novation in any respect. Payments received after 2:00 p.m. shall be deemed to be received on, and shall be posted as of, the following Business Day. Whenever any payment under this Note or any other Loan Document falls due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.

Section 10. Events of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Note:

- (a) Borrower fails to pay within ten (10) calendar days of when and as due and payable any amounts payable by Borrower to Lender under the terms of this Note.
- (b) Any covenant, agreement or condition in this Note is not fully and timely performed, observed or kept, subject to any applicable grace or cure period.
- (c) An Event of Default (as defined or otherwise described therein) occurs under any of the Loan Documents other than this Note (subject to any applicable grace or cure periods).

Section 11. Remedies. Upon the occurrence of an Event of Default, Lender may at any time thereafter exercise any one or more of the following rights, powers and remedies:

- (a) Lender may accelerate the maturity of the Loan and declare the unpaid principal balance and accrued but unpaid interest on this Note, and all other amounts payable hereunder and under the other Loan Documents, at once due and payable, and upon such declaration the same shall at once be due and payable.
- (b) Lender may set off the amount owed by Borrower to Lender, whether or not matured and regardless of the adequacy of any other collateral securing this Note, against any and all accounts, credits, money, securities or other property now or hereafter on deposit with, held by or in the

possession of Lender to the credit or for the account of Borrower, without demand of, or notice to, or the consent of Borrower (any such demand, notice, or consent being expressly waived by Borrower). **ANY AND ALL RIGHTS TO REQUIRE LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN WHICH IS EVIDENCED BY THIS NOTE PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE BORROWER OR ANY GUARANTOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.**

(c) Lender may foreclose or otherwise realize upon any liens or security interests securing payment hereof.

(d) Lender may exercise any of its other rights, powers and remedies under the Loan Documents or at law or in equity.

Without limitation of the foregoing, upon the occurrence of an actual or deemed entry of an order for relief with respect to Borrower under the Bankruptcy Code (Title 11 of the United States Code, as in effect from time to time), any obligation of Lender to make advances shall automatically terminate, and the unpaid principal amount of the Loan outstanding and all interest and other amounts payable hereunder and under the other Loan Documents shall automatically become due and payable, in each case without further act of Lender.

Section 12. Remedies Cumulative. All of the rights and remedies of Lender under this Note and the other Loan Documents are cumulative of each other and of any and all other rights at law or in equity, and the exercise by Lender of any one or more of such rights and remedies shall not preclude the simultaneous or later exercise by Lender of any or all such other rights and remedies. No single or partial exercise of any right or remedy shall exhaust it or preclude any other or further exercise thereof, and every right and remedy may be exercised at any time and from time to time. No failure by Lender to exercise, nor delay in exercising, any right or remedy, including but not limited to the right to accelerate the maturity of this Note, shall operate as a waiver of such right or remedy or as a waiver of any Event of Default. Without limiting the generality of the foregoing provisions, the acceptance by Lender from time to time of any payment under this Note which is past due or which is less than the payment in full of all amounts due and payable at the time of such payment, shall not (i) constitute a waiver of or impair or extinguish the right of Lender to accelerate the maturity of this Note or to exercise any other right or remedy under this Note and/or any other Loan Document at the time or at any subsequent time, or nullify any prior exercise of any such right or remedy, or (ii) constitute a waiver of the requirement of punctual payment and performance or a novation in any respect.

Section 13. Costs and Expenses of Enforcement. Borrower agrees to pay to Lender on demand all costs and expenses incurred by Lender in seeking to collect this Note or to enforce any of Lender's rights and remedies under the Loan Documents, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed hereon, or whether in connection with arbitration, judicial reference, bankruptcy, insolvency or appeal.

Section 14. Service of Process. Borrower hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by (a) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to Borrower and (b) serving a copy thereof upon Mary Jane Jagodzinski, the agent hereby designated and appointed by Borrower as Borrower's agent for service of process. Borrower irrevocably agrees that such service shall be deemed to be service of process upon Borrower in any such suit, action, or proceeding. Nothing in this Note shall affect the right of Lender to serve process in any manner otherwise permitted by Law and nothing in this Note will limit the right of Lender otherwise to bring proceedings against Borrower in the courts of any jurisdiction or jurisdictions, subject to any provision or agreement for arbitration, judicial reference or other dispute resolution set forth in the Loan Agreement.

Section 15. Heirs, Successors and Assigns. The terms of this Note and of the other Loan Documents shall bind and inure to the benefit of the heirs, devisees, representatives, successors and

assigns of the parties. The foregoing sentence shall not be construed to permit Borrower to assign the Loan except as otherwise permitted under the Loan Documents.

Section 16. General Provisions. Time is of the essence with respect to Borrower's obligations under this Note. If more than one Person executes this Note as Borrower, all of said parties shall be jointly and severally liable for payment of the indebtedness evidenced hereby. Borrower and each party executing this Note as Borrower hereby severally (a) waive demand, presentment for payment, notice of dishonor and of nonpayment, protest, notice of protest, notice of intent to accelerate, notice of acceleration and all other notices (except any notices which are specifically required by this Note or any other Loan Document), filing of suit and diligence in collecting this Note or enforcing any of the security herefor; (b) agree to any substitution, subordination, exchange or release of any such security or the release of any party primarily or secondarily liable hereon; (c) agree that Lender shall not be required first to institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon or to perfect or enforce its rights against them or any security herefor; (d) consent to any extensions or postponements of time of payment of this Note for any period or periods of time and to any partial payments, before or after maturity, and to any other indulgences with respect hereto, without notice thereof to any of them; (e) waive the benefit of all homestead and similar exemptions as to this Note; (f) agree that their liability under this Note shall not be affected or impaired by any determination that any title, security interest or lien taken by Lender to secure this Note is invalid or unperfected; and (g) hereby subordinate to the Loan and the Loan Documents any and all rights against Borrower and any security for the payment of this Note, whether by subrogation, agreement or otherwise, until this Note is paid in full. A determination that any provision of this Note is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Note to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Note may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the Laws of the State of California (without regard to any principles of conflicts of laws) and applicable United States federal Law. Whenever a time of day is referred to herein, unless otherwise specified such time shall be the local time of the place where payment of this Note is to be made. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement, and if not defined in the Loan Agreement, then in the Funding Loan Agreement (as defined in the Loan Agreement). The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

Section 17. Notices. Any notice, request, or demand to or upon Borrower or Lender shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices.

Section 18. No Usury. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable state Law or applicable United States federal Law (to the extent that it permits Lender to contract for, charge, take, reserve, or receive a greater amount of interest than under state Law) and that this Section shall control every other covenant and agreement in this Note and the other Loan Documents. If applicable state or federal Law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan, or if Lender's exercise of the option to accelerate the maturity of the Loan, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable Law, then it is Lender's express intent that all excess amounts theretofore collected by Lender shall be credited on the principal balance of this Note and all other indebtedness secured by the Security Instrument, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable Law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the Loan shall, to the extent permitted by applicable Law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan until payment in full so that the rate or amount of interest on

account of the Loan does not exceed the maximum lawful rate from time to time in effect and applicable to the Loan for so long as the Loan is outstanding.

Section 19. Lost Note. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of this Note or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of this Note or other security document, Borrower will issue, in lieu thereof, a replacement note or other security document in the same principal amount thereof and otherwise of like tenor.

Section 20. Jurisdiction and Venue. BORROWER AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN THE COURTS OF THE STATE OF CALIFORNIA OR ANY FEDERAL COURT SITTING THEREIN AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURT. BORROWER HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

[Signature page follows]

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

BORROWER:

LINC-CORE PIONEER LP,
a California limited partnership

By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: 

Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Anders Plett
Senior Vice President of Housing Development

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

BORROWER:

LINC-CORE PIONEER LP,
a California limited partnership


By: NCRC Pioneer GP LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Michael Finn
Chief Financial Officer

By: Linc Pioneer LLC,
a California limited liability company,
its co-managing general partner

By: LINC Housing Corporation,
a California nonprofit public benefit corporation,
its sole member/manager

By:  _____
Anders Plett
Senior Vice President of Housing Development

ALLONGE

The undersigned, CALIFORNIA HOUSING FINANCE AUTHORITY, a public instrumentality and political subdivision of the State of California, hereby assigns to BANK OF AMERICA, N.A., a national banking association, as Funding Lender, all of the right, title and interest of the undersigned in, to and under that certain Promissory Note (Tax-Exempt), dated December 1, 2022, made by Linc-CORE Pioneer LP, a California limited partnership, to the order of the undersigned, in the original principal amount set forth in said Promissory Note.

Dated: December 1, 2022

[Signature Page Follows]

Allonge

Dated as of the date above written.

CALIFORNIA HOUSING FINANCE AGENCY,
a public instrumentality and political subdivision
of the State of California

By: 
Name: Erwin Tam
Title: Director of Financing

THIS GOVERNMENTAL LENDER NOTE MAY BE OWNED ONLY BY AN “APPROVED TRANSFEREE” (AS SUCH TERM IS DEFINED IN THE FUNDING LOAN AGREEMENT REFERENCED BELOW), AND THE HOLDER HEREOF, BY THE ACCEPTANCE OF THIS GOVERNMENTAL LENDER NOTE (A) REPRESENTS THAT IT IS AN APPROVED TRANSFEREE AND (B) ACKNOWLEDGES THAT IT CAN ONLY TRANSFER THIS GOVERNMENTAL LENDER NOTE OR ANY INTEREST HEREIN TO ANOTHER APPROVED TRANSFEREE IN ACCORDANCE WITH THE TERMS OF THE FUNDING LOAN AGREEMENT.

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE X (TAX-EXEMPT)**

December 29, 2022

\$82,467,538

FOR VALUE RECEIVED, the undersigned CALIFORNIA HOUSING FINANCE AGENCY (“Obligor”) promises to pay to the order of BANK OF AMERICA, N.A. (“Holder”) the maximum principal sum of EIGHTY-TWO MILLION FOUR HUNDRED SIXTY-SEVEN THOUSAND FIVE HUNDRED THIRTY-EIGHT DOLLARS (\$82,467,538), on January 1, 2027, or earlier as provided herein, together with interest thereon at the rates, at the times and in the amounts provided below.

Obligor shall pay to the Holder on or before each date on which payment is due under that certain Funding Loan Agreement, dated as of December 1, 2022 (the “Funding Loan Agreement”), among Obligor, U.S. Bank Trust Company, National Association, as Fiscal Agent (the “Fiscal Agent”), and Holder, an amount in immediately available funds sufficient to pay the principal amount of and Prepayment Premium, if any, on this Tax-Exempt Governmental Lender Note then due and payable, whether by maturity, acceleration, prepayment or otherwise. In the event that amounts held derived from proceeds of the Borrower Loan, condemnation awards or insurance proceeds or investment earnings thereon are applied to the payment of principal due on the Funding Loan applicable to this Tax-Exempt Governmental Lender Note in accordance with the Funding Loan Agreement, the principal amount due hereunder shall be reduced to the extent of the principal amount of the Funding Loan applicable to this Tax-Exempt Governmental Lender Note so paid. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Funding Loan Agreement.

Obligor shall pay to the Holder on or before each date on which interest on the Funding Loan is payable, interest on the unpaid balance hereof in an amount in immediately available funds sufficient to pay the interest on the Funding Loan then due and payable in the amounts and at the rate or rates set forth in the Funding Loan Agreement.

The Funding Loan and the portion thereof applicable to this Tax-Exempt Governmental Lender Note are pass-through obligations relating to a construction loan (the “Borrower Loan”) made to LINC-CORE Pioneer LP, a California limited partnership, as borrower (the “Borrower”),

by Obligor from the proceeds of a portion of the Funding Loan, under that certain Borrower Loan Agreement, dated as of December 1, 2022 (as the same may be modified, amended or supplemented from time to time, the "Borrower Loan Agreement"), among the Obligor, the Fiscal Agent, the Funding Lender and the Borrower, evidenced by the Borrower Tax-Exempt Note (as defined in the Borrower Loan Agreement). Reference is made to the Borrower Loan Agreement and to the Borrower Tax-Exempt Note for complete payment and prepayment terms of the Borrower Tax-Exempt Note, payments on which are passed-through under this Tax-Exempt Governmental Lender Note. To provide additional financing for the Project, concurrently with the making of this Tax-Exempt Governmental Lender Note, the Governmental Lender is also making its Limited Obligation Multifamily Housing Revenue Note (515 Pioneer Drive) 2022 Issue X-T (Taxable) in the principal amount of \$9,177,478, which is also payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement.

This Tax-Exempt Governmental Lender Note and the Funding Loan are limited obligations of the Obligor, payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement. None of the Obligor, the City, the County or the State or any political subdivision thereof (except the Obligor, to the limited extent set forth herein) shall in any event be liable for the payment of the principal of, premium (if any) or interest on the Funding Loan or for the performance of any pledge, obligation or agreement of any kind whatsoever with respect thereto except as set forth herein and in the Funding Loan Agreement, and none of the Funding Loan or this Tax-Exempt Governmental Lender Note or any of the Obligor's agreements or obligations with respect to the Funding Loan or this Tax-Exempt Governmental Lender Note shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. The Obligor has no taxing power.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Funding Loan Agreement or in the Borrower Loan Agreement.

This Tax-Exempt Governmental Lender Note is subject to the express condition that at no time shall interest be payable on this Tax-Exempt Governmental Lender Note or the Funding Loan at a rate in excess of the Maximum Rate provided in the Funding Loan Agreement; and Obligor shall not be obligated or required to pay, nor shall the Holder be permitted to charge or collect, interest at a rate in excess of such Maximum Rate. If by the terms of this Tax-Exempt Governmental Lender Note or of the Funding Loan Agreement, Obligor is required to pay interest at a rate in excess of such Maximum Rate, the rate of interest hereunder or thereunder shall be deemed to be reduced immediately and automatically to such Maximum Rate, and any such excess payment previously made shall be immediately and automatically applied to the unpaid balance of the principal sum hereof and not to the payment of interest.

Amounts payable hereunder representing late payments, penalty payments or the like shall be payable to the extent allowed by law.

This Tax-Exempt Governmental Lender Note is subject to all of the terms, conditions, and provisions of the Funding Loan Agreement, including those respecting prepayment and the

acceleration of maturity and those respecting limitations of liability in Article V of the Funding Loan Agreement.

If there is an Event of Default under the Funding Loan Documents, then in any such event and subject to the requirements set forth in the Funding Loan Agreement, the Holder may declare the entire unpaid principal balance of this Tax-Exempt Governmental Lender Note and accrued interest, if any, due and payable at once. All of the covenants, conditions and agreements contained in the Funding Loan Documents are hereby made part of this Tax-Exempt Governmental Lender Note.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Tax-Exempt Governmental Lender Note or the Funding Loan Documents shall operate as a waiver of such remedy, right or option. In any event a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The rights, remedies and options of the Holder under this Tax-Exempt Governmental Lender Note and the Funding Loan Documents are and shall be cumulative and are in addition to all of the rights, remedies and options of the Holder at law or in equity or under any other agreement.

Obligor shall pay all costs of collection on demand by the Holder, including without limitation, reasonable attorneys' fees and disbursements, which costs may be added to the indebtedness hereunder, together with interest thereon, to the extent allowed by law, as set forth in the Funding Loan Agreement.

This Tax-Exempt Governmental Lender Note may not be changed orally. Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived. The acceptance by the Holder of any amount after the same is due shall not constitute a waiver of the right to require prompt payment, when due, of all other amounts due hereunder. The acceptance by the Holder of any sum in an amount less than the amount then due shall be deemed an acceptance on account only and upon condition that such acceptance shall not constitute a waiver of the obligation of Obligor to pay the entire sum then due, and Obligor's failure to pay such amount then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid. Consent by the Holder to any action of Obligor which is subject to consent or approval of the Holder hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions.

This Tax-Exempt Governmental Lender Note (and the Funding Loan that it represents), and any interests herein or therein, are transferable by the registered owner hereof, but only in the manner, subject to the limitations and upon payment of the charges provided in the Funding Loan Agreement. Upon such transfer a new fully registered Tax-Exempt Governmental Lender Note will be issued to the transferee in exchange herefor. The Obligor and the Funding Lender may treat the registered owner hereof as the absolute owner hereof for all purposes, and the Obligor and the Funding Lender shall not be affected by any notice to the contrary.

Notwithstanding any provision of this Tax-Exempt Governmental Lender Note or the Funding Loan Agreement to the contrary, the Governmental Lender shall be permitted to direct Borrower Tax-Exempt Note prepayments to be transferred to a custodian or trustee selected by the Governmental Lender, in lieu of application to prepay a like portion of this Tax-Exempt

Governmental Lender Note, so long as the Governmental Lender simultaneously causes other funds to be applied to prepay such portion of this Tax-Exempt Governmental Lender Note. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

SPECIMEN

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Tax-Exempt Governmental Lender Note or caused this Tax-Exempt Governmental Lender Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

OBLIGOR:

CALIFORNIA HOUSING FINANCE
AGENCY

By: 
Director of Financing

SPECIMEN


[Signature page to Tax-Exempt Governmental Lender Note – 515 Pioneer Drive]

CERTIFICATE OF AUTHENTICATION

This Tax-Exempt Governmental Lender Note is the Tax-Exempt Governmental Lender Note described in the within -mentioned Funding Loan Agreement.

Date of Authentication December 29, 2022

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Fiscal Agent

By: 
Name: David Jason
Title: Authorized Signatory



\$82,467,538
CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE X (TAX-EXEMPT)

\$9,177,478
CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE NOTE
(515 PIONEER DRIVE) 2022 ISSUE X-T (TAXABLE)

MATURITY SCHEDULE TO FINAL CDIA

<u>Series</u>	<u>Par Amount</u>	<u>Maturity Date</u>
2022 Issue X	\$82,467,538	January 1, 2027
2022 Issue X-T (Taxable)	\$9,177,478	January 1, 2027