TRANSMITTAL

To: THE COUNCIL

Date: 12/22/2017

From: THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.



(Ana Guerrero) for

ERIC GARCETTI
Mayor

Los Angeles
HOUSING+COMMUNITY
Investment Department

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org

Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

December 20, 2017

Council File:	12-0049-S5	
	15-0220	
	16-0600-S145	
	17-0862	
Council Districts:	Citywide	
Contact Persons:	Mariana Lem	(213) 808-8966
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The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 North Spring Street
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT REQUEST FOR APPROVAL TO EXECUTE DISPOSITION AND DEVELOPMENT AGREEMENTS AND OWNERS PARTICIPATION AGREEMENTS FOR THE DEVELOPMENT OF AFFORDABLE HOUSING ON CITY-OWNED PROPERTIES

SUMMARY

The Los Angeles Housing + Community Investment Department (HCIDLA) requests approval of the recommendations contained in this report related to the disposition and development of housing assets owned by the City of Los Angeles, with the purpose of maximizing the use of public land for the development of affordable housing. The housing assets identified in this report consist of seven former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) properties transferred to HCIDLA and two City-owned properties made available through the City Administrative Officer (CAO) Affordable Housing Opportunity Sites (AHOS) Program. Through a competitive selection process, HCIDLA selected qualified developers for these housing assets, and negotiated a Term Sheet with each developer that outlines the key business terms and conditions of the project. The terms will be incorporated into either a Disposition and Development Agreement (DDA) or an Owner Participation Agreement (OPA) with each developer that includes the agreement to convey the housing asset (public land) for affordable housing development.

On June 24, 2016 and November 8, 2016, HCIDLA received approval from City Council and the Mayor to execute DDAs and OPAs with the selected developers to build affordable housing (C.F. No. 15-0220 and C.F. No. 12-0049-S5). Therefore, HCIDLA is now requesting City Council and Mayor authority to negotiate and execute DDAs and OPAs, based on the key terms and conditions contained in the attached term sheets for each project.

Nine selected developers intend to apply for the HHH Permanent Supportive Housing Loan Program (HHH) in the first quarter of 2018. The HHH regulations require that a DDA or OPA be fully executed in order for the developer to receive the HHH award. In recognition of the impending HHH deadline, HCIDLA requests that City Council and the Mayor review and approve the DDA and OPA terms by January 15, 2018 to enable the selected developers sufficient time to apply for the upcoming HHH February funding round, and start the process of construction of affordable and permanent supportive housing on the City-owned property. It is important to note that these nine DDA and OPA agreements will commit public land valued at over $19.9 million, and result in 678 affordable housing units, of which 515 permanent supportive housing units will be designated for the homeless.

RECOMMENDATIONS

The General Manager of HCIDLA respectfully requests that:

I. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to the City Council for review and approval immediately thereafter;

II. The City Council, subject to the approval of the Mayor, take the following actions:

A. Authorize the General Manager of HCIDLA, or designee, to negotiate and execute Disposition and Development Agreements (DDA) or Owners Participation Agreements (OPA) with the selected developers for the following properties in substantial conformance with the Form of Agreement (Attachments J-K) and based on the Key Terms and Conditions negotiated with each developer (Attachments A-I):

i. 11681 W. Foothill Blvd.
ii. 13574 W. Foothill Blvd.
iii. 6527 Crenshaw Blvd
iv. 2600 S. Hoover Street (Casa de Rosas)
v. 6901- 6915 S. Main Street
vi. 2375 W. Washington Blvd.
vii. 4314 W. Adams Blvd.
viii. 11950 W. Missouri Avenue
ix. 557 S. Crocker Avenue

B. Authorize the General Manager of HCIDLA, or designee, to prepare Controller instructions and any necessary technical adjustments consistent with the Mayor and City Council actions, subject to the approval of the City Administrative Officer (CAO), and instruct the Controller to implement the instructions.

BACKGROUND

In February 2012, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) was dissolved by the California Supreme Court. In November 2012, HCIDLA was appointed as the Successor

Housing Agency. Consequently, all housing assets and functions of the former CRA/LA were transferred to HCIDLA consisting of approximately 30 CRA/LA housing projects (including vacant land), $600 million in CRA/LA loan receivables, and almost 600 Regulatory Agreements that restrict rents on nearly 23,000 affordable housing units. In response to the City's affordable housing crisis, and to meet the City and Mayor's objective of creating new affordable housing quickly, HCIDLA created a Public Land Development Program with the goal of developing the former CRA/LA vacant land and leveraging other City-owned property for the creation of citywide affordable housing.

To meet this goal, HCIDLA began issuing Request for Proposals (RFPs) in 2015 for individual properties, including the Casa de Rosas project located at 2600 S. Hoover Street in Council District 9. However, shortly after the first RFP release, staff determined that it would be more efficient to make multiple properties available for development at one time. Subsequently on April 18, 2016, HCIDLA issued the first Request for Qualification/Proposal (RFQ/P) that included 12 properties in total.

In February 2016, a Comprehensive Homeless Strategy (CHS) was adopted by the City in response to the homelessness crisis in Los Angeles. The AHOS Initiative was subsequently launched as a pilot program in the Office of the City Administrative Officer (CAO) as part of the CHS' Strategy 7D, "Using Public Land for Affordable and Homeless Housing." Using the Council approved Asset Evaluation Framework (C.F. 12-1549-S3), the CAO conducted the preliminary assessment of the City-owned sites identified in the FY 2016-17 Adopted Budget.

Recognizing the need to minimize redundancy from preliminary analysis through the development and outreach process for the two programs, HCIDLA and CAO collaborated by coordinating on the Land Development and AHOS Initiative to develop common processes and regulations. The CAO assumed responsibility for identifying City-owned sites suitable for development, and HCIDLA assumed responsibility for selecting developers and negotiating disposition development agreements. The combined AHOS - Land Development effort currently consists of 44 City owned properties, including 25 former CRA sites, 15 AHOS sites, three LADOT sites, and one HCIDLA owned site.

Request For Proposal, and Request For Qualification/Proposal

On December 7, 2015, HCIDLA released a RFP for the selection of a developer for the Casa de Rosas project with the intent to select a developer to maximize the property for affordable housing. Upon completion of the competitive selection process, Ward Economic Development Corporation with The Integral Group (WEDC/Integral), was selected as the development team by HCIDLA, and approved by City Council and the Mayor on June 24, 2016 (C.F. No. 15-0220).

Consequently, on April 18, 2016, HCIDLA released a RFQ/P for the disposition of City-owned properties for the development of permanent supportive housing for homeless, affordable multi-family rental, homeownership, and other types of housing on the City-owned parcels. At the conclusion of the competitive selection RFQ/P process, HCIDLA submitted their recommendations of qualified developers to City Council and the Mayor on November 11, 2016, whereupon the selection was approved by City Council and the Mayor (C.F. No. 12-0049-S5).

On July 25, 2016, the CAO released a RFQ/P to identify developers for up to 12 City-owned AHOS sites for permanent supportive housing. At the conclusion of the competitive selection process, the CAO submitted their recommendations of qualified developers for four sites to City Council and the Mayor on

December 14, 2016 and the selection of four developers were approved by City Council and the Mayor (C.F. No. 16-0600-S145).

Land Development Process

As noted previously, each of the nine developers in Table 1 below participated in a competitive selection process and was selected to develop an affordable housing project on one of the City-owned properties.

Table 1 – Selected Developers

Property Address	Council District	Selected Lead Developer	Land Transfer Type	FMV as of October 2017	PSH Units	Total Units
11681 W. Foothill Blvd.	7	LA Family Housing	Ground Lease	$3,400,000 (Oct 2016)	48	49
13574 W. Foothill Blvd.	7	Clifford Beers Housing	Ground Lease	$2,245,823	47	48
6527 Crenshaw Blvd	8	GTM Holdings	Sale	$440,463	22	43
2600 S. Hoover Street	9	Ward Economic Development Corporation	Sale	$3,936,000	34	34
6901- 6915 S. Main Street	9	Coalition for Responsible Community Development	Sale	$813,363	49	50
2375 W. Washington Blvd.	10	Hollywood Community Housing Corporation	Ground Lease	$2,329,139	31	64
4314 W. Adams Blvd.	10	Abode Communities	Sale	$894,898	19	38
11950 W. Missouri Avenue	11	Thomas Safran & Associates	Ground Lease	$5,700,000 (June 2016)	37	74
557 S. Crocker Avenue	14	Weingart Center Association	Sale	$205,669	228	278
			Total	**$19,965,355**	**515**	**678**

At the conclusion of the developer selection period, each developer entered into Exclusive Negotiating Agreements (ENA) with the City. Over the past year (2016/2017), the selected developers have worked with HCIDLA's Public Land Development Program team to refine development plans, financing terms, and milestones required to complete the process of permananent supportive housing development. From the inception of the development process with the City, each developer has consulted with the local Council Office, engaged in community outreach to stakeholders, begun the process of securing entitlements, and participated in the underwriting process with City consultants. At the completion of the underwriting process, the proposed terms of each project were then reviewed and consequently approved by HCIDLA's Loan Committee. A Term Sheet outlining the key business terms and conditions was agreed to by both HCIDLA and the developer. The approved Term Sheets are provided as Attachments A through I of this report. The DDA and OPA templates approved by HCIDLA are provided as Attachments J and K of this report.

Once the DDA or OPA agreements are fully executed, the developers will be able to secure total financing for their projects, and HCIDLA will be able to make final arrangements for disposition of each property, as defined by the respective RFP or RFQ/P that was released, and in accordance with the Housing Development Land Conveyance Policy approved by the City Council on November 8, 2017 (C.F. No. 17-

0862). Where feasible, HCIDLA shall utilize long-term ground leases for development of affordable housing projects on publicly owned land by executing a DDA and Ground Lease. An OPA will be executed when a project requires assembly of multiple privately-owned contiguous parcels and, if a common ownership interest will benefit the long term management of the property. Additionally, HCIDLA may opt to convey the property at fair market value or at fair reuse value to the project sponsor, subject to the affordable housing restrictions and other requirements as may be applied to the project by HCIDLA. After funding has been secured by the developer for the permanent supportive housing projects, the City Attorney will be instructed to prepare an ordinance for City Council and Mayoral approval setting forth the terms for the sale of five of the City-owned parcels.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommendations contained in this report will authorize HCIDLA to negotiate and execute DDAs and OPAs with qualified developers selected from the Housing Dispositions and Development RFP and RFQ/P released in December 2015 and April 2016 respectively, and the Affordable Housing Opportunity Sites RFQ/P released in July 2016, resulting in the development of nine permanent supportive housing projects.

Prepared by:

MARIANA LEM
Finance Development Officer I

Reviewed by:

HELMI A. HISSERICH
Director, Housing Strategies & Services

Reviewed by:

SEAN L. SPEAR
Assistant General Manager

Approved by:

LAURA K. GUGLIELMO
Executive Officer

Approved by:

RUSHMORE D. CERVANTES
General Manager

ATTACHMENTS:

Attachment A: Term Sheet – 11681 W. Foothill Boulevard
Attachment B: Term Sheet – 13574 W. Foothill Boulevard
Attachment C: Term Sheet – 6527 Crenshaw Boulevard
Attachment D: Term Sheet – 2600 S. Hoover Street
Attachment E: Term Sheet – 6901-6915 S. Main Street
Attachment F: Term Sheet – 2375 W. Washington Boulevard
Attachment G: Term Sheet – 4314 W. Adams Boulevard
Attachment H: Term Sheet – 11950 W. Missouri Avenue
Attachment I: Term Sheet – 557 S. Crocker Avenue
Attachment J: Disposition and Development Agreement Template
Attachment K: Owners Participation Agreement Template

Attachment A: Term Sheet – 11681 W. Foothill Boulevard

11681 Foothill Boulevard
Disposition and Development Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Disposition and Development Agreement ("DDA") for Foothill Terrace (Project) shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), L.A. Family Housing, a California nonprofit public benefit corporation (LAFH), and Many Mansions, a California nonprofit public benefit corporation (Many Mansions). LAFH and Many Mansions are collectively referred to as "Developer".

2. **City Site Description:**
The City owns one parcel of land located near the intersection of Foothill Boulevard and Kagel Canyon Street:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	**11681 Foothill Boulevard**	**2530-008-901**	**132,131**	**Attachment A**

3. **City Site History**
In 1999, Terrace View Lake, LP (Former Owner) purchased the property and attempted to develop a 56-unit apartment complex consisting of four multi-story buildings. The City of Los Angeles Housing + Community Investment Department (HCIDLA) committed $2,826,296 in HOME funds in return for the Former Owner restricting 49% of the units to Very-Low Income Households. HCIDLA disbursed $1,419,030 of the total HOME fund commitment. However, the development encountered financial difficulties. HCIDLA provided the Former Owner with an opportunity to sell the property, repay the debt, and avoid foreclosure. However, the Former Owner was unable to sell the property, and foreclosure proceedings were initiated

HCIDLA paid $1,828,926 at a Trustee's Sale on December 28, 2005 to acquire the City Site. The purchase price was funded with the following:

Funding Source	Amount
HOME Funds	$1,419,030
Loan Interest Funds	$405,361
Unidentified Funds	$4,535
Total Funds	$1,828,926

In 2013, HUD required HCIDLA to repay HUD the $1,419,030 in HOME funds that were disbursed for the development. HCIDLA repaid these HOME funds via a voluntary grant reduction to the City's HOME allocation in Fiscal Year 2013. Thus, HCIDLA owns the City Site free and clear of any federal funding repayment obligations.

4. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:

a. Project Summary: Foothill Terrace will consist 49 units incorporated into four buildings ranging from three to four stories. Forty-eight (48) of the units will be restricted to homeless veterans, and one unit will be set-aside for an on-site manager. A total of 17 surface parking spaces will be provided. Approximately 1,280 square feet of community/service space will be provided. In addition, a community garden will be incorporated into the Project.
b. Project Site Size: 132,131 square feet of land area.
c. Gross Building Area: 36,578 square feet (22,261 sf gross living area, 4,240 sf of common/service areas, 10,077 sf of circulation).
d. Unit Mix: 37 studio units, 11 one-bedroom units, and one (1) two-bedroom unit.
e. Parking: 17 spaces
f. Target Population: Homeless Veterans
g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. At least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
h. Amenities: Two offices for supportive services, one community room, a fitness center, a laundry room, and a community garden.

5. **Ground Lease of the City Site:**
The City agrees to ground lease to Developer and the Developer agrees to ground lease from the City, the leasehold interest in the City Site in accordance with the DDA. The Ground Lease will have the following terms:
a. A 99-year ground lease term.
b. The first 65 years will have the following lease terms:
    i. A base ground rent payment of $10,000 per year, increasing at 1% per year; plus
    ii. A portion of 50% of the Residual Receipts using the Fair Market Value (FMV) of the City Site to set the pro rata share with the other Soft Lenders.
c. In order for an automatic renewal of the ground lease in Year 65, the City will obtain a FMV appraisal based on the "As-Is" value of the leasehold interest, which will reset the payment for Years 66 through 99.
d. The ground lease will be unsubordinated to other financing sources; however, the fixed payment will be subordinated to the construction and permanent lenders.

6. **Developer Pro Forma:**
Attached ("Attachment B") is the current Developer Pro Forma for the Project.

7. **Project Site Plan:**
Attached ("Attachment C") is the current Site Plan for the Project.

8. **Labor Rates:**
The Project will incur federal Davis Bacon and/or State of California prevailing wages, if required by a project funding source.

9. **Developer Fee:**
The total developer fee is estimated at $2,984,399, which is the maximum amount allowed under the TCAC regulations. The Developer intends to defer $484,399 or 16% of the developer fee, which will be repaid out of the Project's cash flow. The Developer is not proposing to contribute any Developer Equity to the Project.

10. **Social Services to be Provided at Project:**

The Project will provide $171,360 in annual social services on-site. The Project proposes to service homeless veterans. The services that will be made available to residents will include the following:

a. Case management
b. Referrals to veteran-specific service providers and community support
c. Establishment of a medical home, utilization of a primary care provider and referrals to physical health care services including access to routine and preventative health and dental care
d. Life Skills Training
e. Employment Training
f. Benefits Advocacy and Acquisition Assistance
g. Transportation Assistance
h. Linkage to recreation/social activities

11. **Minimum Reserves:**

a. Capitalized Operating Reserves - $382,588
b. Annual Replacement Reserves - $600 per unit

12. **Subordination:**

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Density Bonus Affordability Restrictions	Unsubordinated
City Ground Lease	Unsubordinated
City Ground Lease Payments (Fixed)	Subordinated to TEB
HHH Affordability Restrictions	Subordinated to TEB

13. **Affordability Restrictions (See Attachment D):**

One unit will be unrestricted and set-aside for an on-site manager. The remaining 48 units will be subject to income and affordability requirements imposed by the regulatory agreements for up to a 55-year period after Certificate of Occupancy (COO). The income and affordability restrictions are as follows:

a. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	18	6	24
50% AMI	TCAC	TCAC	19	5	24
Total Units			**37**	**11**	**48**

b. CDLAC Regulatory Agreement (20% at 50% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	0	0	0
35% AMI	TCAC	TCAC	0	0	0
40% AMI	TCAC	TCAC	0	0	0
50% AMI	TCAC	TCAC	10	0	10
Total Units			**10**	**0**	**10**

c. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	18	6	24
50% AMI	TCAC	TCAC	19	5	24
Total Units			**37**	**11**	**48**

d. City Density Bonus Regulatory Agreement (Per Health and Safety Code Definitions):[1]

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0
Low Income HCD	§50079.5	§50053	10	0	10
Total Units			**10**	**0**	**10**

14. Financing Plan:

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$13,717,000
Permanent		$2,583,000
4% Tax Credit Equity	TCAC/TBD Investor	$9,030,000
LACDC Loan	LACDC	$3,000,000
AHP Loan	Federal Home Loan Bank	$700,000
Deferred Developer Fee	Developer	$484,000
HHH Loan	City of LA	$8,530,000
Project-Based Section 8	HACLA	48 Vouchers

15. Milestones:

The Developer agrees to apply for the funds listed below by the following dates:

Action	Date
DDA Executed	By January 2018
Entitlements Application	January 2018
Entitlements Secured	August 2018
LACDC Application / Award	April 2018 / August 2018
HHH PSH Application / Award	December 2017 / January 2018
PBS8 1st Application / Award	December 2017 / March 2018
AHP Application / Award	April 2018 / August 2018
City TEB Application / Approval	May 2018 / August 2018
CDLAC Application / Award	September 2018 / November 2018
4% TCAC Application / Award	September 2018 / November 2018
Financing / Land Closing	April 2019
Construction Commences / Completed	April 2019 / August 2020
Placed in Service Date	August 2020

[1] The actual City Density Bonus affordability requirements will be subject to the Planning Department's review process.

16. **Agreement of Terms:**

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 12/29/17

Sean L. Spear
Assistant General Manager

DEVELOPER
LAFH / Many Mansions

By: L. A. Family Housing Corporation,
a California nonprofit public benefit corporation,
its co-managing member

By: _____
Stephanie Klasky-Gamer
President and Chief Executive Officer

By: Many Mansions,
a California nonprofit public benefit corporation,
its co-managing member

By: _____
Rick Schroeder
President

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Pro Forma
Attachment C	Site Plan
Attachment D	Affordability Mix Summary

16. **Agreement of Terms:**

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: _____

Sean L. Spear
Assistant General Manager

DEVELOPER
LAFH / Many Mansions

By: L. A. Family Housing Corporation,
a California nonprofit public benefit corporation,
its co-managing member

By: _____
Stephanie Klasky-Gamer
President and Chief Executive Officer

By: Many Mansions,
a California nonprofit public benefit corporation,
its co-managing member

By: _____
Rick Schroeder
President

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Pro Forma
Attachment C	Site Plan
Attachment D	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

11681 W. Foothill Boulevard

ATTACHMENT A

Legal Description
For
11681 West Foothill Boulevard

Real property in the City of Los Angeles (Sylmar Area), County of Los Angeles, State of California, described as follows:

THAT PORTION OF THE NORTH 10 ACRES OF BLOCK 60 OF MACLAY RANCHO EX-MISSION OF SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37, PAGE 5 ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF THE 100 FOOT STRIP OF LAND DESCRIBED AS PARCELS "3A" AND "4A" IN THE DECREE OF CONDEMNATION FOR THE WIDENING OF FOOTHILL BOULEVARD, IN SUPERIOR COURT CASE NO. 413, 262, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 17015, PAGE 301, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION CONVEYED TO THE SOUTHERN CALIFORNIA EDISON COMPANY, BY DEED RECORDED IN BOOK 4432, PAGE 33 OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT IN THE CENTER LINE OF GLADSTONE AVENUE, 60 FEET WIDE, FORMERLY TENTH STREET, AS SHOWN ON SAID MAP, DISTANT SOUTH 41° 21' 55" EAST THEREON 232.51 FEET FROM THE CENTER LINE OF KAGEL CANYON STREET, 60 FEET WIDE, FORMERLY WIDE FORMERLY TUJUNGA AVENUE, AS SHOWN ON SAID MAP; THENCE SOUTH 06° 55' 03" WEST 107.19 FEET; SOUTH 28° 30' 26" WEST 60.70 FEET; THENCE SOUTH 48° 44' 55" WEST 348.00 FEET.

APN: 2530-008-901

Attachment B
Developer Pro Forma

11681 W. Foothill Boulevard

Foothill Terrace

Prepared For:	LA Family Housing
Prepared By:	California Housing Partnership Corporation
Version:	1.6 HCIDLA HHH Application
Revised:	December 14, 2017
File:	Macintosh HD:Users:nicolenorori:Dropbox (CHPC):[Foothill Terrace 1.6 HHH Application .xls]Sources

TABLE OF CONTENTS

Sources of Funds..... 1
Uses of Funds..... 1a
Unit Mix & Rental Income..... 2
Rent Comparison Table..... 2a
Tax Credit Calculation..... 3
Base Year Income & Expense..... 4
Mortgage Calculation & Bond Ratios..... 4a
Lease-up / Placed-in-Service Schedule..... 5
Net Syndication Proceeds..... 6
Threshold Basis Limits..... 7
15-Year Cash Flow..... 8
Outstanding Debt & Reserves..... 8a
Schedule of Deductions..... 9
Analysis of Taxable Income..... 10
Capital Account & Exit Tax Liability..... 11
Investment Summary..... 12
Net Quarterly Benefits..... 13

SOURCES OF FUNDS

PERMANENT

	AMOUNT	INT RATE	OID INT RATE	TERM / AMORT	COMMENTS
Permanent Loan	2,583,000	5.35%		15	
HCIDLA PSH HHH	8,530,000	3.00%	1.79%	55	
LACDC	3,000,000	3.00%	1.79%	55	
Accrued/Deferred Interest -	107,300				
FHLB - AHP	700,000	0.00%		55	
Deferred Developer Fee	484,399	0.00%			
Capital Contributions					Total currently paid developer fee: $ 2,500,000
General Partner	0				% ownership: 0.01%
Limited Partners	9,030,128				% ownership: 99.99%
					Credit pricing: Federal $0.940
TOTAL SOURCES	**24,434,827**				
Surplus/(Shortfall)	*0*				

CONSTRUCTION

	AMOUNT	INT RATE	TERM (Mo.)
Construction Loan	13,716,686	4.47%	24
HCIDLA PSH HHH	3,838,500	3.00%	24
LACDC	3,000,000	3.00%	24
Accrued/Deferred Interest	107,300		
FHLB - AHP	700,000		
Costs Deferred Until Completion*	1,684,928		
Deferred Developer Fee	484,399		
Capital Contributions			
General Partner	0		
Limited Partners	903,013		
TOTAL SOURCES	**24,434,827**		
Surplus/(Shortfall)	*0*		

COSTS DEFERRED UNTIL CONVERSION

Operating Reserve (6 mos)	382,588
	-
	-
	-
	-
	-
	-
Developer Fee	1,302,340
	1,684,928

DEVELOPER FEE PAYMENT SCHEDULE

Total paid developer fee	$	2,984,399
LP Admission		750,000
50% Completion		-
100% Completion		447,660
Permanent Conversion		1,252,340
8609		50,000
Deferred Into Operations		484,399
Total:		2,984,399

*** INTEREST RATE STACK**

	Construction	*Permanent*
30-day LIBOR/est. rate	1.470%	2.350%
Lender Spread	1.500%	1.750%
Cushion	1.500%	1.250%
TOTAL	*4.47%*	*5.35%*

Foothill Terrace

Uses of Funds

Version: 1.6 HCIDLA HHH Applicat
Revised: December 14, 2017

	TOTAL	TOTAL RESIDENTIAL *100.00%*	TOTAL COMMERCIAL *0.00%*	NON-DEPREC	DEPRECIABLE RESIDENTIAL	DEPRECIABLE COMMERCIAL	EXPENSE	AMORTIZE	100.00% TAX CREDIT ELIGIBLE CONST/REHAB	TAX CREDIT ELIGIBLE ACQUIS.
ACQUISITION COSTS										
Offsite Improvements	200,000	200,000	0	0	200,000				200,000	
GENERAL DEVELOPMENT COSTS										
Residential Construction	10,175,387	10,175,387	0	0	10,175,387	0		0	10,175,387	
Site Improvements/Landscape	2,246,951	2,246,951	0	0	2,246,951	0			2,246,951	
Contractor General Conditions	1,052,073	1,052,073	0	0	1,052,073	0			1,052,073	
Contractor O&P	646,296	646,296	0	0	646,296	0			646,296	
GC Bond & Insurance	353,600	353,600	0	0	353,600	0			353,600	
Construction Contingency	1,467,431	1,467,431	0	0	1,467,431	0			1,467,431	
Local Permits/Fees/Entitlements	400,227	400,227	0	0	400,227	0			400,227	
Local Development Impact Fees	150,000	150,000	0	0	150,000	0			150,000	
Phase I/Asbestos/Toxics	20,000	20,000	0	0	20,000	0			20,000	
Architecture	982,500	982,500	0		982,500	0			982,500	
Survey & Engineering	150,000	150,000	0		150,000	0			150,000	
Appraisal	5,600	5,600	0	0	5,600	0		0	5,600	
Market Study	20,000	20,000	0	10,000	10,000	0			10,000	
Predevelopment Loan Interest & Fees	164,500	164,500	0	0	164,500	0			164,500	0
Construction Interest Reserve	735,800	735,800	0		441,480	0	294,320		441,480	0
Construction Period Interest- (HCID)	230,300	230,300	0		138,180	0	92,120		138,180	
Const. Period Interest-- LACDC (Accrued)	107,300	107,300	0		64,380		42,920		64,380	
Title/Recording/Escrow - Acquisition	0	0	0	0	0	0			0	0
Title/Recording/Escrow - Construction	50,000	50,000	0		50,000	0			50,000	0
Title/Recording/Escrow - Permanent	15,000	15,000	0					15,000		
Insurance	204,000	204,000	0		204,000	0	0		204,000	0
Soft Cost Contingency	208,390	208,390	0		208,390	0			208,390	
TCAC Application/Monitoring Fee	31,300	31,300	0					0		
Legal: Acquisition	55,000	55,000	0	55,000	0					0
Construction Closing	20,000	20,000	0		20,000			0	20,000	0
Permanent Closing	10,000	10,000	0					10,000		
Organization of Plnshp	5,000	5,000	0					5,000		
Syndication	20,000	20,000	0	20,000						
Investor Legal	25,000	25,000	0	25,000						
Syndication Consulting	60,000	60,000	0	60,000	0				0	0
Audit/Cost Certification	20,000	20,000	0		20,000	0		0	20,000	
Furnishings (common area)	280,000	280,000	0		280,000			0	280,000	
Operating Reserve (6 mos)	382,588	382,588	0	382,588						
Marketing Account	89,000	89,000	0				89,000			
Other Consultants (Traffic, Noise, Arborist, P-Wage)	100,000	100,000	0	0	100,000	0			100,000	
Capital Fees (utilities & hook-up charges)	80,000	80,000	0		80,000	0			80,000	
Construction Manager/Pre-Construction Services	165,000	165,000	0		165,000	0			165,000	
Green/LEED, Casp/ADA Consulting	100,000	100,000	0		100,000		0		100,000	
Project Administration	17,000	17,000	0					17,000		
Partnership Taxes and Fees	6,600	6,600	0	6,600						
Developer Fee	2,984,399	2,984,399	0		2,984,399	0			2,984,399	0
COSTS OF ISSUANCE/FINANCING FEES										
Lender Expenses	38,600	38,600	0					38,600	0	
Lender Counsel	50,000	50,000	0					50,000	0	
Bond Counsel	60,000	60,000	0					60,000	0	
Issuer Financial Advisor	35,000	35,000	0					35,000	0	
Lender/Credit Enhancement Fees (constr)	102,900	102,900	0					102,900	0	
Lender/Credit Enhancement Fees (perm)	25,800	25,800	0					25,800	0	
Trustee Fee	2,500	2,500	0					2,500	0	
CDLAC Fees	4,801	4,801	0					4,801	0	
Issuer Fee + Issuer Expenses (HCID)	6,000	6,000	0					6,000	0	
Prepaid Issuer Fee	68,584	68,584	0					68,584	0	
CDIAC Fee	4,400	4,400	0					4,400	0	
Subtotal -Costs of Issuance	*398,585*	*398,585*	*0*	*0*	*0*	*0*	*0*	*394,185*	*0*	*0*
TOTAL DEVELOPMENT COSTS	**24,434,827**	**24,434,827**	**0**	**559,188**	**22,880,393**	**0**	**518,360**	**441,185**	**22,880,393**	**0**
		498,670								

MAXIMUM DEVELOPER FEE CALCULATION

	Constr	Total
Maximum Potential TCAC Fee (per limits)	2,500,000	2,500,000
Maximum Potential TCAC Fee (per basis)	2,984,399	2,984,399
Ratio	100.00%	100.00%
Maximum Fee	2,984,399	2,984,399
Maximum Fee per TCAC Application	-	-
Maximum Fee per HCID	2,500,000	2,500,000
Net Fee (Less other development costs)	2,500,000	2,500,000
MAXIMUM FEE	2,984,399	2,984,399

AVERAGE AFFORDABILITY FOR QUALIFIED UNITS (% AMI)	*UNIT MIX*	*UTILITY ALLOWANCES*
0 BR	37	$0
1 BR	11	$0
2 BR	1	$0
3 BR	0	$0
4 BR	0	$0

RESIDENTIAL INCOME

TAX-CREDIT ELIGIBLE - TIER 1: *30% AMI* *CHRONICALLY HOMELESS/MHHF* **Percentage of Targeted Units:** *31.3%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	13	400	5,200	30.0%	473	473	6,149	73,788
1 BR	2	560	1,120	30.0%	507	507	1,014	12,168
TOTAL	15		6,320				7,163	85,956

TAX-CREDIT ELIGIBLE - TIER 2: *30% AMI* *CHRONICALLY HOMELESS* **Percentage of Targeted Units:** *18.8%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	5	400	2,000	30.0%	473	473	2,365	28,380
1 BR	4	560	2,240	30.0%	507	507	2,028	24,336
TOTAL	9		4,240				4,393	52,716

TAX-CREDIT ELIGIBLE - TIER 3: *30% AMI* *OTHER HOMELESS* **Percentage of Targeted Units:** *25.0%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	9	400	3,600	29.9%	472	472	4,248	50,976
1 BR	3	560	1,680	30.0%	507	507	1,521	18,252
TOTAL	12		5,280				5,769	69,228

TAX-CREDIT ELIGIBLE - TIER 4: *50% AMI* *OTHER HOMELESS* **Percentage of Targeted Units:** *25.0%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	10	400	4,000	50.0%	788	788	7,880	94,560
1 BR	2	560	1,120	50.0%	845	845	1,690	20,280
TOTAL	12		5,120				9,570	114,840

MANAGER UNITS

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
2 BR	1	920	920	0.0%	0	0	0	0
TOTAL	1		920				0	0

SECTION 8

UNIT TYPE	NUMBER	INCOME TIER	PER-UNIT MONTHLY NET RENT	PER UNIT SECTION 8 NET RENT	PER-UNIT MONTHLY S8 PREMIUM	TOTAL MONTHLY SECTION 8 PREMIUM	TOTAL ANNUAL S8 PREMIUM
0 BR	13	30%	473	1,496	1,023	13,299	159,588
0 BR	5	30%	473	1,496	1,023	5,115	61,380
0 BR	9	30%	472	1,496	1,024	9,216	110,592
0 BR	10	50%	788	1,496	708	7,080	84,960
1 BR	2	30%	507	1,808	1,301	2,602	31,224
1 BR	4	30%	507	1,808	1,301	5,204	62,448
1 BR	3	30%	507	1,808	1,301	3,903	46,836
1 BR	2	50%	845	1,808	963	1,926	23,112
TOTAL	48					48,345	580,140
SECTION 8 PREMIUM *(annual Section 8 income less total annual base rents)*							580,140
TOTAL - BASE RENT PLUS SECTION 8 PREMIUM						75,240	902,880

TOTAL RESIDENTIAL INCOME		**TOTAL UNITS**	**TOTAL MONTHLY (Net)**	**TOTAL ANNUAL**
		49	**75,240**	**902,880**
TOTAL SQ FT - TAX CREDIT ELIGIBLE	20,960			
TOTAL SQ FT - NON-TAX CREDIT ELIGIBLE	0			
TOTAL RENTABLE SQ FT	20,960			

MISCELLANEOUS INCOME	PER-UNIT MONTHLY	TOTAL MONTHLY	TOTAL ANNUAL
Laundry/Vending	5.10	250	3,000
Financial & Other Revenue	0.00	0	0

Foothill Terrace

Tax Credit Calculation

Version: 1.6 HCIDLA HHH Applicati
Revised: December 14, 2017

		FEDERAL			CALIFORNIA		
		ACQUIS	CONST/ REHAB	TOTAL	ACQUIS	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS		0	22,880,393	22,880,393	0	0	0
ELIGIBLE BASIS		0	22,880,393	22,880,393	0	0	0
THRESHOLD BASIS LIMIT				24,209,124			
Less: Voluntary Reduction			0				
REQUESTED ELIGIBLE BASIS		0	22,880,393	22,880,393	0	0	0
HIGH COST ADJUSTMENT (Y/N)	Y	100.0%	130.0%		100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS		0	29,744,512	29,744,512	0	0	0
APPLICABLE FRACTION*		100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS		0	29,744,512	29,744,512	0	0	0
CREDIT REDUCTION	0.00%	0	0	0			
ADJUSTED QUALIFIED CREDIT BASIS		0	29,744,512	29,744,512			
CREDIT RATE	Federal Annual/Yr 1-3 State	3.23%	3.23%		3.23%	3.23%	
	Year 4 - State				3.31%	3.31%	
MAXIMUM CREDIT AMOUNT PER COSTS							
	Federal Annual/Yr 1-3 State	0	960,748	960,748	0	0	0
ACTUAL TCAC CREDIT RESERVATION							
	Federal Annual/Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS							
	Federal Annual/Total State	0	960,748	960,748			0
MAXIMUM ALLOWABLE - TEN YEAR TOTAL				9,607,480			0

Foothill Terrace

Base Year Income & Expense

Version: 1.6 HCIDLA HHH Application
Revised: December 14, 2017

INCOME		
Scheduled Gross Income		322,740
Section 8 Premium		580,140
Misc. Income		3,000
Vacancy Loss - Special Needs	10.0%	(32,574)
Vacancy Loss - Section 8 Premium	10.0%	(58,014)
EFFECTIVE GROSS INCOME		815,292
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	2,000	
Legal	2,500	
Accounting/Audit	16,000	
Office Expenses & Supplies	5,000	
Misc. Admin Expense (telephone, internet, etc.)	10,000	
Total Administrative		35,500
Management Fee		39,200
Utilities		
Fuel	0	
Electricity	21,510	
Gas	16,510	
Total Utilities		38,020
Water/Sewer		21,000
Payroll/Payroll Taxes		
Manager Payroll	45,000	
Maintenance Payroll	27,500	
Workmen's Compensation	6,000	
Total Payroll/Payroll Taxes		78,500
Insurance (Property* Liability)		40,000
Property Taxes		5,000
Maintenance		
Painting/Supplies	8,900	
Repairs	3,564	
Trash Removal	7,000	
Grounds	2,450	
Exterminating	2,000	
Elevator	4,000	
Other: Fire monitoring, supplies, janitorial	6,500	
Total Maintenance		34,414
Replacement Reserve		29,400
Other		
Service Coordinator (salary & benefits)	*171,360*	
Issuer Fee	4,000	
Trustee Fee	1,500	
HCID Monitoring Fee	6,480	
Annual Land Lease Payments	10,000	
Total Other		193,340
TOTAL EXPENSES - RESIDENTIAL		514,374
Per Unit Per Year (incl. Reserves)	*10,497*	
LACDC Per Unit Per Year (w/o Reserves, Services)	*6,400*	
Per Unit Per Year (w/o Reser., Taxes, Tenant Serv.)	*6,298*	
NET AVAILABLE INCOME		300,918

MAXIMUM MORTGAGE CALCULATION

Permanent Loan

Net Operating Income (less Operating Subsidy)	300,918
DSC	1.20
Available for Debt Service	**250,765**
MAXIMUM MORTGAGE	**2,583,000**

LOAN CONSTANT/TIC CALCULATION

		Tranche A Underwriting			
Bond/Loan Rate		5.35000%			
Term (Yr)		15.00			
Mortgage Insurance Premium		0.00000%			
Amort (P&I)		4.35975%			
Loan Constant		9.70975%			
Imputed Total Interest Cost (TIC)		9.48822%			

BOND/REHABILITATION RATIOS

Tax-Exempt Financing Ratio

	Aggregate
Construction Loan	13,716,686
HCIDLA PSH HHH	0
Tax-Exempt Bridge Loan	0
TOTAL TAX-EXEMPT FINANCING	13,716,686
AGGREGATE BASIS	
Depreciable basis (residential)	22,880,393
Land	0
Offsite Improvements	0
Relocation & Relocation Consultant	0
Title/Recording/Escrow - Acquisition	55,000
Appraisal	5,600
Acquisition Loan Interest + Expenses	0
TOTAL AGGREGATE BASIS	22,940,993
Percent Tax-Exempt Financing	**59.79%**

Foothill Terrace

Threshold Basis Limit Calculation

Version: 1.6 HCIDLA HHH Application
Revised: December 14, 2017

County:	Los Angeles
9%	N

Unit Type	9%	4%
0 BR	181,763	203,046
1 BR	209,571	234,110
2 BR	252,800	282,400
3 BR	323,584	361,472
4 BR	360,493	402,702

TCAC BASIS LIMIT FOR THIS PROJECT

Unit Type	# Units	Per Unit Basis Limit	TOTAL
0 BR	37	203,046	7,512,702
1 BR	11	234,110	2,575,210
2 BR	1	282,400	282,400
3 BR	0	361,472	0
4 BR	0	402,702	0
	49		10,370,312

Additional Basis Adjustments:

Boost for Prevailing Wage (20%)	2,074,062	
Boost for Subterranean Parking (7%)	0	
Boost for Elevator (10%)	1,037,031	
Boost for Onsite Day Care Center (2%)	0	
Boost for 100% Special Needs (2%)	207,406	
Local Development Impact Fee	150,000	
Energy Efficiency (4%)	0	
Boost for High Opportunity Area (10%)	0	
Bonds: 1% each % units @ 36% - 50% AMI	2,592,578	12
Bonds: 2% each % units @ or below 35% AMI	7,777,734	36
	0	

TOTAL THRESHOLD BASIS LIMIT*	24,209,124
TOTAL ELIGIBLE BASIS	22,880,393

Foothill Terrace

15-Year Cash Flow

Version: 1.6 HCIDLA HHH Applicat
Revised: December 14, 2017

ASSUMPTIONS:

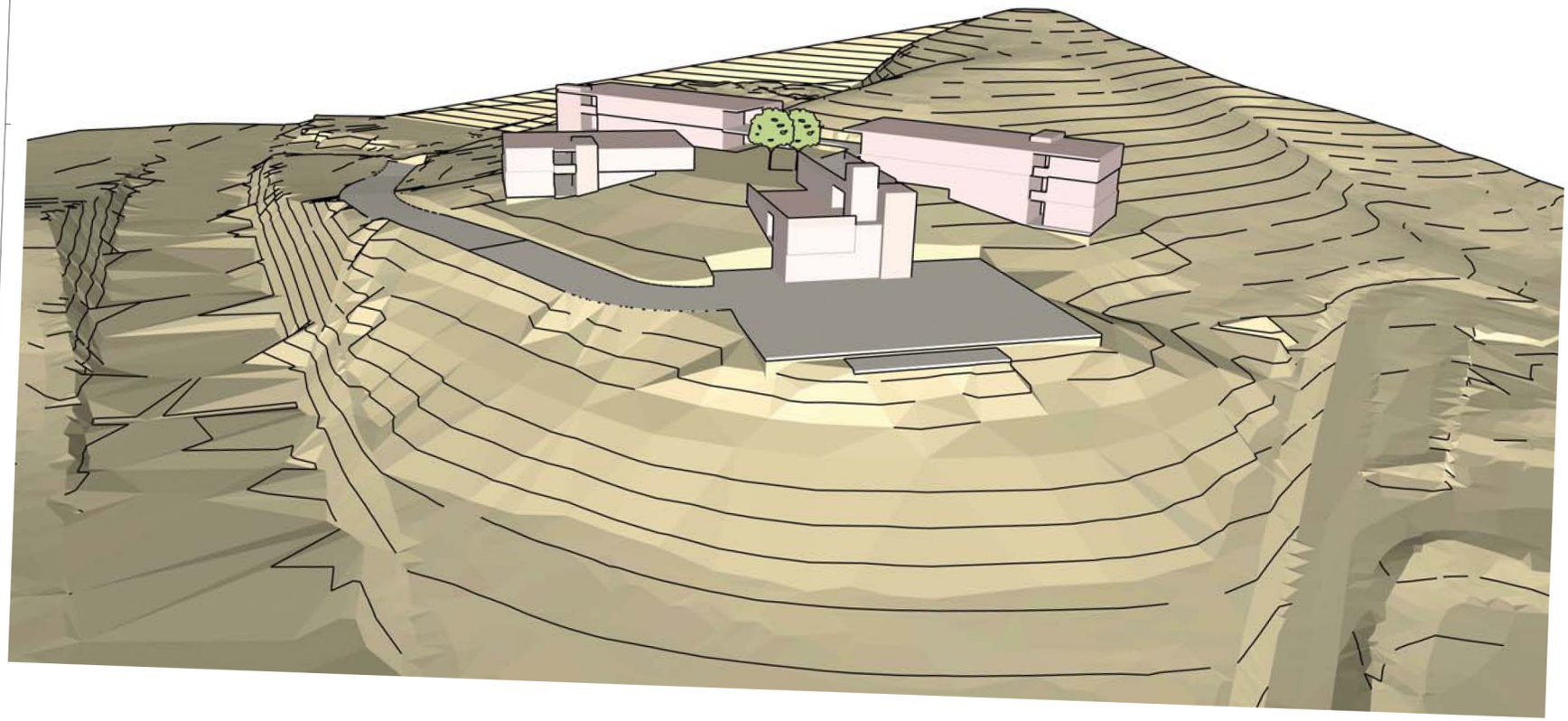
Rent Increase:	2.50%	Perm Loan - % Debt Svc Yr 1	100.00%
Expenses Increase:	3.50%	Perm Loan - % Debt Svc Yr 2	100.00%
Reserve Increase:	0.00%		

			2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
GROSS POTENTIAL INCOME			322,740	330,809	339,079	347,556	356,245	365,151	374,279	383,636	393,227	403,058	413,134	423,463	434,049	444,901	456,023
Section 8 Premium			580,140	594,644	609,510	624,747	640,366	656,375	672,785	689,604	706,844	724,515	742,628	761,194	780,224	799,729	819,723
Misc. Income			3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747	3,840	3,936	4,035	4,136	4,239
Vacancy Loss - Special Needs	10.0%		(32,574)	(33,081)	(33,908)	(34,756)	(35,624)	(36,515)	(37,428)	(38,364)	(39,323)	(40,306)	(41,313)	(42,346)	(43,405)	(44,490)	(45,602)
Vacancy Loss - Section 8 Premium	10.0%		(58,014)	(59,464)	(60,951)	(62,475)	(64,037)	(65,638)	(67,278)	(68,960)	(70,684)	(72,452)	(74,263)	(76,119)	(78,022)	(79,973)	(81,972)
GROSS EFFECTIVE INCOME			815,292	835,982	856,881	878,303	900,261	922,767	945,837	969,483	993,720	1,018,563	1,044,027	1,070,127	1,096,881	1,124,303	1,152,410
TOTAL OPERATING EXPENSES			298,614	319,415	330,595	342,166	354,142	366,537	379,365	392,643	406,386	420,609	435,331	450,567	466,337	482,659	499,552
REAL ESTATE TAXES		2.00%	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597
SUPPORTIVE SERVICES EXPENSES		2.00%	171,360	174,787	178,283	181,849	185,486	189,195	192,979	196,839	200,776	204,791	208,887	213,065	217,326	221,672	226,106
GROUND LEASE PAYMENTS		1.00%	10,000	10,100	10,201	10,303	10,406	10,510	10,615	10,721	10,829	10,937	11,046	11,157	11,268	11,381	11,495
NET OPERATING INCOME			330,318	326,579	332,600	338,680	344,816	351,005	357,246	363,536	369,872	376,250	382,668	389,122	395,608	402,122	408,660
REPLACEMENT RESERVE			29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400
NET INCOME AVAILABLE FOR DEBT SERVICE			300,918	297,179	303,200	309,280	315,416	321,605	327,846	334,136	340,472	346,850	353,268	359,722	366,208	372,722	379,260
Permanent Loan																	
Principal Balance		2,583,000	2,467,585	2,345,842	2,217,423	2,081,963	1,939,075	1,788,352	1,629,366	1,461,661	1,284,762	1,098,162	901,331	693,708	474,700	243,683	0
Principal			115,415	121,743	128,419	135,460	142,888	150,722	158,987	167,704	176,900	186,599	196,831	207,624	219,008	231,016	243,683
Interest		5.350%	135,388	129,059	122,384	115,343	107,915	100,080	91,816	83,098	73,903	64,203	53,972	43,179	31,795	19,786	7,119
TOTAL DEBT SERVICE			250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803	250,803
NET CASH FLOW			50,115	46,376	52,398	58,477	64,613	70,802	77,043	83,333	89,669	96,047	102,465	108,919	115,406	121,920	128,458
Debt Service Coverage Ratio			1.20	1.18	1.21	1.23	1.26	1.28	1.31	1.33	1.36	1.38	1.41	1.43	1.46	1.49	1.51
DISTRIBUTION OF CASH FLOW																	
LP Investor Services Fee - Current		5,000	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597
Deferred Developer Fee		*484,399*	45,115	41,276	47,196	53,171	59,201	65,282	71,413	77,590	24,156	0	0	0	0	0	0
Partnership Management Fee		15,000	0	0	0	0	0	0	0	0	17,575	17,926	18,285	18,651	19,024	19,404	19,792
Partnership Management Fee - Deferred			0	0	0	0	0	0	0	0	42,080	72,145	14,519	0	0	0	0
HCIDLA PSH HHH	*30.42%*		0	0	0	0	0	0	0	0	0	0	19,337	25,569	27,391	29,218	31,050
LACDC	*10.70%*		0	0	0	0	0	0	0	0	0	0	6,801	8,993	9,633	10,276	10,920
City of Los Angeles Ground Lease	*8.88%*		0	0	0	0	0	0	0	0	0	0	5,645	7,464	7,996	8,529	9,064
Sponsor Distributions	50.00%		0	0	0	0	0	0	0	0	0	0	19,292	25,509	27,327	29,150	30,977
General Partner	90.00%		0	0	0	0	0	0	0	0	0	0	17,363	22,958	24,594	26,235	27,879
Limited Partner	10.00%		0	0	0	0	0	0	0	0	0	0	1,929	2,551	2,733	2,915	3,098

**Residual Receipts on ground lease based on appraised value of $2,490,000*

Attachment C
Site Plan

11681 W. Foothill Boulevard



SITE AREA
PARCEL
A.P.N.: 2630008901
ADDRESS: 11681 FOOTHILL BLVD., SYLMAR, CA 91342
LOT AREA: 126,902 SQ. FT (2.92 ACRES)

ZONING
ZONE: (T) RD2-1

ALLOWABLE HEIGHT
(T) RD2-1: 45'

ALLOWABLE DENSITY
(T) RD2-1: 2,000 S.F. / UNIT
126902 / 2000 = 63 UNITS ALLOWED

UNIT MIX

STUDIO	37 UNITS
ONE BEDROOM	11 UNITS
TWO BEDROOM	1 UNIT
TOTAL	**49** UNITS

AREA SUMMARY

BUILDING A		
LEVEL 1140'	9 CONTAINERS	548 S.F. BUILD
LEVEL 1150'	26 CONTAINERS	708 S.F. BUILD
LEVEL 1160'	23 CONTAINERS	708 S.F. BUILD
BUILDING B		
LEVEL 1140'	12 CONTAINERS	612 S.F. BUILD
LEVEL 1150'	15 CONTAINERS	888 S.F. BUILD
BUILDING C		
LEVEL 1130'	0 CONTAINERS	1,840 S.F. BUILD
LEVEL 1140'	11 CONTAINERS	708 S.F. BUILD
LEVEL 1150'	7 CONTAINERS	2,176 S.F. BUILD
LEVEL 1160'	0 CONTAINERS	1,120 S.F. BUILD
BUILDING D		
LEVEL 1140'	9 CONTAINERS	530 S.F. BUILD
LEVEL 1150'	23 CONTAINERS	730 S.F. BUILD
LEVEL 1160'	23 CONTAINERS	730 S.F. BUILD
TOTAL CONTAINER USED	**158** CONTAINERS	
TOTAL BUILD AREA	**11,298** S.F.	

PARKING

48 UNITS RESTRICTED AFFORDABLE (0.3 SPACE / UNIT PER A.B. 744)	15 SPACES
1 NON RESTRICTED MANAGER'S UNIT (2 STALL / UNIT)	2 SPACES
TOTAL PARKING REQUIRED (UP TO 40% OR 7 COMPACT SPACES ALLOWED)	17 SPACES

SHEET INDEX

A1.01	COVER SHEET
SHEET 1 OF 2	ALTA/NSPS LAND TITLE SURVEY
SHEET 2 OF 2	ALTA/NSPS LAND TITLE SURVEY
LANDSCAPE	
L1.01	SITE PLAN
ARCHITECTURAL	
A2.01	FIRST FLOOR PLAN -- LEVEL 1130'
A2.02	SECOND FLOOR PLAN -- LEVEL 1140'
A2.03	THIRD FLOOR PLAN -- LEVEL 1150'
A2.04	FOURTH FLOOR PLAN -- LEVEL 1160'
A2.05	ROOF PLAN
A3.01	SITE 3D VIEWS
A3.02	SITE 3D VIEWS

GONZALEZ GOODALE ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD
PERMANENT SUPPORTIVE HOUSING

11681 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.
Client Project No.

LICENSED ARCHITECT ELI GONZALEZ NO. C 26084 REN. 1-31-19 STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

REVISIONS

DRAWING TITLE

COVER SHEET

A1.01

PLOT DATE: 9/12/2017 3:41:20 PM PROJECT # NUMBER: 17004

If this sheet is smaller than 30" high by 42" wide then it has been reduced

SURVEYOR'S CERTIFICATE:

TO: 11681 FOOTHILL, L.P., LOCAL INITIATIVES SUPPORT CORPORATION AND COMMONWEALTH LAND TITLE COMPANY:

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2016 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 2, 3, 4, 5, 8, 11 AND 14 OF TABLE A THEREOF. THE FIELDWORK WAS COMPLETED ON MAY 17–18, 2017.

DATE OF MAP : 06/09/17

Michael A. Kennada

MICHAEL A. KENNADA LS 5642

LICENSED LAND SURVEYOR MICHAEL A. KENNADA L.S.5642 STATE OF CALIFORNIA

LEGAL DESCRIPTION:

THAT PORTION OF THE NORTH 10 ACRES OF BLOCK 60 OF MACLAY RANCHO EX–MISSION OF SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 5 ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF THE 100 FOOT STRIP OF LAND DESCRIBED AS PARCELS "3A" AND "4A" IN THE DECREE OF THE CONDEMNATION FOR THE WIDENING OF FOOTHILL BOULEVARD, IN SUPERIOR COURT CASE NO 413,262, A CERTIFIED COPY OF SAID DECREE BEING RECORDED IN BOOK 17015 PAGE 301, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION CONVEYED TO THE SOUTHERN CALIFORNIA EDISON COMPANY, BY DEED RECORDED IN BOOK 4432 PAGE 33 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT A POINT IN THE CENTER LINE OF GLADSTONE AVENUE 60 FEET WIDE, FORMERLY TENTH STREET, AS SHOWN ON SAID MAP, DISTANT SOUTH 41° 21' 55" EAST THEREON 232.51 FEET FROM THE CENTER LINE OF KAGEL CANYON STREET, 60 FEET WIDE, FORMERLY TUJUNGA AVENUE, AS SHOWN ON SAID MAP; THENCE SOUTH 6° 55' 03" WEST 107.19 FEET, THENCE SOUTH 28° 30' 26" WEST 60.70 FEET; THENCE SOUTH 48° 44' 55" WEST 348.00 FEET.

Assessor's Parcel Number: 2530–008–901

EASEMENTS

EASEMENTS BASED ON COMMONWEALTH LAND TITLE COMPANY PRELIMINARY REPORT ORDER NO. 09192488 DATED FEBRUARY 7, 2017.

A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2017–2018.

B. There were no taxes levied for the fiscal year 2016–2017 as the property was vested in a public entity.
Affects: Assessor's Parcel Number: 2530–008–901

C. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

1. Water rights, claims or title to water, whether or not disclosed by the public records.

2. Easement(s) for the purpose(s) shown below and rights incidental thereto as condemned by an instrument,
Entitled: Final Decree of Condemnation
Court: Los Angeles Superior Court
Case No.: 413262 (2)
In favor of: City of Los Angeles
Purpose: The right to construct, maintain and make certain improvements, in the grade of the portion of Foothill Boulevard adjacent to said land
Recording No: In Book 17015 Page 301 Official Records
Affects: Portion of said land

3. An easement for the extension of slopes of fills and/or cuts as may be necessary in connection with the improvement of Foothill Boulevard, as condemned by said Case No. 413262, over that portion of said property therein designated as Parcels 4–D–2

4. An irrevocable offer to dedicate an easement over a portion of said Land for
Purpose(s): Public street
Recording Date: April 26, 1971 LEGAL DESCRIPTION IS NOT WRITTEN IN A WAY TO BE FOLLOWED
Recording No: 1691 Official Records
Affects: Portion of said land

5. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, citizenship, immigration status, primary language, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document
Recording Date: May 18, 1988
Recording No: 88–792425 Official Records
Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

6. Matters contained in that certain document
Entitled: Notice That Fire Hazards on Property are a Public Nuisance and That Abatement Has Been Or Will Be Done By the City and Property Assessed
Recording Date: September 1, 1994
Recording No: 94–1620985 Official Records
Reference is hereby made to said document for full particulars.

7. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

8. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.
The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.
The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

9. Any easements not disclosed by the public records as to matters affecting title to real property, whether or not said easements are visible and apparent.

10. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.

11. Matters which may be disclosed by an inspection and/or by a correct ALTA/NSPS Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.

NOTES

FLOOD ZONE DESIGNATION:
BASED ON THE FEDERAL EMERGENCY AGENCY (FEMA) FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 06037C1069F DATED SEPTEMBER 26, 2008, THE SUBJECT SITE IS IN ZONE "X".

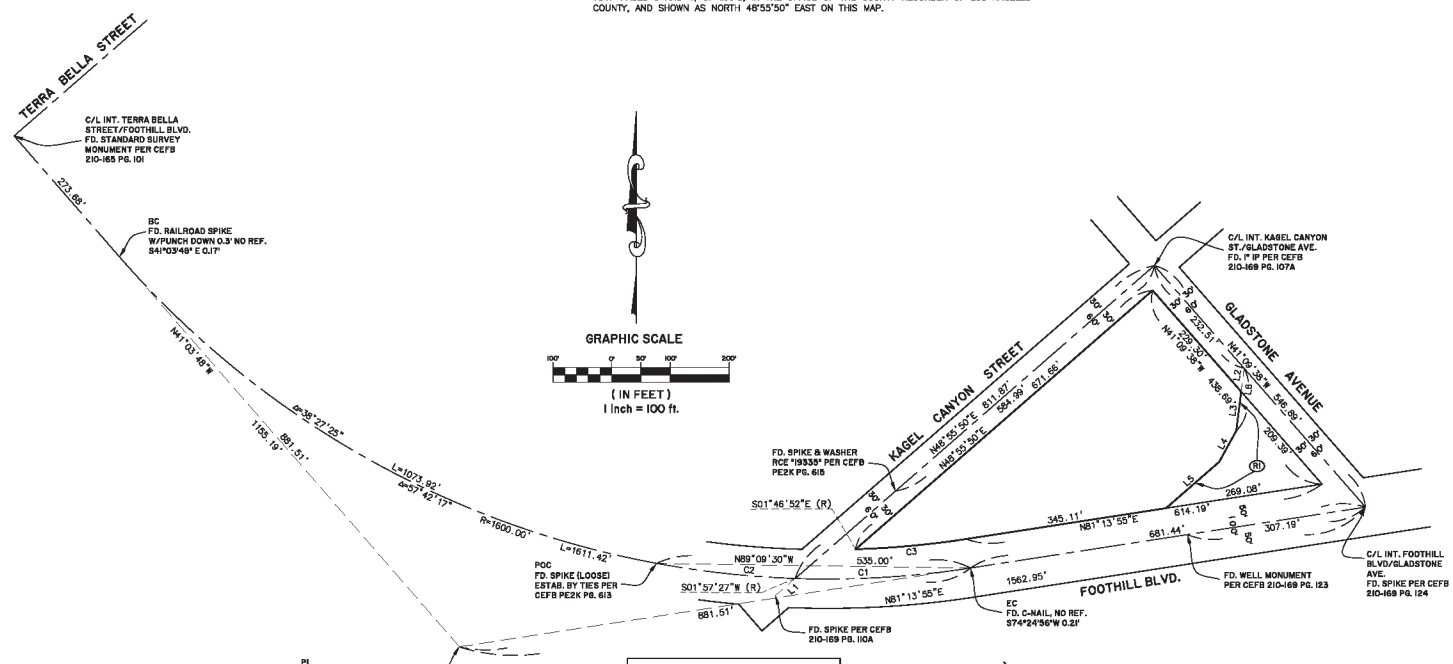
ZONE "X" DEFINED AS "AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN".

PROPERTY ADDRESS: 11861 FOOTHILL BLVD., SYLMAR, CA

GROSS AREA OF LAND: 132,131 SQ. FT. 3.033 ACRES

BASIS OF BEARINGS:

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING NORTH 48°48'41" EAST OF THE CENTERLINE OF KAGEL CANYON STREET AS SHOWN ON MAP OF TRACT NO. 42179 FILED IN BOOK 1047 PAGES 3 AND 4, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, AND SHOWN AS NORTH 48°55'50" EAST ON THIS MAP.

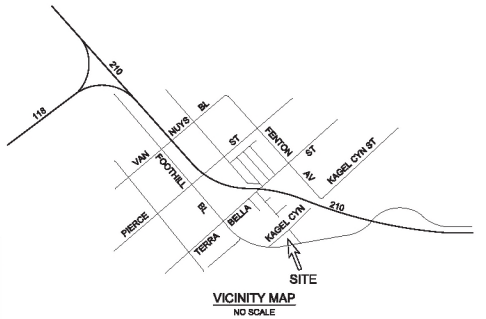


DATA TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	10°43'32"	1600.00'	299.51'
C2	08°31'20"	1600.00'	237.99'
C3	06°59'13"	1550.00'	189.02'

ESTABLISHMENT NOTES

(R1) NWLY LINE OF PARCEL NO. 253 OF DEED RECORDED OCTOBER 25, 1940 IN BOOK 17912 PAGE 219, OR ESTAB. AT RECORD ANGLES AND DISTANCES PER SAID DEED

DATA TABLE		
NO.	BEARING	LENGTH
L1	N48°55'50"E	44.72'
L2	N07°07'20"E	40.19'
L3	N07°07'20"E	67.00'
L4	N28°42'43"E	60.70'
L5	N48°57'12"E	120.21'
L6	N07°07'20"E	107.19'



VICINITY MAP
NO SCALE

PREPARED FOR:
11681 FOOTHILL, L.P.
7843 LANKERSHIM BLVD.
NORTH HOLLYWOOD, CA 91605

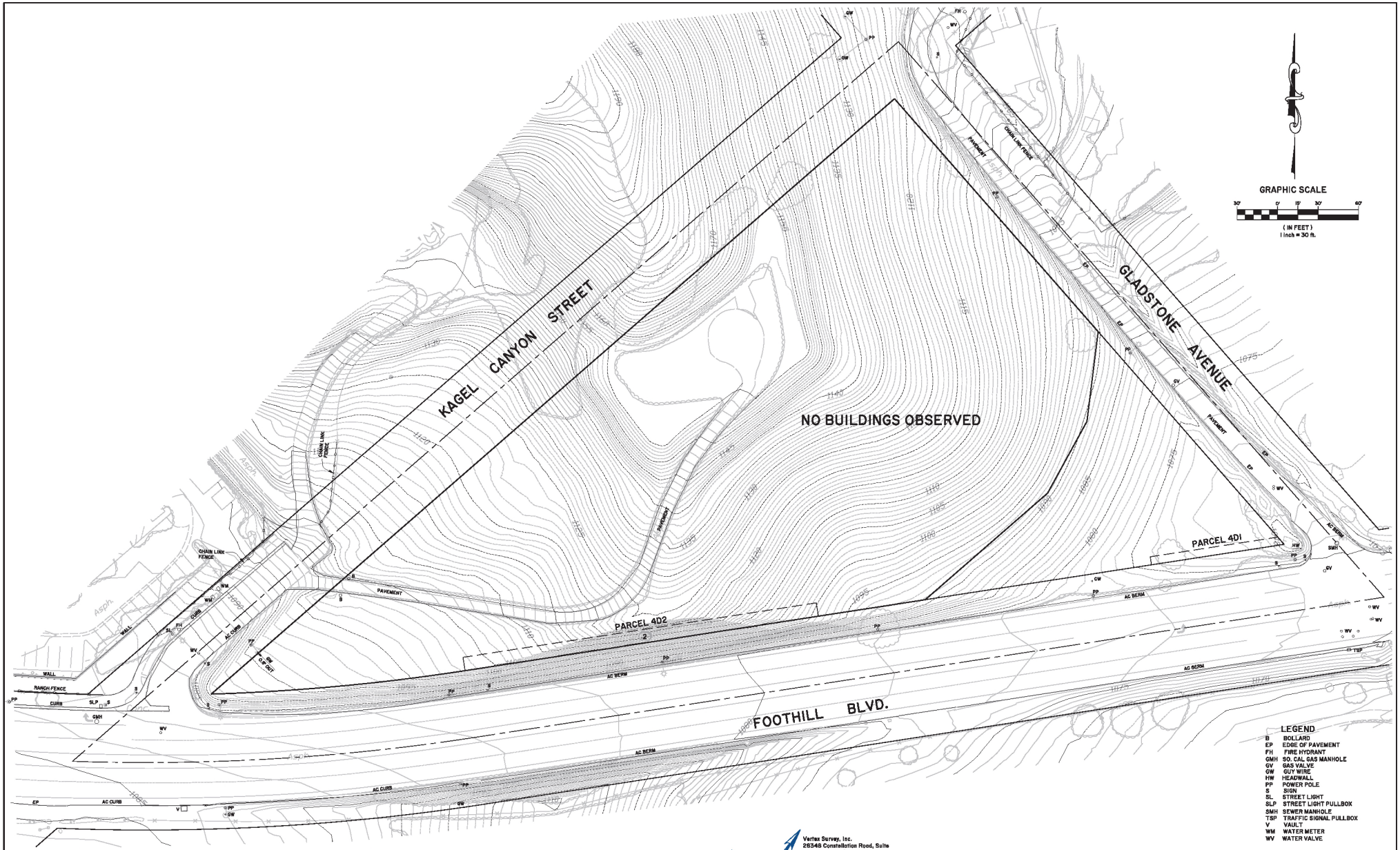
NO.	REVISION	DATE	CHK'D BY

Vertex Survey, Inc.
28346 Constellation Road, Suite 800
Santa Clarita, CA 91355
Tel: 661-254-1902
Fax: 661-254-1929

VERTEX SURVEY INC.

ALTA/NSPS LAND TITLE SURVEY
FOR
11861 FOOTHILL BLVD, SYLMAR

W.O.: _____ SCALE: 1" = 100' DATE: 06/09/2017 SHEET 1 OF 2 SHEETS



LEGEND

B	BOLLARD
EP	EDGE OF PAVEMENT
FH	FIRE HYDRANT
GMH	SO. CAL GAS MANHOLE
GV	GAS VALVE
GW	GUY WIRE
HW	HEADWALL
PP	POWER POLE
S	SIGN
SL	STREET LIGHT
SLP	STREET LIGHT PULLBOX
SMH	SEWER MANHOLE
TSP	TRAFFIC SIGNAL PULLBOX
V	VAULT
WM	WATER METER
WV	WATER VALVE

PREPARED FOR:

11681 FOOTHILL, L.P.
7843 LANKERSHIM BLVD.
NORTH HOLLYWOOD, CA 91605

NO.	REVISION	DATE	CHK'D BY

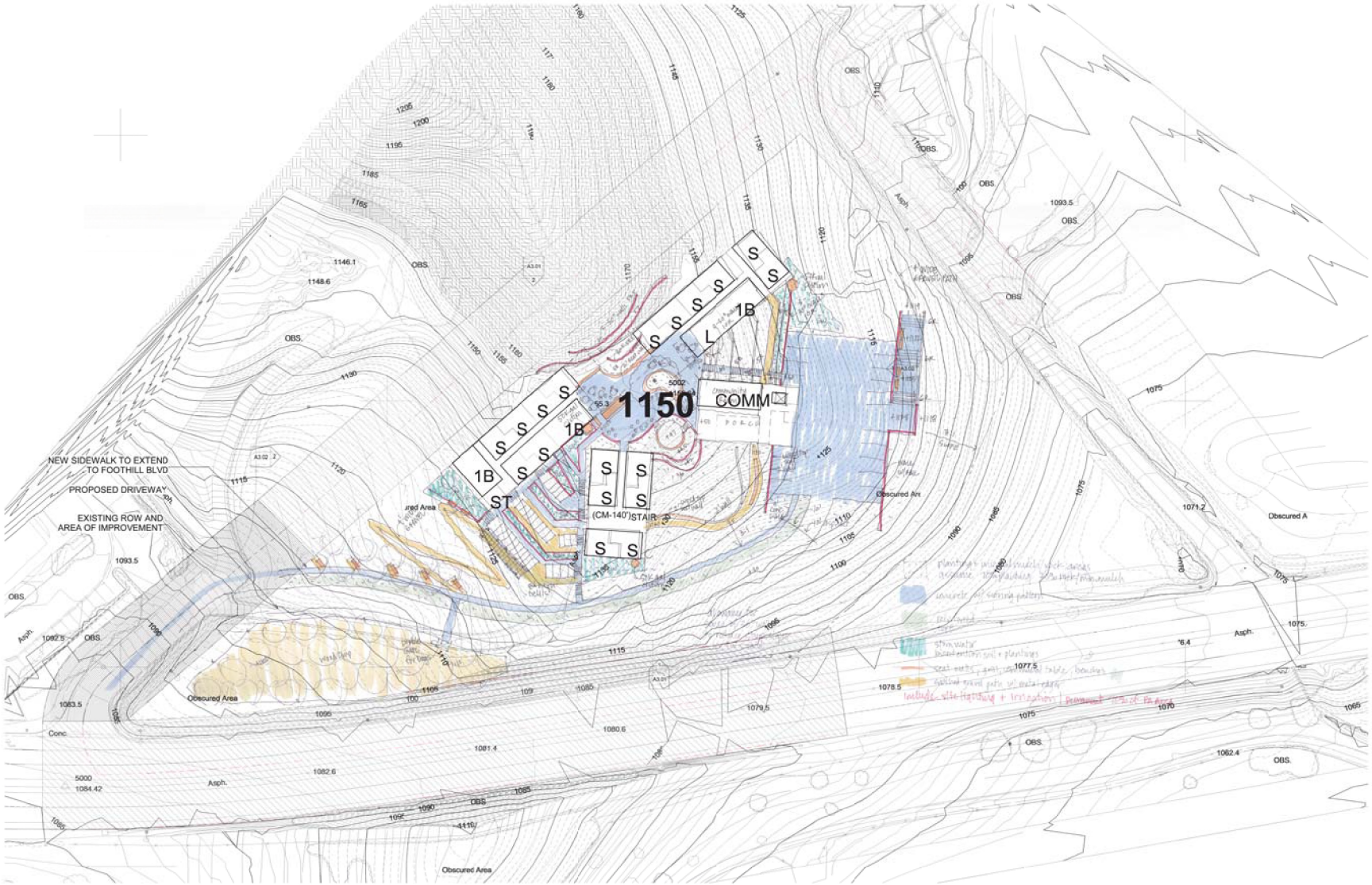
Vertex Survey, Inc.
26348 Constellation Road, Suite
800 Santa Clarita, CA 91355
Tel: 661-254-1925
Fax: 661-254-1929

VERTEX SURVEY INC.

ALTA/NSPS LAND TITLE SURVEY
FOR
11861 FOOTHILL BLVD, SYLMAR

W.O.: _____ SCALE: 1 " = 3 0 ' DATE: 06/09/2017 SHEET 2 OF 2 SHEETS

9/1/2017 3:27:33 PM



1 SITE PLAN
1" = 30'-0"

0' 7.5 15 30

MITHUN

SEATTLE / Pier 56, 1201 Alaskan Way, #200
Seattle, WA 98101 / 206.623.3344

SAN FRANCISCO / 680 Market Street, #300
San Francisco, CA 94104 / 415.956.3688

mithun.com

PROJECT
FOOTHILL PERMANENT SUPPORTIVE HOUSING

LOCATION
11861 FOOTHILL BLVD, SYLMAR, CA 91342

PREPARED FOR

gonzalez GOODALE

135 WEST GREEN ST
SUITE 200
PASADENA CA 91105
T 626 568 1428
F 626 568 8026

NO. DATE REVISION

DESIGN PARTNER
PROJECT MANAGER
RF
PROJECT LANDSCAPE ARCHITECT
PROJECT DESIGNER
DG
PROJECT TEAM MEMBERS
GP, KK
CHECK

TITLE
SITE PLAN

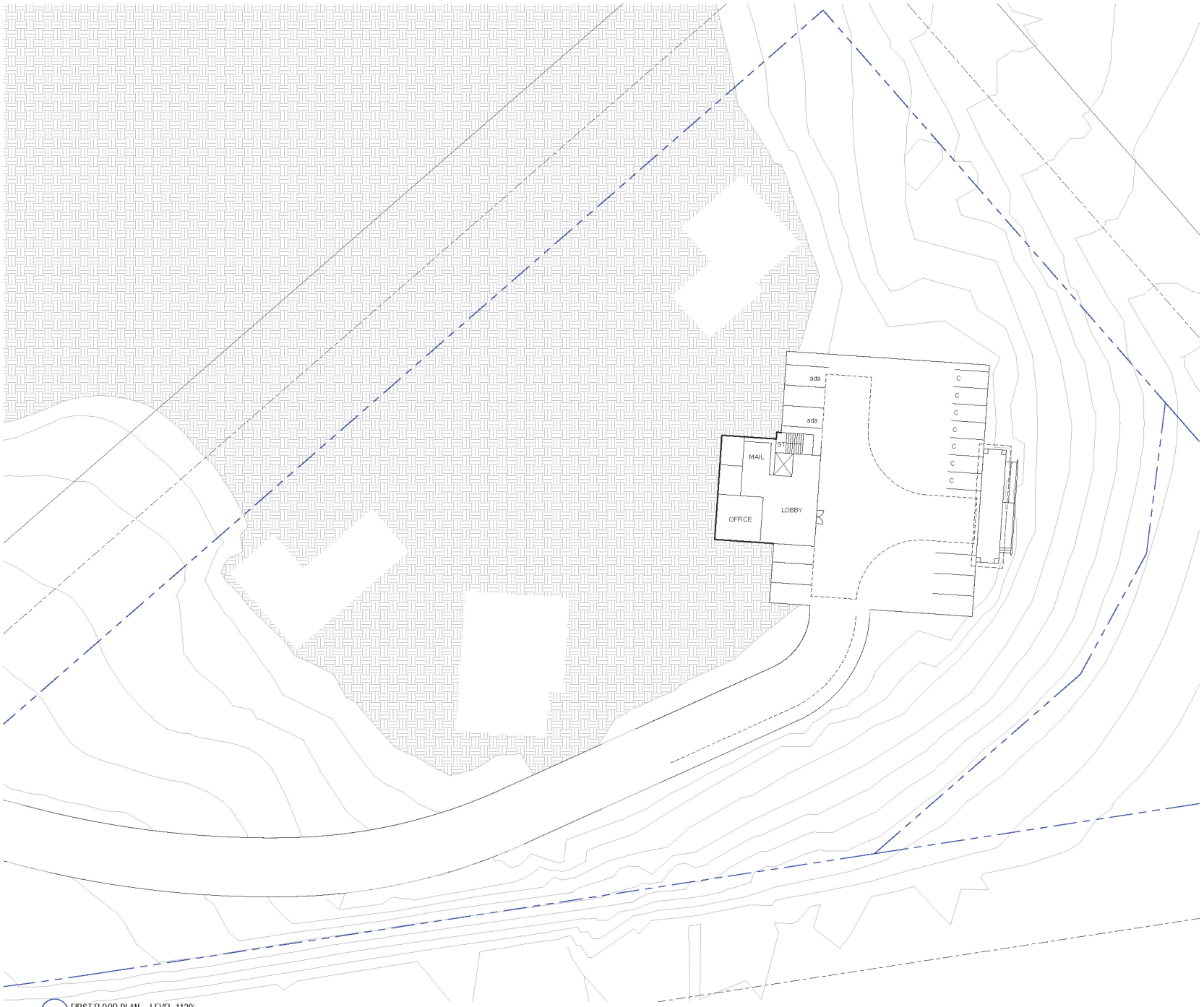
PROJECT NO.
1724700
DATE
09/01/17

SHEET NUMBER
L1.01
DESIGN DEVELOPMENT

© 2017 MITHUN, INC.

ORIGINAL SHEET SIZE 24" x 42"

NOT FOR CONSTRUCTION



1 FIRST FLOOR PLAN -- LEVEL 1130'
1/16" = 1'-0"

If this sheet is smaller than 30" high by 42" wide then it has been reduced.

GONZALEZ GOODALE
ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11681 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Project No.

LICENSED ARCHITECT
ALI RAMIN
NO. C 25924
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

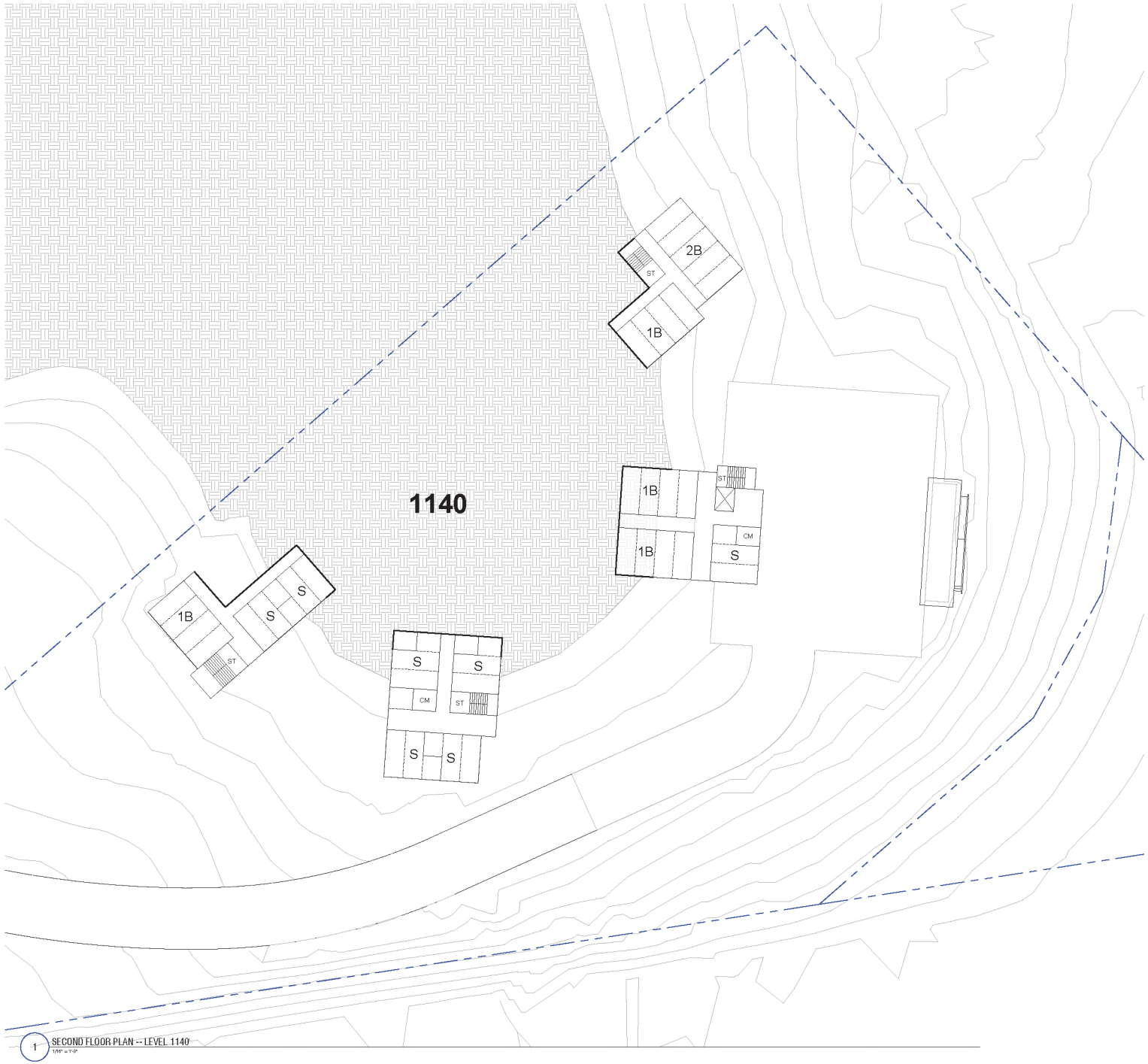
REVISIONS

DRAWING TITLE

FIRST FLOOR PLAN -- LEVEL 1130'

A2.01

PLOT DATE: 9/1/2017 3:41:21 PM PROJECT NUMBER: 17104



1 SECOND FLOOR PLAN -- LEVEL 1140
1/16" = 1'-0"

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135 WEST GREEN ST SUITE 200
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FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11681 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Project No.

LICENSED ARCHITECT
ALI RAMIN
NO. C 25924
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

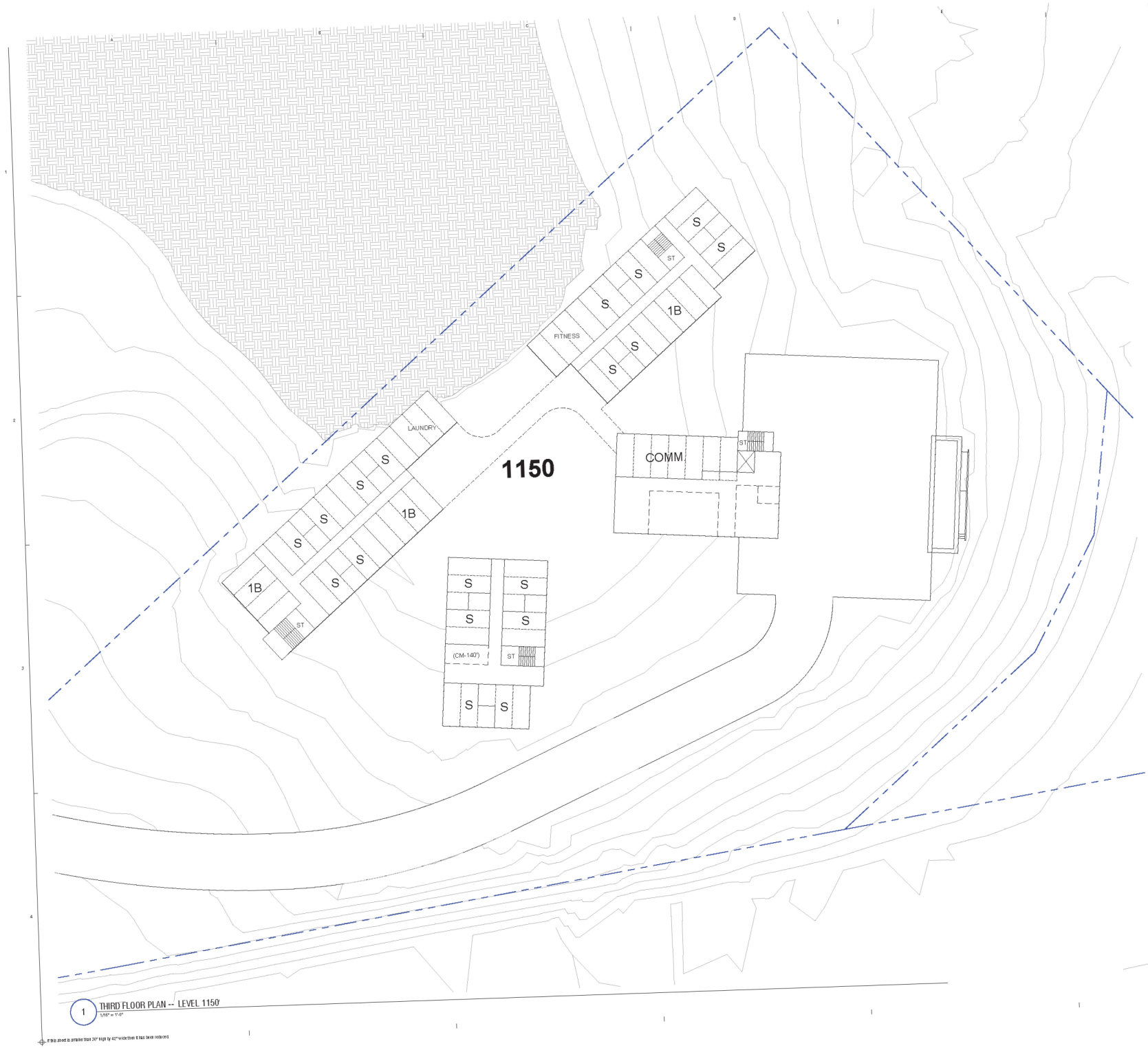
REVISIONS

DRAWING TITLE

SECOND FLOOR
PLAN -- LEVEL 1140'

A2.02

PLOT DATE: 9/1/2017 3:41:22 PM PROJECT NUMBER: 17104



1 THIRD FLOOR PLAN -- LEVEL 1150'
1/16" = 1'-0"

If this sheet is smaller than 20" high by 42" wide then it has been reduced.

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135 WEST GREEN ST SUITE 200
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FOOTHILL BLVD
PERMANENT SUPPORTIVE HOUSING

11601 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.
Client Project No.

LICENSED ARCHITECT
NO. C 25954
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

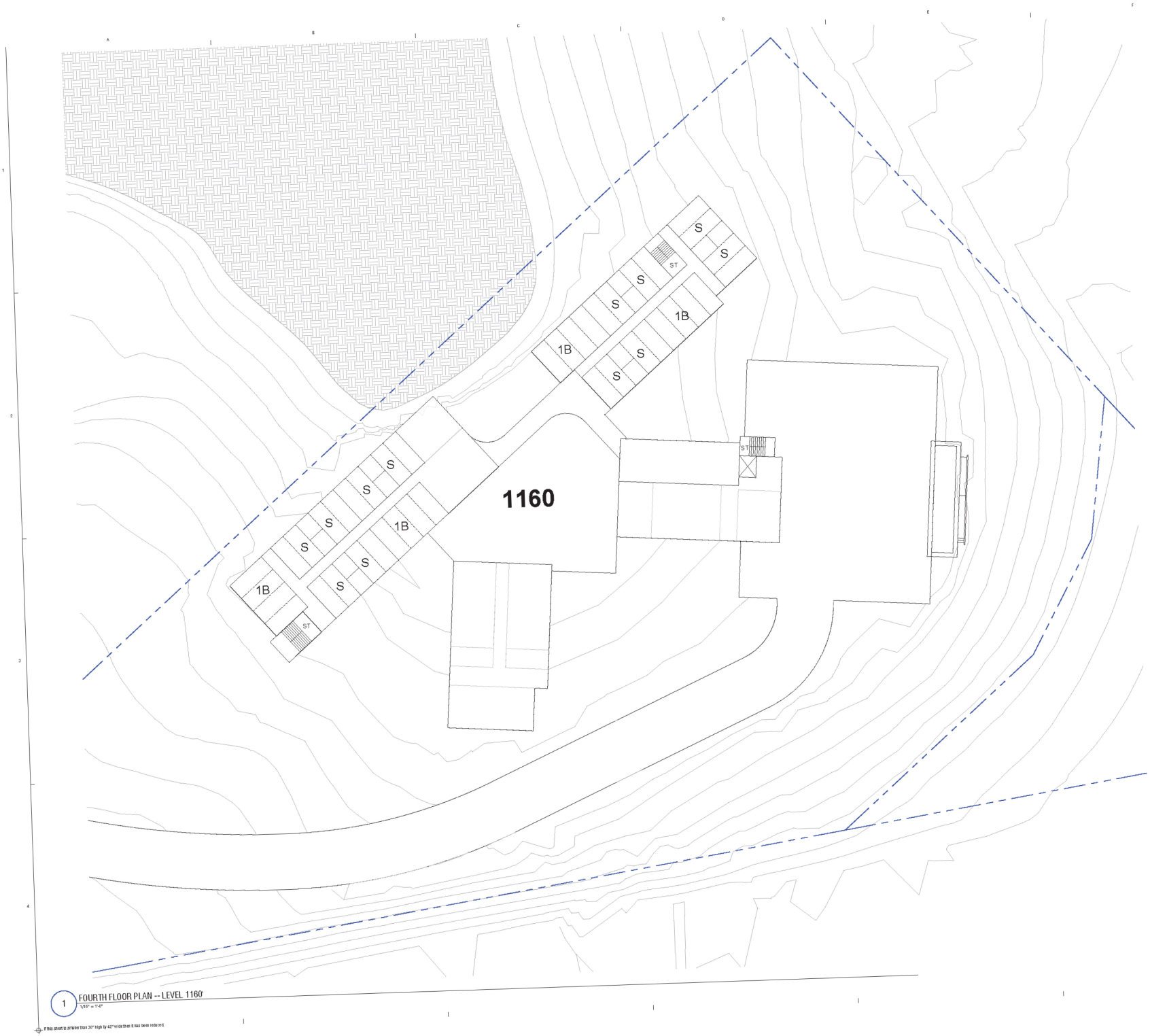
REVISIONS

DRAWING TITLE

THIRD FLOOR PLAN -- LEVEL 1150'

A2.03

PLOT DATE 9/1/2017 3:41:22 PM PROJECT NUMBER 17014



1 FOURTH FLOOR PLAN -- LEVEL 1160'
1/16" = 1'-0"

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GONZALEZ GOODALE ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11601 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Permit No.

LICENSED ARCHITECT — NO. C 25814 — REN. 1-31-19 — STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

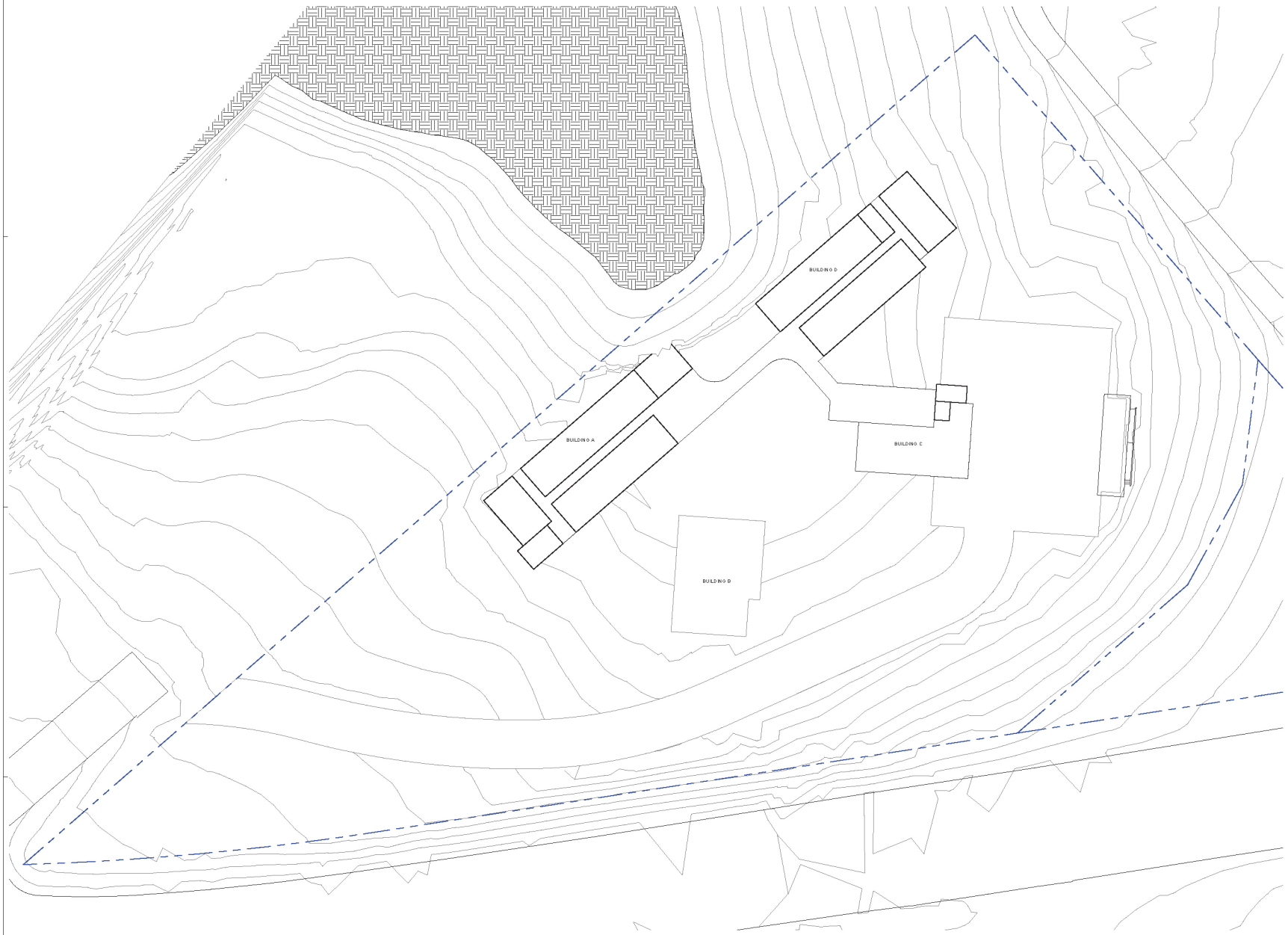
REVISIONS

DRAWING TITLE

FOURTH FLOOR PLAN -- LEVEL 1160'

A2.04

PLOT DATE 9/1/2017 3:41:23 PM PROJECT NUMBER 17004



1 05 ROOF
1" = 20'-0"

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GONZALEZ GOODALE
ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11681 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Project No.

LICENSED ARCHITECT
ALI RAMIN
NO. C 25924
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

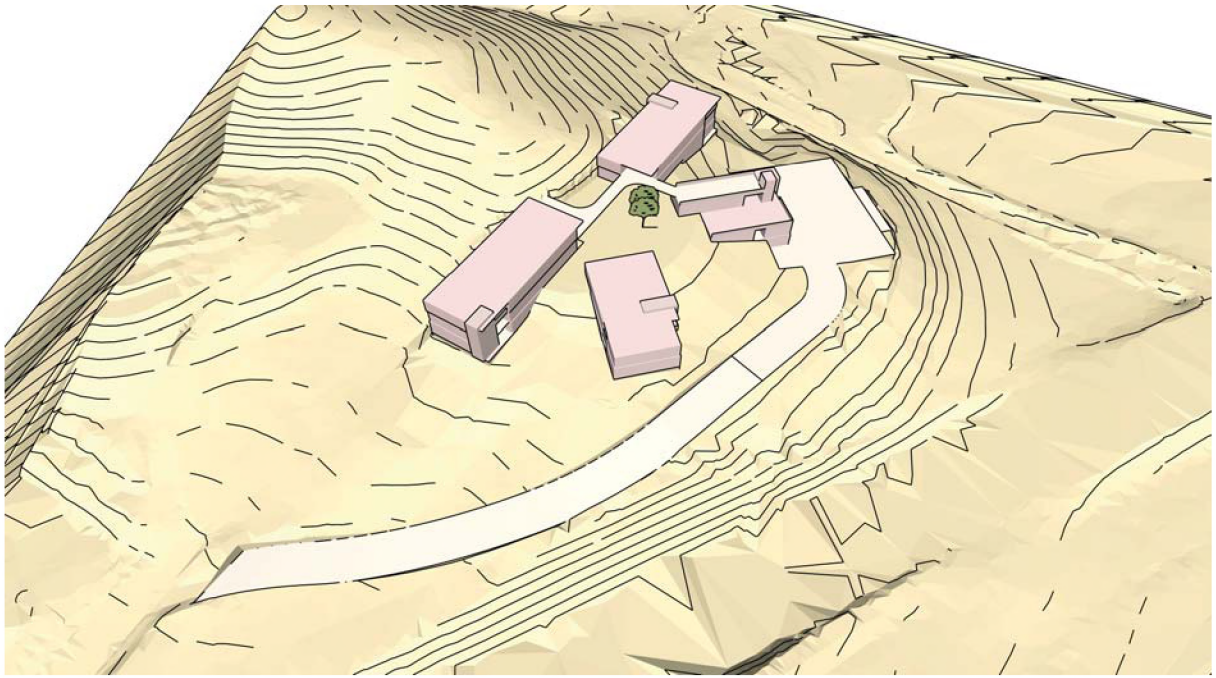
REVISIONS

DRAWING TITLE

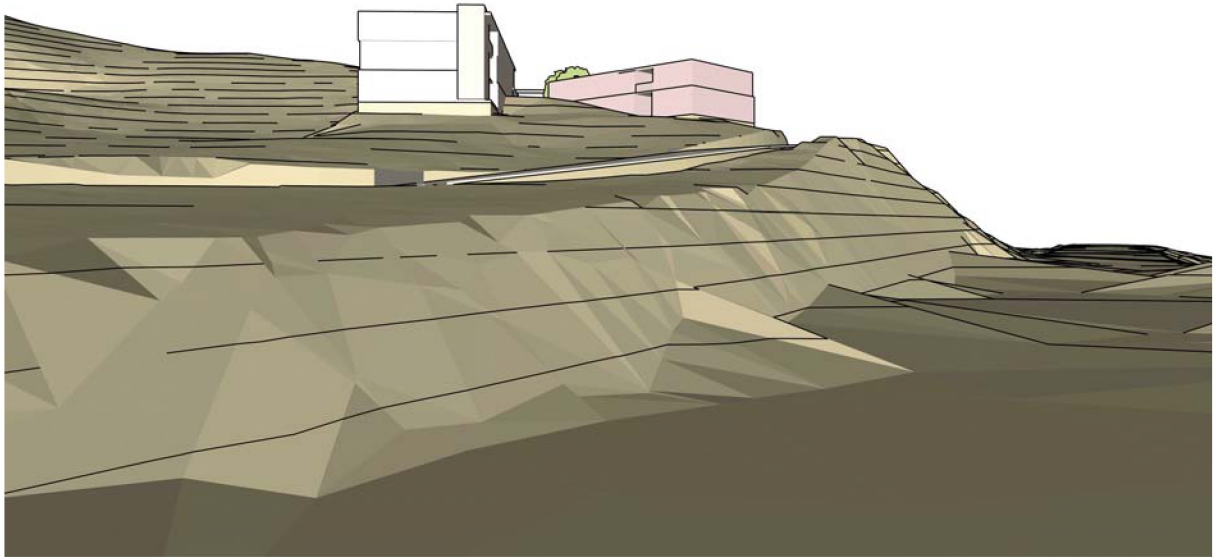
ROOF PLAN

A2.05

PLOT DATE: 9/1/2017 3:41:23 PM PROJECT NUMBER: 17104



SOUTH WEST AERIAL VIEW



SOUTH WEST VIEW

GONZALEZ GOODALE
ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11661 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Project No.

LICENSED ARCHITECT
NO. C 25554
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

REVISIONS

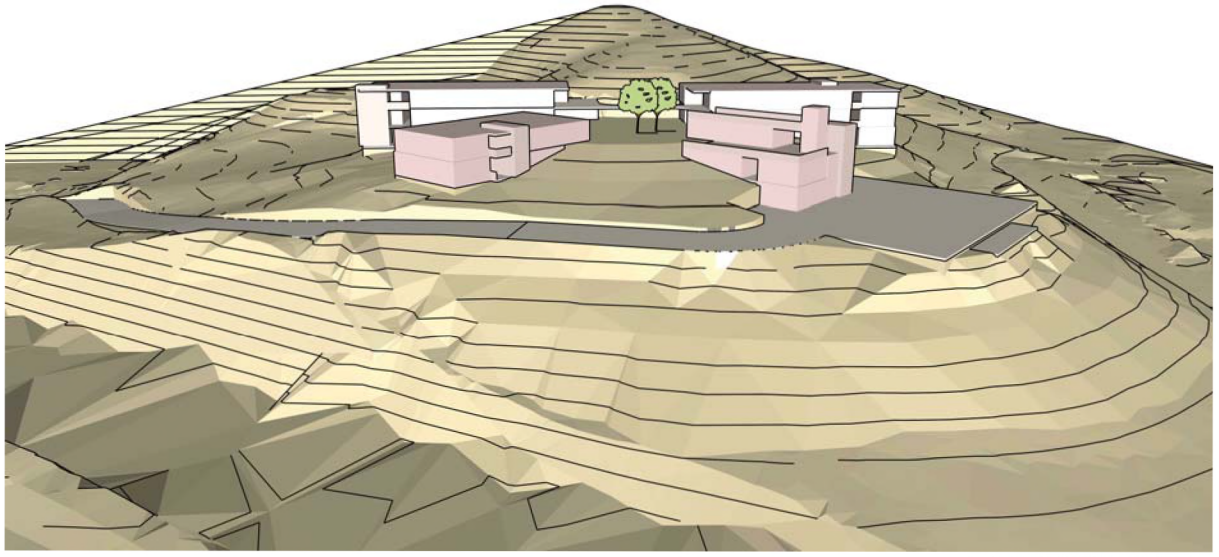
DRAWING TITLE

SITE 3D VIEWS

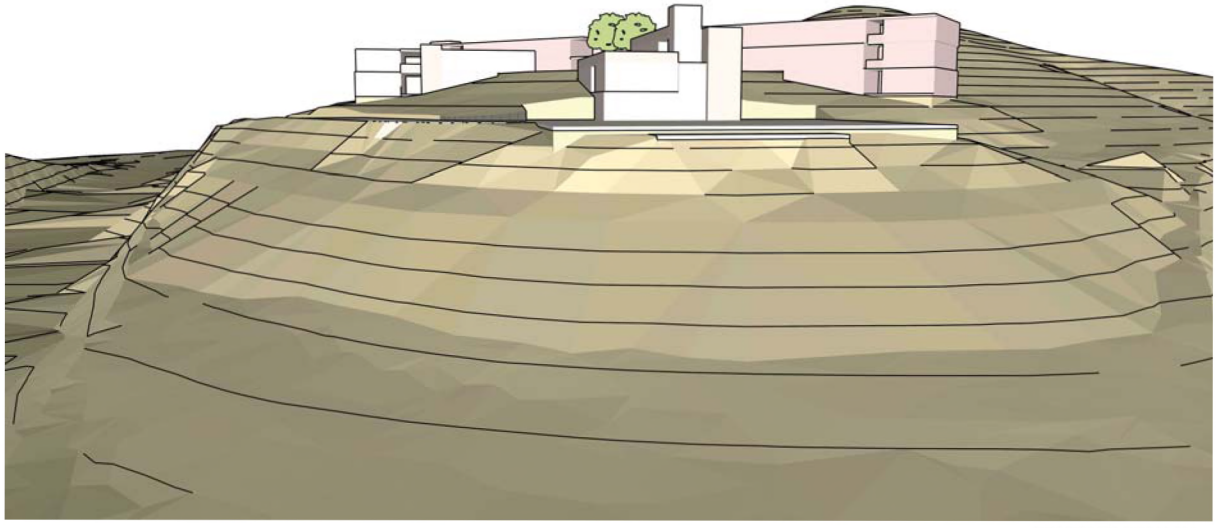
A3.01

PLOT DATE 6/1/2017 3:42:03 PM PROJECT NUMBER 17004

If this sheet is smaller than 30" high by 42" wide then it has been reduced.



SOUTH EAST AERIAL VIEW



SOUTH EAST VIEW

GONZALEZ GOODALE
ARCHITECTS

T: 626.568.1428 F: 626.568.8026
135 WEST GREEN ST SUITE 200
PASADENA, CALIFORNIA 91105

FOOTHILL BLVD

PERMANENT SUPPORTIVE HOUSING

11681 FOOTHILL BLVD.,
SYLMAR, CA 91342

CLIENT PROJECT NO.

Client Project No.

LICENSED ARCHITECT
NO. C 26914
REN. 1-31-19
STATE OF CALIFORNIA

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ISSUES

Issue Date	Description

REVISIONS

DRAWING TITLE

SITE 3D VIEWS

A3.02

PLOT DATE: 9/13/2017 3:42:54 PM PROJECT NUMBER: 17004

If this sheet is smaller than 30" high by 42" wide then it has been reduced.

Attachment D
Affordability Restrictions

11681 W. Foothill Boulevard

ATTACHMENT D
11681 FOOTHILL
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	Studio Units	1-Bedroom Units
30% AMI TCAC / 30% AMI HHH / LI DB / 50% CDLAC		
Number of Units	10	NA
30% AMI TCAC Rent	$473	NA
30% AMI HHH Rent	$473	NA
Low Income HCD Rent (Density Bonus)	$680	NA
50% CDLAC Rent	$788	NA
VASH Vouchers	10	NA
Applicable Rent	**$473**	**N/A**
30% AMI TCAC / 30% AMI HHH		
Number of Units	8	6
30% AMI TCAC Rent	$473	$507
30% AMI HHH Rent	$473	$507
VASH Vouchers	8	6
Applicable Rent	**$473**	**$507**
50% AMI TCAC / 50% AMI HHH		
Number of Units	19	5
50% AMI TCAC Rent	$788	$845
50% AMI HHH Rent	$788	$845
VASH Vouchers	19	5
Applicable Rent	**$788**	**$845**

Prepared by: Keyser Marston Associates, Inc.
File name: 11681 Foothill_12 15 17; Rents; trb

Attachment B: Term Sheet – 13574 W. Foothill Boulevard

13574 W. Foothill Boulevard
Disposition and Development Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Disposition and Development Agreement ("DDA") for the Metamorphosis on Foothill project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and Metamorphosis on Foothill, LP ("Developer").

2. **City Site Description:**
One parcel of land is currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	13574 W. Foothill Boulevard	2513-006-900	53,489	Attachment A

3. **City Site History:**
The property was acquired in February 2004 from the Housing Authority of the City of Los Angeles (HACLA) for $992,180 by the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA). The City Site is located in the former Pacoima/Panorama City Project Area and Bunker Hill Low and Moderate Income Housing Funds (BH Replacement Housing Trust) was used as the funding source. In 2013 the land was transferred from CRA/LA to HCIDLA, which is the Housing Successor Agency. Currently, the City Site is vacant.

4. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: Metamorphosis on Foothill (Project) will be a new construction permanent supportive housing development that will create 48 apartment units, including one on-site manager's unit) on the City Site. The building will be 2-3 stories tall. The Project will include a public park and community garden, as well as a living wall wrapping the entirety of the building. Other sustainable features will include on-site water collection and filtration to achieve net-zero, LEED Gold standards, and WELL Building Standards.
   b. Project Site Size: 1.23 Acres of Land Area.
   c. Gross Building Area: 25,467 square feet (19,100 sf gross living area, 4,457 leasing office/service areas and 1,910 sf of common area/circulation).
   d. Unit Mix: 25 studio units and 23 one-bedroom units.
   e. Parking: 30 spaces.
   f. Target Population: Fifty percent of the units will be set-aside for households that have experienced chronic homelessness and the remainder will be reserved for households that have experienced homelessness.
   g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. Also, at least 10% of the total units will be accessible to persons with mobility impairments and 4% to persons with sensory impairments. All other units will be adaptable.
   h. Amenities: Park and community garden (open to public); play lawn, bike storage, community room and kitchen, laundry facilities, walking paths and furnishings for all PSH units.

5. **Ground Lease of the City Site:**
The City agrees to ground lease to Developer and the Developer agrees to ground lease from the City, the lease hold interest in the City Site in accordance with the DDA. The Ground Lease will have a 67 year (or more) term with a 32 year (or less) extension, not to exceed a total of 99 years.

6. **Ground Rent for City Site:**
The City agrees to ground lease the City Site to Developer and the Developer agrees to ground lease the City Site for an upfront payment equal to the fair market value of the City Site based on an appraisal conducted within six months of the closing on the ground lease by a City approved appraiser ("Upfront Ground Rent").

7. **Developer Pro Forma:**
Attached ("Attachment B") is the current Developer Pro Forma for the Project.

8. **Project Site Plan:**
Attached ("Attachment C") is the current Site Plan for the Project.

9. **Labor Rates:**
The Project will incur federal Davis Bacon and state prevailing wages.

10. **Developer Fee:**
The total developer fee is estimated at $2,500,000, which is the maximum allowed under City's underwriting guidelines. The Developer will defer $611,606 to be repaid with cash flow. The net cash to be received by the Developer is $2,500,000.

11. **Social Services to be Provided at Project:**
The Project will receive an estimated $253,800 in annual social services on-site from the Department of Health Services (DHS) for 47 DHS clients. The Project will provide an onsite resident service coordinator and/or case managers. These services will be provided by Penny Lane Centers and will include the following services:
    a. Onsite services will include service coordination and case management.
    b. Other services that will be made available to tenants either onsite or offsite (with transportation assistance as needed) will include:
        - Mental health services,
        - Life skills,
        - Job training, Group therapy,
        - Drug/addiction counseling, and
        - Health services.

12. **Reserves:**
    a. Capitalized Operating Reserves - $158,600, estimated at 3.65 months of operating expenses and debt service payments.
    b. Annual Replacement Reserves - $16,800, or $350 per unit per year.
    c. Capitalized Transition Reserves - $168,732, or $3,590 per DHS unit.

13. **City Land Loan Terms:**
The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:
    a. The City Land Loan Amount will be equal to the Upfront Ground Rent of the City Site.
    b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from the Certificate of Occupancy (COO).

c. The City Land Loan will have a 3.0% simple interest rate applied.
d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payments on other soft loans.)
e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB).
f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
g. The City Land Loan will be secured by a ground lease on the City Site.

14. Subordination:

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
Ground Lease	Unsubordinated
City Land Loan	Subordinated to TEB

15. Affordability Restrictions (See Attachment D):

With one unit set-aside for on-site managers, units' income and affordability requirements will be restricted by the following 55-year regulatory agreements as follows:

a. City Land Regulatory Agreement (per California Health & Safety Code). If the ground lease options are exercised, the affordability restrictions after the initial 55 years will convert to 60% AMI TCAC:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0
Moderate Income HCD	§50093	§50053	25	22	47
Total Units			**25**	**22**	**47**

b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
60% AMI	TCAC	TCAC	25	22	47
Total Units			**25**	**22**	**47**

c. CDLAC Regulatory Agreement (40% @ 60% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
50% AMI	TCAC	TCAC			
60% AMI	TCAC	TCAC	10	10	20
Total Units			**10**	**10**	**20**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	24	0	24
40% AMI – PSH / CH	TCAC	TCAC	0	0	0
30% AMI – PSH	TCAC	TCAC	1	0	1
40% AMI – PSH	TCAC	TCAC	0	22	22
Total Units			**25**	**22**	**47**

e. City Density Bonus Regulatory Agreement (per Health & Safety Code): [1]

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0
Low Income HCD	§50079.5	§50053	0	10	10
Total Units			**0**	**10**	**10**

16. Financing Plan:

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Predevelopment Loan	Genesis LA (Awarded)	$1,000,000
	CSH	$500,000
	EQ2/Wells Fargo (Awarded)	$400,000
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$10,440,000
Permanent		$2,250,000
4% Tax Credits	TCAC/TBD Investor	$8,495,000
HHH Loan	City of LA	$10,340,000
City AHTF	City of LA	$800,000
Deferred Developer Fee	Developer	$612,000
City Loan	City of LA	FMV of City Site
DHS Vouchers	DHS-Flexible Housing Subsidy Pool	47 Vouchers
Social Services Subsidy	DHS-FHSP	TBD

17. Milestones:

Action	Date
DDA Executed	By December 29, 2017
Entitlements Application	January 2018
Entitlements Secured	March 2018
HHH Application / Award	October 2017 / January 2018
City AHTF Application / Award	January 2018 / March 2018
City TEB Application / Approval	May 2018 / June 2018
CDLAC Application / Award	July 2018 / September 2018
4% TCAC Application / Award	June 2018 / August 2018

[1] The actual City Density Bonus affordability requirements will be subject to the Planning Department's review process.

FHSP Application Approval	October 2017
Financing / Land Closing	November 2018
Construction Commences / Completed	November 2018 / May 2020
Placed in Service Date	May 2020

18. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement, Ground Lease and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 11/8/17

Sean L. Spear
Assistant General Manager

DEVELOPER
Metamorphosis on Foothill, LP

By: _____ Date: 10/23/17

Vanessa Luna
Housing Director

ATTACHMENTS:

Attachment A	City Parcel Legal Description
Attachment B	Developer Pro Forma
Attachment C	Site Plan
Attachment D	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

13574 W. Foothill Boulevard

ATTACHMENT A

Address: 13574 W. Foothill Blvd., Los Angeles, CA 91342

APN: 2513-006-900

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 1 OF TRACT 37143, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 951 PAGES 1 AND 2 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Attachment B
Developer Pro Forma

13574 W. Foothill Boulevard

Metamorphosis on Foothill

Sources of Funds

Construction

		Total		*Per Unit*	Int Rate	Term (mo)
Construction Loan	$	10,440,656	$	217,514	3.47%	24
HHH	$	9,306,000	$	193,875		
Seller Carryback	$	2,020,000	$	42,083		
HCID	$	800,000	$	16,667	0%	
DOJ	$	-				
GP Equity	$	100	$	2		
LP Capital	$	339,787	$	7,079	0%	
Costs Deferred During Construction	$	-	$	-		
Deferred Costs	$	1,609,832	$	33,538		
			$	-		
	$	-	$	-		
Total Financing	$	24,516,375	$	510,758		
Total Development Cost	$	24,516,374	$	510,758		
Surplus/(Gap)	$	-	$	-		

Permanent

		Total		*Per Unit*	Int Rate	OID Int Rate	Term (yr)
Conventional Loan	$	2,250,000	$	46,875.00	4.33%		15
HHH	$	10,340,000	$	215,417		0.00%	55
Seller Carryback	$	2,020,000	$	42,083		0.00%	55
HCID	$	800,000	$	16,667		0.00%	55
			$	-		0.00%	55
	$	-	$	-			55
			$	-			55
			$	-			
GP Equity	$	100	$	2			
LP Capital	$	8,494,668	$	176,972			
Deferred Developer Fee	$	611,606	$	12,742			
			$	-			
Total Financing	$	24,516,374	$	510,758			
Total Development Cost	$	24,516,374	$	510,758			
Surplus/(Gap)	$	(0)	$	(0)			

Metamorphosis on Foothill

Uses of Funds

Total Building Square Footage	31,833	
Commercial Square Footage		
Commercial % based on hard c	0.00%	
	100.00%	Residential

Development Costs				Eligible Basis	
				Residential	
		Total	Per Unit	NC/Rehab	Acquisition
ACQUISITION					
Total Purchase Price		2,020,000	42,083		
Loan Assumption (existing SUHRP & P&I)			0		
Legal: Acquisition		0	0		
Title, Recording & Escrow--Acquisition		0	0		
Demolition		0	0		
Subtotal		2,020,000	42,083	0	0
HARD COSTS					
O&P/Gen Cond/Ins&Bon %	11.58%				
Toxics Abatement			0	0	
Off-site Improvements		150,000	3,125	125,000	
On-site Improvements		0	0	0	
Construction Costs	$13,101,000	12,951,000	269,813	12,951,000	
General Conditions		600,000	12,500	600,000	
PW/Comm Ben Hiring & Sus Programs	0%	0	0	0	
Contractor Overhead & Profit	5%	655,050	13,647	655,050	
Insurance & Bond	2%	262,020	5,459	262,020	
Construction Contingency	6.50%	950,175	19,795	950,175	
Subtotal	$13,101,000	15,568,245	324,338	15,543,245	0
SOFT COSTS					
Development Impact Fees		169,430	3,530	169,430	
Environmental Audit (Phase I, LBP, Asbest)		10,000	208	10,000	
Architecture--Design & Supervision	6.87%	900,000	18,750	900,000	
Architecture--Reimbursables/Add'l Svcs.	10%	90,000	1,875	90,000	
Survey & Engineering		108,900	2,269	108,900	
Soils Report		80,000	1,667	80,000	
Appraisal		5,000	104	5,000	
Market Study		10,000	208	10,000	
Comm outreach			0	0	
Construction Management (Preconstruction)	$ 5,500	27,500	573	27,500	
Construction Management (Construction)	$ 7,500	135,000	2,813	135,000	
Deputy Inspector		75,000	1,563	75,000	
Relocation			0		
Consultants (Misc, FLS, Energy)		149,600	3,117	149,600	
Acquisition Loan Fees & Exp.		0	0	0	
Acquisition Loan Interest		0	0	0	
Predevelopment Loan Interest		139,425	2,905	139,425	
Predevelopment Fees & Exp		13,750	286	13,750	
Permit & Plan Check Fees		200,000	4,167	200,000	
Holding Costs & Security		10,000	208		
Const Loan Fees & Expenses		176,610	3,679	176,610	
Const Loan Interest	55%	398,520	8,302	298,890	
Title, Recording, & Escrow--Construction		50,000	1,042	50,000	
Permanent Loan Fees & Expenses		22,500	469		
Insurance		85,000	1,771	63,750	
Real Estate Taxes		45,000	938	45,000	
Soft Cost Contingency		200,000	4,167	200,000	
TCAC Fees		39,564	824		
LA County Monitoring Fee		0	0		
Legal: Construction		25,000	521	25,000	
Lender		45,000	938	45,000	
Organizational		5,000	104	0	
Syndication		65,000	1,354		
Syndication Consultant		60,000	1,250		
Syndication due dilligence		55,000	1,146		
LEED compliance costs		65,000	1,354	65,000	
Furnishings	$ 5,000	235,000	4,896	235,000	
Replacement Reserve			0		
Marketing / Leasing / Rent-Up Reserve		65,000	1,354		
Reserve: Operating	6	158,600	3,304		
Reserve: Transition		168,732	3,515		
Reserve:		0	0		
Reserve:					
Bond Fees		300,000	6,250		
Legal: Permanent Closing		10,000	208		
Title, Recording, & Escrow--Permanent		5,000	104		
Audit/Cost Certification		25,000	521		
Subtotal		4,428,130	92,253	3,317,854	0
Developer Fee		2,500,000	52,083	2,500,000	
Developer Fee (Commercial)			0		0
Total Development Cost		24,516,374	510,758	21,361,099	0
Syndication Costs		($180,000.00)	($2,604.17)	$0.00	$0.00
Net of Syndication Costs		$24,336,374	$508,154	$21,361,099	$0
Not including developer fee		$ 21,836,374.3	$ 456,070.3	$ 18,861,098.9	$ -

Metamorphosis on Foothill

Tax Credit Calculations

			Federal		State		
			Acquisition	NC/Rehab	Acquisition	NC/Rehab	
Projected Eligible Basis			0	21,361,099	0	0	
Federal: Acquisition		N	0				
Rehab/Constr.		Y		0			
State: Acquisition		N			0		
Rehab/Constr.		N				0	
Subtotal Eligible Basis			0	21,361,099	0	0	
Less: Ineligible Amounts							
Subtract BMIR Federal Financir		N		0			
Less: Voluntary Deductions			0	0	0	0	
Total Basis Incurred			0	21,361,099	0	0	
Less: Eligible Basis Voluntarily Excluded			0		0	0	
Threshold Basis Limit	22,973,712		0	21,361,099			
Eligible Basis			0	21,361,099	0	0	
High Cost Area Adjustment				130%		100%	
Adjusted Eligible Basis				27,769,429		0	
Applicable Fraction			100%	100%	100%	100%	
Qualified Basis (eligible)			0	27,769,429	0	0	
Voluntary Basis Reduction		N	0	0	0	0	0% <---- Credit Reduction
Qualified Basis (adjusted)			0	27,769,429	0	0	
Credit Rate			3.30%	3.22%	13.00%	13.00%	
Total Credits (Assumed)			0	894,176	0	0	
Total Credits (Allocated)*			0	894,176	0	0	
Total Credits			0	894,176	0	0	
Credit Price	$	0.95					
Projected Equity	$	0.70	$0	$8,494,668	$0	$0	
Per Credit TCAC Loan Amount*				$0.00			
TCAC Loan				$0			
Total Equity				$8,494,668			

TCAC Tiebreaker #2

Tie Breaker Calculation

Calculation 1

Tranche B loan	2,250,000	
Total public permanent funds	15,410,000	
Less ineligible offsites		
Adjustment for nonresidential space	15,410,000	
Size factor	-	
Total public permanent funds with adjust	15,410,000	
Total res development costs	24,516,374	
Ratio of perm to dev costs	**0.629**	
Calculation 2		
Req. Unadjusted Eligible Basis	21,361,099	a
Reduction to elig. Basis added back		
Total development costs	24,516,374	b
	0.043	(1 - a/b)/3
TOTAL	**67.146%**	

Size Factor

NC TCAC units	47
Size factor	

Tranche B calculation

Rental Income Differential:

Unit Type	# of Units	Rent Limit: 30% AMI (SRO/SpN) OR 40% AMI	Public Subsidy	Calculated Annual Rent
Studio	25	$456	$1,086	$189,000
1-bedroom	22	$483	$1,314	$219,384
2-bedroom	0	$577	$1,622	$0
3-bedroom	0	$665	$2,099	$0
SRO				$0
SRO				$0
	47.00		TOTAL	$408,384
Rental Income Differential		$408,384		
Less Vacancy		5.0%		
Net Rental Income		$387,965		
Available for debt service @ 1.15 DSC ratio:		$337,361		
Loan term (years)		15		
Interest rate (annual)		6.0%		
DSC ratio		1.15		
Loan amount per TCAC underwriting standards:		$3,331,536		
Actual Tranche B loan amount:		$2,250,000		

Metamorphosis on Foothill

Unit Mix & Rents

All Units (% AMI) @ TCAC rents

			30.0% AMI		40% AMI		Resident Manager 100.0% AMI		50% AMI		60% AMI				
	Subsidized	Unit Areas per TCAC	#	Net Rent/Unit	#	Net Rent/Unit	#	Net Rent/Unit	#	Net Rent/Unit	#	Net Rent/Unit	Total Units	Total Area	Total Rent/mo
Efficiency	N	350		$456		$613		$1,559		$771		$929	0	0	$0
	Y	350	25	$971		$1,069		$1,069					25	8,750	$24,275
1 Bedroom*	N	450		483		$652	1	1,666		$821		$990	1	450	$1,666
	Y	450		1,290	22	$1,171		1,290					22	9,900	$25,762
2 Bedroom*	N	700		577		$779		0		$982		$1,185	0	0	$0
	Y	700		1,591		$1,591		1,591					0	0	$0
3 Bedroom*	N	900		665		$899		2,304		$1,133		$1,367	0	0	$0
	Y	900		2,061	0	$2,061		2,061					0	0	$0
4 Bedroom*	N	1100		735		$997		2,565		$1,258		$1,519	0	0	$0
	Y	1100		2,437		$2,437		2,437					0	0	$0
TOTAL			25		22		1		0		0		48	19,100	$51,703
Percent of Targeted Units			52.08%		45.83%		2.08%		0.00%						$620,436
Total Subsidized			25		22						Bldg. Res.Sq. Ft. minus parking --->			25,467	

*Updated to reflect TCAC's changes to the sq.ft per Dec. 2017 adopted regulations

Metamorphosis on Foothill

15-Year Cash Flow

				Residential Vacancy Factor	10.00%		Operating Expenses/Unit/Year	$ 6,200		Inflation Rates - Residential	2.50%					
				Commercial Vacancy Factor	50.00%		Social Service Coordination Fee			Inflation Rate - Subsidy	2.00%					
				Replacement Reserve/Unit/Year	$ 350		# of units for Soc. Serv. Coord. Fee	47		Inflation Rate - Expenses	3.50%					
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Year		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Gross Potential Income (Res.)	19,992	19,992	20,492	21,004	21,529	22,067	22,619	23,185	23,764	24,358	24,967	25,591	26,231	26,887	27,559	28,248
Laundry Income		4,680	4,797	4,917	5,040	5,166	5,295	5,427	5,563	5,702	5,845	5,991	6,141	6,294	6,451	6,613
Vacancy & Collection Loss		(2,467)	(2,529)	(2,592)	(2,657)	(2,723)	(2,791)	(2,861)	(2,933)	(3,006)	(3,081)	(3,158)	(3,237)	(3,318)	(3,401)	(3,486)
Operating Subsidy Premium	600,444	600,444	612,453	624,702	637,196	649,940	662,939	676,197	689,721	703,516	717,586	731,938	746,577	761,508	776,738	792,273
Capitalized Operating Subsidy Reserve		0														
Vacancy & Collection Loss		(60,044)	(61,245)	(62,470)	(63,720)	(64,994)	(66,294)	(67,620)	(68,972)	(70,352)	(71,759)	(73,194)	(74,658)	(76,151)	(77,674)	(79,227)
Gross Potential Income (Comm.)																
Vacancy & Collection Loss (Comm.)			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income		562,604	573,968	585,561	597,389	609,456	621,768	634,328	647,144	660,219	673,558	687,168	701,054	715,220	729,674	744,421
Operating Expenses		(297,600)	(308,016)	(318,797)	(329,954)	(341,503)	(353,455)	(365,826)	(378,630)	(391,882)	(405,598)	(419,794)	(434,487)	(449,694)	(465,433)	(481,723)
Real Estate Taxes		(2,800)	(2,898)	(2,999)	(3,104)	(3,213)	(3,326)	(3,442)	(3,562)	(3,687)	(3,816)	(3,950)	(4,088)	(4,231)	(4,379)	(4,532)
Social Service Coordination		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Expenses																
Net Operating Income (NOI)		262,204	263,054	263,765	264,330	264,740	264,987	265,060	264,951	264,649	264,144	263,424	262,479	261,295	259,862	258,165
Replacement Reserve		(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)	(16,800)
Transition Reserve																
Operating Reserve																
Net Available for Debt Service		245,404	246,254	246,965	247,530	247,940	248,187	248,260	248,151	247,849	247,344	246,624	245,679	244,495	243,062	241,365
Conventional Loan Debt Service		(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)	(204,210)
Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Monitoring Fee		(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Net Cash Flow		38,694	39,543	40,255	40,820	41,230	41,476	41,550	41,441	41,139	40,634	39,914	38,969	37,785	36,352	34,655
Investor Services Fee		(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Deferred Dev Fee		(33,694)	(34,543)	(35,255)	(35,820)	(36,230)	(36,476)	(36,550)	(36,441)	(36,139)	(35,634)	(34,914)	(33,969)	(27,376)		
Partnership Management Fee		-	-	-	-	-	-	-	-	-	-	-	-	(5,409)	(10,000)	(10,000)
Debt Coverage Ratio- 1st TD		1.20	1.21	1.21	1.21	1.21	1.22	1.22	1.22	1.21	1.21	1.21	1.20	1.20	1.19	1.18
DCR - 1st TD & MHP		1.19	1.19	1.19	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.19	1.19	1.18	1.18	1.17
Percent of EGI		6.88%	6.89%	6.87%	6.83%	6.77%	6.67%	6.55%	6.40%	6.23%	6.03%	5.81%	5.56%	5.28%	4.98%	4.66%
Percent of Operating Expenses		13%	13%	13%	12%	12%	12%	11%	11%	10%	10%	9%	9%	8%	8%	7%

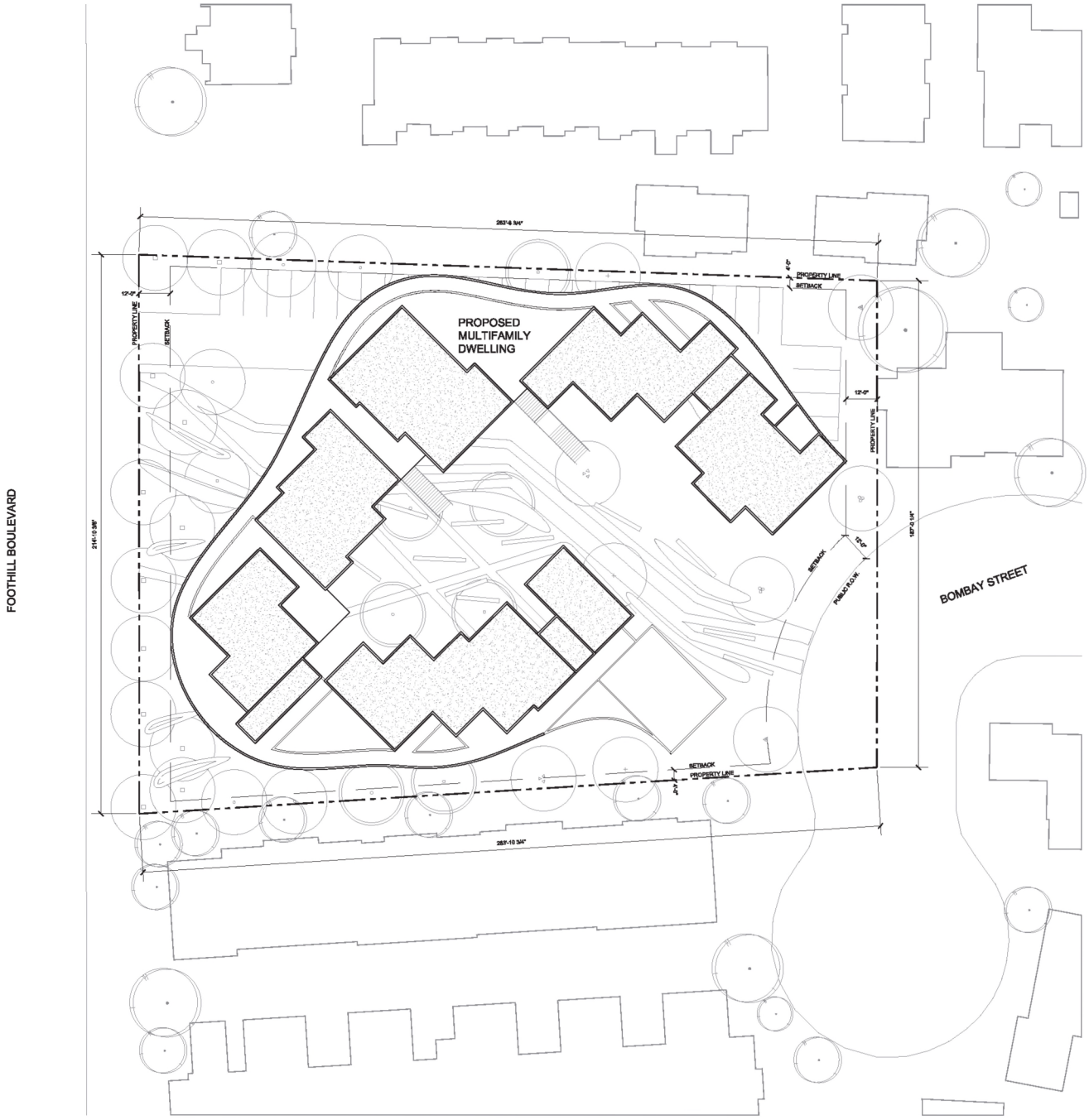
Meta

First Year Operating Budget

		Annual
INCOME		
Gross Potential Income (Res.)		$19,992
Laundry Income		$4,680
Vacancy & Collection Loss		(2,467)
Operating Subsidy Premium		600,444
Vacancy & Collection Loss	$	(60,044)
Gross Potential Income (Comm.)		0
Vacancy & Collection Loss (Comm.)	$	-
Effective Gross Income		$562,604
EXPENSES		
Management Fee	$	33,840
TOTAL MANAGEMENT	$	33,840
ADMINISTRATION		
Marketing	$	627
Audit	$	13,000
Legal	$	2,365
Security		
Office Expenses	$	39,633
TOTAL ADMINISTRATION	$	55,625
SALARIES AND BENEFITS		
On-Site Management	$	30,970
Maintenance Personnel	$	-
Janitorial Personnel	$	23,266
Payroll taxes, benefits & comp	$	9,291.00
TOTAL SALARIES	$	63,527
MAINTENANCE		
Supplies	$	5,500
Repair Contract	$	41,623
Pest Control	$	4,945
Grounds Contract	$	3,489
Heating & Cooling	$	3,000
Interior Painting	$	10,861
Other: Elevator/Fire	$	15,319
TOTAL MAINTENANCE	$	84,737
UTILITIES NOT PAID BY TENANTS		
Trash Removal	$	4,369
Electricity	$	11,985
Water/Sewer	$	13,334
Gas	$	3,000
TOTAL UTILITIES	$	32,688
INSURANCE		
Property & Liability Ins	$	23,583
TOTAL INSURANCE	$	23,583
TAXES		
Business Tax & License	$	800
TOTAL TAXES	$	800
OTHER		
Other: WiFi premium		
Other:		
TOTAL OTHER	$	-
TOTAL OPERATING EXPENSES	**$**	**294,800**

Attachment C
Site Plan

13574 W. Foothill Boulevard



PROJECT DATA

ZONING DISTRICT:	RD1.5-1XL
APN:	2613006900
GENERAL PLAN/LAND USE:	LOW MEDIUM II RESIDENTIAL
ALQUIST-PRIOLO FAULT ZONE:	YES
SITE AREA:	53,466 SF
BUILDING FOOTPRINT:	24,900 SF
PARKING FOOTPRINT:	10,500 SF
SITE IMPROVEMENTS:	34,800 SF
RESIDENTIAL GFA:	31,800 SF
TOTAL UNITS:	48
STUDIOS:	25
1 BEDROOM:	23
PARKING SPACES:	30

MICHAEL
MALTZAN
ARCHITECTURE, INC.

2801 HYPERION AVE., STUDIO 107
LOS ANGELES, CA 90027
T (323) 913 3088 F (323) 913 5832

OWNER
CLIFFORD BEERS HOUSING

KEY PLAN

N

STAMP

NOT FOR CONSTRUCTION
DRAFT

DESCRIPTION	DATE

PROJECT
METAMORPHOSIS
ON FOOTHILL
13074 FOOTHILL BLVD
SYLMAR, CA, 91342

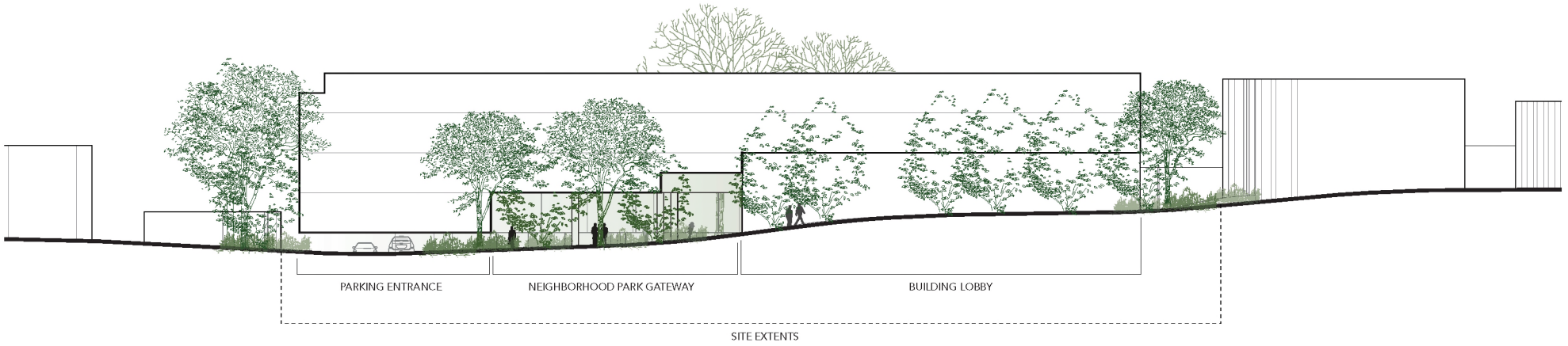
TITLE
SITE PLAN

MMA PROJECT NO.
1923

SHEET
A100

SCALE
1/16"=1'-0"

© MICHAEL MALTZAN ARCHITECTURE, INC.



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0' 5' 10' 15' 25' | ELEVATION ALONG FOOTHILL BLVD

IMAGINE APARTMENTS

CONCEPT DESIGN UPDATE

6/24/16

MODEL PHOTOS

3

UNIT PLANS

15

ELEVATION ALONG FOOTHILL BLVD

22

LANDSCAPE CONCEPT DESIGN

24

IMAGINE APARTMENTS

MODEL IMAGES

6/24/16





AERIAL | NORTHEAST





AERIAL | NORTHWEST





AERIAL | SOUTHWEST



AERIAL | EAST



AERIAL | SOUTHEAST



STREETVIEW | ENTRANCE FROM FOOTHILL BLVD.



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STREETVIEW | VEHICULAR/PEDESTRIAN SITE ACCESS FROM FOOTHILL BLVD



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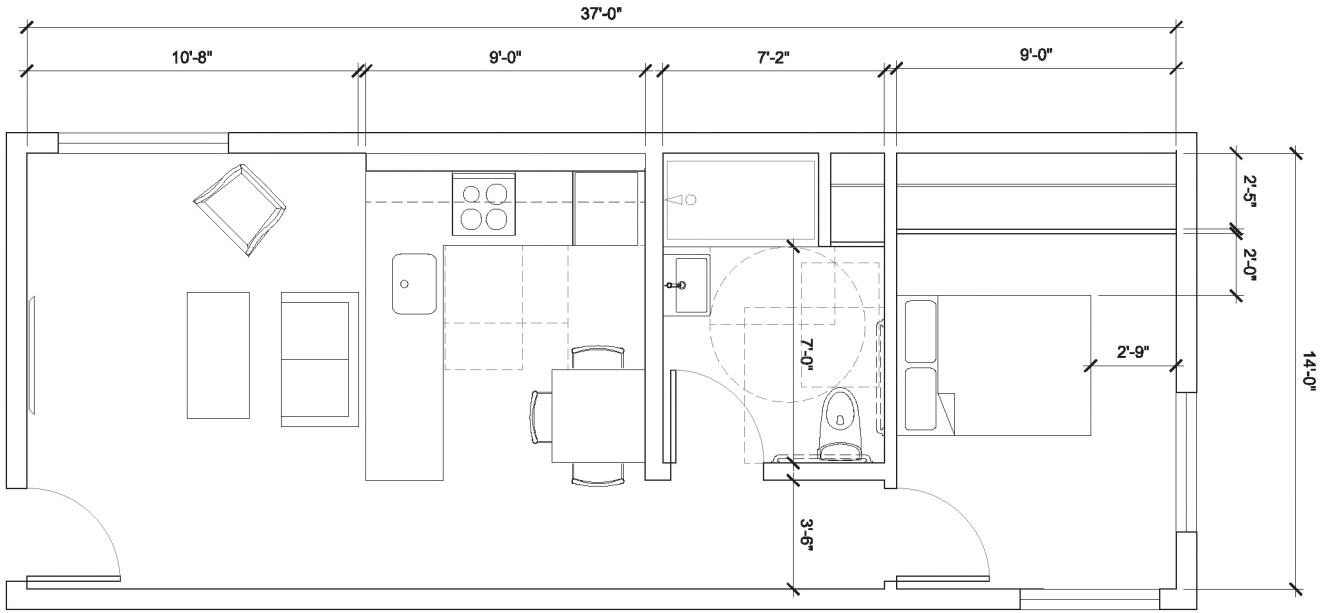
STREETVIEW | PEDESTRIAN/VEHICULAR SITE ACCESS FROM BOMBAY ST

SYLMAR HOUSING

UNIT PLANS

6/24/16



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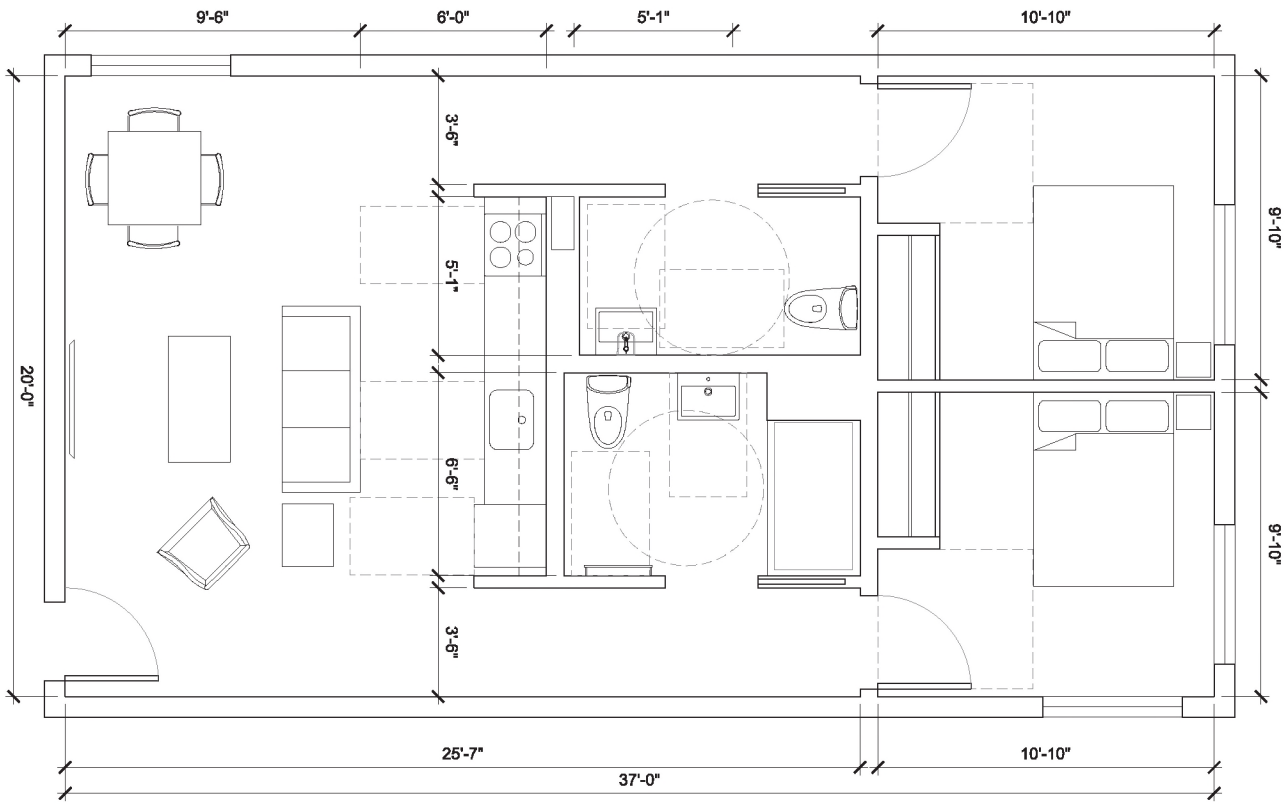
SCALE: 1/4" = 1'-0" | 1 BEDROOM | 519 SF



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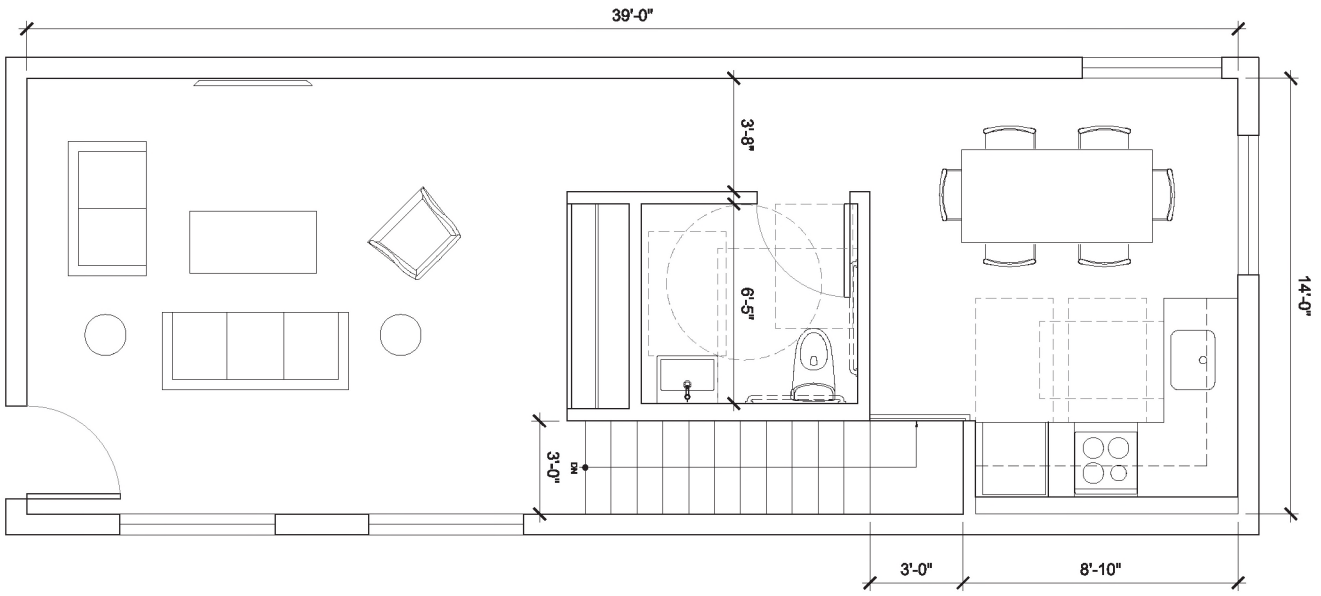
MALTZAN
ARCHITECTURE

SCALE: 1/4" = 1'-0" | 2 BEDROOM | 740 SF



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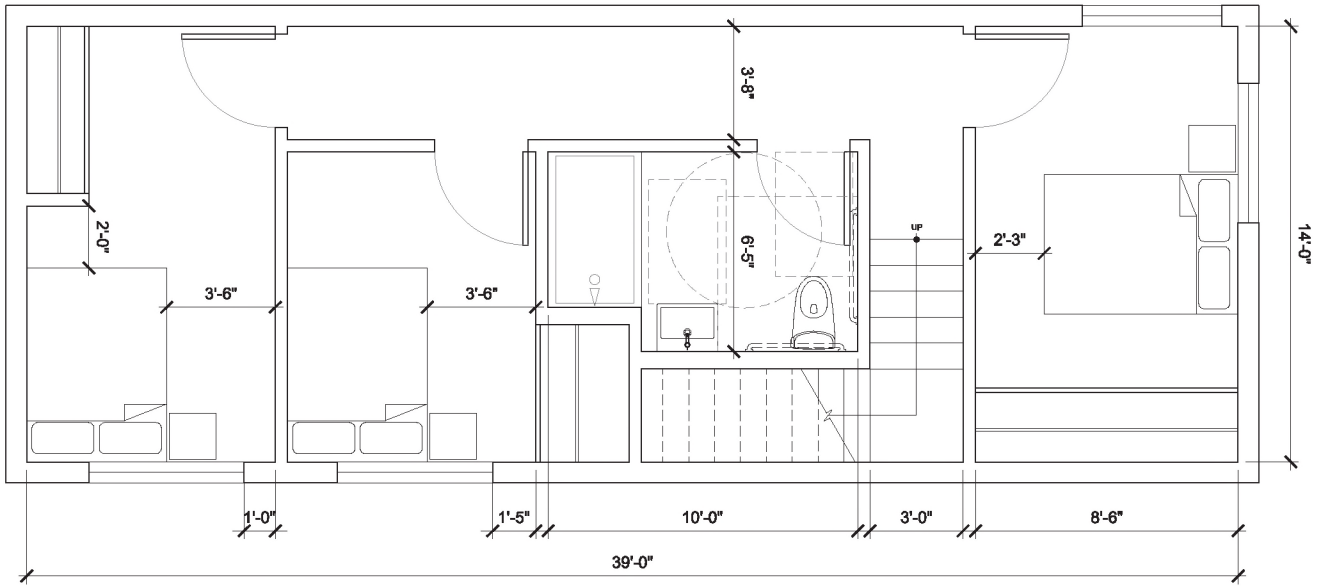
MALTZAN
ARCHITECTURE

SCALE: 1/4" = 1'-0" | 3 BEDROOM | 1038 SF | ENTRY LEVEL



MICHAEL
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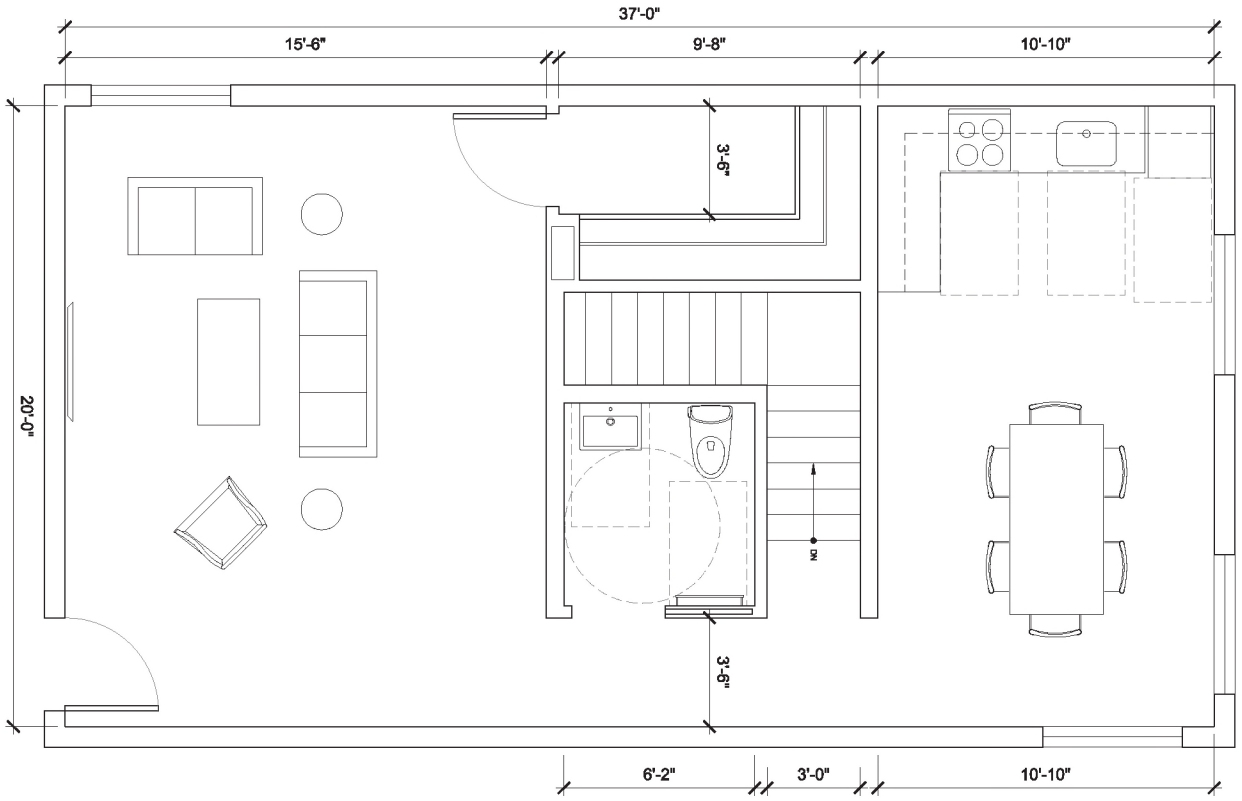
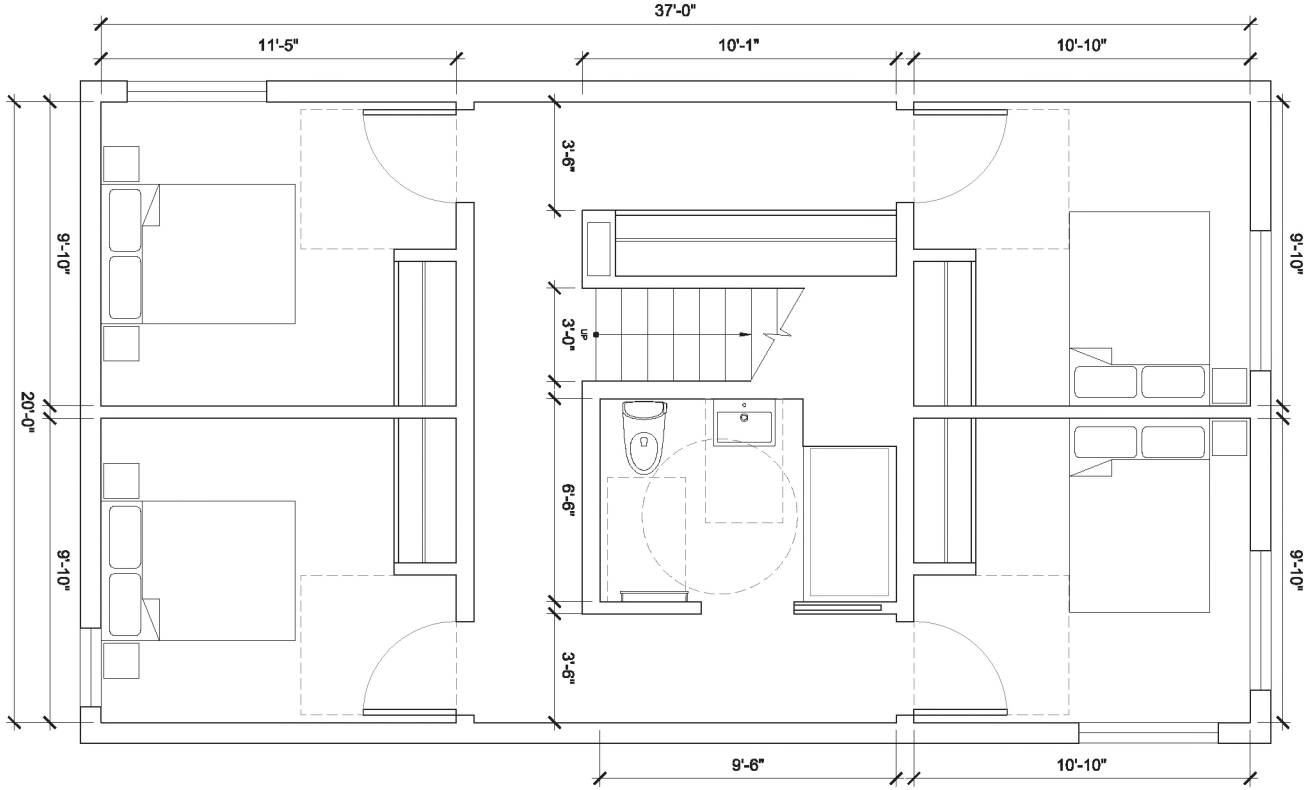
ARCHITECTURE

SCALE: 1/4" = 1'-0" | 3 BEDROOM | 1038 SF | BEDROOM LEVEL



MICHAEL
MALTZAN
ARCHITECTURE

SCALE: 1/4" = 1'-0" | 4 BEDROOM | 1480 SF | ENTRY LEVEL



MICHAEL
MALTZAN
ARCHITECTURE

SCALE: 1/4" = 1'-0" | 4 BEDROOM | 1480 SF | BEDROOM LEVEL

Attachment D
AFFORDABILITY RESTRICTIONS

13574 W. Foothill Boulevard

ATTACHMENT D
13574 W. FOOTHILL BOULEVARD
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	Studio Units	1-Bedroom Units
60% AMI TCAC / Moderate HCD / 30% AMI HHH-CH / 60% AMI CDLAC		
Number of Units	10	0
60% AMI TCAC Rent	$946	N/A
30% AMI HHH-CH Rent	$552	N/A
Moderate HCD Rent	$1,247	N/A
60% AMI CDLAC Rent	$946	N/A
DHS Vouchers	Yes	N/A
Applicable Rent	**$552**	**N/A**
60% AMI TCAC / Moderate HCD / 30% AMI HHH-CH		
Number of Units	14	0
60% AMI TCAC Rent	$946	N/A
30% AMI HHH-CH Rent	$552	N/A
Moderate HCD Rent	$1,247	N/A
60% AMI CDLAC Rent	$946	N/A
DHS Vouchers	Yes	N/A
Applicable Rent	**$552**	**N/A**
60% AMI TCAC / Moderate HCD / 30% AMI HHH-PSH		
Number of Units	1	0
60% AMI TCAC Rent	$946	N/A
30% AMI HHH-PSH Rent	$552	N/A
Moderate HCD Rent	$1,247	N/A
DHS Vouchers	Yes	N/A
Applicable Rent	**$552**	**$0**
60% AMI TCAC / Moderate HCD / 40% AMI HHH-PSH / LI DB / 60% CDLAC		
Number of Units	0	10
60% AMI TCAC Rent	N/A	$1,014
40% AMI HHH-PSH Rent	N/A	$676
Moderate HCD Rent	N/A	$1,426
Low Income Density Bonus Rent	N/A	$778
60% CDLAC Rent	N/A	$1,014
DHS Vouchers	N/A	Yes
Applicable Rent	**N/A**	**$676**
60% AMI TCAC / Moderate HCD / 40% AMI HHH-PSH		
Number of Units	0	12
60% AMI TCAC Rent	N/A	$1,014
40% AMI HHH-PSH Rent	N/A	$676
Moderate HCD Rent	N/A	$1,426
DHS Vouchers	N/A	Yes
Applicable Rent	**$0**	**$676**

Prepared by: Keyser Marston Associates, Inc.
Filename: 13574 W Foothill - 2017 4% Model; Affordability Chart; jlr; 9/25/2017

Attachment C: Term Sheet – 6527 Crenshaw Boulevard

6527 Crenshaw Boulevard
Owner Participation Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Owner Participation Agreement ("OPA") for the Depot at Hyde Park project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and GTM Holdings, LLC, a California Limited Liability Company ("Developer").

2. **City Site Description:**
One parcel of land is currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	6527 Crenshaw Boulevard	4006-018-901	10,863	Attachment A

3. **Developer Site Description:**
One parcel of land is currently owned by the Developer and is adjacent to the City Site indicated above:

	Address	APN	Parcel Size (Sf)	Legal Description
Developer Site	6531 Crenshaw Boulevard	4006-018-010	10,757	Attachment B

4. **City Site History:**
In the 1960s, a 4,300 square foot brick and stucco building plus 10 parking spaces were constructed on the City Site and used as the Hyde Park Library. However, since the new Hyde Park Library facility was opened in 2004, the building has been vacant. The property was acquired in 2007 to eliminate blight by the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) for $540,000. The City Site is located in the former Crenshaw/Slauson Redevelopment Project Area and the CS Housing Trust Fund ($31,000) and CS Housing Trust Bonds – Series B ($509,000) were used as the funding source to acquire the property. In 2013 the land was transferred to HCIDLA, which is the Housing Successor Agency.

5. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications (approvals were secured on August 20, 2017); and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: The Depot at Hyde Park will be a five-story building that will consist of 43 units. Approximately 25 units will be dedicated to housing homeless households, approximately 17 units will be provided to non-homeless family households, and one unit will be set-aside for the on-site manager. A total of 25 parking spaces will be provided in an at-grade parking garage, community/service space will be providing in addition to ground floor retail.
   b. Project Site Size: 21,620 Square Feet of Land Area (Includes the City Site and Developer Site).
   c. Gross Building Area: 53,923 square feet (40,174 sf. gross living area, 848 sf. leasing office, 1,614 sf. community space, 1,500 sf. of ground floor commercial space, and 9,787 sf. of common area/circulation).
   d. Unit Mix: 21 one-bedroom units, 11 two-bedroom units, and 11 three-bedroom units.
   e. Parking: 25 spaces
   f. Target Population: Homeless, chronically homeless, low income families (25 Permanent Supportive Housing Units)

g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. At least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
h. Amenities: A spacious courtyard with decks, a playground, laundry room, community room, bike parking.

6. **Purchase and Sale of the City Site:**
The City agrees to sell and convey to Developer and the Developer agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the DDA and the Grant Deed.

7. **Relocation:**
The Developer Site includes a 10 unit apartment building that is occupied. The Developer will be responsible for relocating the occupants per the City's relocation requirements. The Developer estimates the relocation costs to be approximately $239,000, including a 20% contingency allowance, or $23,900 per household.

8. **Purchase Price for City Site:**
The City agrees to convey the City Site to the Developer and the Developer agrees to purchase the City Site for $440,000 ("Purchase Price").

9. **Developer Pro Forma:**
Attached ("Attachment C") is the current Developer Pro Forma for the Project.

10. **Project Site Plan:**
Attached ("Attachment D") is the current Site Plan for the Project.

11. **Labor Rates:**
The Project will incur federal Davis Bacon and state prevailing wages.

12. **Developer Fee:**
The total developer fee is estimated at $2,362,000, which is the maximum allowed under the TCAC regulations. The Developer will defer approximately $954,296 of the fee to be repaid with cash flow. The net cash to be received by the Developer is $2,362,000.

13. **Social Services to be Provided at Project:**
The Project will provide an estimated $80,800 in annual services coordination onsite. These services will be provided by a Los Angeles County authorized service provider. St. Joseph Center is proposed to provide the onsite social services for the Project. The social services provided on-site will include the following:
a. Individualized case management
b. Coordination with onsite manager
c. Response to mental health crisis
d. Independent Living Skills
e. Eviction Prevention and Legal Advocacy
f. Substance Abuse Interventions
g. Screening and Assessment
h. Job Training

14. **Minimum Reserves:**
    a. Capitalized Operating Reserves - $141,113
    b. Annual Replacement Reserves - $16,125, or $375 per unit
    c. Transition Reserves – $317,212, or $13,216 per PBV unit

15. **City Land Loan Terms:**
    The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:
    a. The City Land Loan Amount will be equal to the Purchase Price of the City Site.
    b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from Certificate of Occupancy (COO).
    c. The City Land Loan will have a 3.0% simple interest rate applied.
    d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payment on other soft loans.)
    e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB).
    f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
    g. The City Land Loan will be secured by a subordinated Trust Deed that will be applied to the entire Project Site.

16. **Subordination:**
    The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB

17. **Affordability Restrictions (See Attachment E):**
    With one set-aside for on-site managers, units' income and affordability requirements will be restricted by the following 55-year, from COO, regulatory agreements as follows:

    a. City Land Regulatory Agreement (per California Health & Safety Code):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0	0
Moderate Income HCD	§50093	§50053	21	10	11	42
Total Units			**21**	**10**	**11**	**42**

    b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	13	0	0	13
40% AMI	TCAC	TCAC	8	1	0	9
50% AMI	TCAC	TCAC	0	2	2	4
60% AMI	TCAC	TCAC	0	7	9	16

Total Units	**21**	**10**	**11**	**42**

c. CDLAC Regulatory Agreement (40% at 60% AMI):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
50% AMI	TCAC	TCAC	0	0	0	0
60% AMI	TCAC	TCAC	9	4	4	17
Total Units			**9**	**4**	**4**	**17**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	19	0	0	19
40% AMI – PSH	TCAC	TCAC	2	2	0	4
50% AMI – PSH	TCAC	TCAC	0	2	0	2
Total Units			**21**	**4**	**0**	**25**

e. City Density Bonus Regulatory Agreement (Per Health and Safety Code Definitions):[1]

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	5	0	0	5
Low Income HCD	§50079.5	§50053	16	10	11	37
Total Units			**21**	**10**	**11**	**42**

18. <u>Financing Plan:</u>

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$11,500,000
Permanent		$3,487,000
4% Tax Credits	TCAC/TBD Investor	$7,222,000
HHH Loan	City of LA	$7,200,000
AHSC Loan	HCD	$2,752,000
AHSC Grant	HCD	$688,000
AB 1290 Grant	CD8	$500,000
Deferred Developer Fee	Developer	$954,296
City Land Loan	City of LA	$775,000
Project-Based Section 8	HACLA & County of LA	25 Vouchers

[1] Based on the Director's Determination for Density Bonus & Affordable Housing Incentives dated August 2, 2017. However, Developer plans to have this requirement reduced to the minimum required by the density bonus ordinance.

19. **Milestones:**

Action	Date
OPA Executed	By December 29, 2017
Entitlements Secured	August 20, 2017
HHH PSH Application / Award	December 2017 / January 2018
AHSC Application / Award	January 2018 / June 2018
City TEB Application / Approval	June 2018
CDLAC Application / Award	September 2018 / November 2018
4% TCAC Application / Award	September 2018 / November 2018
Partnership Closing	January 2019
Financing / Land Closing	January 2019
Construction Commences / Completed	January 2019 / June 2020
Placed in Service Date	July 2020

20. **Agreement of Key Terms and Conditions:**

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 12/20/17

Sean L. Spear
Assistant General Manager

DEVELOPER
GTM Holdings, LLC

By: _____ Date: 12-19-17

Mark Walther
President

Attachment A	City Site Legal Description
Attachment B	Developer Site Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

Attachment A: City Site Legal Description

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 418 OF SUPPLEMENTAL MAP OF THE HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34, PAGE 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, WATER AND MIN RIGHTS NOW VESTED IN THE CITY OF LOS ANGELES WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND OR ANY PORTION THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE, FOR THE EXTRACTION OF SUCH OIL, GAS, WATER AND MINERALS, AS RESERVED BY THE CITY OF LOS ANGELES IN GRANT DEED RECORDED JULY 18, 2007 AS INSTRUMENT NO. 20071696778, OF OFFICIAL RECORDS.

APN: 4006-018-901

Attachment B: Developer Site Legal Description

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 419 OF SUPPLEMENTAL MAP OF HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOSANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 4006-018-010

Attachment A

City Site Legal Description

6527 Crenshaw Boulevard

Attachment A: City Site Legal Description

Legal Description

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EXCEPT THEREFROM ALL OIL, GAS, WATER AND MIN RIGHTS NOW VESTED IN THE CITY OF LOS ANGELES WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND OR ANY PORTION THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE, FOR THE EXTRACTION OF SUCH OIL, GAS, WATER AND MINERALS, AS RESERVED BY THE CITY OF LOS ANGELES IN GRANT DEED RECORDED JULY 18, 2007 AS INSTRUMENT NO. 20071696778, OF OFFICIAL RECORDS.

APN: 4006-018-901

Attachment B

Developer Site Legal Description

6527 Crenshaw Boulevard

Attachment B: Developer Site Legal Description

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APN: 4006-018-010

Attachment C

Developer Pro Forma

6527 Crenshaw Boulevard

Depot at Hyde Park
Development Source & Use of Funds

Sources of Funds		Dollars	Percent of Total Sources	Tax Interest Rate	Book Interest Rate	Amort.	Commitment Status as of 1/2018 Total Req'd	Enforceable	% Committed
Loan 1	Perm Loan	3,487,000	15.0%	5.16%	5.16%	30	3,487,000	3,487,000	
Loan 3	Deferred Developer Fee	954,295	4.1%						
Loan 4	3rd - HCD - AHSC	3,049,000	13.1%	1.79%	3.00%		3,049,000	3,049,000	
Loan 5	4th - HCIDLA - HHH	7,200,000	30.96%	1.79%	3.00%		7,200,000	7,200,000	
Loan 6	5th - City Land Loan	775,000	3.3%	1.79%	3.00%		775,000	775,000	
Loan 7	6th -								
Loan 8	7th -								
AB1290		500,000	2.1%				500,000	500,000	
Limited Partner Equity		7,291,389	31.4%				7,291,389	7,291,389	
Total Sources		**23,256,684**	100.0%				22,302,389	22,302,389	100.00%

Uses of Funds	Dollars	Percent of Total Uses	Per Unit
Land & Off Sites & Demo	2,425,000	10.4%	56,395
Developer Fee-Residential	2,136,566	9.2%	
Developer Fee-Commercial	285,000	1.2%	
Construction-Residential	11,612,180	49.9%	270,051
Architect & Engineering	878,645		
Developer Contingency	644,007		
Relocation	239,027		
Allocated Const Costs (permits/acctg/lender/	1,185,972		
Insurance	69,032		
Construction-Commercial	375,860	1.6%	
Site Improvements	1,185,325	5.1%	
Personal Property	25,000	0.1%	
Permanent Loan Fees	471,120	2.0%	
Marketing & Lease-Up	35,000	0.2%	
Organization & Start-Up	20,000	0.1%	
Tax Credit Fees	29,814	0.1%	
Amortizable Costs			
Construction Loan Interest	723,611	3.1%	
Expensed Costs	15,000	0.1%	
Syndication, Legal & Consulting	50,000	0.2%	
Reserve Accounts	492,825	2.1%	
Loan Repayments			
Other Costs & Fees	357,700	1.5%	
Third Party Costs - LP			
Total Uses	**23,256,684**	100.0%	540,853
			525,484

Developer Fee Analysis

	Construction	Acquisition
Max. Eligible Basis	18,280,338	
Developer Fee	(2,136,566)	
Exclusions from Computation		
Fee Basis	16,143,772	
Max Percent	15.00%	5.00%
Max Fee Allowed	2,421,566	
Actual Fee	2,421,566	
Actual Percent	**15.00%**	

50% Test For Tax Exempt Bonds

Building Basis	17,680,873
Site and Personal Property	1,210,325
Land and Offsite	2,664,027
Total Basis	21,555,225
Required Tax Exempt Financing at 50%	10,777,612
Tax Exempt Debt	11,500,000
Percentage of Total Basis	**53.35%**
Excess / (Shortfall)	**722,388**
Residential Only	

Depot at Hyde Park
Operating Cash Flow Statement

		1-Apr 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Rental Income - Residential	2.50%	262,573	420,832	431,353	442,137	453,190	464,520	476,133	488,036	500,237	512,743	525,562	538,701	552,168	565,973	580,122	594,625
Other Income - Residential	2.50%	1,650	2,645	2,711	2,778	2,848	2,919	2,992	3,067	3,143	3,222	3,303	3,385	3,470	3,557	3,645	3,737
Vacancy/Loss - Residential	5.00%	(13,211)	(21,174)	(21,703)	(22,246)	(22,802)	(23,372)	(23,956)	(24,555)	(25,169)	(25,798)	(26,443)	(27,104)	(27,782)	(28,476)	(29,188)	(29,918)
Rental Income - HAP	2.50%	180,693	246,947	253,121	259,449	265,935	272,583	279,398	286,383	293,542	300,881	308,403	316,113	324,016	332,116	340,419	348,930
Vacancy/Loss - HAP	5.00%	(9,035)	(12,347)	(12,656)	(12,972)	(13,297)	(13,629)	(13,970)	(14,319)	(14,677)	(15,044)	(15,420)	(15,806)	(16,201)	(16,606)	(17,021)	(17,446)
Net Rental Income		422,670	636,903	652,825	669,146	685,874	703,021	720,597	738,612	757,077	776,004	795,404	815,289	835,671	856,563	877,977	899,927
Operating Expenses		(248,137)	(342,369)	(354,290)	(366,628)	(379,396)	(392,610)	(406,286)	(420,438)	(435,084)	(450,242)	(465,929)	(482,163)	(498,964)	(516,352)	(534,347)	(552,970)
Net Operating Income		**174,533**	**294,534**	**298,535**	**302,518**	**306,478**	**310,411**	**314,311**	**318,174**	**321,993**	**325,762**	**329,475**	**333,126**	**336,707**	**340,211**	**343,631**	**346,957**
Debt Service - Loan 1	Perm Loan	(57,152)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)	(228,608)
Debt Service - Loan 2	2nd	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Hard Ground Lease																	
Replacement Reserve - Funding		(12,094)	(16,609)	(17,107)	(17,620)	(18,149)	(18,693)	(19,254)	(19,832)	(20,427)	(21,039)	(21,671)	(22,321)	(22,990)	(23,680)	(24,391)	(25,122)
Transition Reserve Fund - Funding																	
Operating Reserve - Funding																	
Use of Operating Reserves																	
Residual Cash Flow		**105,287**	**49,317**	**52,820**	**56,289**	**59,721**	**63,109**	**66,449**	**69,734**	**72,958**	**76,114**	**79,197**	**82,197**	**85,109**	**87,923**	**90,632**	**93,227**
Development Costs Paid From Operations																	
General Partner Management Fee - Base		(7,500)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Limited Partner Management Fee		(3,750)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Debt Service - Loan 3	Deferred Developer Fee	(94,037)	(34,317)	(37,819)	(41,289)	(44,721)	(48,109)	(51,449)	(54,734)	(57,958)	(61,114)	(64,196)	(67,197)	(70,108)	(72,923)	(75,632)	(78,227)
General Partner Management Fee - Incentive																	
Debt Service - Loan 4	3rd - HCD - AHSC	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
Debt Service - Loan 5	4th - HCIDLA - HHH	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
Debt Service - Loan 6	5th - City Land Loan	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
Debt Service - Loan 7	6th -																
Debt Service - Loan 8	7th -																
Soft Ground Lease																	
Limited Partner Management Fee																	
GP - Subordinate Partnership Management Fee																	
GP Incentive Fee																	
Transition Reserve - Funding																	
Other Reserve Account 2 - Funding																	
Partnership Distribution		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
Limited Partner Distribution	99.99%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Limited Partner Management Fee																	
Limited Partner Cash Flow for IRR Computation		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
D.S.C. Ratio Loan 1	**1.200**		1.22	1.23	1.25	1.26	1.28	1.29	1.31	1.32	1.33	1.35	1.36	1.37	1.38	1.40	1.41
D.S.C. Ratio Loans 1 & 2	**1.200**		1.22	1.23	1.25	1.26	1.28	1.29	1.31	1.32	1.33	1.35	1.36	1.37	1.38	1.40	1.41
Vacancy Cushion	13.9%		12.4%	12.7%	13.0%	13.3%	13.5%	13.8%	14.0%	14.2%	14.3%	14.5%	14.6%	14.7%	14.8%	14.8%	14.8%

Tax Credit Calculation	Totals	Federal Tax Credits	State Tax Credits	Acquisition Tax Credits	Residential Historic Tax Credits	Commercial Historic Tax Credits
Maximum HUD Basis, if applicable		28,142,464	28,142,464		--	--
Maximum Eligible Basis	18,280,338	18,280,338	18,230,338		--	--
less: Federal Grants/Loans					--	--
less: Historic Credits-Residential					--	--
Eligible Basis	18,280,338	18,280,338	18,230,338		--	--
High Cost Adjustment		130%	100%	--	--	--
Adjusted Eligible Basis	23,764,439	23,764,439	18,230,338		--	--
Applicable Fraction		100.00%	100.00%	100.00%	--	--
Qualified Basis	23,764,439	23,764,439	18,230,338		17,020,013	
Tax Credit Rate		3.23%				
Credit Amount - Calculated	767,591	767,591				
Credit Amount - Allocated	767,591	767,591			--	--
Credit Allowed - Per Year	767,591	767,591	**@65%**			
Credit Allowed - Aggregate	7,675,914	7,675,914	**@65%**			
First Year Credit Allowed	490,901	490,901				
Second Year Credit Allowed	767,591	767,591				
Third Year Credit Allowed	767,591	767,591				
MEMO: Excess Eligible Basis/(Shortfall)				--	--	--

Partner Equity Calculation	Total	Federal Tax Credits	State Tax Credits	Acquisition Tax Credits	Residential Historic Tax Credits	Commercial Historic Tax Credits
Max Aggregate Credits Allowed	7,675,914	7,675,914				
Allocation Percentage	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Allocation to LP	7,675,146	7,675,146				
Cents per Credit	0.9500	0.9500				
Base LP Equity	7,291,389	7,291,389				
Add'l LP Equity						
Third Party Costs - LP						
Total Limited Partner Equity	7,291,389					
Min GP Equity Required						
Add'l GP Equity						
Total General Partner Equity						
Total Partnership Equity	**$7,291,389**					

Date	%	Gross Equity	Load	Net Equity	Benchmarks
Jan-19					P'ship Close
Jan-19	15.00%	$1,093,708		$1,093,708	Const. Start
					Date Certain
					Date Certain
					Date Certain
Apr-20	35.00%	$2,551,986		$2,551,986	CofO; Date Certain
Oct-20	47.50%	$3,463,410		$3,463,410	Perm Loan; 100% lease up; cost cert; Date Certain
Jan-21	2.50%	$182,285		$182,285	Form 8609; Tax Returns
	100.00%	$7,291,389		$7,291,389	

Depot at Hyde Park
General Information Input

INPUT AREA
I - 1

Project Name	Depot at Hyde Park				
City, State	Los Angeles		CA		
County	Los Angeles				
Project Type	New 4%	GC estimate 8.31.17		7 Land Use VLI	
Scenario-Line 1	43	Units	25 PSHP for HHH application & draft TCAC		
Input Date - IA initials	18-Dec-2017				
Does the G.P. have a right of first refusal ? (Y / N)	Y				
Day In-Service	1	**Construction**	Month	1	
Month In-Service	4	**Loan**	Year	2019	
Year In-Service	2020	**Close**	Interest rate	4.00%	
Year to Begin Credit Period	2020	Construction Loan ($)		11,500,000	

Partnership Allocations & Distributions		**Discount Rates & Depreciation**	
	LP	Discount Rate (%)	3.50%
Income (Loss) Distributions	99.99%	Cap Rate for Residual Value (%)	5.50%
Cash Flow Distributions	99.99%	Brokerage Fee upon sale (%)	6.00%
Gain on Sale Distribution	99.99%	Tax Exempt Depreciation (%)	

Income Tax Rates & Tax Credit Information				
Combined Income Tax Rate	20.00%	Federal Income Tax Rate	20.00%	
State Income Tax Rate		Min. Deficit Restoration Obligation (y/n)		n
Applicable Fraction - % of Units	100.00%			
Tax Credit Rate - Federal (%)	3.23%	Nov-2017		
Tax Credit Rate - State (%)				
Tax Credit Rate - Acquisition (%)				
Tax Credit Rate - Historic (%)				
Federal Tax Credit Allocation Per Year		{enter zero if no allocation has been made}		
State Tax Credit Allocation - Aggregate		" " "		
Acquisition Tax Credit Allocation Per Year		" " "		
Fed Subsidy Subtracted from Fed/State Basis		Voluntary Basis Reduction		
Fed Subsidy Subtracted from Acquisition Basis				
Apply High Cost Adjustment? (Yes/No)	Yes			
Apply TCAC Threshold basis limits? (Yes/No)	Yes			
4 Person Very Low Income Limit	45,050	2017	Pub. 4.14.17	
Year in which LIHTC is Allocated	2018			

Comments

6527-6531 S. Crenshaw, Los Angeles, CA 90043
Census Tract: 2349.02 DDA Status: No - 2017
TCAC: APN: 4006-018-901 QCT Status: Yes - 2017
CD: 8

Total Structures Sq. Ft: 75,720

HHH & HACLA PBV application target date: December 2017
AHSC application target date: January 2018 15 Yr HAP Value: 3,613,860
Project requires Davis-Bacon and state PW for AHSC and S8 subsidies
TCAC housing type is N/A
Project includes PSHP units per HCID HHH Funding Program priorities:

# PSHP Units	25	$/Unit	220,000	HHH Loan	7,200,000
Non-PSHP	17		100,000		

Assume apartment NOI covers holding period costs

Max Tax Credit Basis Allowed per TCAC Methodology
Per 2017 Thresholds Pub. Dec. 23, 2016

Unit Mix	# Units	Max Basis Per Unit	Total Basis	Total Bedrooms
0 BR				
1 BR	21	234,110	4,916,310	21
2 BR	11	282,400	3,106,400	22
3 BR	11	361,472	3,976,192	33
4 BR				
Threshold Basis	43		11,998,902	76
Boost Factor			16,143,562	
Max. Allowable Basis			28,142,464	
Percentage to Rehab. Credit Basis			100%	

Depot at Hyde Park
Development Costs and Eligible Basis

INPUT AREA
I - 2

Lot Size: 21,528 0.49 acres
Total Lot Size 21,528 0.49 acres

		Total Cost	Land & Off-Site Basis	Residential Basis	2.36% Commercial Basis	Land Im-provement Basis	Personal Property Basis	Amort Basis	2020 Expensed Costs	2021 Expensed Costs	Non-Tax Deductible Costs	Federal Credit: Acquisition Basis	Federal Credit: Rehab / New Constr. Basis	State Cr. Eligible Basis	Hist.-RES Eligible Basis	Hist.-COM Eligible Basis
Land & Offsite Costs																
Land Acquisition	100.00%	2,375,000	2,375,000													
Demolition & Relocation		289,027	289,027													
Developer Fees		2,421,566		2,136,566	285,000								2,136,566	2,136,566	2,136,566	
Development Costs																
Building Acquisition (4% Credit)																
Construction/Rehabilitation		10,113,050		9,854,850	258,200								9,854,850	9,854,850	9,854,850	
Contingency	5.00%	644,007		628,782	15,225								628,782	628,782	628,782	
Appraisal & Lender OOPs		40,000		39,054	946								39,054	39,054	39,054	
Architecture & Engineering + CM		878,645		857,873	20,772								857,873	857,873	857,873	
Construction Inspections		13,500		13,181	319								13,181	13,181	13,181	
Real Estate Taxes & Insurance & GC Bond		335,000		329,836	5,164								329,836	329,836	329,836	
Local Permits & Fees		817,770		798,437	19,333								798,437	798,437	798,437	
Accounting - Construction period		100,000		97,636	2,364								97,636	97,636	97,636	
Gen'l Requirements		677,902		662,410	15,492								662,410	662,410	662,410	
Contractor O/H & Profit		903,870		883,214	20,656								883,214	883,214	883,214	
Constr. Loan - Fees & Legal		180,000		175,745	4,255								175,745	175,745	175,745	
Construction Loan - Interest	50.00%	505,563		493,611	11,952								493,611	493,611	493,611	
Title/Record		50,000		48,818	1,182								48,818	48,818	48,818	
Land Improvement Costs		1,185,325				1,185,325							1,185,325	1,185,325		
Personal Property		25,000					25,000						25,000	25,000		
Permanent Loan Costs																
Perm Loan 1 Fees		34,870						34,870								
Perm Loan 1 T&R, Legal, etc.		336,250						336,250								
Soft Cost Contingency		100,000						50,000					50,000			
Perm Loan 2 T&R, Legal, etc.																
Amortizable Costs																
Marketing & Lease-Up		35,000						35,000								
Organization & Start-Up		20,000						20,000								
Tax Credit Fees		29,814						29,814								
Oper.Deficit Gty Fee	1															
Pre-Pd. LP Asset Mgt	15															
Social Service Start-up	1															
Expensed Costs																
Construction Loan - Interest	100.00%	230,000							230,000							
Taxes and Insurance																
Post-Construction Audit		15,000							15,000							
Other expensed costs																
Non-Deductible Costs																
Syndication, Legal & Consulting		50,000									50,000					
Repl. Reserve (NR/R)	R															
Oper. Reserve (NR/R)	NR	143,896									143,896					
Reserve - 1 (NR/R)	NR	348,930									348,930					
Reserve - 2 (NR/R)	NR															
*Repayment - Loan #	1															
Tax Credit Fees - Reimbursable																
Other Non-Deduct: Predev Holding		357,700									357,700					
TOTALS		23,256,684	2,664,027	17,020,013	660,860	1,185,325	25,000	505,934	245,000		900,525		18,280,338	18,230,338	17,020,013	

* *Soft Loans only, ie. 4 - 8*

Do every one of the buildings in this project have "less than 20% commercial revenue" ? (Y / N) Y

Third Party Costs - LP

Number of Buildings 1

Input for Developer Fee Analysis

	Construc.	Acquis.
Costs Ineligible for Fee computation		
Developer Fee per QAP (%)	15.00%	5.00%

Less: Adjustment to Historic Basis

Historic Basis 17,020,013

Depot at Hyde Park
Unit Mix and Rent Structure

INPUT AREA
I - 3

Residential Units	Per Unit Square Feet	Total Number of Units	Contract Rent per Unit/Mo w/o utility	Utility Allow per Unit/Mo	Gross Rent per Unit/Mo w/utility	Max. Tax Credit Rent per Unit/Mo w/utility	Max. Tax Credit Rent per Unit/Mo w/o utility	Target Income Level w/utility	Market Rent per Unit/Mo w/o utility	Contract Rent Reduction from Market w/o utility $	Contract Rent Reduction from Market w/o utility %
Med.Inc x 30%											
0 BR											
1 BR - (3 L/U) PSHP Chronic	622	19	482	25	507	507	482	30%	1,245	763	61%
2 BR PSHP Chronic	1,111			33		608			2,223		
3 BR PSHP Chronic	1,353			40		703			2,706		
4 BR											
5 BR											
Subtotal or W. Avg.	622	19	482	25	507	507	482	30%	1,245	763	61%
Med.Inc x 40%											
0 BR											
1 BR PSHP Homele	622	2	651	25	676	676	651	40%	1,245	594	48%
2 BR PSHP Homele	1,111	2	778	33	811	811	778	40%	2,223	1,445	65%
3 BR	1,353										
4 BR											
5 BR											
Subtotal or W. Avg.	867	4	715	29	744	744	715	40%	1,734	1,019	56%
Med.Inc x 50%											
0 BR											
1 BR	622										
2 BR - L/U PSHP Homele	1,111	2	666	33	699	1,013	980	35%	2,223	1,557	70%
3 BR - L/U	1,353	2	737	40	777	1,171	1,131	33%	2,706	1,969	73%
4 BR											
5 BR											
Subtotal or W. Avg.	1,232	4	702	37	738	1,092	1,056	34%	2,464	1,763	71%
Med.Inc x 60%											
0 BR											
1 BR	622										
2 BR	1,111	6	1,183	33	1,216	1,216	1,183	60%	2,223	1,040	47%
3 BR	1,353	9	1,366	40	1,406	1,406	1,366	60%	2,706	1,340	50%
4 BR											
2BR MGR	1,111	1									
Subtotal or W. Avg.	1,247	16	1,212	35	1,247	1,247	1,212	56%	2,356	1,144	0
Market Rate											
0 BR											
1 BR											
2 BR											
3 BR											
4 BR											
5 BR											
Subtotal or W. Avg.											
Grand Tot. or W. Avg.	934	43	796	30	826	859	829	41%	1,817	1,021	56%

HACLA Section 8 Pmt Stan 11.1.16	Per Unit Square Feet	Total Number of Units	Total Square Feet	Base Yr Rent per Sq Ft/Mo	Base Yr Annual Rent
1BR - 30AMI	1,314	19		807.00	183,996
1BR - 40 AMI	1,314	2		638.00	15,312
2BR - 40 AMI	1,622	2		811.00	19,464
2BR - 50 AMI (L/U	1,622	2		923.00	22,152
3BR - 30AMI	2,099			2,099.00	
3BR - 40AMI	2,099			2,099.00	
Total or W. Avg.		25			240,924

Development Costs Paid from Operations

Year	Amount
2020	
2021	

Annual Inflation Rates for Rents

	Residential	Commercial
2020		
2021	2.50%	2.50%
2022	2.50%	2.50%
2023	2.50%	2.50%
2024	2.50%	2.50%
2025	2.50%	2.50%
2026	2.50%	2.50%
2027	2.50%	2.50%
2028	2.50%	2.50%
2029	2.50%	2.50%
2030	2.50%	2.50%
2031	2.50%	2.50%
2032	2.50%	2.50%
2033	2.50%	2.50%
2034	2.50%	2.50%
2035	2.50%	2.50%

MEMO:

Total Affordable Units	43	100.00%	Annual Affordable Rent	$410,568	Annual Commercial Rent $240,924
Total Affordable Square Feet	40,174	100.00%	Annual Market Rent		Annual Miscellaneous Income $2,580

	Escalator	Base Year Annual Exp	1-Apr 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Management Fee	3.50%	28,380	21,285	29,373	30,401	31,465	32,567	33,707	34,886	36,107	37,371	38,679	40,033	41,434	42,884	44,385	45,939	47,546
Marketing	3.50%	1,000	750	1,035	1,071	1,109	1,148	1,188	1,229	1,272	1,317	1,363	1,411	1,460	1,511	1,564	1,619	1,675
Legal	3.50%	1,500	1,125	1,553	1,607	1,663	1,721	1,782	1,844	1,908	1,975	2,044	2,116	2,190	2,267	2,346	2,428	2,513
Acctg / Audit	3.50%	10,000	7,500	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	14,106	14,600	15,111	15,640	16,187	16,753
Office / G&A	3.50%	10,000	7,500	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	14,106	14,600	15,111	15,640	16,187	16,753
Insurance	3.50%	16,899	12,674	17,490	18,103	18,736	19,392	20,071	20,773	21,500	22,253	23,032	23,838	24,672	25,536	26,429	27,354	28,312
Business License	3.50%	500	375	518	536	554	574	594	615	636	658	681	705	730	756	782	809	838
Real Estate Taxes	2.00%	4,000	3,000	4,080	4,162	4,245	4,330	4,416	4,505	4,595	4,687	4,780	4,876	4,973	5,073	5,174	5,278	5,383
Electric	3.50%	10,535	7,901	10,904	11,285	11,680	12,089	12,512	12,950	13,403	13,873	14,358	14,861	15,381	15,919	16,476	17,053	17,650
Gas	3.50%	9,030	6,773	9,346	9,673	10,012	10,362	10,725	11,100	11,489	11,891	12,307	12,738	13,184	13,645	14,123	14,617	15,128
Water/Sewer	3.50%	20,425	15,319	21,140	21,880	22,646	23,438	24,258	25,108	25,986	26,896	27,837	28,811	29,820	30,864	31,944	33,062	34,219
Payroll & Benefits	3.50%	100,100	75,075	103,604	107,230	110,983	114,867	118,887	123,048	127,355	131,813	136,426	141,201	146,143	151,258	156,552	162,031	167,702
Trash	3.50%	7,200	5,400	7,452	7,713	7,983	8,262	8,551	8,851	9,160	9,481	9,813	10,156	10,512	10,880	11,260	11,655	12,063
Grounds	3.50%	6,000	4,500	6,210	6,427	6,652	6,885	7,126	7,376	7,634	7,901	8,177	8,464	8,760	9,066	9,384	9,712	10,052
Supplies & Repairs	3.50%	19,780	14,835	20,472	21,189	21,930	22,698	23,492	24,315	25,166	26,046	26,958	27,902	28,878	29,889	30,935	32,018	33,138
Exterminating & Fire Ext.	3.50%	4,000	3,000	4,140	4,285	4,435	4,590	4,751	4,917	5,089	5,267	5,452	5,642	5,840	6,044	6,256	6,475	6,701
Alarm / Elevator	3.50%	5,000	3,750	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093	8,377
Other - u/w cushion	3.50%																	
Service Coordination	3.50%	76,500	57,375	79,178	81,949	84,817	87,786	90,858	94,038	97,329	100,736	104,262	107,911	111,688	115,597	119,643	123,830	128,164
Total	3.48%	330,849	248,137	342,369	354,290	366,628	379,396	392,610	406,286	420,438	435,084	450,242	465,929	482,163	498,964	516,352	534,347	552,970

MEMO: Operating Expense / Unit	7,694
Op Exp / Unit excl. RE Tax	7,601
Op Exp / Unit w tax no SS	5,915

Operating Assumptions

Management Fee ($ / Unit)	$55.00
Residential Operating Expense Escalator	3.50%
Other Residential Income Escalator	2.50%
Other Residential Income Per Unit Per Month	$5.00
Pro-Rate Year 2 Expense Escalator? (Yes/No)	No
Apply Vacancy/Loss % to Other Income? (Yes/No)	Yes

	Year 1	Year 2	Year 3	Year 4 +
Vacancy - Lowest Income Units	5.00%	5.00%	5.00%	5.00%
Vacancy - Lower Income Units	5.00%	5.00%	5.00%	5.00%
Vacancy - Low Income Units	5.00%	5.00%	5.00%	5.00%
Vacancy - Market Rate Units	5.00%	5.00%	5.00%	5.00%
Vacancy - HAP	5.00%	5.00%	5.00%	5.00%
Wtd. Avg. Low Income Vacancy	5.00%	5.00%	5.00%	5.00%

Ground Leases, Fees & Reserves

	Percent (%)	Amount ($)	Escalator	Accrues?	Interest Rate	Expense (%)	
Hard Ground Lease				Yes			
Soft Ground Lease				Yes			
General Partner Management Fee				No		100.00%	*(Yes, if GP is non-profit)*
Limited Partner Management Fee				Yes			
Subordinate P'ship Mgt Fee	90.00%			Yes		10.00%	**% of Gross Income**
GP Incentive Fee				No			
Replacement Reserves Per Unit Per Year		375	3.00%		3.00%	*(New - $300, Rehab.-$350)*	
Operating Reserves as % of Operating Expenses					3.00%		

Include Limited Partner Cashflow and Fee in IRR Computation ? (Yes / No)	No
Recognize Limited Partner Fee as Income ? (Yes / No)	No
General Partner Management Fee, if ahead of Developer Fee ($)	10,000
Limited Partner Management Fee, if ahead of Developer Fee ($)	5,000
Do you want to expense the G.P. fee only if it is paid ? (Yes / No)	No

Reserve Withdrawals

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Building					27,000				38,000					56,000		
Personal Property					27,000				38,000					56,000		
Reserve Balance	12,230	29,455	47,702	67,017	31,829	51,758	72,853	95,168	40,476	63,045	86,933	112,196	138,897	51,739	78,048	105,888

Debt Structure

Loan #	Title/Description	Month In Service	Year In Service	Beginning Principal	Tax Interest Rate	Book Interest Rate	Book Method: Simple or Effective	Loan Amort.	Loan Term	Recourse/ Non-Reco. (R / N)	% of remaining Cashflow toward D.S	Expense Interest only when paid (Yes/No)	M.I.P (%)	Fix./Decl. (F / D)
Loan 1	Perm Loan	10	2020	3,487,000	5.16%	5.16%		30	30	N				D
Loan 2	2nd	10	2020	0	5.16%	5.16%		15	15	N				
Loan 3	Deferred Developer Fee			954,295			effective		12	N	100%	No		
Loan 4	3rd - HCD - AHSC			3,049,000	1.79%	3.00%	simple		55	N	13.83%	No	Per Unit Subsidy:	$70,907
Loan 5	4th - HCIDLA - HHH			7,200,000	1.79%	3.00%	simple		55	N	50.00%	No	Per Unit Subsidy:	$167,442
Loan 6	5th - City Land Loan			775,000	1.79%	3.00%	simple		55	N	50.00%	No	Per Unit Subsidy:	$18,023
Loan 7	6th -						simple		55	N		No	Per Unit Subsidy:	
Loan 8	7th -								30	N		No		
Grants	AB1290			500,000										
				15,965,295										

LEASE-UP SCHEDULE

In-Service Date: 4/1/20 Begin Credit Period: 2020

Year	Month #	Month	"Residential" unitsPlaced in Service as of	Qualified Occupancy (Cumulative)	Federal Credits Earned	State Credits Earned	Acquisition Credits Earned	Resident Historic Credits Earned	Commcl Historic Credits Earned	*Units Placed in Service for computing Tax Credits
2020	1	January								
	2	February								
	3	March								
	4	April	43	12	17,851					12
	5	May		24	35,702					24
	6	June		36	53,553					36
	7	July		43	63,966					43
	8	August		43	63,966					43
	9	September		43	63,966					43
	10	October		43	63,966					43
	11	November		43	63,966					43
	12	December		43	63,966					43
			43		490,901					
2021	1	January		43	63,966					43
	2	February		43	63,966					43
	3	March		43	63,966					43
	4	April		43	63,966					43
	5	May		43	63,966					43
	6	June		43	63,966					43
	7	July		43	63,966					43
	8	August		43	63,966					43
	9	September		43	63,966					43
	10	October		43	63,966					43
	11	November		43	63,966					43
	12	December		43	63,966					43
			43	43	767,591					43

Equity Pricing

Pricing Info: Cents per Tax Credit	99.99%	100.00%
Federal Tax Credits	$0.9500	$0.9499
State Tax Credits		
Acquisition Tax Credits		
Historic Tax Credits - Residential		
Historic Tax Credits - Commercial		
Additional L.P. Equity - Upward /		

Equity Pay-In Schedule - Limited Partner

Installment	Date	%	Gross Equity*	Benchmarks
1	Jan-2019			P'ship Close
2	Jan-2019	15.00%	1,093,708	Const. Start
3				Date Certain
4				Date Certain
5				Date Certain
6	Apr-2020	35.00%	2,551,986	CofO; Date Certain
7	Oct-2020	47.50%	3,463,410	Perm Loan; 100% lease up; cost cert; Da
8				
9	Jan-2021	2.50%	182,285	Form 8609; Tax Returns
10				
11				
12				
13				
14				
15				
16				
		100.00%	7,291,389	***Includes a load of $0.**

Equity - General Partner

Minimum G.P. Equity (%)		
Additional G.P. Equity ($)		

Architecture & Engineering Fees:

Architecture	**400,000**	
Schematic	0	
Design Development	0	
Construction Docs	400,000	Per Developer estimate
Bidding	0	
Construction Admin	0	
Reimburseables - Actual	0	
Reimburseables	0	Per Developer estimate
Engineering	**478,645**	
ALTA - As Built	10,000	Per Developer estimate
Soils	40,000	Per Developer estimate
Survey	9,500	Per Developer estimate
Market Study	10,000	Per Developer estimate
ADA Review	10,500	Per Developer estimate
lechanical / Plumbing / Electric	0	In Architectural
Environmental & Phase 1	43,525	Per Developer estimate
Structural	15,000	Per Developer estimate
Interior Design	25,000	Per Developer estimate
Other - Deputy Inspectors	60,000	Per Developer estimate
Const. Mgt.	0	Estimate
Waterproofing Consultant	25,000	Per Developer estimate
Dry Utility Consultant	15,000	Per Developer estimate
Civil	69,000	Per Developer estimate
Sustainability Consultant	85,000	Per Developer estimate
Contingency	61,120	Per Developer estimate

Insurance & Taxes

Owner Liability	0	Estimate
Course of Construction	0	Estimate
Const. phase insurance contin	69,032	
Perm Insurance	0	Estimate
RE Tax	40,000	2 yr allowance
GC Liability	in GC contract	

Construction Loan Interest

	Amount	Rate	Months	Accrual
1st - Bank	11,500,000			
4th - HCIDLA - HHH	7,200,000	3.00%	15.00	189,000
5th - City Land Loan	775,000	3.00%	15.00	29,063
6th -	0	0.00%	15.00	0
Deferred Developer Fee	0	0.00%		0
				218,063

Site Acquisition, Holding **2,732,700**

Purchase Price	1,600,000	Per P&S - apartments
Purchase Price	775,000	Per appraisal
Predev Loan Fees	18,000	
Predevelopment Loan Interest	259,200	allowance
Partnership formation	10,000	
Closing Title & Escrow fees	10,000	
Century Legal	10,500	
Holding - Utilities & Insurance	0	
Acquisition Legal	0	
Land Appraisal	0	
Holding period tax (1 yr)	0	
Contingency	50,000	

Predev Loan - TBD

Amount	1,440,000
Rate	0.06
Duration	36
AOB	1

Plan Check Fees:

Soils Report Review	0.00	est
Building	0.00	est
Structural	0.00	est
Fire	0.00	est
Electric	0.00	est
Plumbing	0.00	est
Mechanical	0.00	est
Demolition	0.00	est
Haul Route - radius map	0.00	est

Permit Fees:

Building	0.00	est
Electric	0.00	est
Plumbing	0.00	est
Mechanical	60,000.00	est
Fire Sprinkler	0.00	est
Dwelling Unit Tax	0.00	est
Residential Dev Tax	0.00	est
Bond Prep Fee	0.00	est
Bond - Grading	0.00	est
Bond - Haul Route	0.00	est
Shoring permit	0.00	est
Grading permit	0.00	est
Haul Route Fee	0.00	est
School Fee	0.00	
School Fee - Refund	0.00	est
Other Impact - TBD	392,421.00	est
B-Permit Filing	0.00	est
B-Permit Issuance	0.00	est
Shoring Permit	0.00	est
Sewer Facilities Charge	32,579.00	
Subtotal	560,000.00	

Overide - Totals	0	6,500	per unit
Zone Change	213,770	Per Developer estimate	
Zoning Fees	44,000	Per Developer estimate	
Lot Split	0		
Other	0		
Contingency	0		
Total Fee Estimate	**817,770**		

Utilities Connection Fees:

DWP - SAR	0.00	est
DWP - Hydrant	0.00	est
DWP - Water Meters	0.00	est
DWP - Electric transformer	0.00	est
DWP - Electric undergrounc	0.00	est
Gas Co - Main Extension	0.00	est
Gas Co - Laterals	0.00	est
Contingency	75,000	est
	75,000	

A Permit - sewer lateral	0.00	est
CalOSHA	0.00	est
SUSMP	0.00	est
Other	0.00	est
Street Lights	0.00	est

Potential Rebates:		Bldg A
CA Adv Hom	Gas Only	0
	Gas & DWP	0
PV Thermal	30%	0
PV Solar	40%	0
		0

Memo:	0.00	LAUSD	
		Prior Credi	0.00

Estimate			
0	0BR	443	0
21	1BR	443	9,303
11	2BR	604	6,644
11	3BR	1512	16,632
			32,579

Credit for prior use: 0

Legal & Accounting **100,000**

Legal	175,000	Total legal budget (combined)
Less: Legal in Bond COI	(100,000)	in COI budget
Less: Acq Legal	0	in site acq costs
Less: Synd Legal		Estimate
Const. Acctg.	25,000	Estimate
Contingency	0	cushion in syndication input

Relocation **239,027**

Site 1	Per DRA	199,189	
Site 2		0	
Consultant		0	Estimate
Contingency	Per DRA	39,838	

Contract:		Per Developer estimate 8.31.17
Construction		9,854,850
Commercial		258,200
Measure J		0
Site Work		1,185,325
Gen'l Conditions	6.00%	677,902
Overhead / Profit	8.00%	903,870
		12,880,147
Bond	0.88%	112,984
Insurance	0.88%	112,984
		13,106,115

LOAN COSTS BUDGET

FINANCING OPTIONS (4)		4 TBD	4 Selected Structure
Bond / Loan Costs (1)			
Bond Counsel		45,000	45,000
Issuer's Fee	0.250%	28,750	28,750
Issuer's Counsel / Financial Advisor		35,000	35,000
Borrower's Counsel (Loan / Bonds)		100,000	100,000
Underwriter's Counsel		-	0
Trustee & Counsel		7,500	7,500
Rating Agency		-	0
Underwriter's Discount Sr. Bonds	0.000%		0
Underwriter's Discount Sr. Bonds	1.000%		0
Underwriter's Discount Sub. Bonds	4.000%		0
Interest Rate Cap	0.00%	-	0
One month lag payment (2)			0
Escrow Verification			0
Deposit to Bond Fund		-	0
Miscellaneous / Contingency - FA		100,000	100,000
City's Prevailing Wage Monitor		20,000	20,000
Printing		-	0
Total Bond Costs		336,250	336,250
Real Estate Costs			
HACOLA - Industry compliance monitoring fee	$ -	-	0
Mortgage Banker Counsel & Misc		-	0
Borrower Legal		-	0
FHA Inspection Fee - per unit	$ 30.00		0
FHA Exam Fee - Application	0.300%		0
FHA Mortgage Insurance	1.000%		0
LC Origination Fee	1.000%		0
LC Annual Fee (1.5 years)	1.875%		0
Bank Origination Fee - Construction Bridge	0.000%		0
Bank Origination Fee - Construction	1.000%	115,000	115,000
Bank Origination Fee - Perm	1.000%	34,870	34,870
Bank Legal Fees / Const + Perm		65,000	65,000
Bank Appraisal, Market Study, Phase 1 & Bank OOPs		40,000	40,000
Phase I Environmental		-	0
Title Insurance		35,000	35,000
Recordation		15,000	15,000
Construction Review / Inspections		13,500	13,500
Survey		-	0
Total Real Estate Costs		318,370	318,370
Total Bond Costs & Real Estate Costs		654,620	654,620
Borrower Equity Calc			
Total Bond Costs		336,250	336,250
2% Covered by Tax Exempt Bond Proceeds		230,000	230,000
Borrower Equity or Other Form of Equity		106,250	106,250

FOOTNOTES:

THRESHOLD BASIS LIMITS - LOS ANGELES COUNTY

Per 2017 Thresholds Pub. Dec. 23, 2016

UNIT SIZE	9% Credits N	NO. OF UNITS	4% Credits Y	NO. OF UNITS	BASIS LIMIT
0	$181,763	0	$203,046	0	$0
1	$209,571	0	$234,110	21	$4,916,310
2	$252,800	0	$282,400	11	$3,106,400
3	$323,584	0	$361,472	11	$3,976,192
4	$360,493	0	$402,702	0	$0
	TOTAL UNITS	0	TOTAL UNITS	43	
			TOTAL THRESHOLD BASIS LIMIT		**$11,998,902**

THRESHOLD BASIS ADJUSTMENTS PER 10327(C)(5):

Y	Project requires payment of prevailing wages		2,399,780		
N	Project is subject to a Project Labor Agreement		0		
N	New construction with subterranean parking (not tuck-under)		0		
N	Day Care Center		0	may not exceed 39%	3,599,671
N	100% of the units are for special needs populations		0		
Y	At least 95% of the upper floor units are served by elevator		1,199,890		

Energy Efficiency Boost Items (per Regs)

N	1	On-site renewable energy > 50% tenant or S	0.00%		
N	2	On-site renewable > 75% common or 90% c	0.00%		
N	3	New Const that is T24+15% (over 2016 cod	0.00%		
N	4	Rehab with 80% improvement in energy use	0.00%		
N	5	Irrigate only with reclaimed or graywater	0.00%		
N	6	Community Garden (60sf per unit)	0.00%		
N	7	Natural floor coverings - units	0.00%		
Y	8	Natural floor coverings - common areas	2.00%		
N	9	Meet US EPA Indoor Air Plus program	0.00%		
			2.00%	239,978	not > 10%	239,978

Y	Bond deals:	% of units at 36-50% AMI (1% boost per 1% units)	9.52%		1,079,901
		% of units at or below 35% AMI (2% boost per 1% units)	45.24%		10,799,012
N	Significant seismic upgrading or environmental mitigation (actual cost w 15% max boost)				0
Y	Development Impact Fees				425,000
N	High Opportunity Project	http://interact.regionalchange.ucdavis.edu/roi/webmap.html			0
			ADJUSTED THRESHOLD BASIS		**$28,142,464**

Total Eligible Basis	$18,280,338
High Cost Test Factor	64.96%
High Cost:	No
Eligible Basis / Unit	425,124

Attachment D

Site Plan

6527 Crenshaw Boulevard



THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENTITLEMENT PACKAGE

APRIL 14, 2017



SITE PLAN 4



SITE PHOTO 3



SITE PHOTO 2



SITE PHOTO 1

SHEET INDEX

	COVER
G0.00	SITE PHOTOS
G0.01	PROJECT INFO
	SURVEY
G0.02	OPEN SPACE
A0.01	PLOT PLAN
A1.10	FIRST FLOOR PLAN
A1.20	SECOND FLOOR PLAN
A1.30	THIRD FLOOR PLAN
A1.40	FOURTH FLOOR PLAN
A1.50	FIFTH FLOOR PLAN
A1.60	ROOF PLAN
	LANDSCAPE
A2.01	BUILDING ELEVATIONS
A2.02	BUILDING ELEVATIONS
A2.03	BUILDING ELEVATIONS
A3.01	BUILDING SECTIONS
A4.01	UNIT PLANS
A4.02	UNIT PLANS
A4.03	UNIT PLANS
A4.04	UNIT PLANS
A6.00	EXTERIOR BUILDING MATERIALS

DEPOT AT HYDE PARK PARTNERS, LP
21818 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

SITE PHOTOS

G0.00

APRIL 14, 2017

LEGAL DESCRIPTION:

LOT 418 OF SUPPLEMENTAL MAP OF THE HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34, PAGE 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
A.P.N.: 4006-018-901

LOT 419 OF SUPPLEMENTAL MAP OF HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
A.P.N.: 4006-018-010

PROJECT INFORMATION	
PROJECT ADDRESS:	6527 CRENSHAW BLVD., LOS ANGELES, CA 90043
ZONE:	C2-2D-SP
ENTERPRISE ZONE:	YES
USE:	100% AFFORDABLE DWELLING UNITS (FAMILY)
CONSTRUCTION:	4 STORIES OF TYPE VA OVER 1 STORY OF TYPE IA ON GRADE
SB1818 INCENTIVES:	1 INCENTIVE - 20% DECREASE IN ONE SIDE YARD SETBACK
VARIANCES:	NONE

ZONING SUMMARY	PRE-HD (SF)	POST-HD (SF)	ACRES	NOTES
TOTAL LOT AREA	21,408		0.49	PRE-DED (82 DU/ACRE)
BUILDABLE AREA (FAR)	21,408		0.49	LAMC 12.03
LOT AREA (DENSITY)	21,408		0.49	LAMC 12.22 C16
	ALLOWABLE	W/ 35% DB	PROPOSED	NOTES
DENSITY:	54	73	43	(400 SF/ UNIT)
FAR	3.0	4.1	2.5	WABHLP COMMUNITY PLAN SEC.9
FAR (SF)	64,224	86,702	53,923	WABHLP COMMUNITY PLAN SEC.9
BUILDING HEIGHT:	56'-0"	N/A	56'-0"	
STORIES:	NO LIMIT	NO LIMIT	5	

YARDS	(MIN FT)	(FT)	(FT)	NOTES
FRONT YARD	0'-0"		0'-0"	EAST - CRENSHAW BLVD
SIDE YARD	6'-5"		6'-5"	NORTH (20% REDUCTION WITH 1818)
SIDE YARD	8'-0"		8'-0"	SOUTH
REAR YARD	17'-0"		17'-0"	WEST

			Average SF
A = (1-BED)	21	48.8%	623 SF
B = (2-BED)	11	25.6%	1,091 SF
C = (3-BED)	11	25.6%	1,345 SF
	43	100.0%	

TOTAL RESIDENTIAL FLOOR AREA	52,423 SF
TOTAL COMMERCIAL FLOOR AREA	1,500 SF
TOTAL FLOOR AREA (FAR)	53,923 SF
GROSS BUILDING AREA	79,815 SF

OPEN SPACE REQ'D	REQ'D (SF)	25% MAX INTERIOR	25% LANDSCAPED REQ'D	25% LANDSCAPED PROV
1 BD (<3HR=100SF)	2,100			
2 BD (=3HR=125SF)	1,375			
3 BD (>3HR=175SF)	1,925			
TOTAL OPEN SPACE REQ'D	5,400	1,350	1,350	1,350

OPEN SPACE PROV	PROVIDED(SF)	LAMC 12.21 G	
COURTYARD	1,806		
REAR YARD	2,285		
ROOF DECK 3	432		
TOTAL COMMON:	4,523		
RECREATIONAL ROOM	877		LAMC 12.22C20(b), (600 SF MIN)
TOTAL INTERIOR:	877		
TOTAL OPEN SPACE PROV	5,400		

10.75 TREES REQ'D

PARKING	REQ'D	PROVIDED	ADA	NOTES	TYPE
RESIDENTIAL (NO GUEST PARKING)					
0.5 / UNIT (AFFORDABLE)	21	21		AB744	STANDARD
1.0 / UNIT (MANAGER'S UNIT)	1	1		AB744	STANDARD
TOTAL RESIDENTIAL SPACES	22	22	2 ADA	(REMOVE 6 SPACES AT GARAGE AND 10 SPACES AT GRADE)	
COMMERCIAL					
1 / 500 SF (ENTERPRISE ZONE)	3	3			STANDARD
TOTAL COMMER SPACES	3	3	1 ADA		

BIKE PARKING	REQ'D	PROVIDED	NOTES
RESIDENTIAL			
LONG TERM (1 /1 UNIT)	43	43	
SHORT TERM (1 /10 UNITS)	4.3	5	
COMMERCIAL			
LONG TERM (1 / 2,000 SF) MIN 2	2	2	
SHORT TERM (1 / 2,000 SF) MIN 2	2	2	

AHMON LAHMON ARCHITECTS
3834 WILLAT AVENUE, CULVER CITY, CA 90232
(T) 424.280.4888 (F) 424.280.4858
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DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

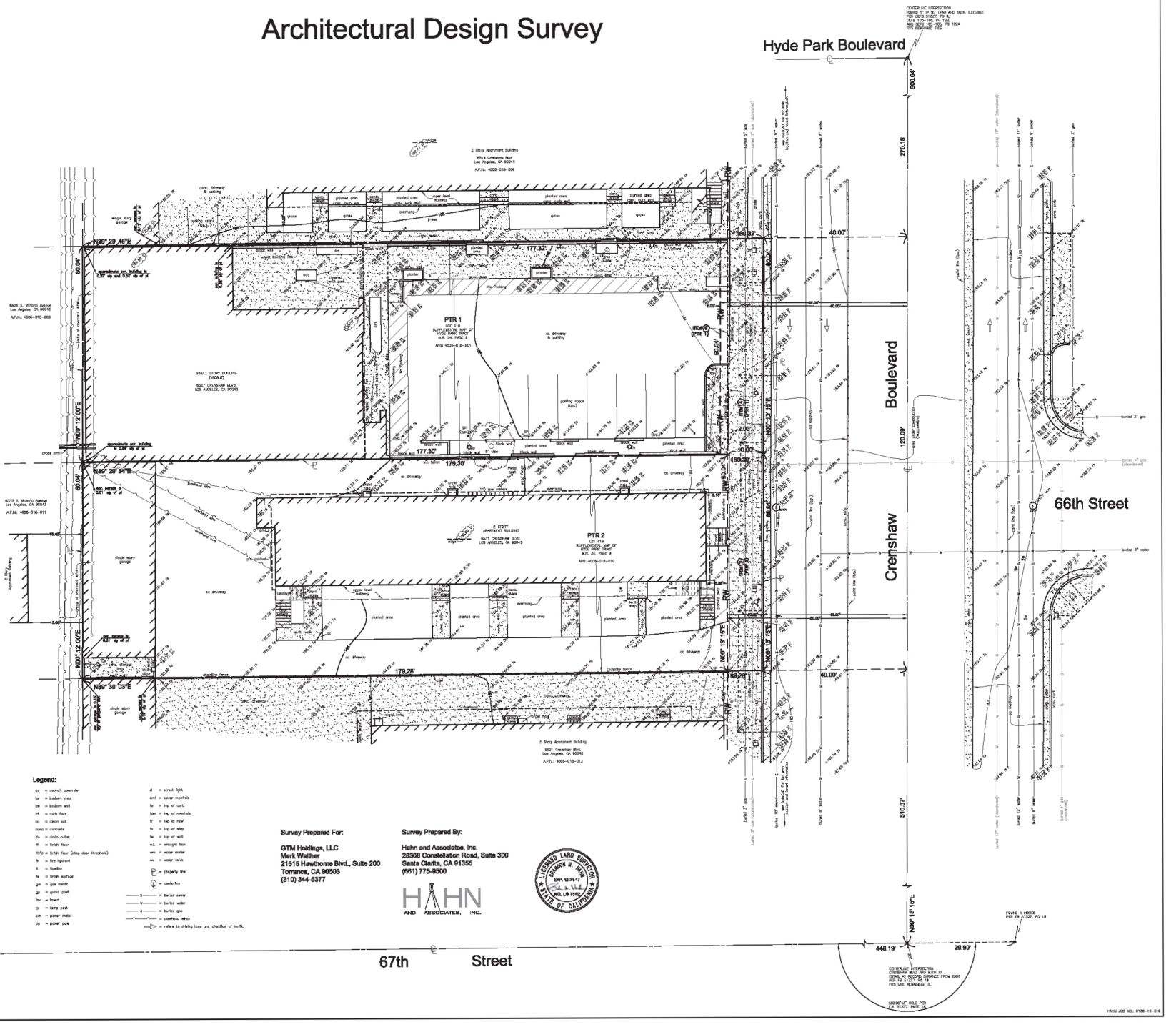
THE DEPOT AT HYDE PARK
6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

PROJECT INFO

G0.01

APRIL 14, 2017

Architectural Design Survey



N

GRAPHIC SCALE

(IN FEET)
1 inch = 30 ft.

Date of Plan:
APRIL 11, 2017 (UPDATE NET AREA NOTES)
JANUARY 30, 2017 (ORIGINAL)

Date of Field Survey:
JANUARY 12, 2017

Address:
6531 AND 6527 CRENSHAW BLVD., LOS ANGELES, CA 90043

Assessor's Parcel Number (APN):
4006-018-010 AND 901

Basis of Bearings:
THE BEARING OF N00°13'15"E ALONG THE CENTERLINE OF CRENSHAW BLVD. PREVIOUSLY KNOWN AS MESA DRIVE AS SHOWN ON TRACT NO. 1560, MAP BOOK 20, PAGE 16 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER, WAS USED AS THE BASIS OF BEARINGS FOR THIS SURVEY.

Bench Mark:
THE ELEVATION OF 163.619 ON BENCH MARK NO. 18-10850 (WIRE SPIKE IN N CURB HYDE PARK BLVD. 21FT W OF M.P.I. CRENSHAW BLVD) IN EXIS CSD NAVD 1988 DATUM, 2020 ADJUSTMENT, AS SHOWN IN CITY OF LOS ANGELES NAVIGATE L.A. DATABASE WAS USED AS ELEVATION DATUM FOR THIS SURVEY.

Utilities:
IF UNDERGROUND PUBLIC UTILITIES, OTHER SUBSTRUCTURES OR ZONE, SETBACK AND STREET WIDENING DATA ARE SHOWN HEREON, IT IS FOR INFORMATION ONLY, HAVING BEEN OBTAINED FROM THE BEST AVAILABLE SOURCES BUT FROM OTHERS NOT CONNECTED WITH THIS COMPANY. THEREFORE, NO GUARANTEE IS MADE AS TO THE ACCURACY OR COMPLETENESS OF SAID INFORMATION. IT IS ADVISED TO CALL UNDERGROUND SERVICE ALERT, (800) 227-2600, BEFORE DIGGING ON THIS SITE.

BURIED UTILITIES SHOWN HEREON ARE PER L.A. CITY SUBSTRUCTURE MAP 325 AND SEWER "V" MAP 1089186. INDIVIDUAL UTILITY COMPANIES HAVE NOT BEEN CONTACTED AS PART OF THIS SURVEY.

PTR 1:
PREPARED BY PROVIDENT TITLE COMPANY, ORDER NO.: 11361810
DATED NOVEMBER 29, 2016

Legal Description per PTR 1:
LOT 418 OF SUPPLEMENTAL MAP OF THE HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34, PAGE 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, WATER AND MINERAL RIGHTS NOW VESTED IN THE CITY OF LOS ANGELES WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND OR ANY PORTION THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE, FOR THE EXTRACTION OF SUCH OIL, GAS, WATER AND MINERALS, AS RESERVED BY THE CITY OF LOS ANGELES IN GRANT DEED RECORDED JULY 15, 2007 AS INSTRUMENT NO. 20071596778, OF OFFICIAL RECORDS.

A.P.N.: 4006-018-901

Survey Related Exceptions per PTR 1:

⬠ 3. AN EASEMENT FOR THE PURPOSES SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SHOWN OR AS OFFERED FOR DEDICATION ON THE RECORDED MAP OF SAID TRACT.
PURPOSE: PUBLIC STREET
AFFECTS: THE EASTERLY 10 FEET OF LOT 419
NOTE: THIS ITEM IS NOT NOTED CURRENTLY IN PTR.

⬠ 4. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
PURPOSE: PUBLIC STREET
AFFECTS: THE EASTERLY 10 FEET
RECORDED: IN BOOK 3925 PAGE 302, IN BOOK 8051 PAGE 59, IN BOOK 7101 PAGE 361 ALL OF OFFICIAL RECORDS

⬠ 5. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
PURPOSE: PUBLIC STREET
AFFECTS: THE WESTERLY 8 FEET OF THE EASTERLY 12 FEET
RECORDED: JULY 18, 2007 AS INSTRUMENT NO. 07-1696778 OF OFFICIAL RECORDS

PTR 2:
PREPARED BY PROVIDENT TITLE COMPANY, ORDER NO.: 11359990
DATED JUNE 7, 2016

Legal Description per PTR 2:
LOT 419 OF SUPPLEMENTAL MAP OF HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

A.P.N.: 4006-018-016

Survey Related Exceptions per PTR 2:

⬠ 3. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
PURPOSE: PUBLIC STREET
AFFECTS: THE EASTERLY 10 FEET OF LOT 419
RECORDED: IN BOOK 5025 AS PER MAP RECORDED IN BOOK 302, OF OFFICIAL RECORDS

△ 4. AN EASEMENT FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS SET FORTH IN A DOCUMENT
PURPOSE: CABLE TELEVISION INSTALLATION
AFFECTS: THAT PORTION OF SAID LAND DESCRIBED THEREIN.
RECORDED: DECEMBER 9, 1999 AS INSTRUMENT NO. 99-2278698, OF OFFICIAL RECORDS
BLANKET IN NATURE

Exceptions Legend:

△ = NOT PLOTTABLE (SEE TITLE REPORT AND ACTUAL DOCUMENTS FOR DETAILS)

⬠ = PLOTTED HEREON (SEE TITLE REPORT AND ACTUAL DOCUMENTS FOR DETAILS)

Areas:
PARCEL PER PTR 1:

11,365 SQUARE FEET, 0.26 ACRES – GROSS
10,645 SQUARE FEET, 0.24 ACRES – NET (GROSS LESS ROADWAY EASEMENTS/DEDICATIONS)

PARCEL PER PTR 2:

11,364 SQUARE FEET, 0.26 ACRES – GROSS
10,763 SQUARE FEET, 0.25 ACRES – NET (GROSS LESS ROADWAY EASEMENT/DEDICATIONS)

OVERALL COMBINED PARCELS:

22,729 SQUARE FEET, 0.52 ACRES – GROSS
21,408 SQUARE FEET, 0.49 ACRES – NET (GROSS LESS ROADWAY EASEMENT/DEDICATIONS)

Boundary and Easements:
ESTABLISHED PER PRELIMINARY TITLE REPORT (PTR 1) PREPARED BY PROVIDENT TITLE COMPANY, DATED NOVEMBER 29, 2016, ORDER NO. 11361810 AND (PTR 2) ALSO PREPARED BY PROVIDENT TITLE COMPANY, DATED JUNE 7, 2016, ORDER NO. 11359990, ADJUSTED TO FOUND CITY CENTERLINE MONUMENTS, USING STANDARD SURVEYING PROCEDURES.

Legend:

ac = asphalt concrete	sl = street light
bw = bottom step	smh = sewer manhole
bw = bottom wall	tc = top of curb
cf = curb face	tcm = top of manhole
co = clean out	tr = top of roof
conc = concrete	ts = top of step
do = drain outlet	tw = top of wall
ff = finish floor	wi = wrought iron
ff/fs = finish floor (step door threshold)	wm = water meter
fh = fire hydrant	wv = water valve
fl = flowline	= property line
fs = finish surface	= centerline
gm = gas meter	
gp = guard post	
hc = hose	= buried sewer
lp = lamp post	= buried water
pm = power meter	= buried gas
pp = power pole	= overhead wires
	= refers to driving lane and direction of traffic

Survey Prepared For:
GTM Holdings, LLC
Mark Walther
21515 Hawthorne Blvd., Suite 200
Torrance, CA 90503
(310) 344-5377

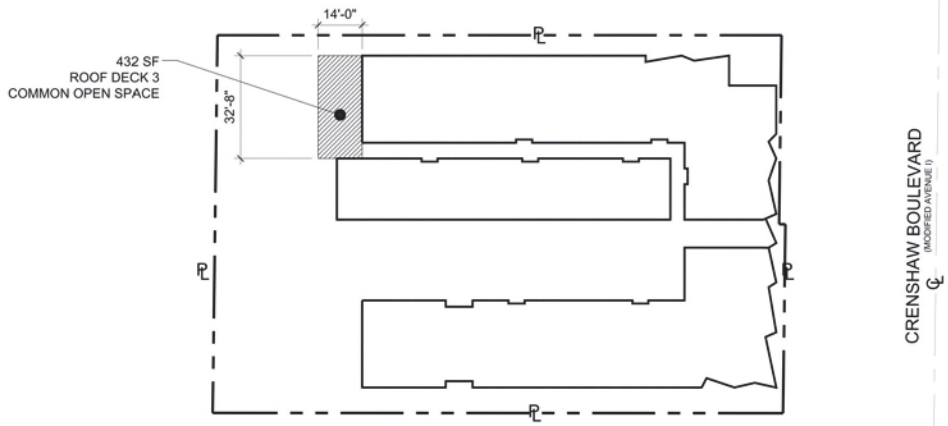
Survey Prepared By:
Hahn and Associates, Inc.
28366 Constellation Road, Suite 300
Santa Clarita, CA 91355
(661) 775-9500

HAHN AND ASSOCIATES, INC.

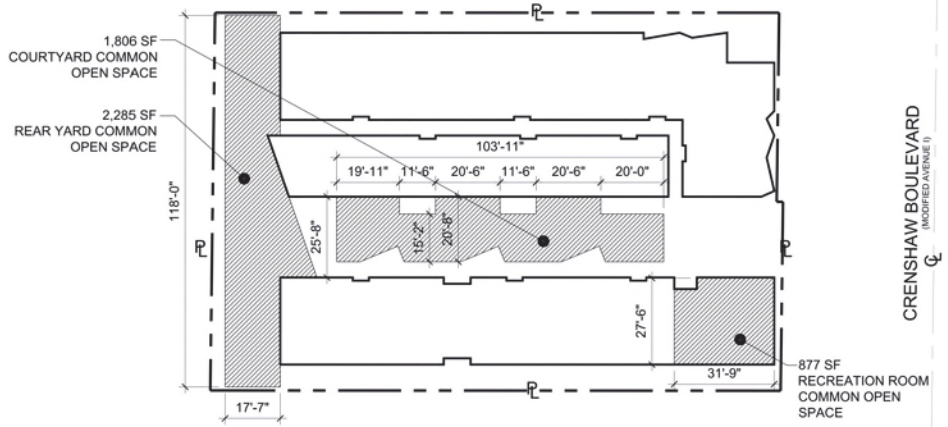
LICENSED LAND SURVEYOR
SHARON M. HAHN
EXP. 12-31-17
NO. LS 7315
STATE OF CALIFORNIA

OPEN SPACE REQ'D	REQ'D (SF)	25% MAX INTERIOR	25% LANDSCAPED REQ'D	25% LANDSCAPED PROV
1 BD (<3HR=100SF)	2,100			
2 BD (<3HR=125SF)	1,375			
3 BD (>3HR=175SF)	1,925			
TOTAL OPEN SPACE REQ'D	5,400	1,350	1,350	1,350

OPEN SPACE PROV	PROVIDED(SF)	LAMC 12.21 G
COURTYARD	1,806	
REAR YARD	2,285	
ROOF DECK 3	432	
TOTAL COMMON:	4,523	
RECREATIONAL ROOM	877	LAMC 12.22C20(b), (600 SF MIN)
TOTAL INTERIOR:	877	
TOTAL OPEN SPACE PROV	5,400	



FIFTH FLOOR



SECOND FLOOR

OPEN SPACE DIAGRAM AND CALCULATIONS
SCALE: 1/16" = 1'-0"
1

LAHMON ARCHITECTS
3834 WILLAT AVENUE, CULVER CITY, CA 90232
(T) 424.299.4666 (F) 424.299.4698

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21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

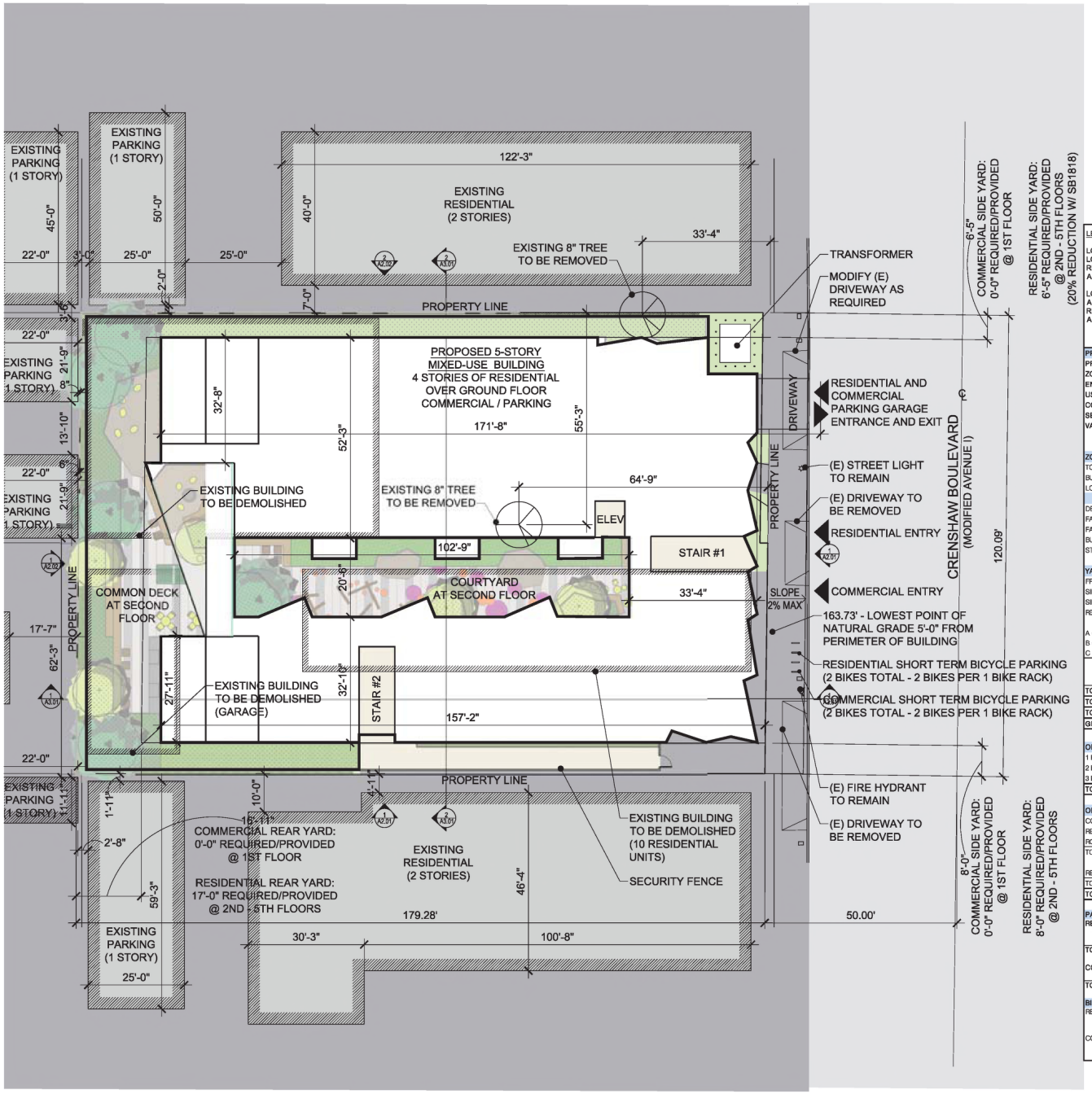
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

OPEN SPACE DIAGRAM

G0.02

APRIL 14, 2017



LEGAL DESCRIPTION:

LOT 418 OF SUPPLEMENTAL MAP OF THE HYDE PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34, PAGE 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
A.P.N.: 4006-018-901

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A.P.N.: 4006-018-010

PROJECT INFORMATION	
PROJECT ADDRESS:	6527 CRENSHAW BLVD., LOS ANGELES, CA 90043
ZONE:	C2-2D-SP
ENTERPRISE ZONE:	YES
USE:	100% AFFORDABLE DWELLING UNITS (FAMILY)
CONSTRUCTION:	4 STORIES OF TYPE VA OVER 1 STORY OF TYPE IA ON GRADE
SB1818 INCENTIVES:	1 INCENTIVE - 20% DECREASE IN ONE SIDE YARD SETBACK
VARIANCES:	NONE

ZONING SUMMARY	PRE-HD (SF)	POST-HD (SF)	ACRES NOTES
TOTAL LOT AREA	21,408		0.49 PRE-DED (82 DU/ACRE)
BUILDABLE AREA (FAR)	21,408		0.49 LAMC 12.03
LOT AREA (DENSITY)	21,408		0.49 LAMC 12.22 C16
	ALLOWABLE	W/ 35% DB	PROPOSED NOTES
DENSITY:	54	73	43 (400 SF/ UNIT)
FAR	3.0	4.1	2.5 WABHLP COMMUNITY PLAN SEC.9
FAR (SF)	64,224	86,702	53,923 WABHLP COMMUNITY PLAN SEC.9
BUILDING HEIGHT:	56'-0"	N/A	56'-0"
STORIES:	NO LIMIT	NO LIMIT	5

YARDS	(MIN FT)	(FT)	(FT) NOTES
FRONT YARD	0'-0"		0'-0" EAST - CRENSHAW BLVD
SIDE YARD	6'-5"		6'-5" NORTH (20% REDUCTION WITH 1818
SIDE YARD	8'-0"		8'-0" SOUTH
REAR YARD	17'-0"		17'-0" WEST
			Average SF
A = (1-BED)	21	48.8%	623 SF
B = (2-BED)	11	25.6%	1,091 SF
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	43	100.0%	

TOTAL RESIDENTIAL FLOOR AREA	52,423 SF
TOTAL COMMERCIAL FLOOR AREA	1,500 SF
TOTAL FLOOR AREA (FAR)	53,923 SF
GROSS BUILDING AREA	79,815 SF

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1 BD (<3HR=100SF)	2,100			
2 BD (<3HR=125SF)	1,375			
3 BD (>3HR=175SF)	1,925			
TOTAL OPEN SPACE REQ'D	5,400	1,350	1,350	1,350

OPEN SPACE PROV	PROVIDED(SF)	LAMC 12.21 G	
COURTYARD	1,806		
REAR YARD	2,285		
ROOF DECK 3	432		
TOTAL COMMON:	4,523		
RECREATIONAL ROOM	877		LAMC 12.22C20(b), (600 SF MIN)
TOTAL INTERIOR:	877		
TOTAL OPEN SPACE PROV	5,400		

10.75 TREES REQ'D

PARKING	REQ'D	PROVIDED	ADA	NOTES	TYPE
RESIDENTIAL (NO GUEST PARKING)					
0.5 / UNIT (AFFORDABLE)	21	21		AB744	STANDARD
1.0 / UNIT (MANAGER'S UNIT)	1	1		AB744	STANDARD
TOTAL RESIDENTIAL SPACES	22	22	2 ADA	(REMOVE 6 SPACES AT GARAGE AND 10 SPACES AT GRADE)	
COMMERCIAL					
1 / 500 SF (ENTERPRISE ZONE)	3	3			STANDARD
TOTAL COMMER SPACES	3	3	1 ADA		

BIKE PARKING	REQ'D	PROVIDED	NOTES
RESIDENTIAL			
LONG TERM (1 /1 UNIT)	43	43	
SHORT TERM (1 /10 UNITS)	4.3	5	
COMMERCIAL			
LONG TERM (1 / 2,000 SF) MIN 2	2	2	
SHORT TERM (1 / 2,000 SF) MIN 2	2	2	

PLOT PLAN (ON 30"X42" SHEET) SCALE: 1/32" = 1'-0" 1

AHMON LAMMON ARCHITECTS
3834 WILLAT AVENUE, CULVER CITY, CA 90232
(T) 424.299.4686 (F) 424.299.4698

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DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

THE DEPOT AT HYDE PARK

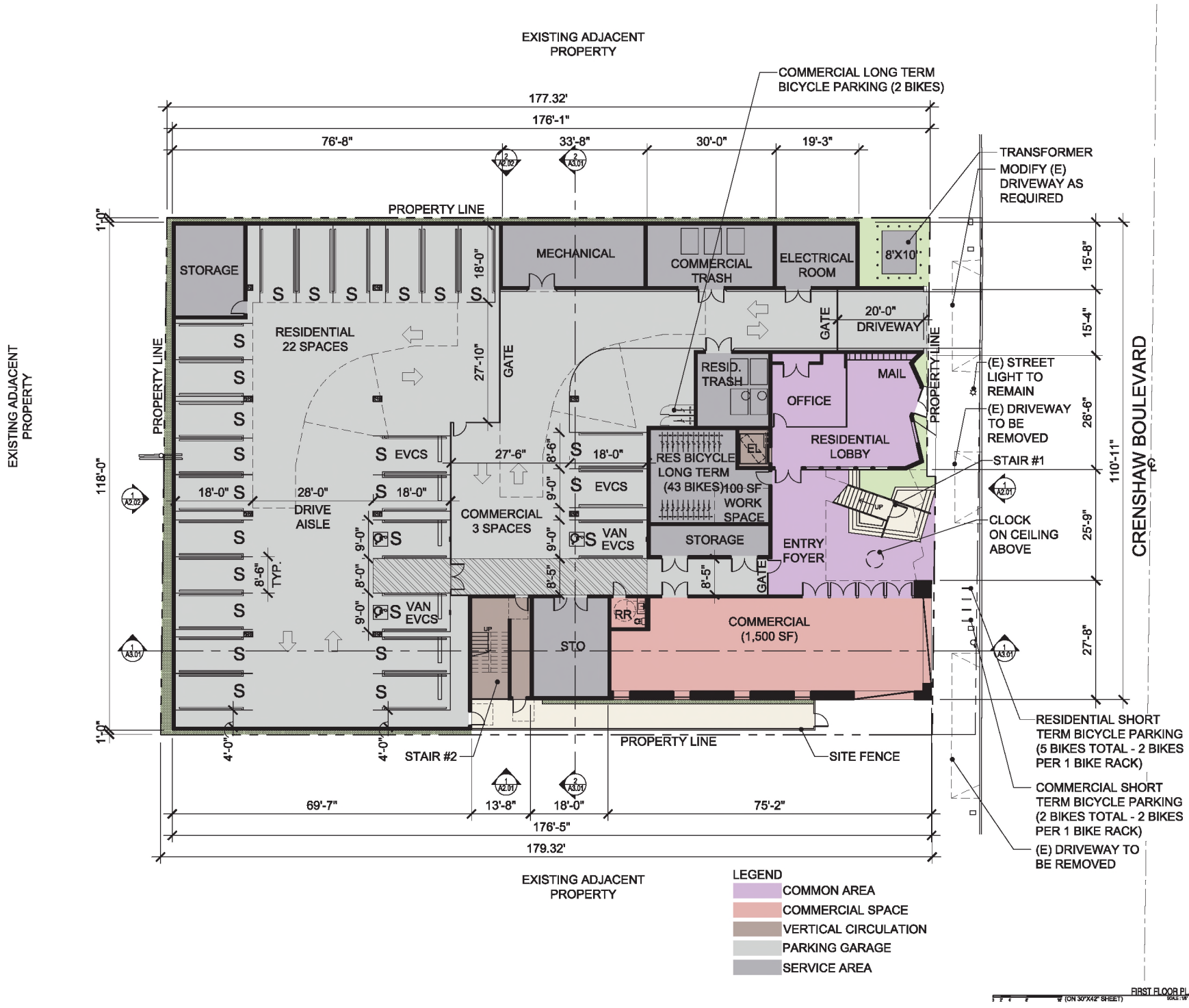
6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENTITLEMENT PACKAGE

PLOT PLAN

A0.01

APRIL 14, 2017



AHMON ARCHITECTS
3834 WILLAT AVENUE, OLIVER CITY, CA 90232
(T) 424.260.4666 (F) 424.260.4658

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DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

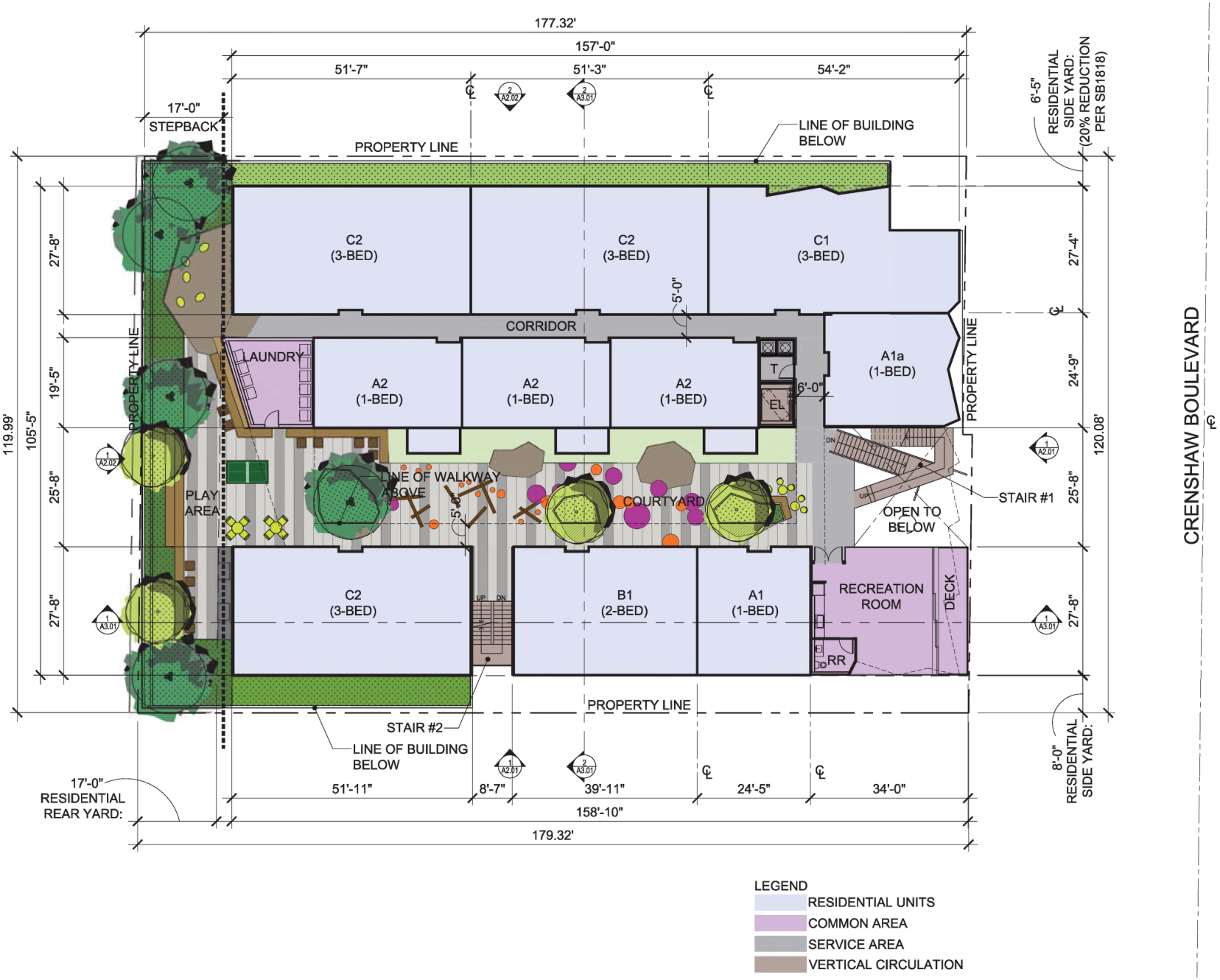
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

FIRST FLOOR PLAN

A1.10

APRIL 14, 2017



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DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

SECOND FLOOR PLAN

A1.20

APRIL 14, 2017



THIRD FLOOR PLAN
SCALE: 1/8"=1'-0"
(ON 30"X42" SHEET)

1

A1.30
APRIL 14, 2017

THIRD FLOOR PLAN

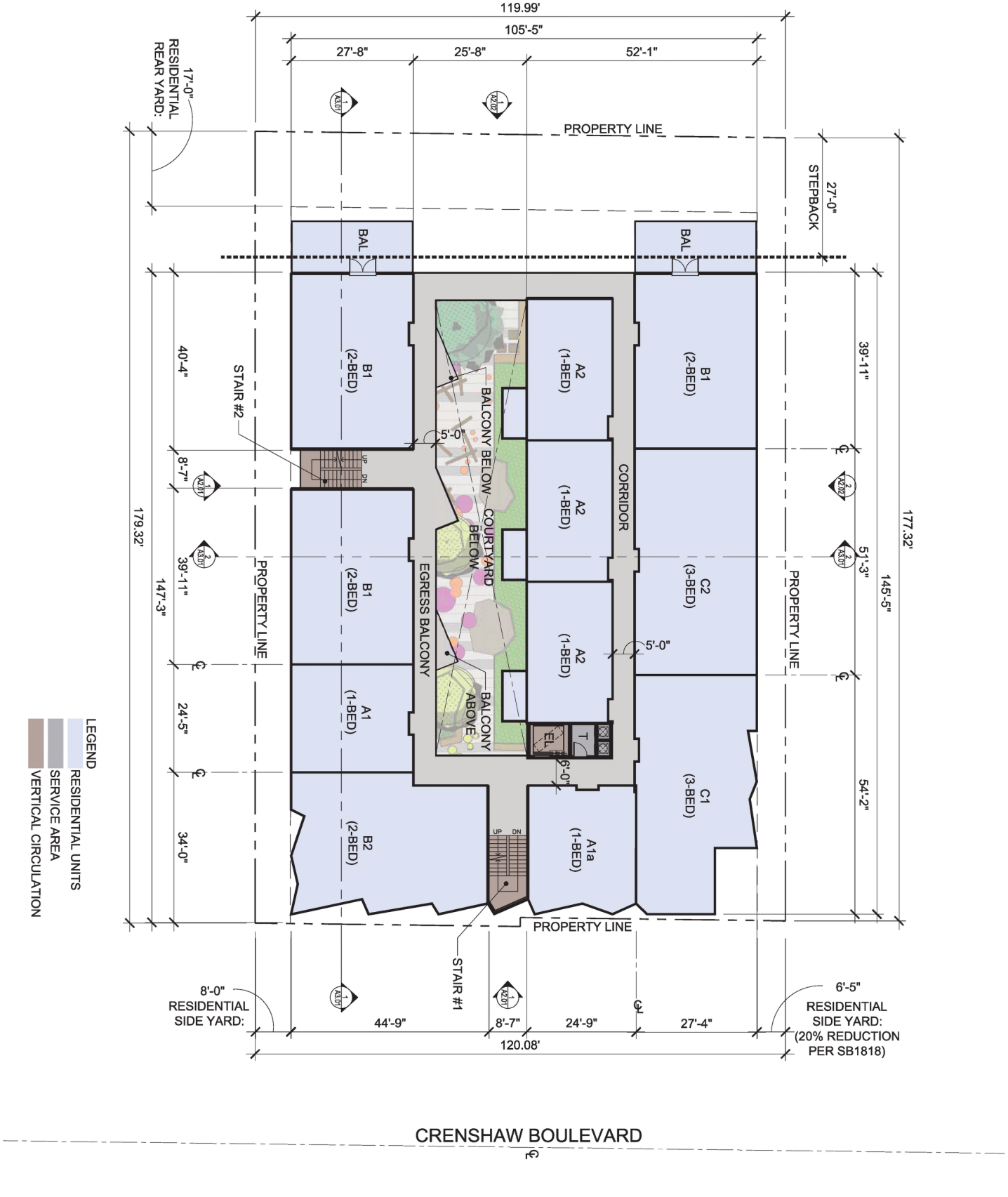
ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

DEPOT AT HYDE PARK
PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

AHMON RICHTS
3634 WALLAT AVENUE, CULVER CITY, CA 90232
(T) 424.299.4656



ENTITLEMENT PACKAGE

FOURTH FLOOR PLAN

A1.40

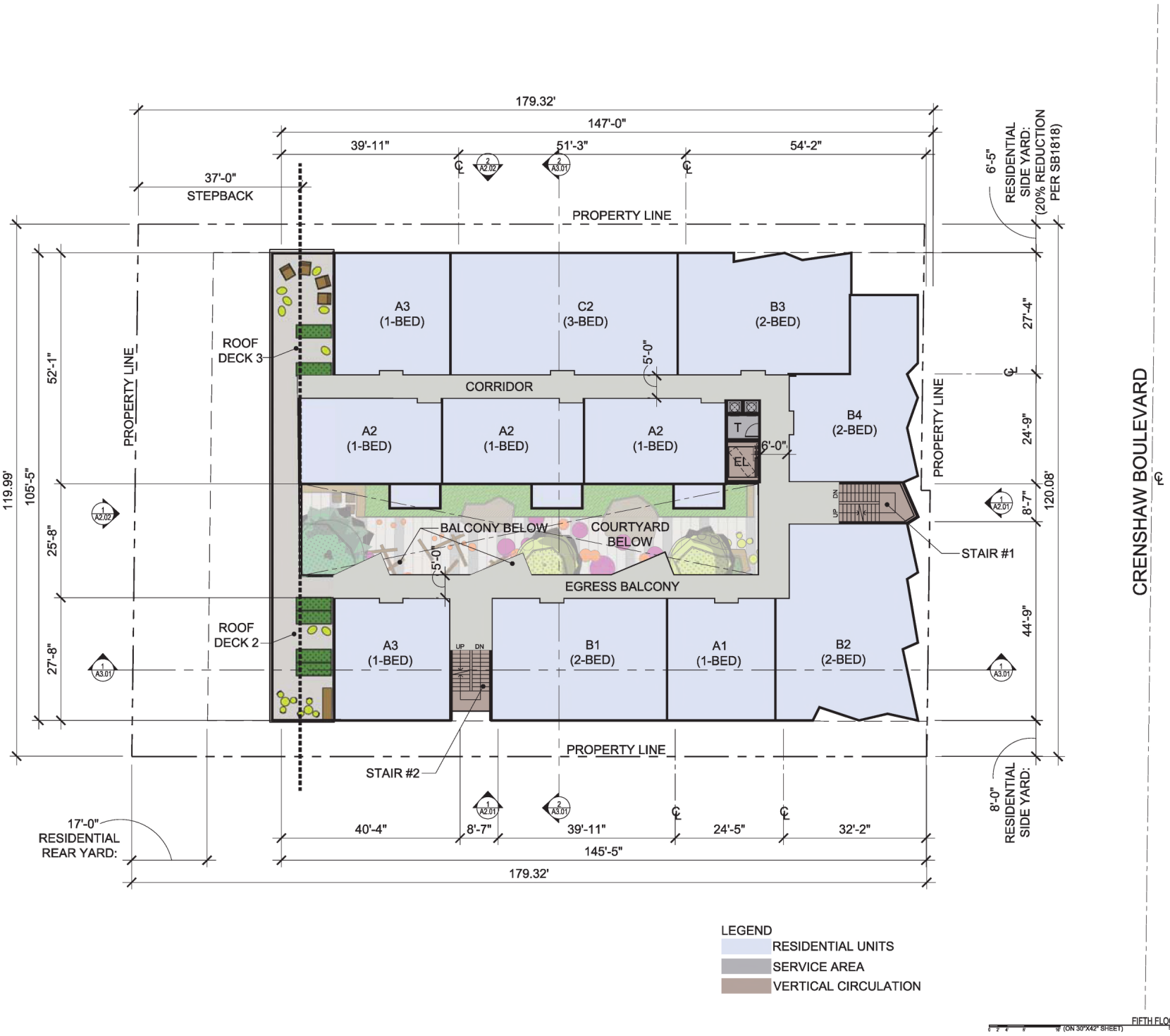
APRIL 14, 2017

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

3834 WALLAT AVENUE, CULVER CITY, CA 90232
(T) 424.290.4656



AHMON ARCHITECTS
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TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

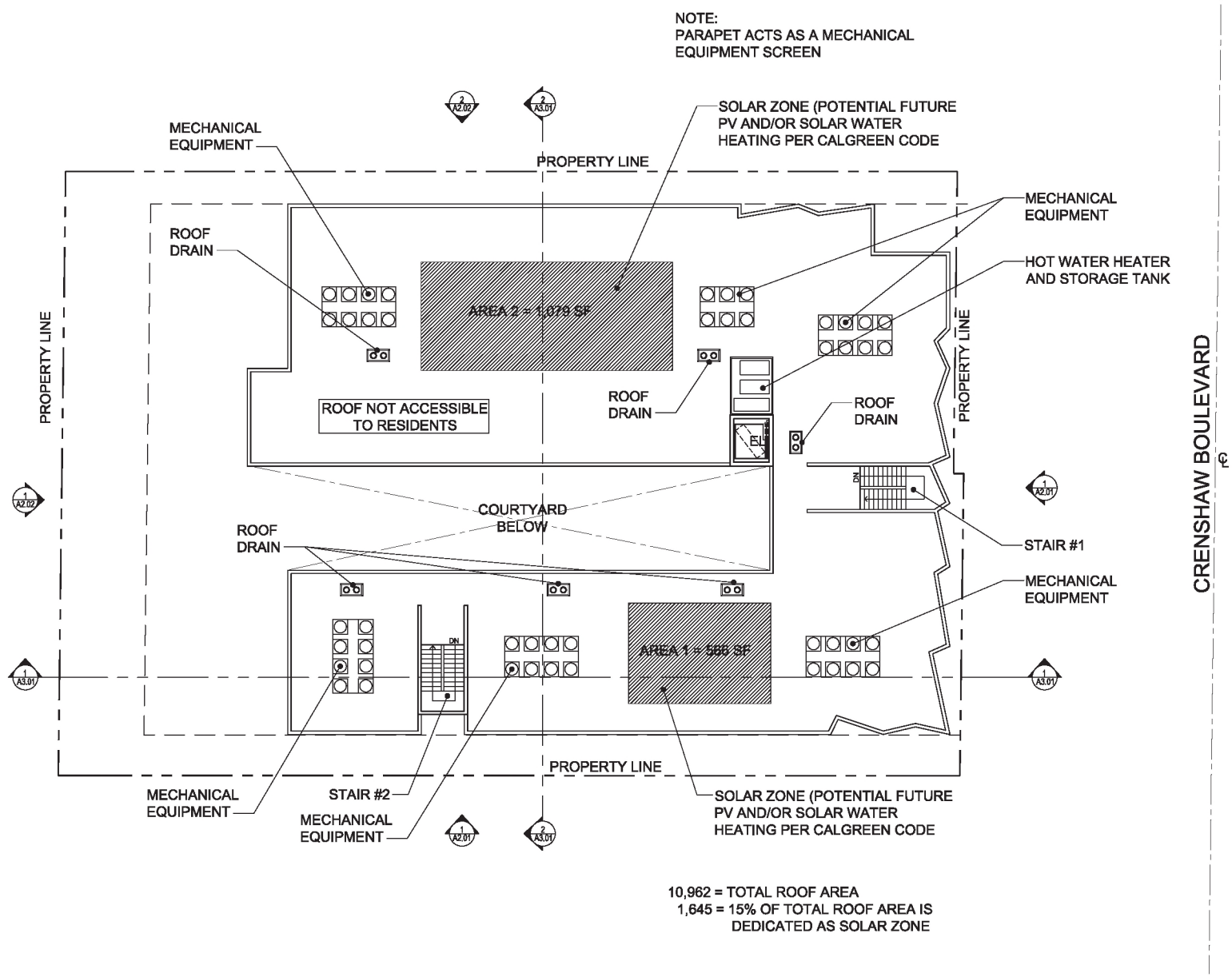
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

FIFTH FLOOR PLAN

A1.50

APRIL 14, 2017



LAHMON ARCHITECTS
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TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

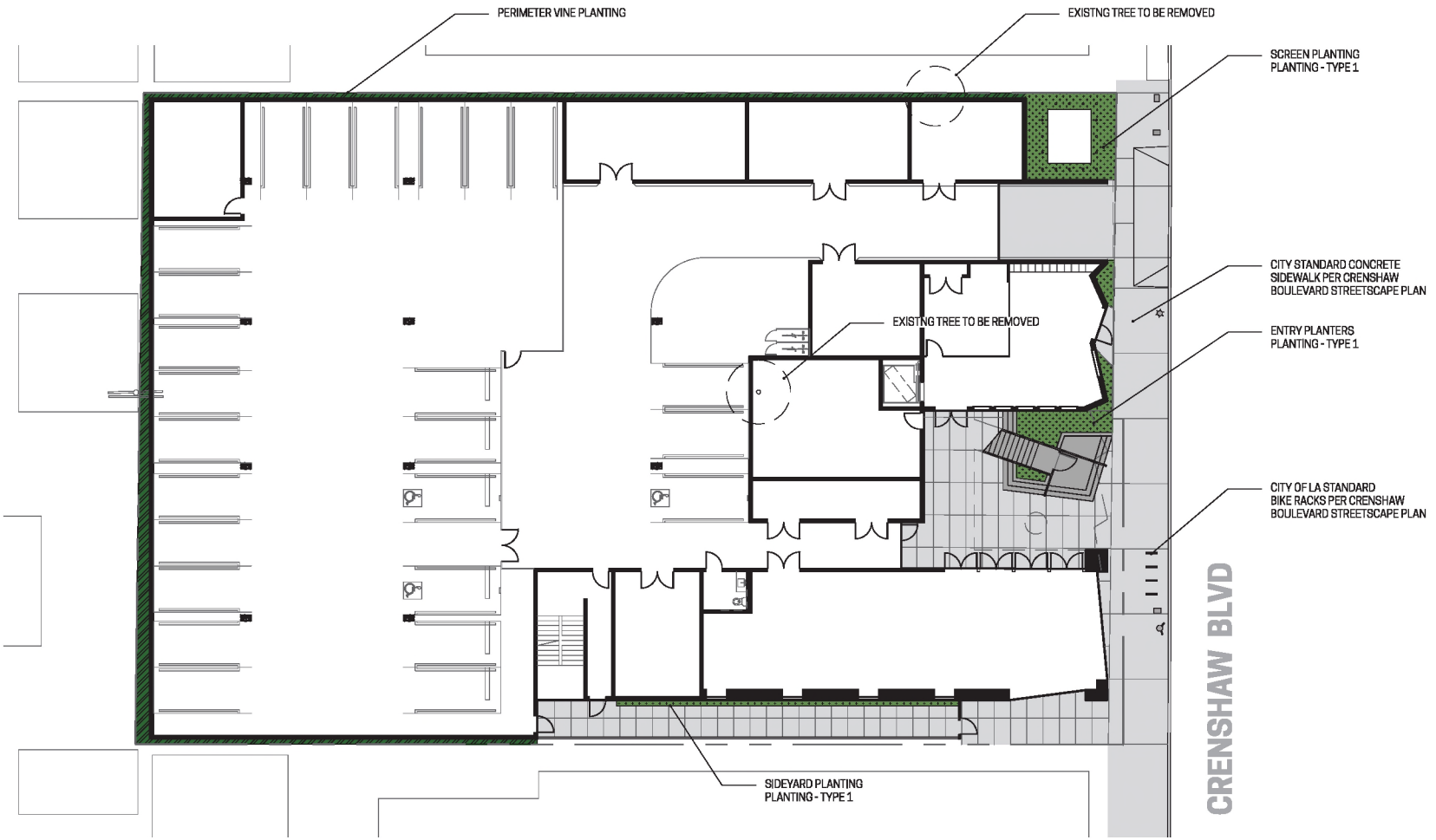
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ROOF PLAN

A1.60

APRIL 14, 2017



NOTES:

1. ALL PLANTED AREAS TO BE PLANTED AS FOLLOWS:

50% - 1 GALLON PLANTS
35% - 5 GALLON PLANTS
15% - 15 GALLON PLANTS

2. 43 UNITS = 11 TREES REQUIRED
(10) TREES ON LEVEL 2
(1) TREES ON LEVEL 3
TOTAL TREES: 11

3. OPEN SPACE REQUIREMENTS:

OPEN SPACE REQ'D	REQ'D(SF)	25% LANDSCAPED(SF)
1 BD (<3HR=100SF)	2,100	
2BD (=3HR=125SF)	1,375	
3BD (>3HR=175SF)	1,925	
TOTAL:	5,400	1,350

OPEN SPACE PROVIDED	PROVIDED(SF)	25 %LANDSCAPED PROVIDED(SF)
COURTYARD(LEVEL 2)	1,806	460
REAR YARD (LEVEL 2)	2,285	780
ROOF DECK 3 (LEVEL 5)	432	110
RECREATIONAL ROOM (SEE ARCHITECTURAL SHEET G0.02)	877	
TOTAL COMMON:	5,400	1,350

PLANTING TYPE 1

BOTANIC NAME	COMMON NAME
Aeonium arboreum 'Atropurpureum'	Purple Aeonium
Aloe Castanea	Cat's Tail Aloe
Aloe plicatilis	Fan Aloe
Carex praegracilis	California Field Sedge
Helichrysum petiolare 'Limelight'	Limelight Licorice Plant
Leymus condensatus 'Canyon Prince'	Canyon Prince Wild Rye
Kalanchoe beharensis	Elephants Ear Kalanchoe
Pennisetum 'Fairy Tails'	Evergreen Fountain Grass

VINE PLANTING

BOTANIC NAME	COMMON NAME
Muhlenbergia rigens	Deer Grass
Miscanthus transmorrisonensis	Evergreen Eulalia

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(T) 424.299.4666 (F) 424.299.4668

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TORRANCE, CA 90503
424.383.7103

superjacent
LANDSCAPE ARCHITECTURE + URBAN DESIGN
4937 HARTWICK ST, LOS ANGELES, CA 90041
T: 323.507.2642, WWW.SUPERJACENTLA.COM

ENTITLEMENT PACKAGE

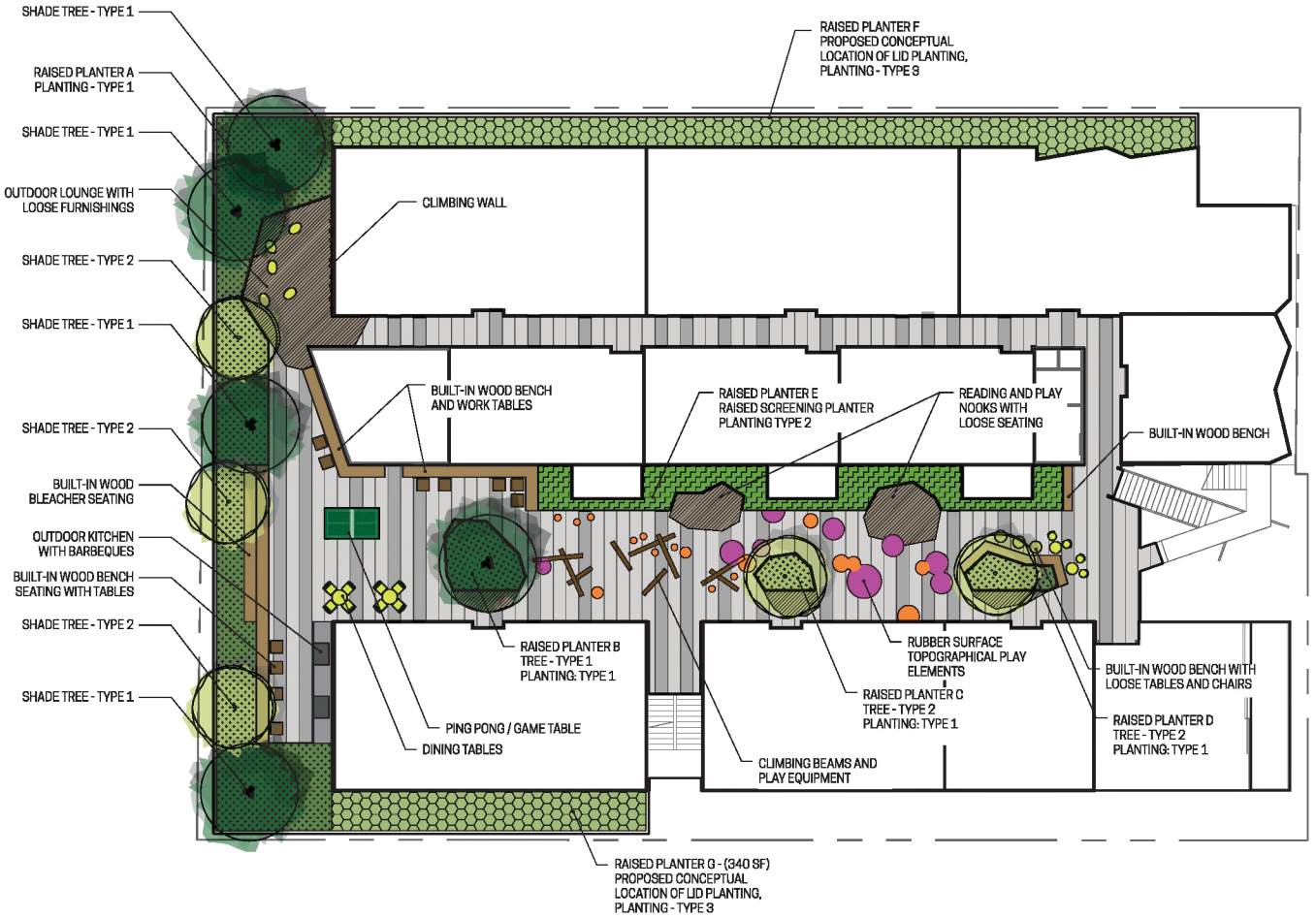
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

SCALE: 1/8" - 1'0"

LANDSCAPE PLAN
GROUND FLOOR

APRIL 14, 2017



NOTES:

43 UNITS = 11 TREES REQUIRED
(10) TREES ON LEVEL 2
(1) TREES ON LEVEL 3

TOTAL TREES: 11

OPEN SPACE PROVIDED	PROVIDED(SF)	25% LANDSCAPED PROVIDED(SF)
COURTYARD(LEVEL 2)	1,806	460
REAR YARD (LEVEL 2)	2,285	780
TOTAL LEVEL 2 COMMON:	4,091	1,240

TREE TYPE 1

BOTANIC NAME	COMMON NAME
Olea europaea 'Fruitless'	Wilson Fruitless Olive

TREE TYPE 2

BOTANIC NAME	COMMON NAME
Parkinsonia aculeata	Mexican Palo Verde

PLANTING TYPE 1

BOTANIC NAME	COMMON NAME
Aeonium arboreum 'Atropurpureum'	Purple Aeonium
Aloe Castanea	Cat's Tail Aloe
Aloe plicatilis	Fan Aloe
Carex praegracilis	California Field Sedge
Helichrysum petiolare 'Limelight'	Limelight Licorice Plant
Leymus condensatus 'Canyon Prince'	Canyon Prince Wild Rye
Kalanchoe beharensis	Elephants Ear Kalanchoe
Pennisetum 'Fairy Tails'	Evergreen Fountain Grass

PLANTING TYPE 2

BOTANIC NAME	COMMON NAME
Agave attenuata	Foxtail Agave
Cordyline australis 'Red Star'	Red Grass Palm
Crassula multicava	Fairy Crassula
Echeveria imbricata	Hens and Chicks
Euphorbia characias 'Bruce's Dwarf'	Bruce's Dwarf Euphorbia
Helleborus argutifolius	Corsican Hellebore
Yucca elephantipes	Giant Yucca

PLANTING TYPE 3

BOTANIC NAME	COMMON NAME
Miscanthus transmorrisonensis	Evergreen Eulalia
Muhlenbergia rigens	Deer Grass

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424.353.7103

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ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

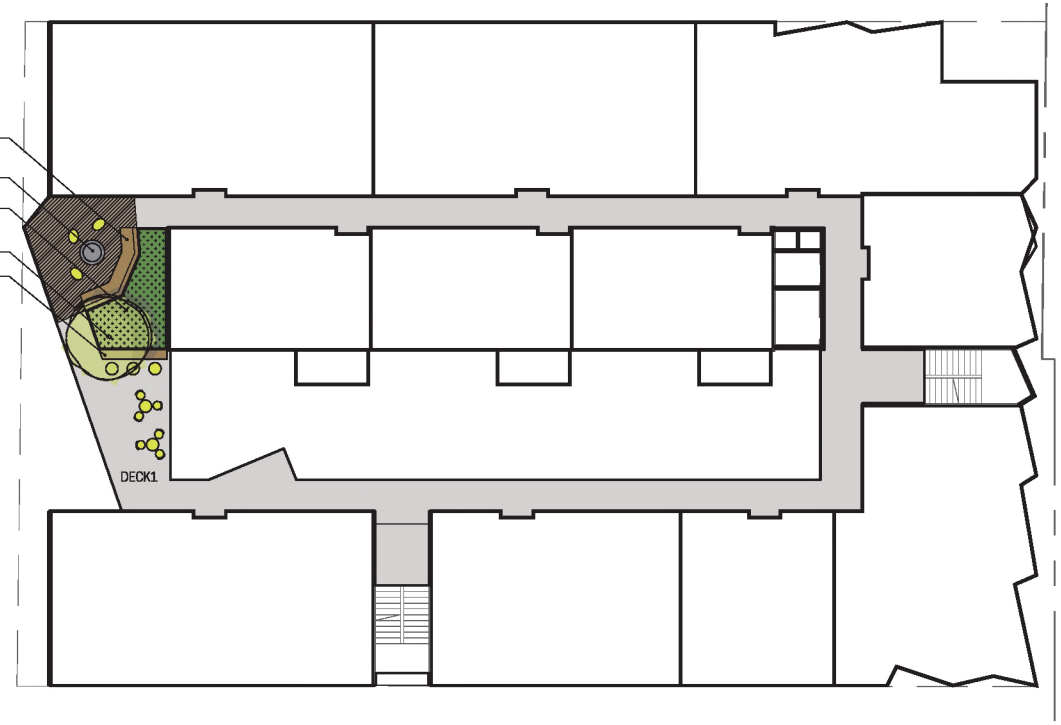
6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

SCALE: 1/8" - 1'-0"

LANDSCAPE PLAN LEVEL 2

APRIL 14, 2017

LEVEL 3



NOTES:

43 UNITS = 11 TREES REQUIRED
(10) TREES ON LEVEL 2
(1) TREES ON LEVEL 3

TOTAL TREES: 11

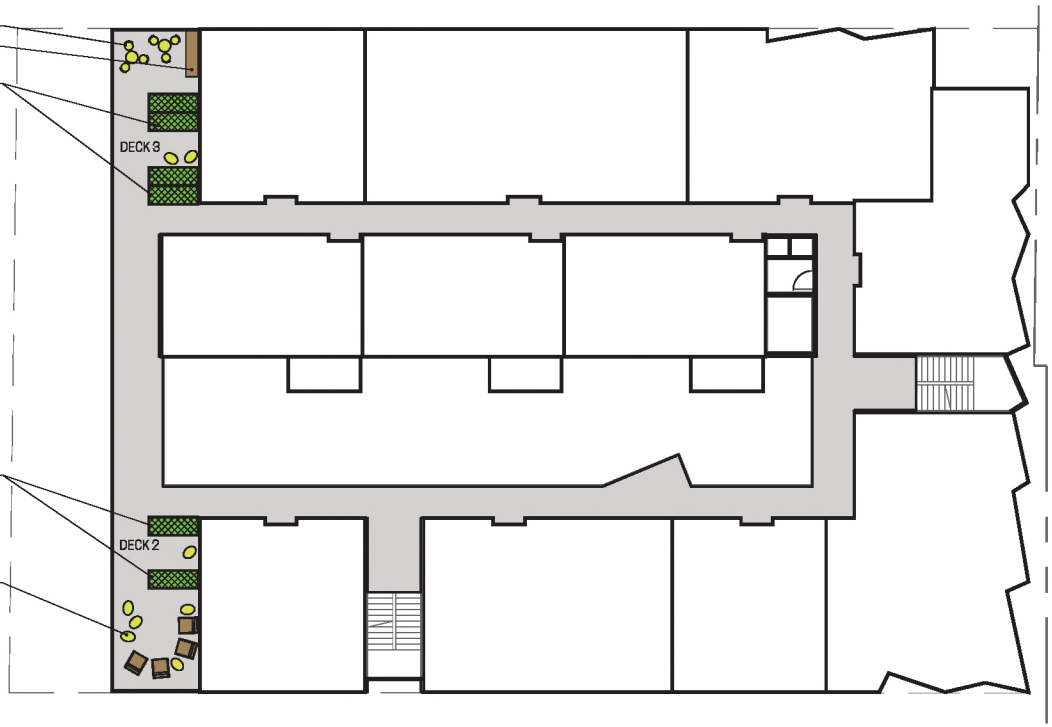
TREE TYPE 2

BOTANIC NAME	COMMON NAME
Parkinsonia aculeata	Mexican Palo Verde

PLANTING TYPE 1

BOTANIC NAME	COMMON NAME
Aeonium arboreum 'Atropurpureum'	Purple Aeonium
Aloe Castanea	Cat's Tail Aloe
Aloe plicatilis	Fan Aloe
Carex praegracilis	California Field Sedge
Helichrysum petiolare 'Limelight'	Limelight Licorice Plant
Leymus condensatus 'Canyon Prince'	Canyon Prince Wild Rye
Kalanchoe beharensis	Elephants Ear Kalanchoe
Pennisetum 'Fairy Tails'	Evergreen Fountain Grass

LEVEL5



OPEN SPACE PROVIDED	PROVIDED(SF)	LANDSCAPED PROVIDED(SF)
ROOF DECK 3 (LEVEL 5)	432	110

PLANTING TYPE 4

BOTANIC NAME	COMMON NAME
Brassica rapa	Broccoli Raab
Cynara scolymus	Globe artichoke
Daucus carota sativus	Carrot
Fragaria x ananassa	Strawberry
Lycopersicon esculentum	Tomato
Solanum melongena	Eggplant

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ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

SCALE: 1/8" - 1'0"

LANDSCAPE PLAN
LEVEL 3 + LEVEL 5

APRIL 14, 2017

TREE TYPE 1 (QTY 5)



Olea europaea 'Fruitless'
Wilson Fruitless Olive

TREE TYPE 2 (QTY 6)



Parkinsonia aculeata
Mexican Palo Verde

VINE PLANTING



Ficus pumila
Creeping Fig



Lonicera japonica 'Halliana'
Japanese Honeysuckle

NOTES:

1. ALL PLANTED AREAS TO BE PLANTED AS FOLLOWS:
   - 50% - 1 GALLON PLANTS
   - 35% - 5 GALLON PLANTS
   - 15% - 15 GALLON PLANTS

2. 43 UNITS = 11 TREES REQUIRED
   - (10) TREES ON LEVEL 2
   - (1) TREES ON LEVEL 3

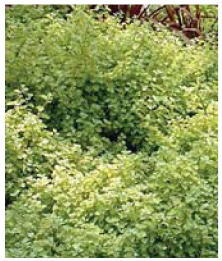
   TOTAL TREES: 11

3. OPEN SPACE REQUIREMENTS:

OPEN SPACE REQ'D	REQ'D(SF)	25% LANDSCAPED(SF)
1 BD (<3HR=100SF)	2,100	
2BD (=3HR=125SF)	1,375	
3BD (>3HR=175SF)	1,925	
TOTAL:	5,400	1,350

OPEN SPACE PROVIDED	PROVIDED(SF)	LANDSCAPED PROVIDED(SF)
COURTYARD(LEVEL 2)	1,806	460
REAR YARD (LEVEL 2)	2,285	780
ROOF DECK 3 (LEVEL 6)	432	110
RECREATIONAL ROOM (SEE ARCHITECTURAL SHEET G0.02)	877	
TOTAL COMMON:	5,400	1,350

PLANTING TYPE 1



Helichrysum petiolare 'Limelight'
Limelight Licorice Plant



Aloe Castanea
Cat's Tail Aloe



Aeonium arboreum 'Atropurpureum'
Purple Aeonium



Leymus condensatus 'Canyon Prince' Canyon Prince Wild Rye



Carex praegracilis
California Field Sedge



Kalanchoe beharensis
Elephants Ear Kalanchoe



Pennisetum 'Fairy Tails'
Evergreen Fountain Grass



Aloe plicatilis
Fan Aloe

PLANTING TYPE 2



Echeveria imbricata
Hens and Chicks



Cordyline australis 'Red Star'
Red Grass Palm



Crassula multicava
Fairy Crassula



Helleborus argutifolius
Corsican Hellebore



Agave attenuata
Foxtail Agave



Euphorbia characias 'Bruce's Dwarf'
Bruce's Dwarf Euphorbia



Yucca elephantipes
Giant Yucca

PLANTING TYPE 3



Muhlenbergia rigens
Deer Grass



Miscanthus transmorrisonensis
Evergreen Eulalie

PLANTING TYPE 4



Daucus carota sativus
Carrot



Fragaria x ananassa
Strawberry



Cynara scolymus
Globe Artichoke



Brassica rapa
Broccoli Raab



Lycopersicon esculentum
Tomato



Solanum melongena
Eggplant

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TORRANCE, CA 90503
424.353.7103

superjacent
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4307 HARTWICK ST., LOS ANGELES, CA 90041
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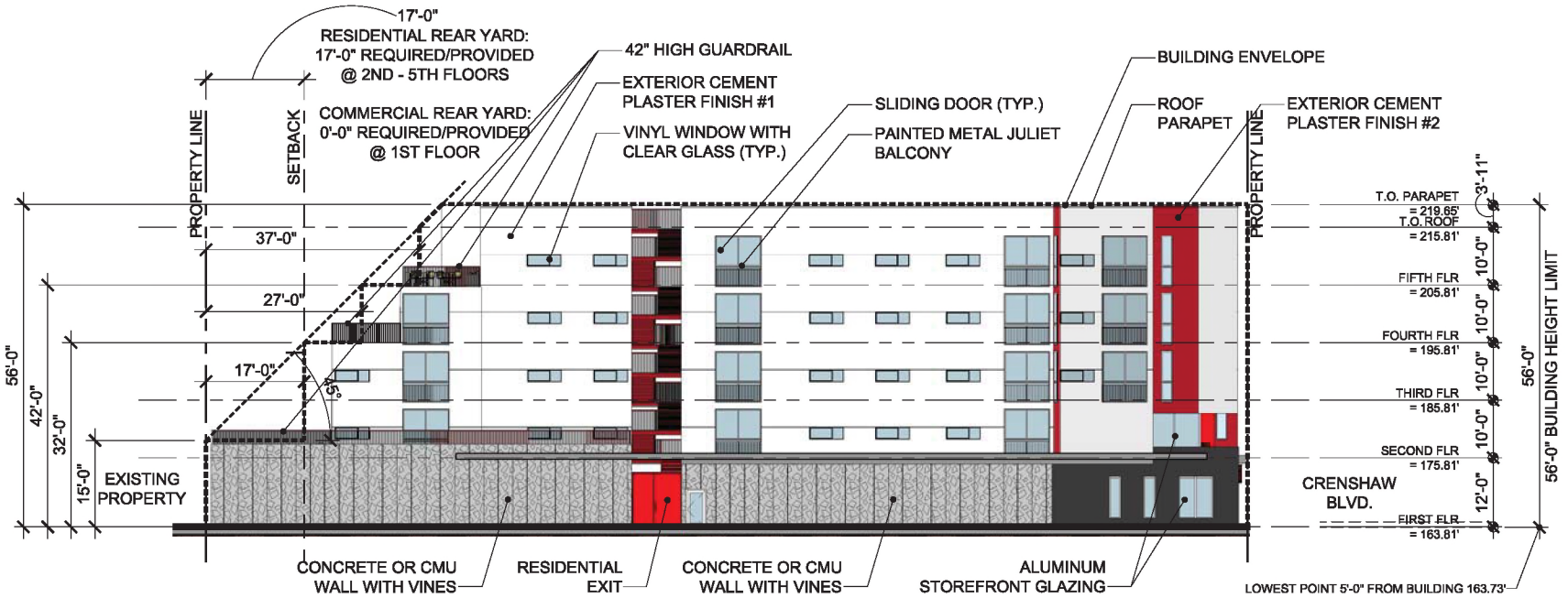
ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

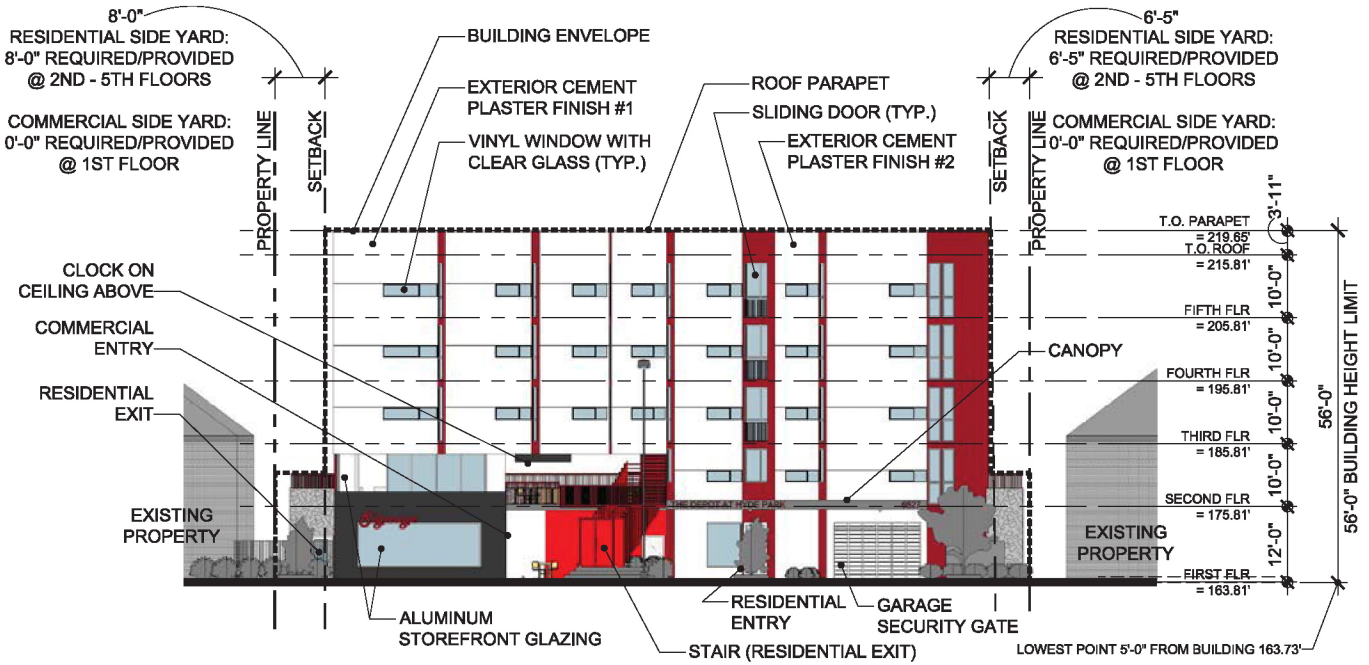
6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

CONCEPTUAL PLANTING PALETTE

APRIL 14, 2017



NORTH BUILDING ELEVATION 2
(ON 30"X42" SHEET)



EAST BUILDING ELEVATION 1
(ON 30"X42" SHEET)

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424.383.7103

ENTITLEMENT PACKAGE

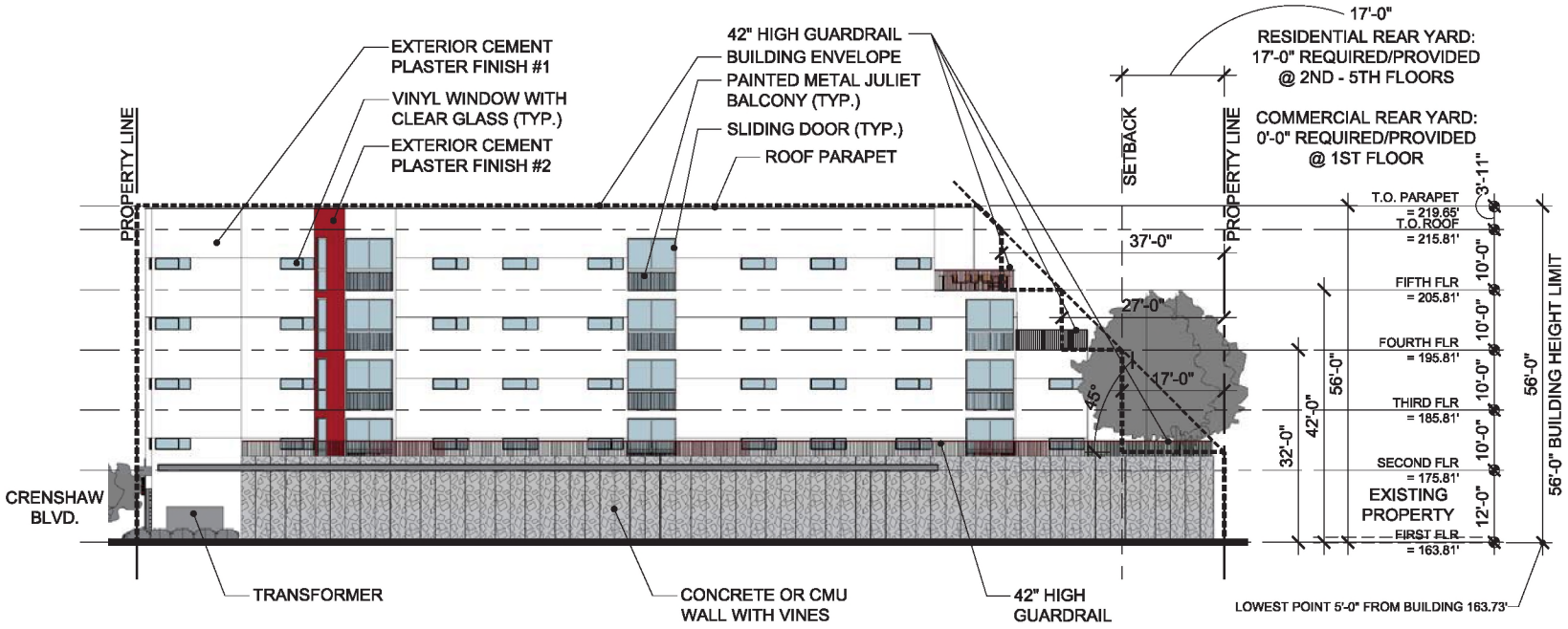
THE DEPOT AT HYDE PARK

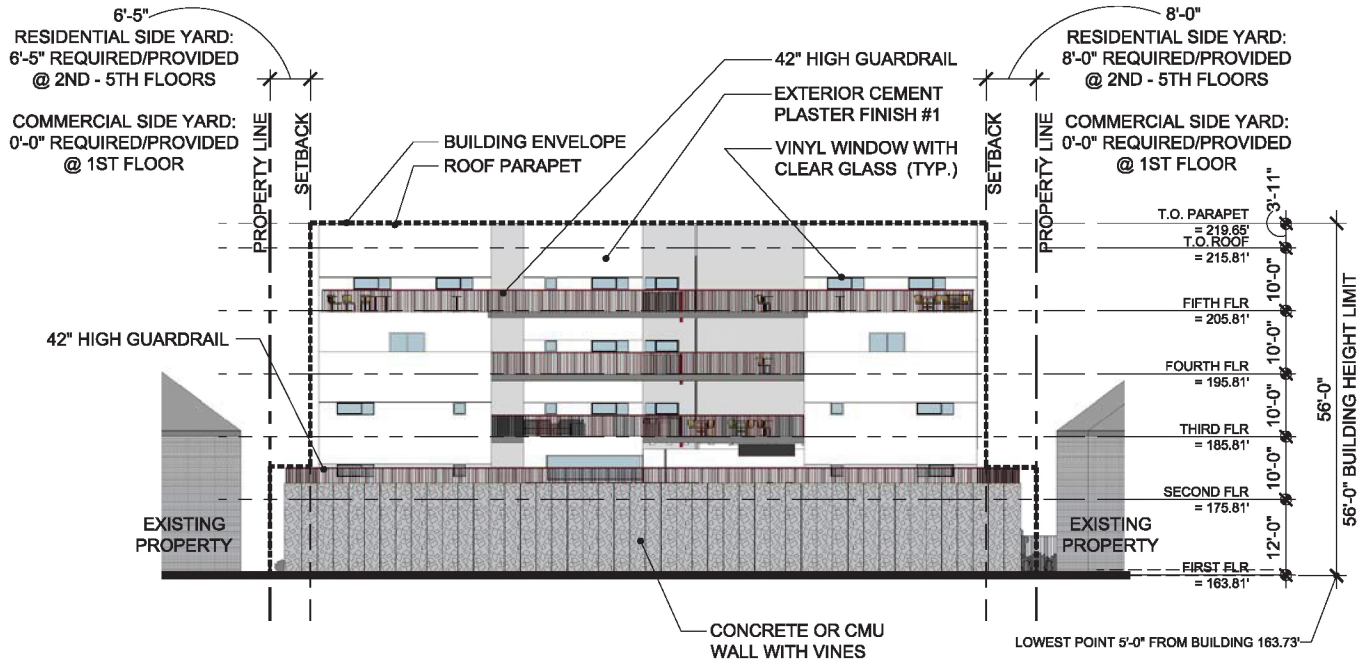
6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

BUILDING
ELEVATIONS

A2.01

APRIL 14, 2017





WEST BUILDING ELEVATION (ON 30"X42" SHEET) SCALE: 1/8" = 1'-0" 1

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424.383.7103

ENTITLEMENT PACKAGE

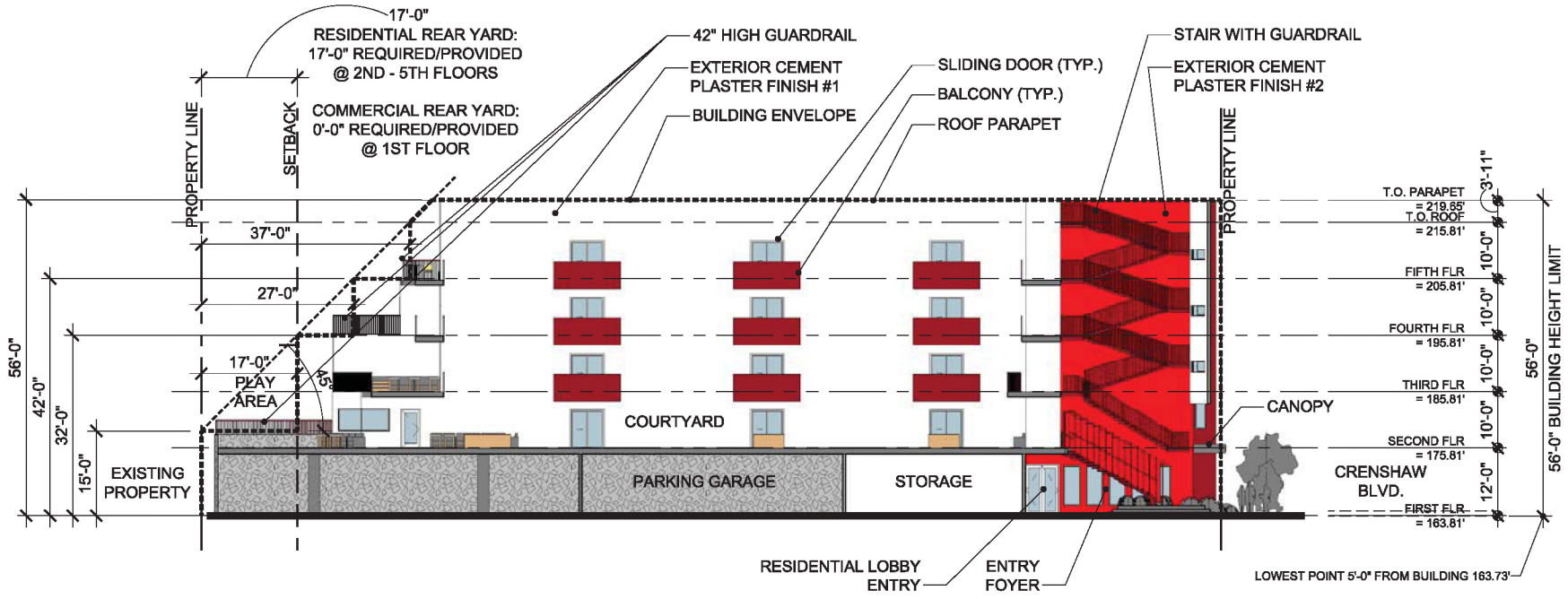
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

BUILDING ELEVATIONS

A2.02

APRIL 14, 2017



3834 WILLAT AVENUE, CULVER CITY, CA 90232
(T) 424.292.4666 (F) 424.292.4668

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DEPOT AT HYDE PARK
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424.383.7103

ENTITLEMENT PACKAGE

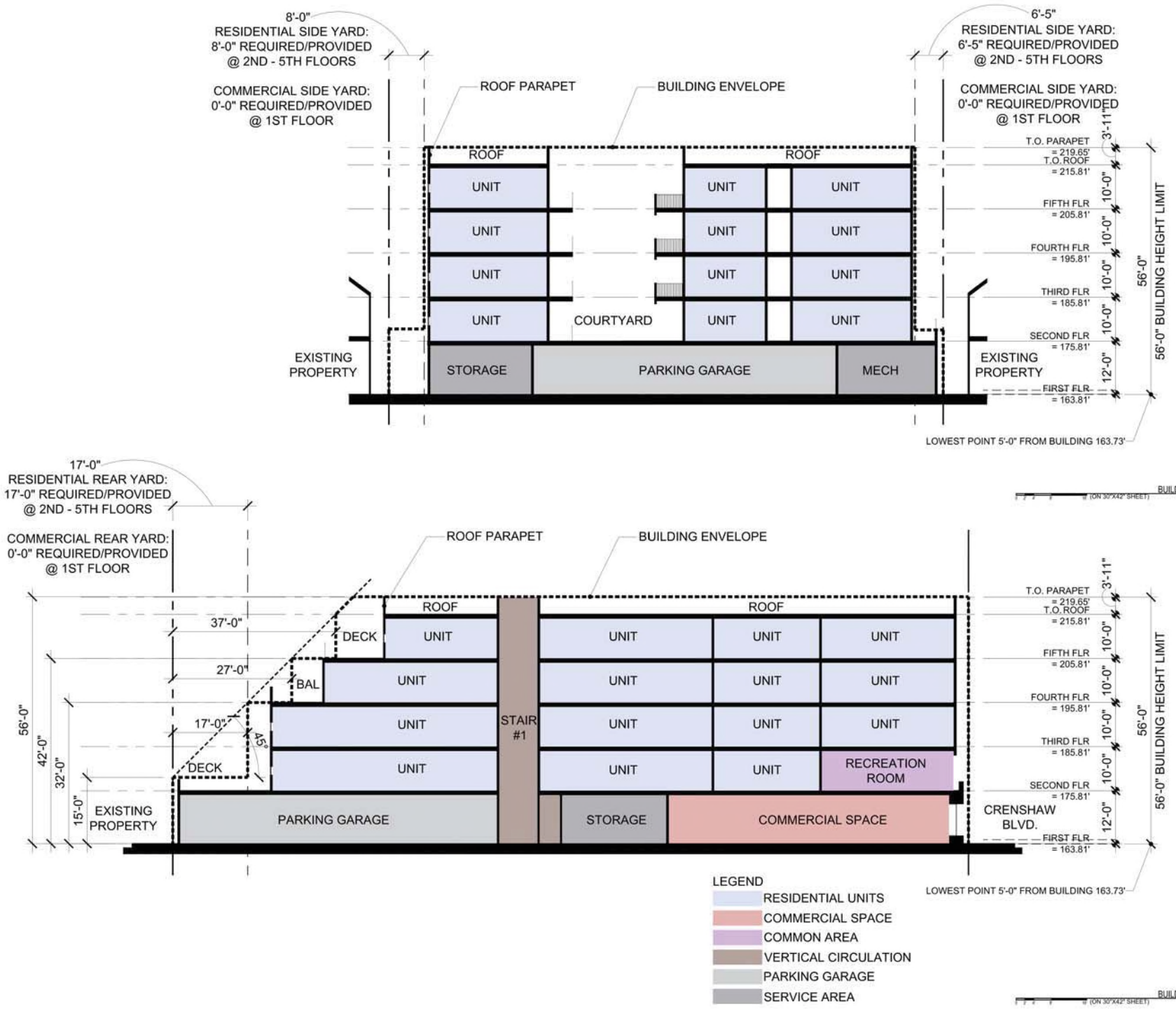
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

BUILDING
ELEVATIONS
COURTYARD

A2.03

APRIL 14, 2017



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(T) 424.299.4686 (F) 424.299.4686

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424.383.7103

ENTITLEMENT PACKAGE

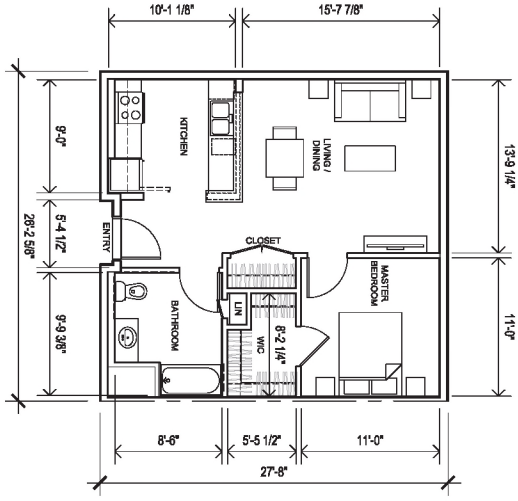
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

BUILDING SECTIONS

A3.01

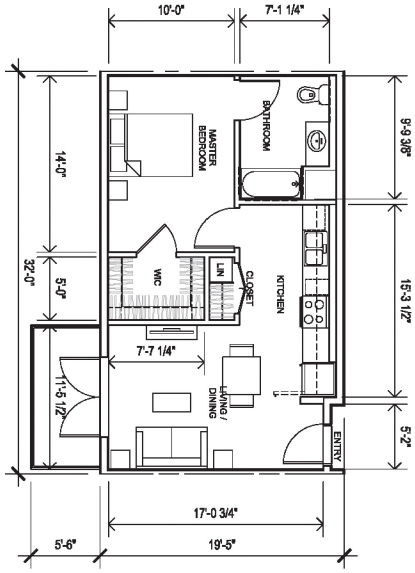
APRIL 14, 2017



AREA 684 SF
OCCURS 21 TIMES

UNIT TYPE A3 - 1 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

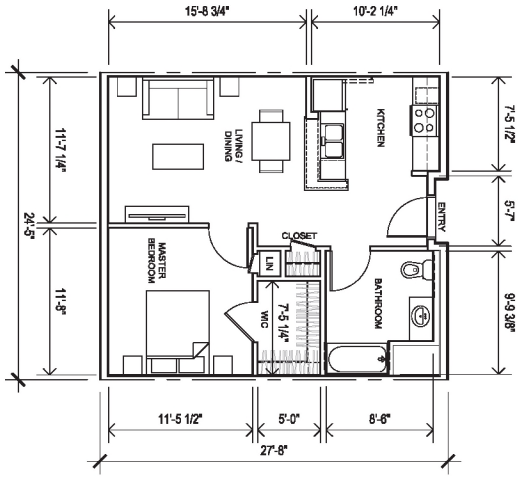
4



AREA 684 SF
OCCURS 121 TIMES

UNIT TYPE A2 - 1 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

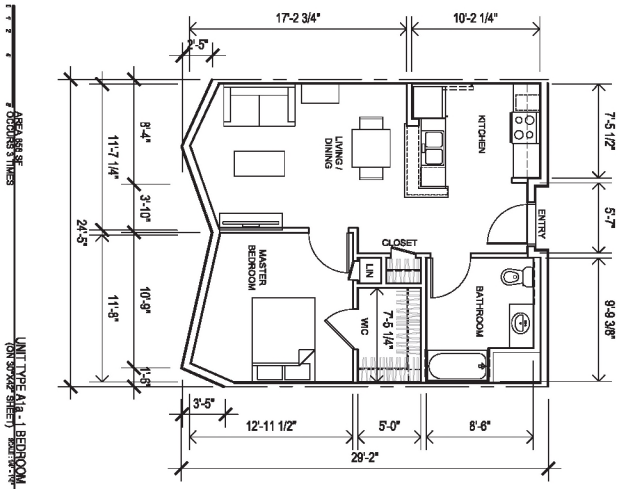
3



AREA 868 SF
OCCURS 4 TIMES

UNIT TYPE A1 - 1 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

1



AREA 868 SF
OCCURS 3 TIMES

UNIT TYPE A1a - 1 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

2

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENLARGED
UNIT PLANS

A4.01

APRIL 14, 2017

DEPOT AT HYDE PARK
PARTNERS, LP
2151 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.363.7100

ARMON
RICHARDS
3684 MILLER AVENUE, CULVER CITY, CA 90232

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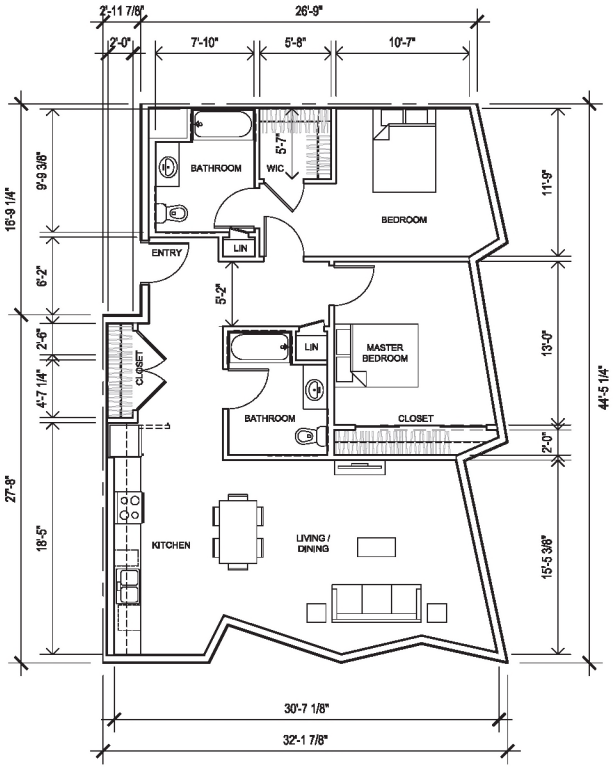
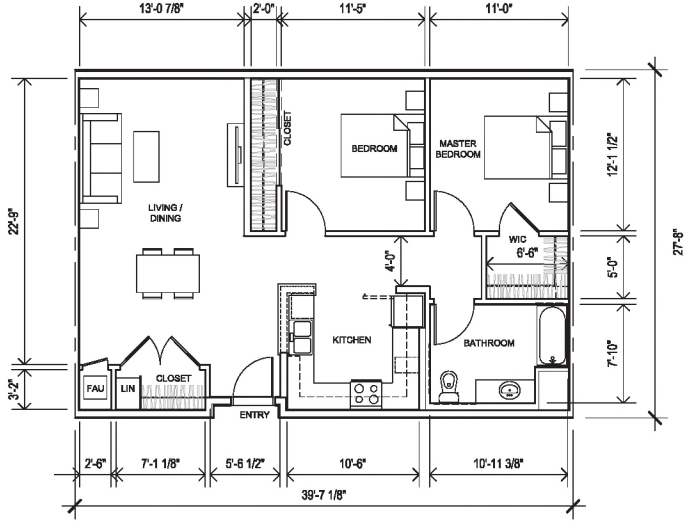


AREA 1,235 SF
OCCURS 3 TIMES

UNIT TYPE B2 - 2 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4" = 1'-0"

2



AREA 1,063 SF
OCCURS 6 TIMES

UNIT TYPE B1 - 2 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4" = 1'-0"

1

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DEPOT AT HYDE PARK
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424.383.7103

ENTITLEMENT PACKAGE

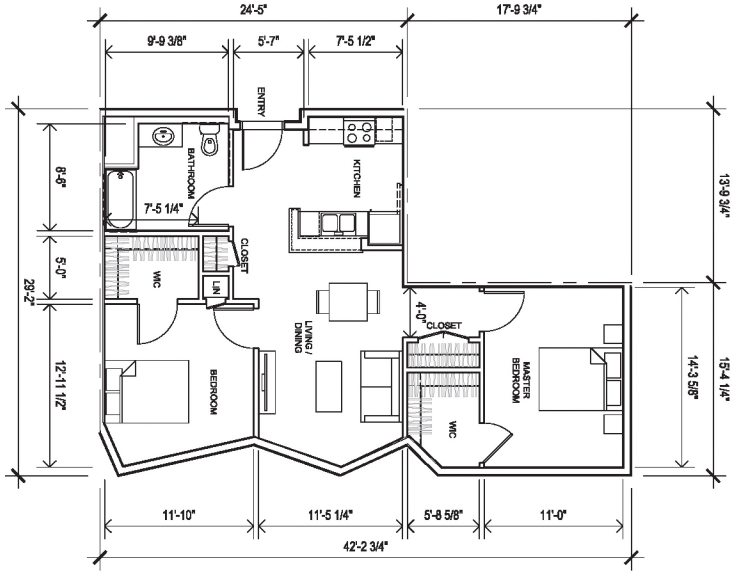
THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENLARGED
UNIT PLANS

A4.02

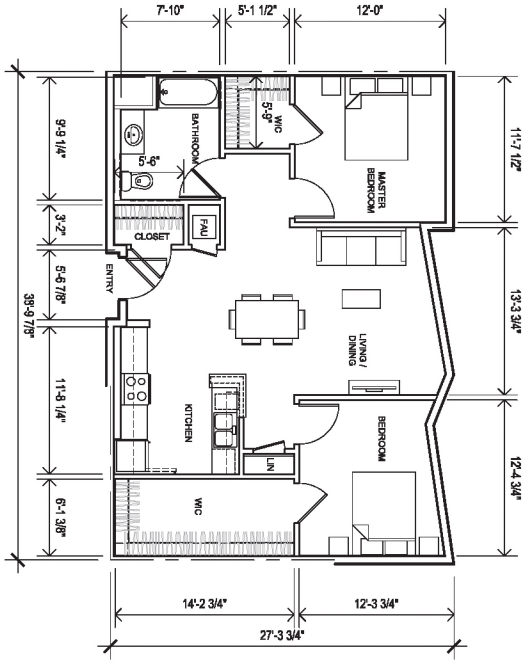
APRIL 14, 2017



AREA 900 SF
OCCURS 1 TIME

UNIT TYPE B4 - 2 BEDROOM
(ON 30'X42' SHEET) SCALE: 1/4"=1'-0"

2



AREA 1,630 SF
OCCURS 1 TIME

UNIT TYPE B2 - 2 BEDROOM
(ON 30'X42' SHEET) SCALE: 1/4"=1'-0"

1

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENLARGED UNIT PLANS

A4.03

APRIL 14, 2017

DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.363.1100

ARMON RICHARDS
3800 WILSHIRE AVENUE, CULVER CITY, CA 90232
T: 310.202.0007

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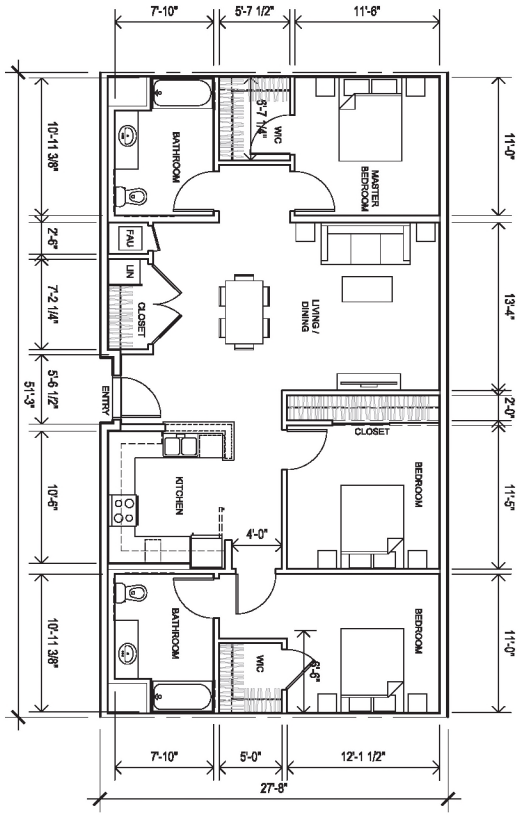
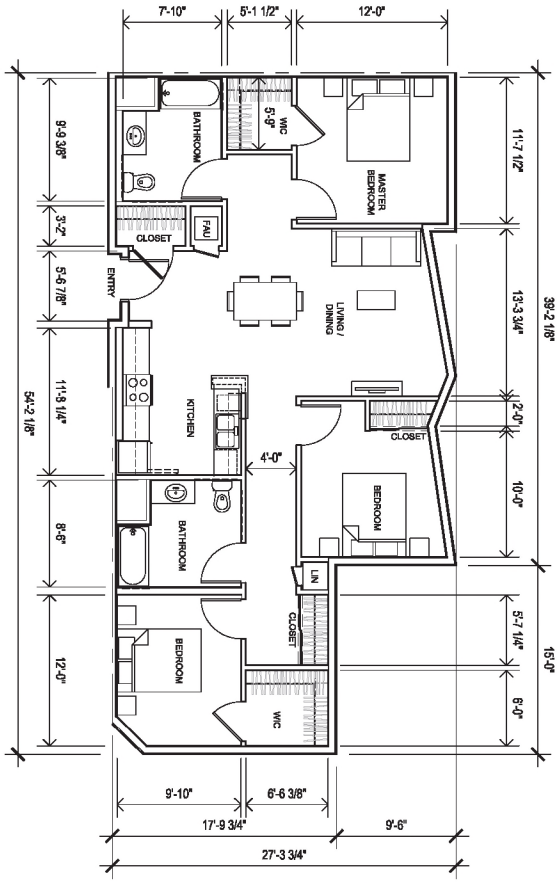


ABEA 1,378 SF
OCCURS 9 TIMES

UNIT TYPE C2 - 3 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

2



ABEA 1,398 SF
OCCURS 3 TIMES

UNIT TYPE C1 - 3 BEDROOM
(ON 30"X42" SHEET) SCALE: 1/4"=1'-0"

1

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

ENLARGED UNIT PLANS

A4.04

APRIL 14, 2017

DEPOT AT HYDE PARK PARTNERS, LP
2161 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.363.7100

ARMON RICHARDS
3804 WILLAT AVENUE, CULVER CITY, CA 90066
PHONE: 310.745.0600

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JULIET BALCONY (6)



ALUMINUM STOREFRONT GLAZING (5)



BALCONY (4)



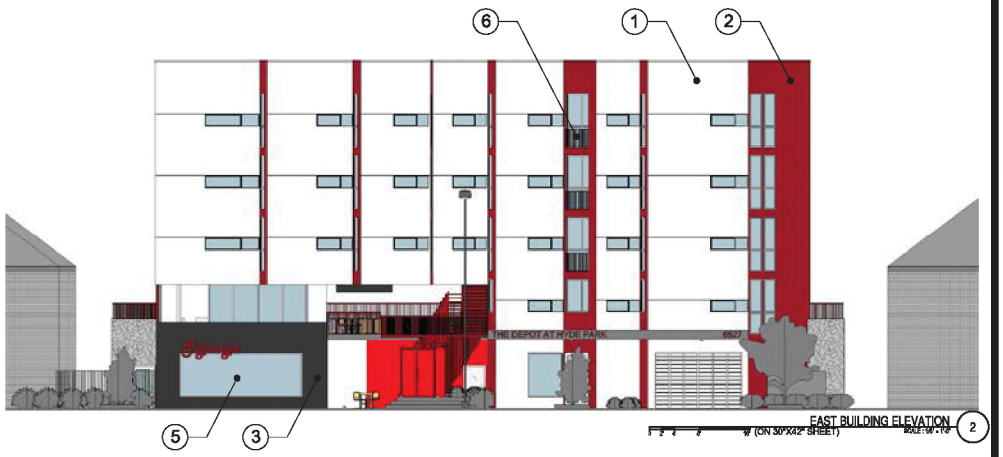
CONCRETE (3)



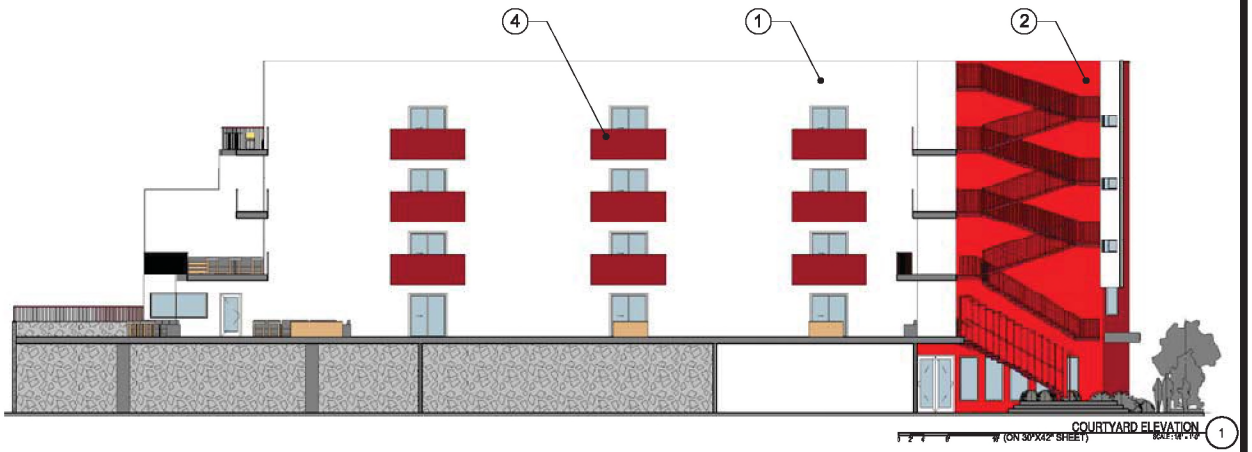
EXTERIOR CEMENT PLASTER (2)
COLOR #2 - RED



EXTERIOR CEMENT PLASTER (1)
COLOR #1 - WHITE



EAST BUILDING ELEVATION (2)
(ON 30"X42" SHEET)



COURTYARD ELEVATION (1)
(ON 30"X42" SHEET)

LAHMON ARCHITECTS
3834 WILLAT AVENUE, CULVER CITY, CA 90232
(T) 424.292.4666 (F) 424.290.4658

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DEPOT AT HYDE PARK PARTNERS, LP
21515 HAWTHORNE BLVD., SUITE 200
TORRANCE, CA 90503
424.383.7103

ENTITLEMENT PACKAGE

THE DEPOT AT HYDE PARK

6527 CRENSHAW BLVD, LOS ANGELES, CA 90043

EXTERIOR BUILDING MATERIALS

A5.00

APRIL 14, 2017

Attachment E

Affordability Mix Summary

6527 Crenshaw Boulevard

ATTACHMENT E
6527 CRENSHAW BOULEVARD
SUMMARY OF AFFORDABILITY RESTRICTIONS [1]

Based on 2017 Rents	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units
30% AMI TCAC / Moderate HCD / 60% AMI CDLAC / 30% AMI HHH-CH / VLI DB			
Number of Units	5	0	0
30% AMI TCAC Rent	$482	N/A	N/A
Moderate HCD Rent	$1,401	N/A	N/A
60% AMI CDLAC Rent	$989	N/A	N/A
30% AMI HHH-CH Rent	$482	N/A	N/A
Very-Low Income Density Bonus Rent	$623	N/A	N/A
PBS8 Vouchers	Yes	N/A	N/A
Applicable Rent	**$482**	**N/A**	**N/A**
30% AMI TCAC / Moderate HCD / 60% AMI CDLAC / 30% AMI HHH-CH / LI DB			
Number of Units	4	0	0
30% AMI TCAC Rent	$482	N/A	N/A
Moderate HCD Rent	$1,401	N/A	N/A
60% AMI CDLAC Rent	$989	N/A	N/A
30% AMI HHH-CH Rent	$482	N/A	N/A
Low Income Density Bonus Rent	$753	N/A	N/A
PBS8 Vouchers	Yes	N/A	N/A
Applicable Rent	**$482**	**N/A**	**N/A**
30% AMI TCAC / Moderate HCD / 30% AMI HHH-CH / LI DB			
Number of Units	4	0	0
30% AMI TCAC Rent	$482	N/A	N/A
Moderate HCD Rent	$1,401	N/A	N/A
30% AMI HHH-CH Rent	$482	N/A	N/A
Low Income Density Bonus Rent	$753	N/A	N/A
PBS8 Vouchers	Yes	N/A	N/A
Applicable Rent	**$482**	**N/A**	**N/A**
40% AMI TCAC / Moderate HCD / 40% AMI HHH-PSH / LI DB			
Number of Units	8	1	0
40% AMI TCAC Rent	$651	$778	N/A
Moderate HCD Rent	$1,401	$1,570	N/A
40% AMI HHH-PSH Rent	$651	$778	N/A
Low Income Density Bonus Rent	$753	$842	N/A
PBS8 Vouchers	Yes	Yes	N/A
Applicable Rent	**$651**	**$778**	**N/A**
50% AMI TCAC / Moderate HCD / 60% AMI CDLAC / 50% AMI HHH-PSH / LI DB			
Number of Units	0	2	0
50% AMI TCAC Rent	N/A	$980	N/A
Moderate HCD Rent	N/A	$1,570	N/A
60% AMI CDLAC Rent	N/A	$1,183	N/A
50% AMI HHH-CH Rent	N/A	$980	N/A
Low Income Density Bonus Rent	N/A	$842	N/A
PBS8 Vouchers	N/A	Yes	N/A
Applicable Rent	**N/A**	**$842**	**N/A**
50% AMI TCAC / Moderate HCD / 60% AMI CDLAC / LI DB			
Number of Units	0	0	2
50% AMI TCAC Rent	N/A	N/A	$1,131
Moderate HCD Rent	N/A	N/A	$1,742
60% AMI CDLAC Rent	N/A	N/A	$1,366
Low Income Density Bonus Rent	N/A	N/A	$932
PBS8 Vouchers	N/A	N/A	No
Applicable Rent	**N/A**	**N/A**	**$932**
60% AMI TCAC / Moderate HCD / 60% AMI CDLAC / LI DB			
Number of Units	0	2	2
60% AMI TCAC Rent	N/A	$1,183	$1,131
Moderate HCD Rent	N/A	$1,570	$1,742
60% AMI CDLAC Rent	N/A	$1,183	$1,131
Low Income Density Bonus Rent	N/A	$842	$932
PBS8 Vouchers	N/A	No	No
Applicable Rent	**N/A**	**$842**	**$932**
60% AMI TCAC / Moderate HCD / LI DB			
Number of Units	0	5	7
60% AMI TCAC Rent	N/A	$1,183	$1,131
Moderate HCD Rent	N/A	$1,570	$1,742
Low Income Density Bonus Rent	N/A	$842	$932
PBS8 Vouchers	N/A	N/A	No
Applicable Rent	**N/A**	**$842**	**$932**

[1] Based on Density Bonus Ordinance approvals by the City.

Prepared by: Keyser Marston Associates, Inc.
Filename: 6527 Crenshaw Blvd - 2017 4% Model; Affordability Chart; jlr; 12/14/2017

Attachment D: Term Sheet – 2600 S. Hoover Street

2600 Hoover Street
Disposition and Development Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Disposition and Development Agreement ("DDA") for the Casa de Rosas Campus project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and Ward Economic Development Corporation, a California non-profit 501(c)3 company and The Integral Development LLC, a Georgia Limited Liability Company (collectively referred to as "Developer").

2. **City Site Description:**
The property is currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Parcel 1	2600 Hoover Street	5123-001-900	14,738.60	Attachment A
City Parcel 2	954 West Adams Boulevard	5123-001-900	25,108.70	Attachment A
Total City Site			**39,757.30**	

3. **City Site History:**
The property was built in 1895 and is currently listed on the National Registry of Historic Places, California Register of Historical Resources and is one of the City's Historic-Cultural Monuments. In 1991, an $825,000 California Department of Housing and Community Development (HCD) loan was issued to The Old Time Faith, Inc. ("Original Borrower") that was the original owner of the Site. The Community Redevelopment Agency of the City of Los Angeles (CRA/LA) had also issued a loan of $935,000 to this borrower in 1989. As a result of default by the Original Borrower in 2009, the CRA/LA foreclosed on the property to protect its loan totaling $2,195,973.25 (LMIHF 1202). Later in 2009, the CRA/LA provided an additional $174,000 (Exposition/University Park Redevelopment Area Low/Mod Income Housing Fund) in funding for emergency repairs at the property. In 2012, according to a Demand for Payoff letter sent to CRA/LA by HCD (dated October 16, 2012), a potential default and foreclosure process would commence if the loan was not paid in full by November 16, 2012. CRA/LA requested and was granted a forbearance during which time it identified a developer to rehabilitate the site as housing.

Due to the dissolution of CRA/LA, the developer agreement was not upheld by the California Department of Finance as a valid agreement, resulting in the transfer of the property in June 2013 to HCIDLA, which is the Housing Successor Agency. Since that time, HCD has continued to agree to forbearance until such time that HCIDLA finalizes an award of the property to a developer that would rehabilitate and restore the site to housing. In June 2016, City Council approved the award of the site to the Developer and HCIDLA entered into an Exclusive Negotiation Agreement.

4. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: The Property includes four vacant buildings on the City Site, which are on the federal Historical Building Register. The Developer will substantially rehabilitate the property.
   b. Project Site Size: 39,757 Square Feet of Land Area.
   c. Gross Building Area: 30,537 square feet (16,057 sf gross living area (37 units) and 14,480 sf of leasing and community space).
   d. Unit Mix: 15 studio units, 19 one-bedroom units, and 3 two-bedroom units.

e. Parking: 4 spaces (The Project has access to additional parking spaces that may be needed at adjacent site called Ward Villas located at 1177 W. Adams Blvd.)
f. Target Population: Veterans who are homeless or chronically homeless (22 permanent supportive housing units, of which 20 units will be set-aside for the chronically homeless).
g. ADA Requirements: A Certified Access Specialist program (CASp) specialist will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. Also, at least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
h. Amenities: Community room, laundry facilities, exercise room, resident alcove lounges, dining/kitchen room, resident gardens, space for residential and non-residential programs.

5. **Purchase and Sale of the City Site:**
The City agrees to sell and convey to Developer and the Developer agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the DDA and the Grant Deed.

6. **Purchase Price for City Site:**
The City agrees to convey the City Site to the Developer and the Developer agrees to purchase the City Site for the fair market value of the City Site based on an appraisal conducted within six months of the closing on the land by an HCIDLA approved appraiser ("Purchase Price").

7. **Developer Pro Forma:**
Attached ("Attachment B") is the current Developer Pro Forma for the Project.

8. **Project Site Plan:**
Attached ("Attachment C") is the current Site Plan for the Project. The architectural plans are also included in Attachment C.

9. **Labor Rates:**
The Project will incur federal Davis Bacon and state prevailing wages.

10. **Developer Fee:**
The total developer fee is estimated at $1,400,000, which is the maximum allowed under the TCAC regulations. The Developer will not defer any fee to be repaid with cash flow. The net cash to be received by the Developer is $1,400,000.

11. **Social Services to be Provided at Project:**
The Project will provide $40,000 from operations plus an additional $40,000 from partners/fund raising in annual social services on-site. One fulltime equivalent case manager will oversee with support of contracted services and graduate student placements. Volunteers will be from veteran's programs, Veterans of Foreign War lodges, faith groups, and other community stakeholders. These services will be provided by a joint venture between St. Joseph Center and Ward Economic Development Corporation (WEDC). FTS/SJ will be responsible for the direct intervention with the residents and WEDC will be responsible for partner/collaborator relationships, community fund raising and resource development as needs are identified. The onsite services will include the following services:
a. Vocational and academic educational opportunities;
b. Career coaching;
c. Individual / family goal setting;
d. Independent living skills; and
e. Mental health counseling.

12. **Minimum Reserves:**
    a. Capitalized Operating Reserves - $112,375
    b. Annual Replacement Reserves - $11,100, or $300 per unit
    c. Transition Reserves – $166,464, as required by the investor or lender.

13. **City Land Loan Terms:**
The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:
    a. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from Certificate of Occupancy (COO).
    b. The City Land Loan will have a 3.0% simple interest rate applied.
    c. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payment on other soft loans.)
    d. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB).
    e. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
    f. The City Land Loan will be secured by a subordinated Trust Deed that will be applied to the entire Project Site.

14. **Subordination:**
The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB (construction/permanent loans) & HCD Loan
HHH Affordability Restrictions	Subordinated to TEB (construction/permanent loans) & HCD Loan
City Land Loan	Subordinated to TEB (construction/permanent loans) & HCD Loan

15. **Affordability Restrictions (See Attachment D):**
With one set-aside for an on-site manager, units' income and affordability requirements will be restricted by the following 55-year, from COO, regulatory agreements as follows:

    a. City Land Regulatory Agreement (per California Health & Safety Code):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0	0
Moderate Income HCD	§50093	§50053	15	19	2	36
Total Units			**15**	**19**	**2**	**36**

    b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	15	19	2	36
Total Units			**15**	**19**	**2**	**36**

c. CDLAC Regulatory Agreement (40% at 60% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
50% AMI	TCAC	TCAC	0	0	0	0
60% AMI	TCAC	TCAC	5	8	1	14
Total Units			**5**	**8**	**1**	**14**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	5	5	0	10
30% AMI – PSH	TCAC	TCAC	5	6	1	12
Total Units			**10**	**11**	**1**	**22**

e. HCD Loan Regulatory Agreement:[1]

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	HCD	TCAC	5	7	1	13
60% AMI	HCD	TCAC	10	12	1	23
Total Units			**15**	**19**	**2**	**36**

16. <u>Financing Plan:</u>

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$9,721,000
Permanent		$2,400,000
4% Tax Credits	TCAC/TBD Investor	$4,258,000
Historic Tax Credits	TBD Investor	N/A
HHH Loan	City of LA	$5,398,000
HCD Loan	HCD	$1,796,000
Deferred Developer Fee	Developer	$0
City Land Loan	City of LA	$3,936,000
Project-Based Section 8	VASH	22

[1] Based on HCD's preference of 35% of the units restricted to 30% AMI and 65% of the units restricted to 60% AMI.

17. **Milestones:**

Action	Date
Entitlements Application	Completed
HCD Loan Assumption Approval	January 2018
Historic Tax Credit Application / Award	N/A
HHH PSH Application / Award	December 2017 / January 2018
City TE Bond Application / Award	January 2018 / March 2018
CDLAC Application / Award	January 2018 / March 2018
4% TCAC Application / Award	February 2018 / April 2018
VASH Application / Approval	December 2017 / February 2018
Publication of Hearing Notice and DDA/33433 Available to Public	
DDA Approval & Execution	January 15, 2018
Financing / TE Bonds Closing	July 2018
Construction Commences / Completed	July 2018 / November 2019
Placed in Service Date	December 2019

18. **Agreement of Key Terms and Conditions:**

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 12/20/17

Sean L. Spear
Assistant General Manager

DEVELOPER
Ward Economic Development Corporation

By: _____ Date: 12-18-2017

Jacquelyn Dupont-Walker
President

DEVELOPER
The Integral Group/ Integral Development, LLC

By: _____ Date: _____

Vicki Lundy Wilbon
President

Attachment A	City Site Legal Description
Attachment B	Developer Site Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

18. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: _____

Sean L. Spear
Assistant General Manager

DEVELOPER
Ward Economic Development Corporation

By: _____ Date: _____

Jacquelyn Dupont-Walker
President

DEVELOPER
Integral Development, LLC

By: Vicki Lundy Wilbon Date: 12/18/17

Vicki Lundy Wilbon
President

Attachment A	City Site Legal Description
Attachment B	Developer Site Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

2600 S. Hoover Street

ATTACHMENT A

Parcel 1 Address: 2600 Hoover Street, Los Angeles, CA 90007

Parcel 2 Address: 954 West Adams Blvd., Los Angeles, CA 90007

APN: 5123-001-900

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 6 OF "BELGRAVIA", IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORN1A. AS PER MAP RECORDED IN BOOK 23 PAGE 54 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT PORTION OF FRACTIONAL LOT 3, IN BLOCK 22 OF HANCOCK'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2 PAGE 108 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH SIDE OF ADAMS STREET, WHICH POINT IS ALSO THE EASTERLY CORNER OF SAID FRACTIONAL LOT 3; THENCE WESTERLY ALONG SOUTH LINE OF ADAMS STREET, 100 FEET; THENCE AT RIGHT ANGLES SOUTHERLY TO THE EAST LINE OF HOOVER STREET; THENCE SOUTH ALONG HOOVER STREET TO A POINT WHERE THE SOUTH LINE OF LOT 5 OF THE BELGRAVIA TRACT, EXTENDED WESTERLY, AS SHOWN ON MAP IN BOOK 23 PAGE 54 OF MISCELLANEOUS RECORDS OF SAID COUNTY, WOULD INTERSECT THE EAST LINE OF HOOVER STREET; THENCE EASTERLY ALONG SAID EXTENSION OF THE SOUTH LINE OF LOT 6 OF SAID BELGRAVIA TRACT, 11.44 FEET, MORE OR LESS, TO THE EAST LINE OF LOT 3 AFORESAID; THENCE NORTHERLY ALONG SAID EASTERLY LINE, 250 FEET, MORE OR LESS TO THE POINT OF BEGINNING.

ALL OIL, GAS, MINERALS AND HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND BUT WITHOUT THE RIGHT OF ENTRY UPON ANY PORTION OF THE SURFACE OF SAID LAND FOR THE PURPOSES OF EXPLORING FOR, BORING, EXTRACTING, DRILLING, MINING, PROSPECTING FOR, REMOVING OR MARKETING SAID SUBSTANCES IN, UNDER SAID LAND, AS GRANTED TO C.D. HOWER IN DEED RECORDED DECEMBER 14, 1967 AS INSTRUMENT NO. 2921 IN BOOK D3858 PAGE 737, OFFICIAL RECORDS.

Attachment B
Developer Pro Forma

2600 S. Hoover Street

Casa de Rosas Model 090117 FMV Acq. Basis

Los Angeles, CA

Eos Advisory Partners LLC ("Eos") served as financial advisor to the sponsor in connection with the preparation of the information contained herein. Eos has not independently verified the accuracy, completeness or reasonableness of any financial or other information or assumption presented herein or used as a basis for financial modeling, and Eos makes no representation with respect to the accuracy or reliability of such information and assumptions. Recipient is urged to consult with its legal and financial advisors in evaluating the information contained herein, and to obtain additional information from the sponsor as recipient and its advisors deem necessary to make an informed evaluation of the information contained herein. Eos assumes no responsibility to update the information contained herein due to changes in financial or other information or assumptions presented herein or used as a basis for financial modeling.

Project Summary

Project Name	Casa de Rosas Model 090117 FMV Acq. Basis
Address	2600 S. Hoover Street
City/State	Los Angeles, CA
Type	Special Needs
Gross Square Footage	29,610
Residential GSF	29,610
Residential NSF	15,130
Community Space	-
Residential Units	36
Manager's Unit	1
60% AMI Units	10
50% AMI Units	0
40% AMI Units	12
30% AMI Units	13

Permanent Sources		%	$/Unit	$/GSF	$/NSF
HCD Loan (Accrued Interest)	964,508	6.0%	26,792	32.57	63.75
HCD Loan (Existing)	825,000	5.1%	22,917	27.86	54.53
HCIDLA Acquisition Loan	3,000,000	18.6%	83,333	101.32	198.28
Federal LIHTC	4,110,751	25.4%	114,188	138.83	271.70
State LIHTC	-	0.0%	-	-	-
Historic Tax Credit	1,607,635	9.9%	44,657	54.29	106.25
Perm Loan	1,000,000	6.2%	27,778	33.77	66.09
City Construction Loan/HHH Perm Loan	4,656,469	28.8%	129,346	157.26	307.76
Deferred Developer Fee	-	0.0%	-	-	-
Total	16,164,363	100.0%	449,010	545.91	1,068.37
Uses					
Acquisition Costs	4,789,508	29.6%	133,042	161.75	316.56
Hard Costs	7,178,071	44.4%	199,391	242.42	474.43
Soft Costs	4,196,784	26.0%	116,577	141.74	277.38
Total	16,164,363	100.0%	449,010	545.91	1,068.37

Trended Stabilized (2018)

NOI	131,226
Cashflow	54,698
DSCR	1.72x

Construction Sources and Uses

Sources		%	$/Unit	$/GSF	$/NSF
HCD Loan (Accrued Interest)	964,508	6.0%	26,792	32.57	63.75
HCD Loan (Existing)	825,000	5.1%	22,917	27.86	54.53
HCIDLA Acquisition Loan	3,000,000	18.6%	83,333	101.32	198.28
Federal LIHTC	1,027,688	6.4%	28,547	34.71	67.92
Historic Tax Credit	-	0.0%	-	-	-
City Construction Loan/HHH Perm Loan	1,450,000	9.0%	40,278	48.97	95.84
Bond Proceeds	8,897,167	55.0%	247,144	300.48	588.05
Total	16,164,363	100.0%	449,010	545.91	1,068.37
Uses					
Acquisition Costs	4,789,508	29.6%	133,042	161.75	316.56
Hard Costs	7,178,071	44.4%	199,391	242.42	474.43
Soft Costs	4,196,784	26.0%	116,577	141.74	277.38
Total	16,164,363	100.0%	449,010	545.91	1,068.37

Development Budget

			$/Unit	$/GSF	$/NSF
Acquisition Cost		$ 4,789,508	$ 133,042	$ 161.75	$ 316.56
Hard Costs					
Hard Costs		6,241,801	173,383	210.80	412.54
Hard Cost Contingency	15.00%	936,270	26,008	31.62	61.88
Total Hard Costs		7,178,071	199,391	242.42	474.43
Soft and Financing Costs					
Permitting and Fees		435,184	12,088	14.70	28.76
Professional Fees		270,000	7,500	9.12	17.85
A&E		375,000	10,417	12.66	24.79
Professional Services		198,000	5,500	6.69	13.09
Closing Costs and Taxes		10,000	278	0.34	0.66
Insurance		62,418	1,734	2.11	4.13
Tax Credit Fees		125,000	3,472	4.22	8.26
Syndication Costs		20,000	556	0.68	1.32
Bond Fees		326,915	9,081	11.04	21.61
Bond Interest		233,551	6,488	7.89	15.44
Marketing, Advertising & Lease-up Costs		25,000	694	0.84	1.65
FF&E		360,000	10,000	12.16	23.79
Operating Reserve		73,285	2,036	2.48	4.84
Development Fee	15.00%	1,500,000	41,667	50.66	99.14
Financial Advisory Fee (Eos)		30,000	833	1.01	1.98
Third Party Consultant		50,000	1,389	1.69	3.30
Soft Cost Contingency	4.00%	102,431	2,845	3.46	6.77
Total Soft Costs		4,196,784	116,577	141.74	277.38
Total Development Cost		$ 16,164,363	$ 449,010	$ 545.91	$ 1,068.37

LIHTC - Rehabilitation			LIHTC - Acquisition		
Total Development Costs			**Total Acquisition Costs**		
Acquisition Costs	$	-	**Acquisition Costs**	$	1,336,237
Hard Costs	$	7,178,071	**Hard Costs**	$	-
Soft Costs	$	4,196,784	**Soft Costs**	$	12,250
Total		11,374,855	**Total**		1,348,487
Qualified Basis		10,624,798	**Qualified Basis**		1,348,487
Historic Tax Credits		1,640,444			
Applicable Percentage of Units		100.00%	**Applicable Percentage of Units**		100.00%
Adjusted Eligible Basis		8,984,355	**Adjusted Eligible Basis**		1,348,487
QCT/DDA		130.00%	**QCT/DDA**		100.00%
Required Credit		11,679,661	**Required Credit**		1,348,487
Max Credits 3.22%	**$**	**376,085**	**Max Credits** 3.22%	**$**	**43,421**

Federal LIHTC Awarded		Historic Tax Credits Awarded		
Gap Method LIHTC	521,557	Eligible Basis		8,202,218
Max Federal LIHTC	419,506	Tax Credit Percentage		20.00%
Calculated Tax Credit	419,506			
Annual Federal LIHTC Awarded	**$ 419,506**	**Historic Tax Credits Awarded**	**$**	**1,640,444**

Tax Credit Syndication			
	GP	Federal Investor	State Investor
Ownership Percentage	0.01%	99.99%	0.00%
Profit/Loss Allocation	0.01%	99.99%	0.00%
Cash Flow Distribution	90.00%	10.00%	0.00%
Sales Allocation	90.00%	10.00%	0.00%
Syndication Rate		0.98	-
Annual Federal LIHTC Awarded			$ 419,506
Federal Capital Contribution (Federal LIHTC)			4,110,751
Total Capital Contribution			**4,110,751**

Total

Unit Type	No. Units	Mix	NSF	Annual Income	30%	35%	40%	45%	50%	60%	PBV Units
Studio	15	42%	4,145	176,364	7	-	8	-	-	-	9
1 BD/1 BA	20	56%	10,265	276,432	6	-	4	-	-	10	8
2 BD/2 BA	1	3%	720	0	-	-	-	-	-	-	-
Total	**36**	**100%**	**15,130**	**452,796**	**13**	**0**	**12**	**0**	**0**	**10**	**17**

LIHTC Units

Unit	No. Units	Avg. Sqft	Total Sqft	Rent PSF	AMI	PSH Units	Gross Rent Limit	Utility Allowance	Net Monthly Rent/Unit	Net Monthly Rent/Unit	Net Monthly Rent	Net Annual Rent
Studio												
A	7	276	1,934	1.61	30%	Chronically Homeless	473	28	445	1,231	8,617	103,404
B1	2	276	553	2.18	40%	Yes	631	28	603	1,231	2,462	29,544
B2	6	276	1,658	2.18	40%	Yes	631	28	603	603	3,618	43,416
1 BD/1 BA												
A	6	513	3,080	0.91	30%	Chronically Homeless	507	38	469	1,500	9,000	108,000
B1	2	513	1,027	1.24	40%	Yes	676	38	638	1,500	3,000	36,000
B2	2	513	1,027	1.24	40%	Yes	676	38	638	638	1,276	15,312
C	10	513	5,133	1.90	60%	No	1,014	38	976	976	9,760	117,120
2 BD/2 BA												
Manager's Unit	1	720	720	-	N/A	No	-	-	-	-	0	0
Total/Weighted Avg.	**36**		**15,130**	**2.49**							**37,733**	**452,796**

City of LA Utility Allowance			
NUMBER OF BEDROOMS	Studio	1 BR	2BR
Gas Space Heating	6	8	12
Gas Cooking	1	2	2
Gas Water Heating	4	6	7
Water and Sewer	35	39	63
Basic Electricity	9	13	16
Electric Space Heating	6	8	11
Electric Cooking	2	3	4
Electric Water Heating	8	11	14
Electric AC	1	1	2
Range (Stove)	8	8	8
Refrigerator	8	8	8
Trash Collection	24	24	24
Code Enforcement Program	4	4	4
Rent Stabilization Fee	2	2	2

Proforma		Base Year	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2022 Year 6	2023 Year 7	2024 Year 8	2025 Year 9	2026 Year 10	2027 Year 11	2028 Year 12	2029 Year 13	2030 Year 14	2031 Year 15
			Stabilization													
30% AMI Rental Income	2.5%	$ 211,404	$ 216,689	$ 222,106	$ 227,659	$ 233,350	$ 239,184	$ 245,164	$ 251,293	$ 257,575	$ 264,015	$ 270,615	$ 277,380	$ 284,315	$ 291,423	$ 298,708
40% AMI Rental Income	2.5%	124,272	127,379	130,563	133,827	137,173	140,602	144,117	147,720	151,413	155,199	159,079	163,056	167,132	171,310	175,593
60% AMI Rental Income	2.5%	117,120	120,048	123,049	126,125	129,279	132,511	135,823	139,219	142,699	146,267	149,924	153,672	157,513	161,451	165,487
Other Income	2.5%	4,528	4,641	4,757	4,876	4,998	5,123	5,251	5,382	5,517	5,655	5,796	5,941	6,090	6,242	6,398
Effective Residential Rental Income		457,324	468,757	480,476	492,488	504,800	517,420	530,356	543,614	557,205	571,135	585,413	600,049	615,050	630,426	646,187
30% AMI Vacancy	5.0%	*10,570*	*10,834*	*11,105*	*11,383*	*11,668*	*11,959*	*12,258*	*12,565*	*12,879*	*13,201*	*13,531*	*13,869*	*14,216*	*14,571*	*14,935*
40% AMI Vacancy	5.0%	*6,214*	*6,369*	*6,528*	*6,691*	*6,859*	*7,030*	*7,206*	*7,386*	*7,571*	*7,760*	*7,954*	*8,153*	*8,357*	*8,566*	*8,780*
50% AMI Vacancy	5.0%	*5,856*	*6,002*	*6,152*	*6,306*	*6,464*	*6,626*	*6,791*	*6,961*	*7,135*	*7,313*	*7,496*	*7,684*	*7,876*	*8,073*	*8,274*
Other Income Vacancy	5.0%	*226*	*232*	*238*	*244*	*250*	*256*	*263*	*269*	*276*	*283*	*290*	*297*	*304*	*312*	*320*
Effective Gross Income		434,458	445,319	456,452	467,863	479,560	491,549	503,838	516,434	529,345	542,578	556,143	570,046	584,297	598,905	613,877
Management Fee	3.0%	21,723	22,375	23,046	23,737	24,449	25,183	25,938	26,716	27,518	28,343	29,194	30,070	30,972	31,901	32,858
Operating Expenses	3.5%	271,419	280,919	290,751	300,927	311,460	322,361	333,643	345,321	357,407	369,916	382,863	396,264	410,133	424,487	439,344
Total Operating Expenses and Management Fees		293,142	303,293	313,797	324,664	335,909	347,543	359,582	372,037	384,925	398,260	412,057	426,333	441,104	456,388	472,202
Replacement Reserve	2.0%	10,800	10,800	10,800	10,800	11,016	11,016	11,016	11,016	11,016	11,236	11,236	11,236	11,236	11,236	11,461
Total Replacement Reserve		10,800	10,800	10,800	10,800	11,016	11,016	11,016	11,016	11,016	11,236	11,236	11,236	11,236	11,236	11,461
Net Operating Income		130,516	131,226	131,856	132,399	132,635	132,990	133,240	133,381	133,404	133,082	132,849	132,477	131,957	131,280	130,214
DSCR			*1.71x*	*1.72x*	*1.73x*	*1.73x*	*1.74x*	*1.74x*	*1.74x*	*1.74x*	*1.74x*	*1.74x*	*1.73x*	*1.72x*	*1.72x*	*1.70x*
Perm Loan		60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563
Asset Management Fee		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
HCD Min. Interest Payment Loan	0.42%	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465
Deferred Developer Fee		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow		$ 53,988	$ 54,698	$ 55,328	$ 55,872	$ 56,108	$ 56,462	$ 56,713	$ 56,853	$ 56,876	$ 56,555	$ 56,322	$ 55,949	$ 55,429	$ 54,753	$ 53,687
Residual Receipt Lenders	50.00%	26,994	27,349	27,664	27,936	28,054	28,231	28,356	28,427	28,438	28,277	28,161	27,975	27,715	27,376	26,843
HCIDLA Acquisition Loan Residual Payment	62.64%	16,908	17,131	17,328	17,498	17,572	17,683	17,762	17,805	17,813	17,712	17,639	17,522	17,360	17,148	16,814
HCD Loan Residual Payment	37.36%	10,086	10,219	10,336	10,438	10,482	10,548	10,595	10,621	10,625	10,565	10,522	10,452	10,355	10,229	10,029
General Partners Distribution Before Residual Receipt	45.0%	24,295	24,614	24,898	25,142	25,248	25,408	25,521	25,584	25,594	25,450	25,345	25,177	24,943	24,639	24,159
Investor Partner Distribution	5.0%	2,699	2,735	2,766	2,794	2,805	2,823	2,836	2,843	2,844	2,828	2,816	2,797	2,771	2,738	2,684

Proforma		2032 Year 16	2033 Year 17	2034 Year 18	2035 Year 19	2036 Year 20	2037 Year 21	2038 Year 22	2039 Year 23	2040 Year 24	2041 Year 25	2042 Year 26	2043 Year 27	2044 Year 28	2045 Year 29	2046 Year 30
30% AMI Rental Income	2.5%	$ 306,176	$ 313,830	$ 321,676	$ 329,718	$ 337,961	$ 346,410	$ 355,070	$ 363,947	$ 373,046	$ 382,372	$ 391,931	$ 401,729	$ 411,773	$ 422,067	$ 432,619
40% AMI Rental Income	2.5%	179,983	184,482	189,095	193,822	198,667	203,634	208,725	213,943	219,292	224,774	230,393	236,153	242,057	248,108	254,311
60% AMI Rental Income	2.5%	169,625	173,865	178,212	182,667	187,234	191,915	196,713	201,630	206,671	211,838	217,134	222,562	228,126	233,829	239,675
Other Income	2.5%	6,558	6,722	6,890	7,062	7,239	7,420	7,605	7,795	7,990	8,190	8,395	8,604	8,820	9,040	9,266
Effective Residential Rental Income		662,341	678,900	695,872	713,269	731,101	749,379	768,113	787,316	806,999	827,174	847,853	869,049	890,776	913,045	935,871
30% AMI Vacancy	5.0%	*15,309*	*15,692*	*16,084*	*16,486*	*16,898*	*17,321*	*17,754*	*18,197*	*18,652*	*19,119*	*19,597*	*20,086*	*20,589*	*21,103*	*21,631*
40% AMI Vacancy	5.0%	*8,999*	*9,224*	*9,455*	*9,691*	*9,933*	*10,182*	*10,436*	*10,697*	*10,965*	*11,239*	*11,520*	*11,808*	*12,103*	*12,405*	*12,716*
50% AMI Vacancy	5.0%	*8,481*	*8,693*	*8,911*	*9,133*	*9,362*	*9,596*	*9,836*	*10,082*	*10,334*	*10,592*	*10,857*	*11,128*	*11,406*	*11,691*	*11,984*
Other Income Vacancy	5.0%	*328*	*336*	*344*	*353*	*362*	*371*	*380*	*390*	*400*	*409*	*420*	*430*	*441*	*452*	*463*
Effective Gross Income		629,224	644,955	661,079	677,606	694,546	711,910	729,707	747,950	766,649	785,815	805,460	825,597	846,237	867,393	889,078
Management Fee	3.0%	33,844	34,859	35,905	36,982	38,091	39,234	40,411	41,623	42,872	44,158	45,483	46,847	48,253	49,700	51,191
Operating Expenses	3.5%	454,722	470,637	487,109	504,158	521,803	540,067	558,969	578,533	598,781	619,739	641,430	663,880	687,115	711,164	736,055
Total Operating Expenses and Management Fees		488,565	505,496	523,014	541,140	559,895	579,300	599,380	620,156	641,653	663,897	686,912	710,727	735,368	760,865	787,247
Replacement Reserve	2.0%	11,461	11,461	11,461	11,461	11,690	11,690	11,690	11,690	11,690	11,924	11,924	11,924	11,924	11,924	12,163
Total Replacement Reserve		11,461	11,461	11,461	11,461	11,690	11,690	11,690	11,690	11,690	11,924	11,924	11,924	11,924	11,924	12,163
Net Operating Income		129,198	127,998	126,604	125,005	122,961	120,919	118,637	116,104	113,305	109,994	106,624	102,946	98,945	94,604	89,668
DSCR		*1.69x*	*1.67x*	*1.65x*	*1.63x*	*1.61x*	*1.58x*	*1.55x*	*1.52x*	*1.48x*	*1.44x*	*1.39x*	*1.35x*	*1.29x*	*1.24x*	*1.17x*
Perm Loan		60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563	60,563
Asset Management Fee		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
HCD Min. Interest Payment Loan	0.42%	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465
Deferred Developer Fee		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow		$ 52,671	$ 51,471	$ 50,077	$ 48,478	$ 46,434	$ 44,391	$ 42,110	$ 39,576	$ 36,778	$ 33,467	$ 30,096	$ 26,418	$ 22,417	$ 18,076	$ 13,141
Residual Receipt Lenders	50.00%	26,335	25,735	25,038	24,239	23,217	22,196	21,055	19,788	18,389	16,733	15,048	13,209	11,209	9,038	6,570
HCIDLA Acquisition Loan Residual Payment	62.64%	16,496	16,120	15,683	15,182	14,542	13,903	13,188	12,395	11,518	10,481	9,426	8,274	7,021	5,661	4,116
HCD Loan Residual Payment	37.36%	9,840	9,616	9,355	9,056	8,675	8,293	7,867	7,393	6,871	6,252	5,622	4,935	4,188	3,377	2,455
General Partners Distribution Before Residual Receipt	45.0%	23,702	23,162	22,534	21,815	20,895	19,976	18,949	17,809	16,550	15,060	13,543	11,888	10,088	8,134	5,913
Investor Partner Distribution	5.0%	2,634	2,574	2,504	2,424	2,322	2,220	2,105	1,979	1,839	1,673	1,505	1,321	1,121	904	657

Residential Operating Expense Detail - NOTES & ASSUMPTIONS		
Administrative	Total	Per Unit
Advertising	3,672	102
Legal	5,570	155
Accounting/Audit	5,508	153
Other	3,785	105
Total Administrative	18,535	515
Utilities	Total	Per Unit
Gas	9,500	264
Electricity	28,000	778
Water/Sewer	25,000	694
Total Utilities	62,500	1,736
Payroll	Total	Per Unit
On-site Manager	51,000	1,417
Maintenance Personnel	23,868	663
Other	11,016	306
Total Payroll	85,884	2,386
Maintenance	Total	Per Unit
Supplies	5,000	139
Contracts	7,500	208
Heating/Cooling	28,000	778
Vehicle	0	0
Other	2,000	56
Total Maintenance	42,500	1,181

TAXES & INSURANCE	Total	Per Unit
Taxes	5,000	139
Insurance	14,500	403
Fidelity Bond Insurance	2,500	
Total Taxes & Insurance	22,000	611
TOTAL OPERATING EXPENSES	231,419	6,428
MANAGEMENT FEE	Total	Per Unit
Management Fee	21,723	603
Total Management Fee	21,723	603
TOTAL EXPENSES WITH MGMT FEE	**253,142**	**7,032**
Other Expenses	Total	Per Unit
Social Services	40,000	1,111
Operating Subsidy Reserve	0	
Total Other	40,000	1,111
Total Annual Expenses	293,142	8,143

Soft Costs NOTES AND ASSUMPTIONS		Budget	Eligible Basis	Acquisition EB	QRE	Paid to Date	Remaining	Per Unit	Notes
Permitting and Fees									
Building Permit Fees		60,184	60,184	-	60,184	-	60,184	1,672	based on Construction Costs
Impact Fees		375,000	375,000	-	375,000	-	375,000	10,417	Cost for a rehab building
Total Permitting and Fees		**435,184**	**435,184**	-	**435,184**	-	**435,184**	**12,088**	
Professional Fees									
Borrower's Counsel		200,000	200,000	-	200,000	-	200,000	5,556	incl. Historic Tax Credit Counsel
Accounting		30,000	30,000	-	30,000	-	30,000	833	cost cert
HTC Consultant		40,000	40,000	-	40,000	-	40,000	1,111	Historic Tax Credit processing
Total Professional Fees		**270,000**	**270,000**	-	**270,000**	-	**270,000**	**7,500**	
A&E									
A&E	5.46%	375,000	375,000	-	375,000	-	375,000	10,417	6% of construction costs
Total A&E		**375,000**	**375,000**	-	**375,000**	-	**375,000**	**10,417**	
Professional Services									
Boundary and Topographical Survey		30,000	30,000	-	30,000	-	30,000	833	Includes as built drawings
Property Appraisal		10,000	10,000	-	10,000	-	10,000	278	2 appraisals; one for historic credits
Market Study		15,000	15,000	-	15,000	-	15,000	417	per tax credit deadlines
Environmental Report(s)		20,000	20,000	-	20,000	-	20,000	556	phase I, asbestos, lead remediation
Miscellaneous Expenses		5,000	5,000	-	5,000	-	5,000	139	various costs
Energy/Title 24 Consultant		15,000	15,000	-	15,000	-	15,000	417	based on estimate
ADA Consultant/CASP Consultant		35,000	35,000	-	35,000	-	35,000	972	required consultants
Construction Management		50,000	50,000	-	50,000	-	50,000	1,389	monthly retainer of $2,500
Inspection Costs		18,000	18,000	-	18,000	-	18,000	500	construction inspection costs
Total Professional Services Costs		**198,000**	**198,000**	-	**198,000**	-	**198,000**	**5,500**	
Closing Costs and Taxes									
Property Tax during Construction		10,000	10,000	-	10,000	-	10,000	278	based on purchase price
Total Closing Costs and Taxes		**10,000**	**10,000**	-	**10,000**	-	**10,000**	**278**	
Insurance									
Builder's Risk	1.00%	62,418	62,418	-	62,418	-	62,418	1,734	Owner's coverage based on costs
First Year Property Insurance		-	-	-	-	-	-	-	
Total Insurance		**62,418**	**62,418**	-	**62,418**	-	**62,418**	**1,734**	
Tax Credit Fees									
Tax Credit Fees		125,000		-	-	-	125,000	3,472	LIHTC
Total Tax Credit Fees		**125,000**	-	-	-	-	**125,000**	**3,472**	
Syndication Costs									
Partnership Organization Fees		20,000		-	-	-	20,000	556	costs incurred by investor
Total Syndication Costs		**20,000**	-	-	-	-	**20,000**	**556**	
Loan Fees									
Title & Recording		35,000	22,750	12,250	22,750	-	35,000	972	estimated closing costs
Bond Fee	3.00%	266,915	266,915	-	266,915	-	266,915	7,414	
Bond Interest	2.25%	233,551	233,551	-	233,551	-	233,551	6,488	
Other Financing Fee		25,000	25,000	-	25,000	-	25,000	694	
Total Loan Fees		**560,466**	**548,216**	**12,250**	**548,216**	-	**560,466**	**15,568**	
Loan Interest									
City Construction Loan/HHH Perm Loan		-	-	-	-	-	-	-	
Total Loan Interest		-	-	-	-	-	-	-	
Developer's Fee									
Development Fee		1,500,000	1,500,000	-	1,500,000	-	1,500,000	41,667	TCAC - lower of 15% or $1.4m
Total Developer's Fee		**1,500,000**	**1,500,000**	-	**1,500,000**	-	**1,500,000**	**41,667**	
Start-Up and Reserves									
Marketing, Advertising & Lease-up Costs		25,000	-	-	-		25,000	694	incl. staff during lease-up
Interest Reserve		-	-	-	-		-	-	
Operating Reserve	3 Months	73,285	-	-	-		73,285	2,036	3 month capitalized expenses
FF&E		360,000	360,000	-	-		360,000	10,000	$7k per unit + common areas
Start-Up and Reserves		**458,285**	**360,000**	-	-	-	**458,285**	**12,730**	
Total Soft Costs		**4,014,353**	**3,758,817**	**12,250**	**3,398,817**	-	**4,014,353**	**111,510**	

Assumptions

Overview	
Project Name	Casa de Rosas Model 090117 FMV Acq. Basis
Address	2600 S. Hoover Street
City/State	Los Angeles, CA
Type	Special Needs
Acquisition Cost	908,102
Gross Square Footage	29,610
Gross Residential Square Footage	29,610
Net Residential Square Footage	15,130
Non-Residential Community Space	-
Residential Community Space	14,480
Residential Efficiency	51.1%
% Commercial Square Footage	0.0%
Parking	-
SF Per Parking Space	300
Parking SF	-
Unit Mix	1

Tax Credit	
Calculated Tax Credit	419,506

HCD Loan (Existing)	
Amortization	20 Years
Interest Rate (Residual Receipt)	3.00%
Amount	825,000
Term	20 Years
Min. Interest Payment	0.42%

HCIDLA Acquisition Loan	
Amount	3,000,000

HCD Loan (Accrued Interest)	
Amount	908,102

Federal LIHTC	
Amount	4,110,751
Syndication Rate	0.98
Ownership %	99.99%
Cash flow distribution	10.00%

State LIHTC	
Amount	0
Syndication Rate	0.00
Ownership %	0.00%
Cash flow distribution	0.00%

Historic Tax Credits	
Syndication Rate	0.98

Blue indicates hard-coded assumptions
Green indicates links from other worksheets
Black indicates formulas or text

Proforma	LIHTC	Growth	Retail	Growth
Replacement Reserve	300/Unit	2.00%		
Controllable Operating Expenses	5100/Unit	3.50%		
Rent	2.49 PSF	2.50%	12. PSF	2.00%
Other Income	1.00% of GPI	2.50%		
Management Fee	5.00% of EGI			
Asset Management Fee	12,500	0.00%		
			SF	
Residential NSF 15,130		Total BMR Units	36	
		Total	36	

Construction Timeline		Start	End	Year
	Closing	Dec-17		
Construction	*Month 14*	Dec-17	Feb-19	
50% Complete	*Month 6*	Jun-18		

Deferred Developer Fee	
Amortization	15 Years
Interest Rate	2.30%
Amount	-

HHH PSH Loans (Construction and Perm)	
Constr. Loan Amount	1,450,000
Constr. Loan Interest Rate	0.00%
Constr. Term	2 Years
Interest Rate (Residual Receipt)	3.00%
Per PSH Unit Amount	140,000
PSH Units	21
Perm Amount	3,500,000
Term	55 Years

Perm Loan	
Interest Rate	5.00%
Amount	1,000,000
Term	30 Years
Amort	35 Years

Attachment C
Site Plan

2600 S. Hoover Street

PROJECT TEAM

DEVELOPER TEAM
WARD ECONOMIC
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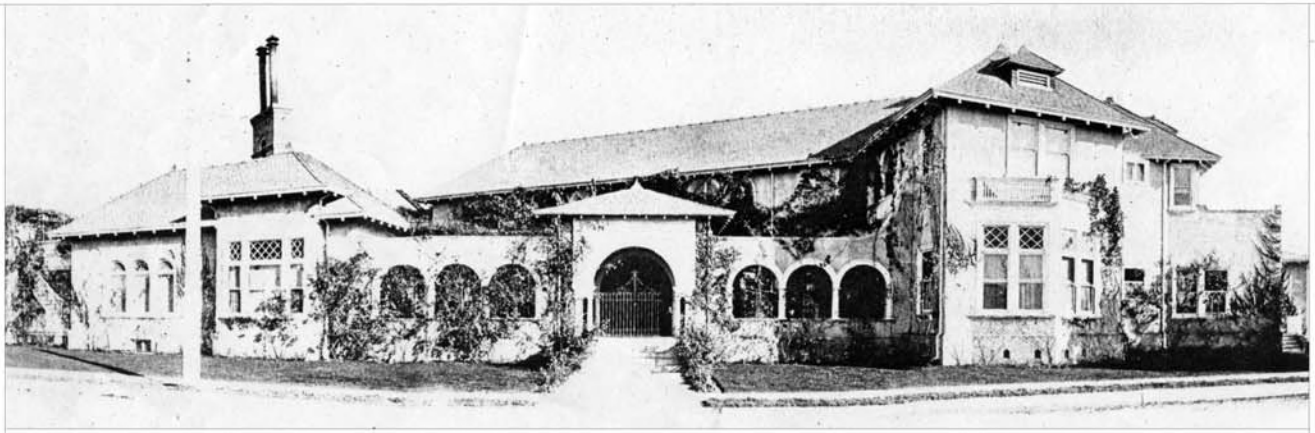
gpaconsulting-us.com

CENTER COURTYARD SKETCH



SITE LOCATION PLAN

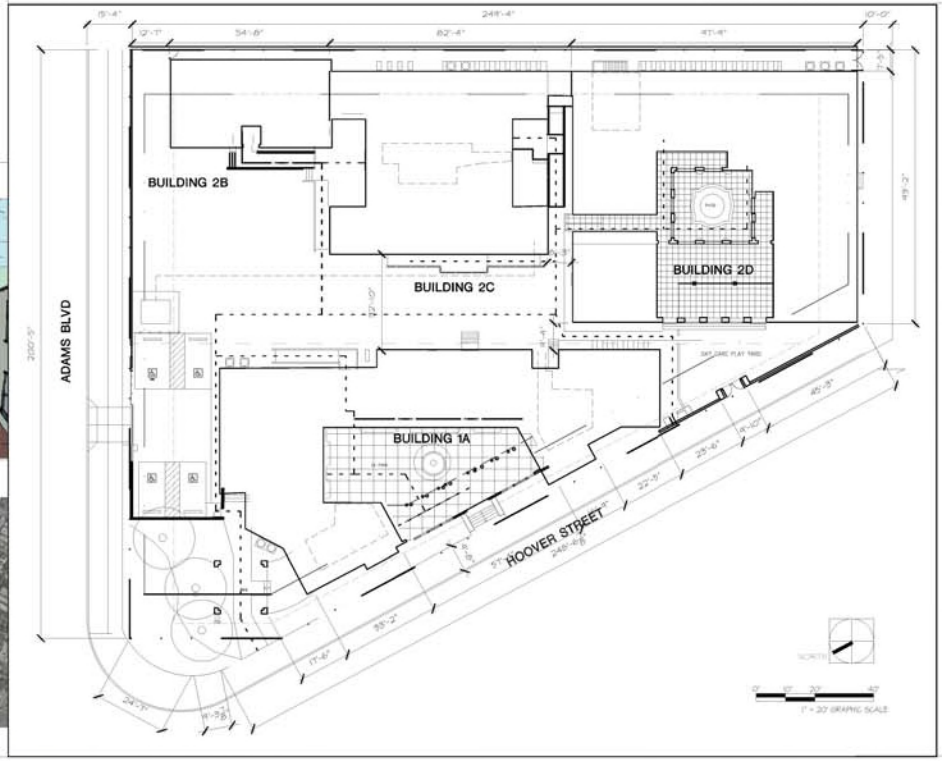




CASA DE ROSAS

PLOT PLAN

SCALE: 1"=20'-0"



PROJECT DATA

SITE ADDRESS: 2600 HOOVER STREET LOS ANGELES, CA 90007

APPLICANT: WARD ECONOMIC DEVELOPMENT CORP.
1177 W. ADAMS BLVD. LOS ANGELES, CA. 90007
INTEGRAL DEVELOPMENT LLP.
100 S. HOPE STREET LOS ANGELES, CA. 90015

LEGAL DESCRIPTION: LOS ANGELES COUNTY
Tract: HANCOCKS SURVEY, BLOCK 22, LOT FR8
and Tract: BELGRAVIA, BLOCK: NONE, LOT FR6
(LOT TIE BETWEEN TRACTS)
APN: 5123001900
DM: Reference MR: 2-108/11, Map Sheet: 123A201
MR: 23-54, Map Sheet: 123A201

ZONING: (Q) R4-1-O

LOT AREA: GROSS AREA: 74,112 SF
LOT FR23: 39,952 SF
LOT FR6: 34,160 SF

DENSITY:

BUILDING SET BACKS: EXISTING HISTORIC CULTURAL MONUMENT, NO CHANGE

BUILDING HEIGHT: EXISTING HISTORIC CULTURAL MONUMENT, NO CHANGE 1.36'-0"

NUMBER OF STORIES: 1, 2 AND 3

TYPE OF CONSTRUCTION: RESIDENTIAL (R2) EX. TYPE V(0) THREE STORY WITH SPRINKLER.

BUILDING AREA:

	NON RESIDENTIAL	RESIDENTIAL
BUILDING 1A	2,145 NSF	6,055 NSF
BUILDING 2B		1,520 NSF
BUILDING 2C		6,250 NSF
BUILDING 2D	2,340 NSF	11,120 NSF
TOTAL:	4,845 SF	24,945 NSF

TOTAL LOT COVERAGE: BUILDING 1A 5,750 GSF
BUILDING 2B,C,D 10,7206 SF
TOTAL 16,410 GSF

OPEN SPACE: 1 X 2 BDRM X 125 = 125 SF
20 X 1 BDRM X 100 = 2000 SF
15 X 1 BDRM X 100 = 1500 SF
TOTAL REQUIRED OPEN SPACE: 3125 SF
TOTAL PROVIDED OPEN SPACE: 1215 SF
DAY CARE 20 @ 15 1600 SF

LANDSCAPED AREA: 25% REQUIRED

UNIT MIX & SIZE: 2 BED / 1 BATH: 1 UNITS - 720 SF
1 BED / 1 BATH: 20 UNIT - 345-815 SF
STUDIO / 1 BATH: 15 UNITS - 225 TO 430 SF
TOTAL UNITS: 36 UNITS

PARKING: EX. NON-CONFORMING WITH 4 REQUIRED
NO LOADING SPACES REQUIRED

BICYCLE:

DRAWING LIST

T-0.0	TITLE SHEET/DRAWING LIST/PROJECT INFO
G-0.1	SPECIFICATIONS
A-0.0	GENERAL NOTES AND LEGENDS
A-0.1	SITE PLAN
A-1.1A	BUILDING 1A - FIRST DEMO PLAN
A-1.1B	BUILDING 2B,C,D - FIRST DEMO PLAN
A-1.2A	BUILDING 1A - SECOND DEMO PLAN
A-1.2B	BUILDING 2B,C,D - SECOND DEMO PLAN
A-1.3A	BUILDING 1A - THIRD DEMO PLAN
A-1.3B	BUILDING 1A - EXISTING ROOF PLAN
A-1.4	BUILDING 2B,C,D - EXISTING ROOF PLAN
A-1.5	BUILDING 1A-SELECTIVE DEMOLITION
A-1.6	BUILDING 2B,3C,2D-SELECTIVE DEMOLITION
A-2.0	BUILDING 2B,3C,2D-SELECTIVE DEMOLITION
A-2.1A	BASEMENT PLAN
A-2.1B	BUILDING 1A - FIRST FLOOR PLAN
A-2.2A	BUILDING 2B,C,D - FIRST FLOOR PLAN
A-2.2B	BUILDING 1A - SECOND FLOOR PLAN
A-2.3A	BUILDING 2B,C,D - SECOND FLOOR PLAN
A-2.3B	BUILDING 1A - THIRD FLOOR PLAN
A-2.4	BUILDING 1A - ROOF PLAN
A-2.5	BUILDING 2B,C,D - ROOF PLAN
A-3.1	BUILDING 1A EXTERIOR ELEVATIONS
A-3.2	BUILDING 2B,C,D EXTERIOR ELEVATIONS
A-3.3	BUILDING 2B,C,D EXTERIOR ELEVATIONS
A-4.1	SECTIONS, BUILDING 1A
A-4.2	SECTIONS, BUILDING 2D
A-5.1	ENLARGED UNIT PLANS
A-6.1	DOOR AND WINDOW SCHEDULES
A-6.2	EQUIPMENT AND FINISH SCHEDULES

SCOPE DESCRIPTION

PROJECT DESCRIPTION
NOTE: PUBLICLY FUNDED MULTI FAMILY DWELLING UNITS

The project site is approx. 14,735 SF with four existing building (LA Cultural Monuments) placed around three courtyards giving the site a campus setting reflecting the former school uses. The previous use was a 49 room hotel composed of 35 Single Room Occupancy Hotel and 14 Room Shelter.

The four buildings are two and three story historic structures that total 29,640 SF. Non residential area of4,695 SF which will be rehabilitated for accessory community spaces including two large and five smaller program spaces. Residential common spaces of 9,785 SF will include an on site property and case manager's office and resident services including spaces for lounges, laundry, libraries and exercise.

The remaining 15,160 SF will be restructured from the original 49 guest rooms into 35 residential units in a mix of 19 one bedrooms, 16 studios and the one manager's two bedroom unit.

INTEGRAL DEVELOPMENT, LLP
WARD ECONOMIC DEVELOPMENT CORPORATION

CASA DE ROSAS HOUSING
2600 S. Hoover Street - Los Angeles, CA 90007
AUGUST 10, 2017

TITLE SHEET
T-0.0

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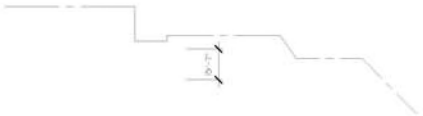
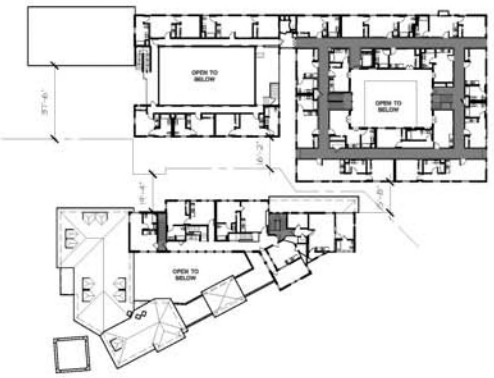
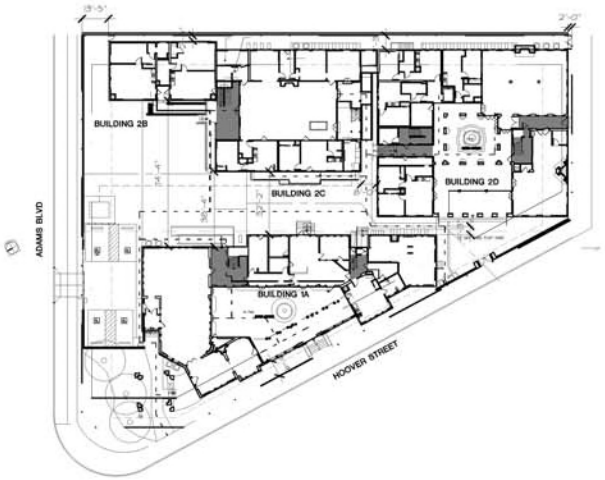


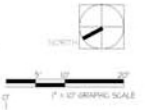
3 Third Floor
SCALE: 30" = 1'-0"



2 Second Floor
SCALE: 30" = 1'-0"



1 Ground Floor
SCALE: 30" = 1'-0"



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CASA DE ROSAS HOUSING
2600 S. Hoover Street - Los Angeles, CA 90007
AUGUST 10, 2017

FIRE RATING PLAN

T-0.1

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01 0000 DEMOLITION
1 Selective demolition of interior walls to reconfigure and combine rooms.
2 Floor removals for new shafts for elevators and new restroom floors.
3 65% (1820 LF/2850 LF interior wall removal for interior finishes for installation of new insulation and MEP
4 Waste management

03 0000 CONCRETE
1 Seismic footings where new shear walls, new stair at building C and raised floor and ramp at back exit of C.
2 The previous seismic strengthening project under the FEMA work added foundation bracing, shear walls and bolting to all buildings.
3 Concrete porch at rear of Building C

04 0000 MASONRY PROTECT AND MAINTAIN
1 Eight masonry fireplaces will be retained in place. All but two of the fireplaces have been made decorative during the seismic events and repairs. Four are located in nonresidential common areas four in residential common space. Masonry will be cleaned will appropriate gentle cleaners. Painted masonry will be stripped with chemical/peel away.

05 0000 ARCHITECTURAL METALS MAINTAIN
1 Elevator framing, hoist beams and ladders.

06 0000 ROUGH CARPENTRY
1 New wood stair exit at Building C
2 Allowance for replacement of dry rot at roofs and dry rot at three ex. landings and ramps
3 Rebuilding roof and floors at partially demolished Building B
4 New elevator shaft and penthouses at Building A and D

06 0000 WOOD PRESERVATION
1 Decorative trim on the facades, beamed ceilings, truss ceilings and columns are preserved and incorporated into the design.
2 Character defining windows are being retained and repaired throughout. Unit layouts are coordinated with openings to avoid moving or closing windows.
3 Allowance for character defining windows and doors at building A will need extensive repair. Other buildings had some repairs replacement during previous 1996 rehab. Stabilization with wood preservatives and epoxy for decorative character defining features like curved trims and wood columns.

06 0000 WOOD PRESERVATION
4 Any replacements of windows will be done to match profile, size, pattern and detail of existing window sash only. Frames will be repaired in place to minimize disruption of stucco surfaces.
5 New windows, enclosure and ramp in the short bridge connecting B and C will be similar to adjacent double hung windows.
7 Allowance for time and material patching in of missing elements like the front arched cornices and columns or replacement of major deterioration will be done with similar materials and match the profile, size and finish of the original. Missing cornice trim and columns on the front porch will be replicated using the historic photos and physical evidence.
8 Weather Stripping of windows and doors to increase efficiency.

07 0000 ROOF MAINTAIN
1 New asphalt shingle roof 30 year on A,B,D. Existing roofs all have plywood except B. Building C had a new built up roof system installed around 2002. Shingle color to blend with the historic palette and meet LEED SRI value. No mechanical
2. Replace existing gutters and downspouts. Connect to on site collection system
2 Thermal insulation will be applied where walls have been opened (approximately 65% of 3000 LF) and all attics are included to increase efficiency.
3 Fire and acoustic separation between units.
4 Pedestrian walkway surfacing at all ramps, landings and balconies.

08 0000 DOORS AND WINDOWS
1 Windows for walkway enclosure.
2 Unit doors
3 Allowance for replacements to match size, profile and detail of existing for missing or broken windows and doors.

09 0000 FINISHES
1 Low pressure water preparation of stucco, repair and repainting with original individual building colors schemes. Stucco repairs to match sand trowelled finish to match existing.
2 Thin set tile floors in bathrooms.
3 Lead based stripping of friction edges and encapsulation for the windows and doors as required. Much of the interiors have been altered upstairs due to fire damage and should be lead free. Exterior openings are likely to have lead paints in areas.
4 Linoleum in residential and community areas. Floor Score
5 The multi purpose in Building A, the recreation room in building D and former gymnasium in Building C will be maintained and repaired as wood floors.
6 Non paper faced backer board at bathrooms and kitchen units.
7 Historic color palette of four colors }wall, trim, sash. and metal.

10 0000 SPECIALITIES
1 Bathroom accessories
11 000 RESIDENTIAL EQUIPMENT
1 Bathroom ventilation with Energy star Compliant single speed controlled by both occupancy and humidity sensors.
2 Kitchen exhaust fans form residential hoods vented to outside.
3 Laundry dryer exhaust fans and ducts.
4 Plastic laminate unit kitchen cabinets and counters with Energy star Refrigerator, two burner cooktop, and microwave.
Green build limits on glues and resins.
5 Water efficient clothes washers.
6 UV Resistant blinds.
7 parking control equipment.
8 Mailboxes
9 Bike racks

14 0000 CONVEYING EQUIPMENT
1 Elevators

21 0000 FIRE SUPPRESION SYSTEM
Modify sprinkler throughout to new layout. Exposed in lower floors was approved by historic in original installation. Upper floors typically have attics.

22 0000 PLUMBING
1 Replace all plumbing systems including waste to point of connection below first floor.
2 high and Very High Efficiency lavatory, sinks, toilets and tub/showers will be replaced with low water use type..
3 Replace all water piping from point of connection in each building. Boiler system for hot water system with circulating Existing gas piping for boiler system. Water typically down feed from attic and in raised under floor for ground floor areas.
4 New laundry equipment on second floor of A and on first floor of D. extend existing gas piping for dryers.
5 Prefab fiberglass tub shower units.

23 0000 MECHANICAL
1
2

26.0000 ELECTRICAL
1 New 3 phase service with above transformer vault and underground distribution to service meters
2 New underground distribution to buildings
3 New distribution system throughout four buildings.
4 New energy efficient lighting throughout. Dimmable in community spaces to 50%.
5 Occupancy and light sensors in community spaces. Occupancy in bathrooms.
6 Emergency lighting throughout.

28 0000 ELECTRICAL SAFETY AND SECURITY
1 New digital addressable fire alarm system throughout. Current one is outdated and problematic.
2 Security camera system allowance

32 0000 SITEWORK
1 Building 1A and 2D patios with its arched openings will be maintained and repaired.
2 Add site water collection filtering and storage for LEED. Site drainage for civil. Collection of roof drains to central area.
3 The center circular feature in the courtyard in Building A will be restore as a planter using the historic photos and
physical evidence.
4 The center circular feature in the courtyard of Building D will be restore as a planter using the historic photos and
physical evidence.
5 Concrete walkways and driveway and parking lot with asphalt paving. Concrete finish will have retarders, color and light
watercraft to match historic.
6 Landscape including trees, plants and groundcover meeting low water requirements.
7 Irrigation system to Green Code standards with multiple drip zones and EOA water sensor

INTEGRAL DEVELOPMENT LLP

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CASA DE ROSAS HOUSING
2600 S. Hoover Street - Los Angeles, CA 90007
AUGUST 10, 2017

SPECIFICATIONS

T-0.2

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CITY OF LOS ANGELES BUILDING DEPARTMENT NOTES

GENERAL:

1. The construction shall not restrict a five-foot clear an unobstructed access to any water or power distribution facilities (power poles, pull-boxes, transformers, vaults, pumps, valves, meters, appurtenances, etc.) or to the location of the hook-up. The construction shall not be within 10' of any power lines – whether or not the lines are located on the property. Failure to comply may cause construction delays and / or additional expenses. Obtain approval from Real Estate Business Unit of DWP.

2. Install a seismic gas shutoff valve on each fuel gas line for new buildings and alterations in excess of $10,000. Contact the Plumbing Division for more information.

3. Obtain permit from Public Works for a protection fence canopy on or over any street or public space.

4. Obtain approval from Public Works and Building Department for any temporary shoring/excavations that remove the lateral support from a public way prior to construction.

5. For site within Potential Methane Zone, obtain approval from Fire Department and Mechanical Division of Building Department for installing a mechanical venting system per MGD #92.

6. Obtain permit from the State of California Division of Industrial Safety prior to permit issuance for:
   a) For trenches or excavations 5 ft. or more in depth into which a person is required to descend.
   b) The construction or demolition of any building, structure, or scaffolding or false work more than 3 stories or 36' in height. HSC 17922.5

SPECIAL HAZARDS:

1. Roof obstructions such as television antenna, guy wires, solar panels, razor ribbon, fence, cable, or other obstructions shall not prevent Fire Department access or egress in the event of a fire. LAMC 57.12.02

2. Provide collision barriers adequate to protect control meters, regulators, and piping for hazardous material that are exposed to vehicular damage. LAMC 57.20.07

3. The indoor storage of combustible materials shall be regulated in relation to arrangement, location, size of areas, height, separations, and housekeeping. LAMC 57.57.03

4. An approved Seismic Gas Shut-off Valve shall be installed on the fuel gas line on the downstream side of the utility meter and be rigidly connected to the exterior of the building or structure containing the fuel gas piping. Provide a metal label for the shutoff valve. LA City Ord. 170,158

5. Duct penetrations through protective element of fire rated corridor walls shall be protected with a fire damper per UBC Standard 43-7 & 43-12.

6. Emergency Systems. Independent supports and braces shall be provided for light fixtures required for exit illumination.

7. Support for Ceiling Appendages. Separate support from the structure shall be provided for all appendages such as light fixtures, air diffusers, exit signs and similar elements.

FIRE PROTECTION:

1. DRAFT STOPPING:
   – It shall be provided within a concealed floor-ceiling assembly formed of combustible construction. 91.708.3. 1.1
   – It shall be provided within attics, mansards, overhangs and similar concealed spaces formed of combustible construction. 91.708.3.1.2
   – It shall be required above & in line with walls separating tenant spaces from each other and from other uses. 91.708.3

2. Unprotected openings are prohibited in envelope protection type ceilings. All duct openings require fire dampers and are limited in area to 100 sq. in. in any 100 sq. ft. of ceiling. Access openings require 1-hour fire rated assemblies with closing devices approved by the Department. 91.710.2

3. SPRINKLER SYSTEM: If required, to be approved by Plumbing Div. of the Building Department prior to installation.

4. FIRE EXTINGUISHERS: Location to be approved by Fire / Building Inspector.
   – Provide a portable fire extinguisher with a rating of not less than 2-A or 2-A IOBC within 75 feet of travel distance to all portions of the building on each floor; also during construction. LAMC 57.140.10

5. FIRE LANE is required where any of the first story exterior walls of a building (or the entrance to any dwelling unit or guest room) more than 150 feet from the edge of an improved street or approved fire lane (as measured along the normal entrance roadway or walkway). Obtain clearance from the Hydrants and Access Unit of the Fire Department in Room 920 City Hall East. LAMC 57.09.03

6. SPRINKLER SYSTEMS AND STANDPIPE: Connection locations shall be installed in an area approved by the Fire Department (LAMC 57.138.11) – Provide automatic sprinkler system at top of rubbish chute and terminal room. 91.904.2.2

7. EXIT SIGNS:
   a) Whenever the building is occupied, exit signs shall be lighted so that they are clearly visible.
   b) Provide exit signs and directional exit signs with minimum 6" high by 3/4 stroke block letters on a contrasting background. 91.1013.2 LAMC 57.33.15C
   c) Floor-level exit signs or exit markers are only required in rated corridors of R and A-Occupancy. If building is UNSPRINKLERED, then provide Floor Level Exit Path Markings also. 91.1013.1, 91.1013.5a

8. FIRE EXTINGUISHERS: Location to be approved by Fire / Building Inspector. Provide portable fire extinguisher with a rating not less than IOBC for kitchen, electrical room, mechanical room or parking garage. LAMC 57.140.15C Provide a portable fire extinguisher with a rating of not less 20-B, located not less than 10 feet, nor more than 30 feet from any flammable liquid storage area outside of a hazardous material room. LAMC 57.140.01

9. FIRE ALARM: When a fire alarm (visual and audible) system is required, it must be approved by the Fire Department and Electrical Plan Check prior to installation. LAMC 57.122

10. Interior wall and ceiling finish shall be installed with minimum flame spread and smoke density rating per table in 91.803.

11. Fire Sprinklers Heads. All sprinkler heads (drops) except for floor-ceiling or roof-ceiling fire resistive assemblies, shall have 1/2 inch oversize ring, sleeve or adaptor through the ceiling tile to allow for free movement of sprinkler pipes.

12. Secure lay-in panels with 2 hold-down clips (min.) for all panels within a 4'-0" diameter of all exit signs and all required exit lighting.

FIRE PROTECTION CONT:

13. SMOKE DETECTOR/ ALARMS:
– Single and multiple station smoke alarms shall be installed per CBC 907.2.11. Smoke detectors shall be provided in every dwelling unit, common facilities, and storage rooms. Smoke detectors shall be installed: in each dwelling unit and guest room, provide a smoke detector mounted on the ceiling or wall of each sleeping room, at a point centrally located on the wall or ceiling of the hallway or room giving access to the sleeping room and at the top of stairway with sleeping room(s) at the upper level. 91.310.9.1.1
– A smoke detector shall be installed in the basement of dwelling units having a stairwell which opens into the dwelling. 91.310.9.1.2.

14. CARBON MONOXIDE ALARMS:
A carbon monoxide alarms shall be installed in very dwelling unit per CBC 420.6. the alarm shall be UL rated and maintained per NFPA 720 and the manufacturers instructions.

EGRESS

1. Egress signs shall be internally or externally illuminated

2. Exit signs illuminated by an external source shall have an intensity of not less than 5 footcandles (54lux)

3. Internally illuminated signs shall be listed and labeled and shall be installed in accordance with the manufactureres instructions and Section 2702.

4. Exist signs shall be illuminated at all times.

5. Exit signs shall be connected ti an emergency power system that will provide an illumination of not less than 90 min. in case of primary power loss (1011.2–1011.5.3)

6. Egress doors shall be redily openable from the egress side without the use of a key or special knowledge or effort. See Section 1008.1.8.3 for exceptions.

7. Door handles, locks and other operationg devices shall be instaled at a min 34" and a max 44" above the finish floor.

8. THIS DOOR TO REMAIN UNLOCKED WHEN BUILDING IS OCCUPIED.

9. All egress door operation shallalso comply with Section 1008.1.9 – 1008.1.9.7.

10 The means of egress, including the exit discharge shall be illuminated at all times the building space served by the means of egress is occupied.

11. The means of egress illumination level shall not be less than 1 footcandle att he walking surface.

12. The power supply for the means of egress illumination shall normally be provided by the premises electrical supply. In the event of power supply failure, an emergency electrical system shall automatically illuminate the following areas:
a. Aisles and unenclosed egress stairways in rooms and spaces that require 2 or more means of egress.
b. Corridors, exit enclosures and exit passageways in buildings required to have 2 or more exits.
c. Exterior egress components at other than level of exit discharge until exit exit dischartge is accomplished for the buildings required to have 2 or more exits.
d. Interior exit discharge elements, aspermitted in Section 1027.1 in buildings required to have 2 or more exits.
e. Exterior landings as required by SEction 1008.1.5 for exit discharge doorways in buildings required to have 2 or more exits.

13. The emergency power system shall provide power for the duration of not less than 90 minutes and shall consist of storage potteries, unit equipment or on-site generator. The installation of the emergency power system shall be in accordance with Section 2702.

14. Emergency lighting systems shall be arranged to provide initial illumination that is at least an average of 1 footcandle (11lux) and a minimum of 0.1 footcandle (1lux) measured along the path of egress at floor level. Illumination levels shall be permitted to decline 0.6 foot-candle (6 lux) average and a minimum at any point of 0.06 foot-candle (0.6lux) at the end of the emergency lighting time duration. A maximum to minimum illumination uniformity ratio of 40 to 1 shall not be exceeded.

SOUND TRANSMISSION:

1. All rigid conduits, ducts, plumbing pipes, and appliance vents located in sound assemblies shall be insolated from the building construction by means of resilient sleeves, mounts or a minimum ¼" thick approved resilient material. Vents located in sound assemblies shall be isolated from the building construction by means of resilient sleeves, mounts of a minimum ¼" thick approve material.
2. An approved permanent, and resilient acoustical sealant shall be provided along the joint between floor and the separation walls.
3. Carpets or similar surface material which are part of the floor-ceiling assembly must be installed and inspected before the Certificate of Occupancy is issued and may be replaced only by other floor covering that provides the required impact sound insulation.
4. Metal ventilating and conditioned air ducts located in sound assemblies shall be lined. (Exception: ducts serving only exit ways, kitchen cooking facilities and bathrooms need not be lined.)
5. Mineral fiber insulation shall be installed in joist spaces whenever a plumbing piping or duct penetrates a floor-ceiling assembly or where such unit passes through the plane of the floor-ceiling assembly from within a wall. The insulation shall be installed to a point 12" beyond the pipe or duct. This is a requirement is not applicable to fire sprinkler pipe, gas line or electrical conduit.
6. Electrical outlet boxes in opposite faces of separation walls shall be separated horizontally by 24" and note that back and sides of boxes will be sealed with ⅛" resilient sealant and backed with a minimum 2" thick mineral fiber insulation. (TV, Telephone, and Intercom must be installed in boxes accordingly.
7. The entrance doors to residential units from interior corridors are required to have a minimum STC rating of 26. (Laminated 1 ¾" solid core doors with resilient stops and gaskets or 18 gauge insulated steel slab doors with compressible seals all around including thresholds will meet this requirement.
8. Wall mounted lavatories and toilets are not permitted in sound rated partitions.
9. electrical panels are not permitted in sound rated aprtitions.

SECURITY REQUIREMENTS:

1. All entry doors to dwelling units or guest rooms shall be arranged so that occupant has a view of the area immediately outside the door without opening the door. Such view may be provided through a door viewer, through windows located in the vicinity of the door or through view ports in the door or the adjoining wall. (6706)
2. Screens, barricades, or fences made of material which preclude human climbing shall be provided at every portion of every roof, balcony, or similar surface which is within 8 ft. of the utility pole or similar structures. (6707)
3. Wood flush-type doors shall be 1-3/8" thick minimum with solid core construction. Door stops of in-swinging doors shall be of one-piece construction with the jamb or joined by rabbet to the jamb. (6709.4)
4. Every door in a security opening for an apartment house shall be provided a light bulb (60 watt min). Ata maximum height of 8 feet on the exterior. (6708)
5. All pin-type door hinges accessible from outside shall have non-removable hinge pins. Hinges shall have min. 1/4" dia. steel jamb stud with 1/4" min. protection. The strike plate for latches and holding device for projecting dead bolts in wood construction shall be secured to the jamb and the wall framing with screws no less than 2-1/2" long. (6705.5;6709.7)
6. Provide dead bolts with hardened inserts; deadlocking latch with key-operated locks on exterior. doors must be openable without key, special knowledge or special effort on interior (latch not required in B,F and S occupancies). (6709.2).
7. Straight dead bolts shall have a min. throw of 1" and an embedment of not less than 5/8", and a hook-shaped or an expanding-lug deadbolt shall have a minimum throw of 3/4".(6709.2)
8. Wood Panel type doors must have panels not less than ⅜" thick with shaped portions of the panels are not less than 1/4" thick and individual panels shall not exceed 300 sq. in. in area. Mullions shall be considered a part of a adjacent panels except mullions not over 18" long may have an overall width of not less than 2". Stiles and rails shall be of solid lumber in thickness with overall dimensions of not less than 1 ⅜" inches and 3 inches in width. (6709.1 Item 2)
9. Sliding doors and windows shall be provided with a device in the upper channel of the moving panel to prohibit raising and removing of the moving panel in the closed or partially open position. (6710)
10. All sliding glass door panels shall be closed and locked when subjected to the tests specified in (6717.1)
11. Metal or wooden overhead or sliding doors shall be secured with a cylinder lock, padlock with a min. ⅜" diameter hardened steel shackle and bolted , hardened steel hasps, metal slide board,bolt or equivalent device unless secured electrically operated. (6711)
12. Provide metal guides at top and bottom of metal accordion grate or grille-type doors and cylinder locks or padlocks. Cylinder guards shall be install on all cylinder locks whenever the cylinder projects beyond the face of the door or is otherwise accessible to gripping tools. (6712)
13. In Groups B,F and S occupancies, panes of glazing with at lease one dimension greater than 5 in. but less than 48", shall be constructed of tempered or approved burglary resistant material or protected with metal bars or grilles. (6714)
14. Glazed openings within 40" of the door lock when the door is in the closed position and when the door is operable from the inside without a key, shall be fully tempered glass per Section 2406, or approved burglary resistant material, or shall be protected by metal bars, screens or grills having a maximum opening of 2". The provisions of this section shall not apply to slide glass doors which conform to the provisons of Section 6710 or to view ports or windows which do not exceed 2" in their greatest dimensions. (6713)
15. Louvered windows shall be protected by metal bars or grills with openings that have the least one dimension of 6" or less, which are constructed to preclude human entry. (6715.3)
16. Other operable windows shall be provided with substantial locking devices. In B,F,M and S Occupancies, such devices shall be glide bars, bolts, cross-bars, and/or padlocks with minimum 9/32" hardened steel shackles and bolted, hardened steel hasps. (6715.2)
17. Sliding windows shall be provided with a locking devices. A device shall be installed in the upper channel of the moving panel to prohibit raising and removing one panel in a closed or partially open position. (6715.1)
18. Sliding glass windows sash shall be closed and locked when subjected to the tests specified in sec. 6717.2.
19. Any release for metal bars, grills, grates or similar devices constructed to preclude human entry that are installed shall be located on the inside of the adjacent room and at least 24 inches from the closest opening through such metal bars, grills, grates or similar devices that exceeds two inches in any dimension. (6715.2)
20. All other openings other than doors or glazed openings must be protected by metal bars or grilles of not less than 6 inches in one dimension. (6716.6)

ENERGY REQUIREMENTS:

1. A night setback thermostat shall be installed. Minimum 40 lumens/watt efficiency shall be provided for general lighting in kitchens and bathrooms (florescent lights).

2. Provide R-12 exterior blanket for hot water heater and solar tanks. R-3 insulation shall be provided for the first five feet of the water heater outlet pipe. All water heating and space conditioning equipment, shower heads and faucets shall be C.E.C.certified. All steam and steam condensate return piping and all continuously circulating domestic heating or hot water piping shall be insulated per Plumbing Division.

3. Ducts shall be constructed, installed and insulated per Chapter 10 of 1994 UMC. Back draft dampers for all exhaust and fan systems shall be provided. Continuous burning gas pilots are prohibited

4. All insulation materials shall be certified by the manufacturer as complying with the California Quality Standards for insulating Material. Doors and windows between conditioned and outside of unconditioned spaces such as garages and compartments for central air gas furnaces shall be fully weatherstripped.

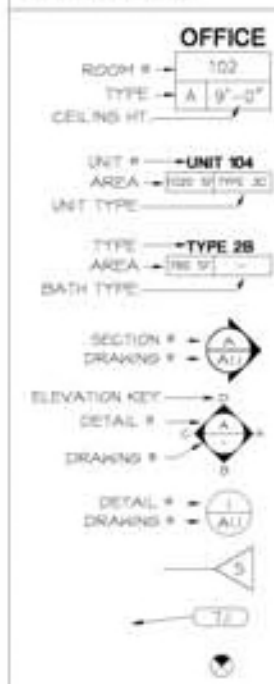
5. Manufactured doors and windows shall be certified and labeled in compliance with the appropriate infiltration standards. Caulk plumbing and electrical penetrations, all window and door frames, between wall sill plates and floors and all other opening in the envelope. All exterior openings shall be properly weatherstripped, certified, and labeled.

6. Insulation installer shall post in a conspicuous location in the building a certificate signed by the installer and builder stating that the installation conforms with the requirements of Title 24, Chapter 2-53 and that the materials installed conform with the requirements of Title 20, Ch 2, Sbch 4, Art. 3.

GRADING:

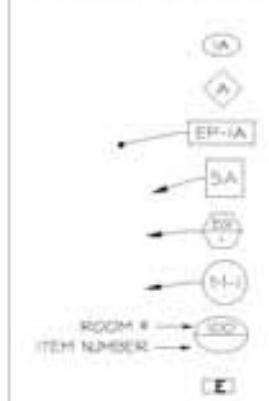
1. Obtain approval from Public Works and Grading Division of Bldg. and Safety for grading work exceeds 200 cubic yard during rainy season from Nov. 1 to April 15 for Erosion Control at job site prior to construction.
2. Provide approved damp-proofing for all walls below grade that enclose habitable or non-habitable space. 91.1402.4
3. Pipe systems must have clean out access at 1) every horizontal bend and 2) at 100' for all other building sites; therefore, provide clean out locations and details on plans.
4. A Registered Deputy Grading Inspector is required on all grading and foundation earthwork in HILLSIDE areas' where (site exceeds 60K S.F.) (cut or fill slopes exceeds 2:1) (cuts exceed 40 ft. in height and within 20 ft. of a property line) (foundation excavation extend below a 1:1 plane from property line) (projects involve unusual hazards).
5. A Registered Deputy Grading Inspector is required on all shoring work, including the slot cuts, in the HILLSIDE or NON-HILLSIDE areas.

SYMBOLS



Symbol	Description
	ROOM NAME
	UNIT INFORMATION
	ROOM INFORMATION
	SECTION
	INTERIOR ELEVATION
	DETAIL NUMBER
	INTERIOR PARTITION TYPE- REFER TO A-8 SERIES
	CONSTRUCTION KEYNOTE- REFER SHEET NOTES
	EXIT SIGN
	BREAK IN FLOOR FINISH

SCHEDULE SYMBOLS REFER TO A-6 SERIES FOR SCHEDULED ITEMS, TYP.



Symbol	Description
	DOOR NUMBER
	WINDOW NUMBER
	PAINT NUMBER
	TOILET ACCESSORY / FIXTURES & FITTINGS
	EQUIPMENT
	MOLDING TYPE
	FURNITURE CALLOUT
	EXIT SIGN

MATERIAL LEGEND

NOTE: REFER TO A-8 SERIES FOR INTERIOR WALL TYPES, TYP.

WALL TYPES: EXISTING/ REMOVED/ NEW



Symbol	Description
	EXISTING WALL TO REMAIN
	WALL/ITEM TO BE REMOVED
	INFILL EX. WINDOW/DOOR PATCH TO MATCH ADJ. FIN.
	NEW WALL
	OPEN EX. WALL FOR UPGRADE
	NEW MASONARY

WALL FIRE-RATINGS

Symbol	Description
	1-HOUR FIRE RATED PARTITION

EXISITNG SHEAR WALLS

Symbol	Description
	EXISNTG SHEAR WALL FROM 1996 PERMIT

ABBREVIATIONS

AC	Air Conditioning	LAB	Laboratory
ACOUST	Acoustical	LAM	Laminate(d)
AD	Area Drain	LAV	Lavatory
ADJ	Adjustable	LP	Low Point
AFF	Above Finished Floor	LTG	Lighting
ALUM	Aluminum	MAT	Material
APPROX	Approximately	MAX	Maximum
ARCH	Architectural	MECH	Mechanical
ASPH	Asphalt(ic)	MEMB	Membrane
AT	Acoustic Tile	MFR	Manufacturer
BD	Board	MIN	Minimum
BIT	Bituminous	MISC	Miscellaneous
BLDG	Building	MO	Masonry Opening
BLKG	Blocking	MR	Moisture Resistant
BM	Beam	MTD	Mounted
BOT	Bottom	MTL	Metal
BR	Bedroom	(N)	New
CAB	Cabinet	NIC	Not in Contract
CB	Catch Basin	NO	Number
CEM	Cement	NOM	Nominal
CJ	Control Joint	NTS	Not To Scale
CLG	Ceiling	OC	On Center
CLO	Closet	OD	Outside Diameter
CLR	Clear(ance)	OFF	Office
CMU	Concrete Masonry Unit	OPP HD	Opposite Hand
CO	Clear Opening	OPNG	Opening
COL	Column	OPP	Opposite
CONC	Concrete	PC	Precast
CONST	Construction	PERIM	Perimeter
CONT	Continuous	PL	Plate
CORR	Corridor	PL LAM	Plastic Laminate
CPT	Carpet	PLAS	Plaster
CT	Ceramic Tile	PLYWD	Plywood
CTR	Center	PNT	Paint (ED)
D	Deep	PR	Pair
DET	Detail	PT	Point
DF	Drinking Fountain	PTN	Partition
DIA	Diameter	QT	Quarry Tile
DIM	Dimension	QTY	Quantity
DN	Down	R	Radius, Riser
DO	Door Opening	RD	Roof Drain
DR	Door	REINF	Reinforced
DWG	Drawing	REQ	Required
(E)	Existing	RESIL	Resilient
EA	Each	REV	Revision
EJ	Expansion Joint	RL	Rain Leader
EL	Elevation (Topo)	RM	Room
ELEC	Electrical	RO	Rough Opening
ELEV	Elevation (Arch)	SC	Solid Core
ENCL	Enclosure	SCHED	Schedule
EQ	Equal	SECT	Section
EQUIP	Equipment	SG	Slab Grade
EXP	Expansion	SHT	Sheet
EXIST	Existing	SIM	Similar
EXT	Exterior	SOG	Slab On Grade
EX	Existing	SPEC	Specifications
FD	Floor Drain	SQ	Square
FDN	Foundation	SS	Stainless
FE	Fire Extinguisher	STA	Station
FEC	Fire Extinguisher Cabinet	STD	Standard
FF	Finished Floor	STL	Steel
FG	Finished Grade	STOR	Storage
FGL	Fiberglass	STRUC	Structural
FHC	Fire Hose Cabinet	SUSP	Suspended
FIN	Finish	SYM	Symmetrical
FIXT	Fixture	T	Tread
FL	Floor	T&G	Tongue and Groove
FLUOR	Fluorescent	TEL	Telephone
FOC	Face of Concrete	TER	Terrazzo
FOF	Face of Finish	THK	Thick(ness)
FOS	Face of Studs	TOC	Top of Curb
FS	Finished Surface	TOM	Top of Masonry
FT	Feet	TOS	Top of Steel
FTG	Footing	TOW	Top of Wall
FURR	Furring	TV	Television
GA	Gauge	TYP	Typical
GALV	Galvanized	UON	Unless Otherwise Noted
GL	Glass	VT	Vinyl Tile
GR	Grade	VERT	Vertical
GYP BD	Gypsum Wallboard	VEST	Vestibule
H	High	VWC	Vinyl Wallcovering
HC	Hollow Core	W	Wide
HORIZ	Horizontal	W/	With
HP	High Point	WC	Water Closet
HVAC	Heating Ventilating Air Cond.	WD	Wood
ID	Inside Diameter	WO	Where Occurs
IG	Insulated Glass	W/O	Without
INCAN	Incandescent	WP	Work Point
INCL	Include		Waterproof(ing)
INT	Interior	WT	Weight
INSUL	Insulation	WWF	Welded Wire Fabric
JAN	Janitor	XP	Existing Plaster
JT	Joint		
KD	Knock Down		

PERMITS

1. A PERMIT IS REQUIRED BY THE CALIFORNIA DIVISION OF OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION FOR THE FOLLOWING:
   A) EXCAVATIONS OVER 5 FEET IN DEPTH WHERE A WORKER DESCENDS.
   B) STRUCTURES OVER 3 STORIES OR 35 FEET IN HEIGHT.

2. A-PERMIT REQUIRED FOR CONSTRUCTION OF DRIVEWAYS/CURB RAMPS/SIDEWALKS.

3. CONTRACTOR (OR CONTRACTOR'S SUB-CONTRACTOR) SHALL PROVIDE THE FOLLOWING PERMITS AND DOCUMENTS AS REQUIRED BY THE DEPARTMENT OF BUILDING AND SAFETY:
   – GRADING PERMIT
   – DEMOLITION PERMIT
   – HAUL ROUTE MEMO

4. CONTRACTOR SHALL PROVIDE TEMPORARY SHORING UNDER SEPARATE PERMIT. CONTRACTOR SHALL SUBMIT THE TEMPORARY SHORING SUBMITTAL, INCLUDING CALCS, DRAWINGS, AND CUT SHEETS OF PERTINANT ITEMS, FOR REVIEW BY THE STRUCTURAL ENGINEER OF RECORD.

INTERIOR FINISH NOTES

1. INTERIOR WALL AND FLOOR FINISH BY OCCUPANCY (TABLE 803.5)

EXITWAYS AND PASAGEWAYS	CLASS C
CORRIDORS	CLASS C
ROOMS AND ENCLOSED SPACES	CLASS C

NOTE: WHEN AN APPROVED SPRINKLER SYSTEM IS PROVIDED, FLAME SPREAD CLASS MAY BE REDUCED ONE CLASS, BUT IN NO CASE SHALL MATERIALS HAVING A CLASSIFICATION GREATER THAN CLASS III BE USED.

2. SMOKE DENSITY –
   MAXIMUM SMOKE DENSITY RATING OF 450.

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GENERAL NOTES AND LEGENDS

A-0.0

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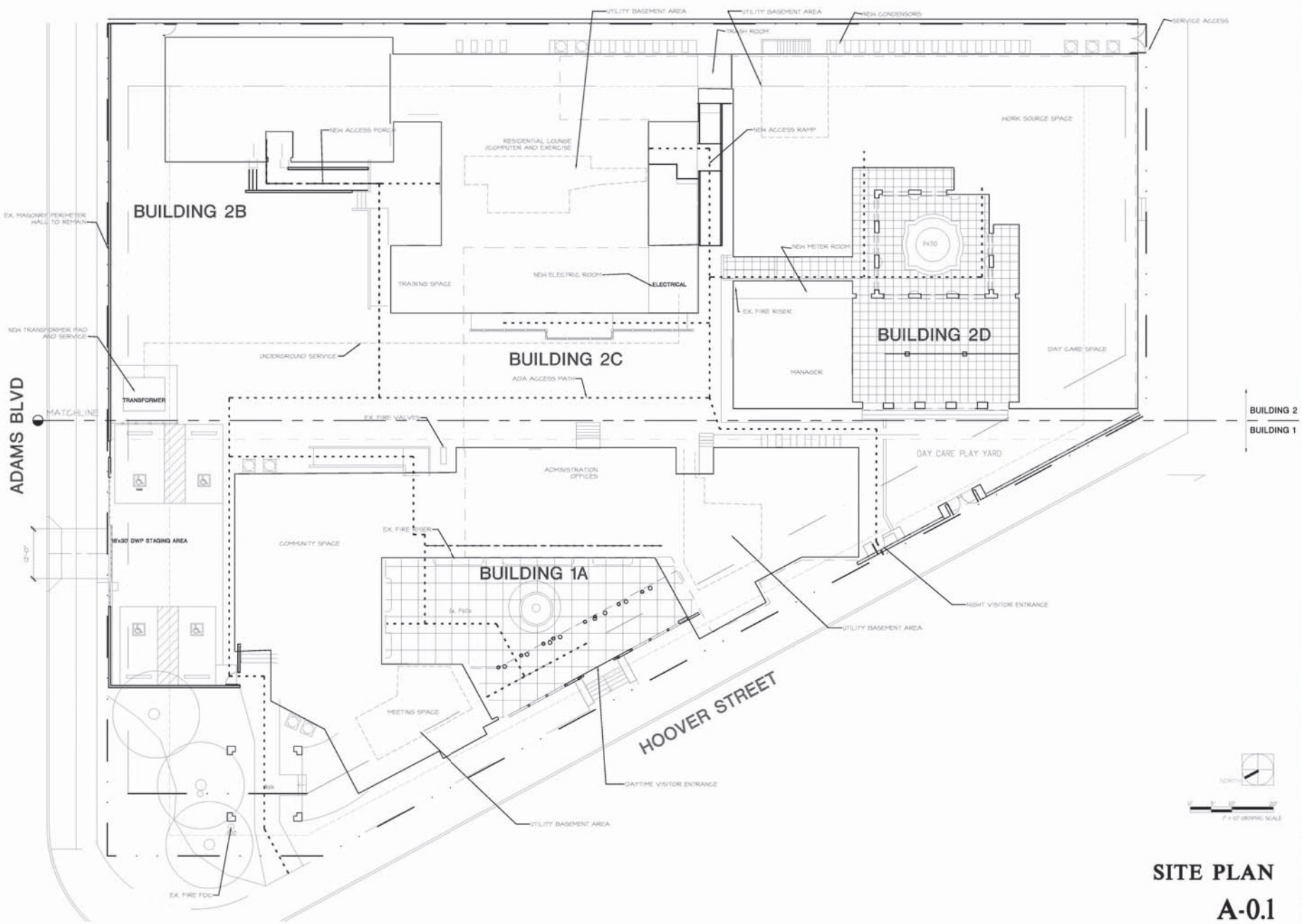

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SITE PLAN

A-0.1

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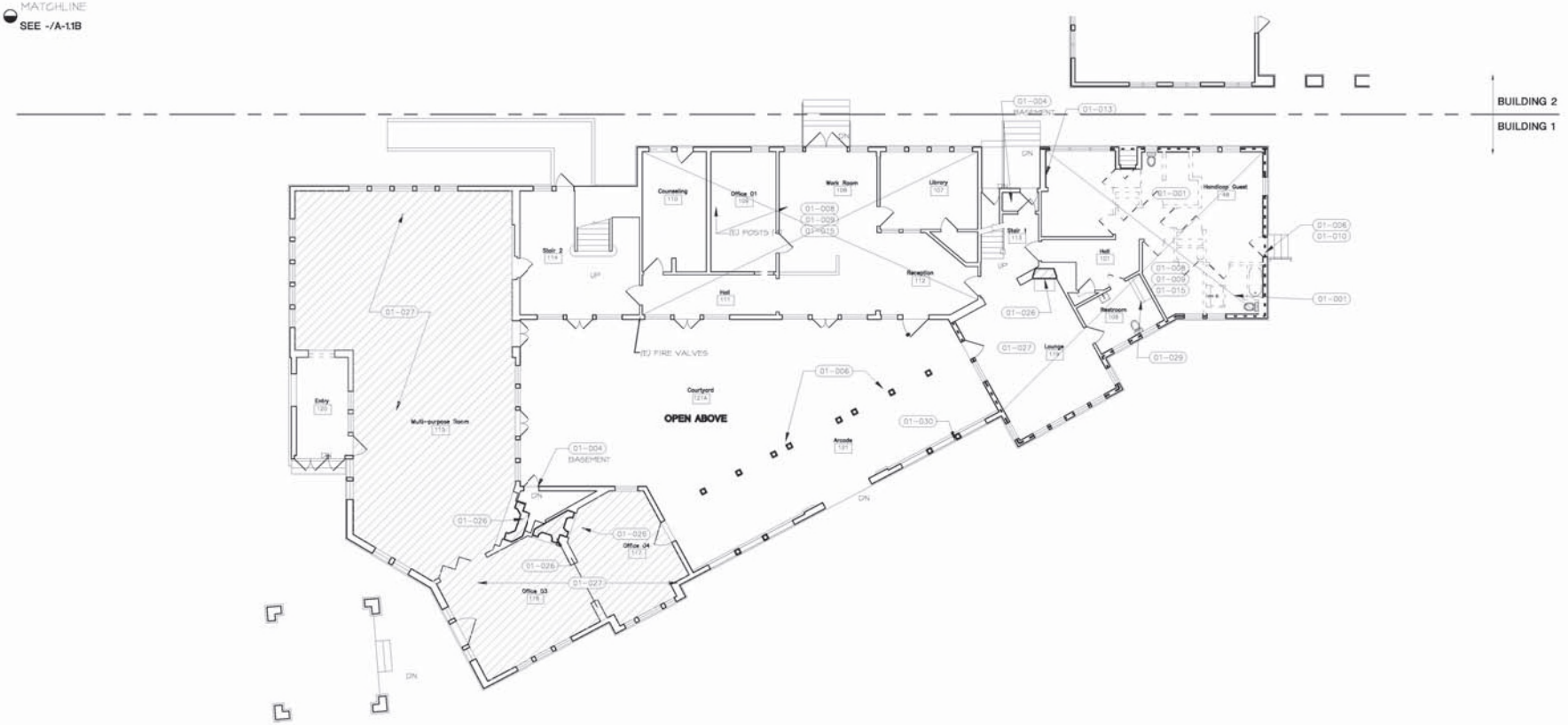
MATCHLINE
SEE -/A-1.1B



WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-001 DEMO PLUMBING FIXTURE & CAP
01-004 DEMO HVAC SYSTEM
01-005 DEMO FLOOR SHEATHING
01-006 DEMO CONCRETE
01-008 DEMO WALL FINISH
01-009 DEMO CEILINGS
01-010 DEMO ORIGINAL OPENING
01-013 OPEN WALL (E) WALL FOR (N) OPENING
01-014 DEMO FLOOR FRAMING
01-026 PROTECT (E) FIREPLACE
01-027 PROTECT (E) WOOD FLOOR
01-029 PROTECT CABINETS, TRIM
01-030 PROTECT ARCHES

NORTH

1/8" GRAPHIC SCALE

BUILDING 1A - FIRST DEMO PLAN

A-1.1A

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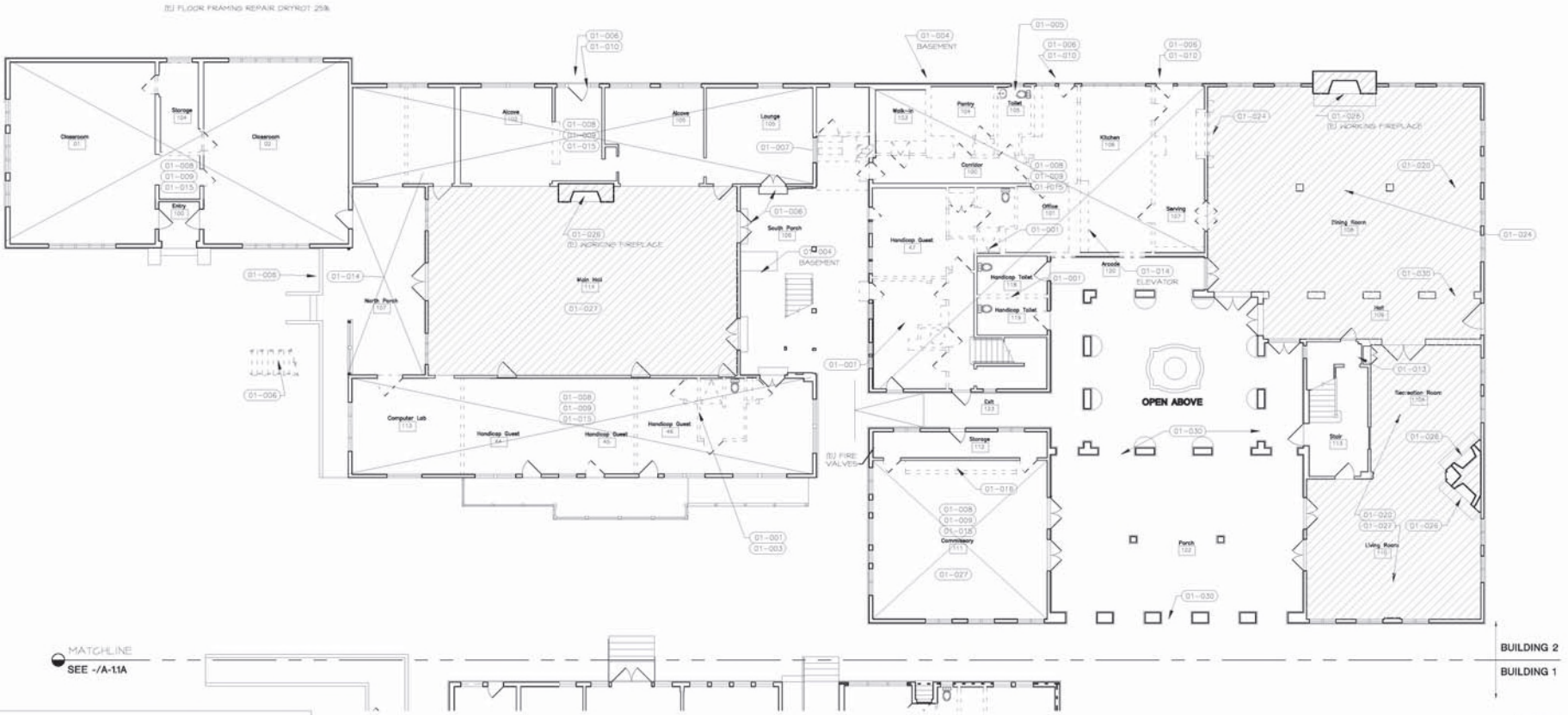

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-001 DEMO PLUMBING FIXTURE & CAP
01-003 DEMO WALLS
01-004 DEMO HVAC SYSTEM
01-005 DEMO FLOOR SHEATHING
01-006 DEMO CONCRETE
01-007 DEMO NON-ORIGINAL OPENING
01-008 DEMO WALL FINISH
01-009 DEMO CEILINGS
01-010 DEMO ORIGINAL OPENING
01-013 OPEN WALL (E) WALL FOR (N) OPENING
01-014 DEMO FLOOR FRAMING
01-015 DEMO FLOOR FINISH
01-016 DEMO CABINETS
01-020 PROTECT BEAMS AND TRIM
01-024 SALVAGE (E) TRIM FOR RE-INSTALLATION
01-026 PROTECT (E) FIREPLACE
01-027 PROTECT (E) HOOD FLOOR
01-030 PROTECT ARCHES

BUILDING 2B,C,D - FIRST DEMO PLAN

A-1.1B

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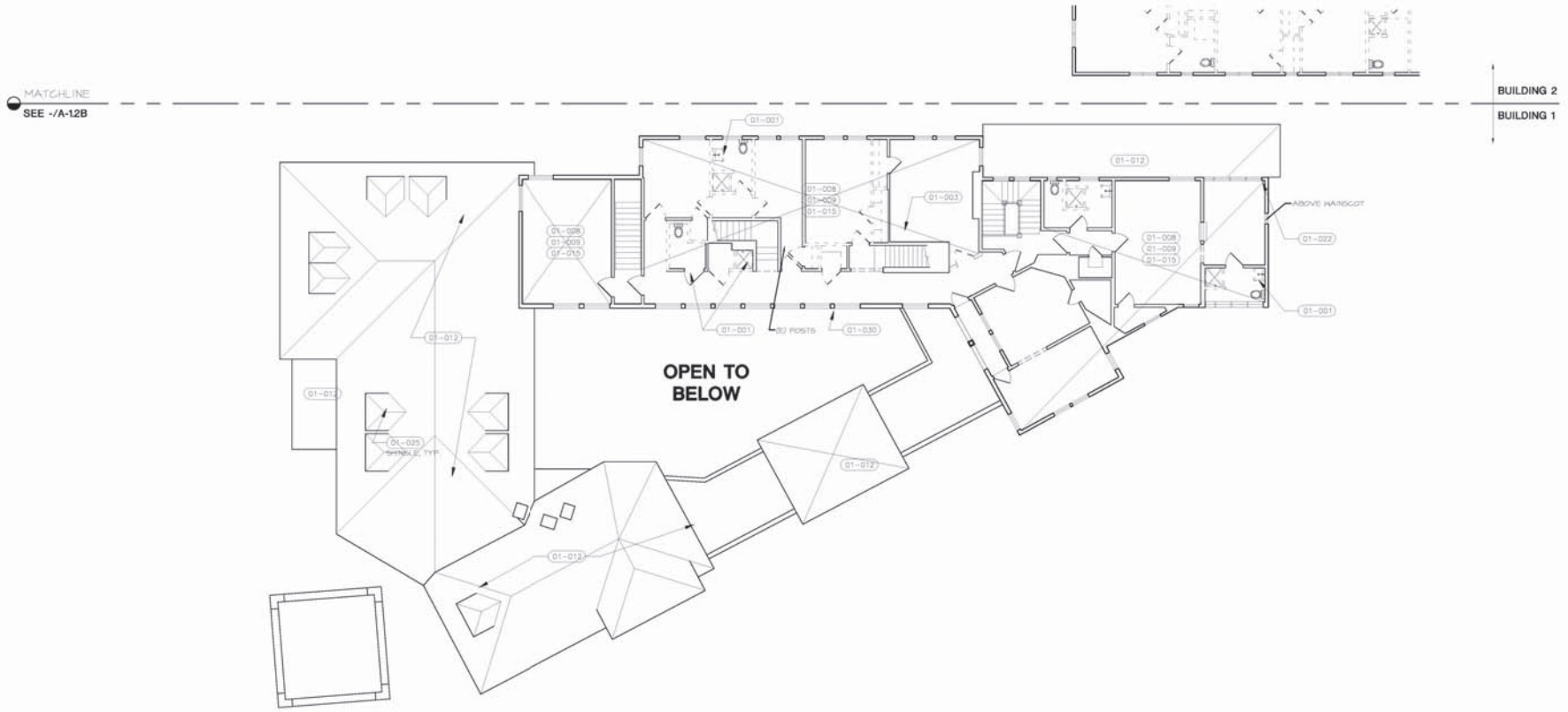

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-001 DEMO PLUMBING FIXTURE & CAP
01-003 DEMO WALLS
01-005 DEMO FLOOR SHEATHING
01-008 DEMO WALL FINISH
01-012 DEMO ROOFING
01-014 DEMO FLOOR FRAMING
01-015 DEMO FLOOR FINISH
01-022 PROTECT WAINSCOT
01-025 PROTECT (E) EXTERIOR FINISH, REPAINT
01-030 PROTECT ARCHES

BUILDING 1A - SECOND DEMO PLAN

A-1.2A

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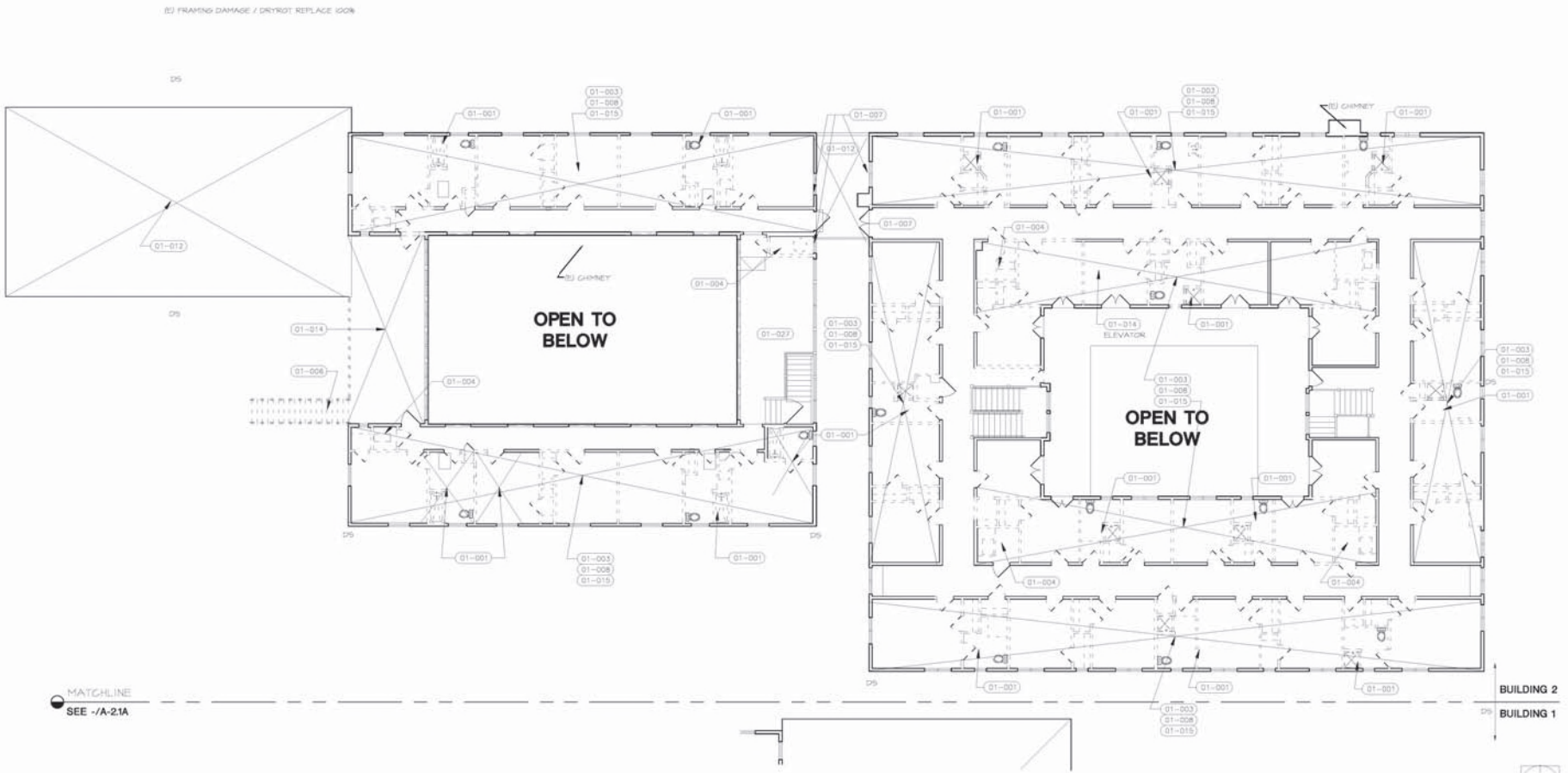

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-001 DEMO PLUMBING FIXTURE & CAP
01-003 DEMO WALLS
01-004 DEMO HVAC SYSTEM
01-005 DEMO FLOOR SHEATHING
01-006 DEMO CONCRETE
01-007 DEMO OPENING
01-008 DEMO WALL FINISH
01-012 DEMO ROOFING
01-014 DEMO FLOOR FRAMING
01-015 DEMO FLOOR FINISH
01-027 PROTECT (E) HOOD FLOOR

BUILDING 2B,C&D - SECOND DEMO PLAN

A-1.2B

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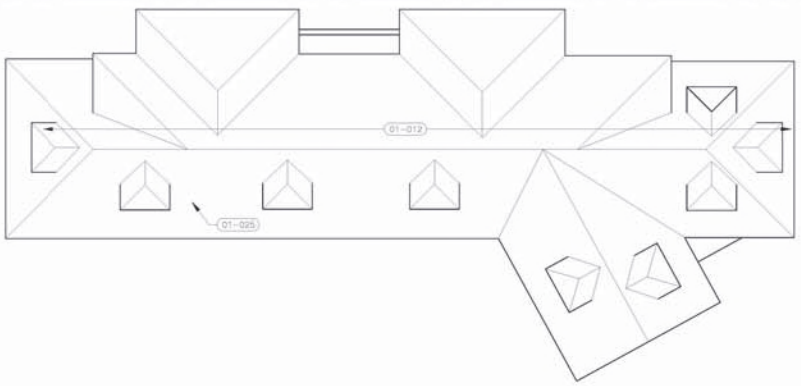
MATCHLINE
SEE -/A-1.3B

BUILDING 2

BUILDING 1

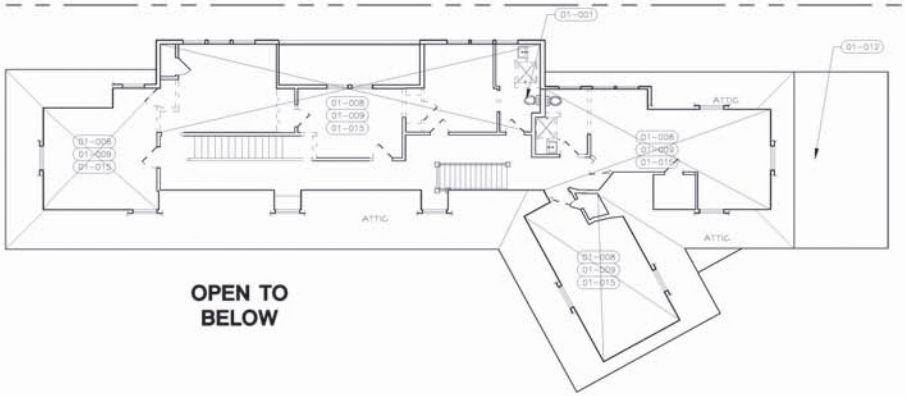


BUILDING 1A - EXISTING ROOF PLAN

MATCHLINE
SEE -/A-1.3B

BUILDING 2

BUILDING 1



OPEN TO BELOW

NORTH

0' 8' 16'
1/8" GRAPHIC SCALE

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- VIEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-001 DEMO PLUMBING FIXTURE & CAP
01-005 DEMO FLOOR SHEATHING
01-008 DEMO WALL FINISH
01-009 DEMO CEILINGS
01-012 DEMO ROOFING
01-014 DEMO FLOOR FRAMING
01-015 DEMO FLOOR FINISH
01-025 PROTECT (E) EXTERIOR FINISH, REPAINT

BUILDING 1A - THIRD DEMO PLAN

A-1.3A

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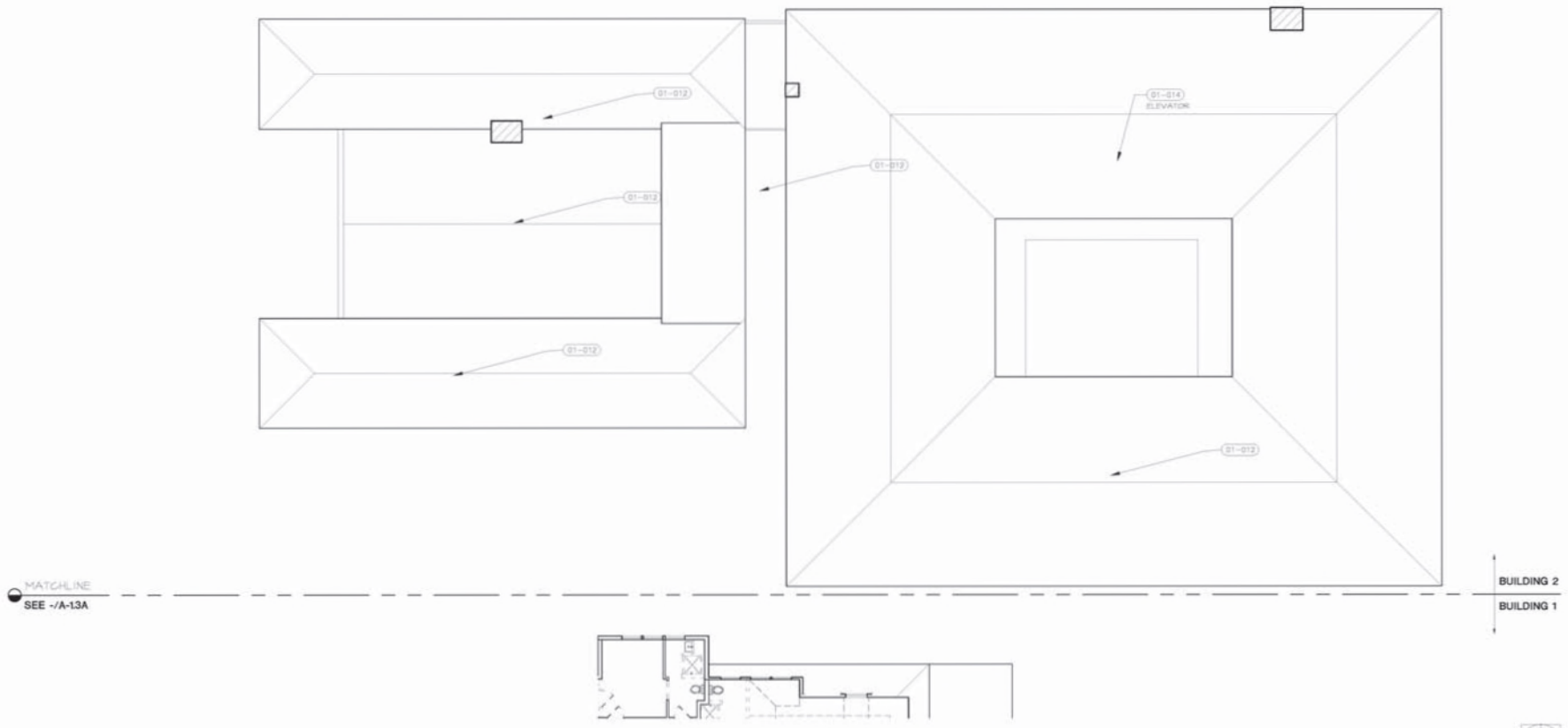

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING

CONSTRUCTION KEYNOTES

01-012 DEMO ROOFING
01-014 DEMO FLOOR FRAMING

BUILDING 2C,D- ROOF DEMO PLAN

A-1.31B

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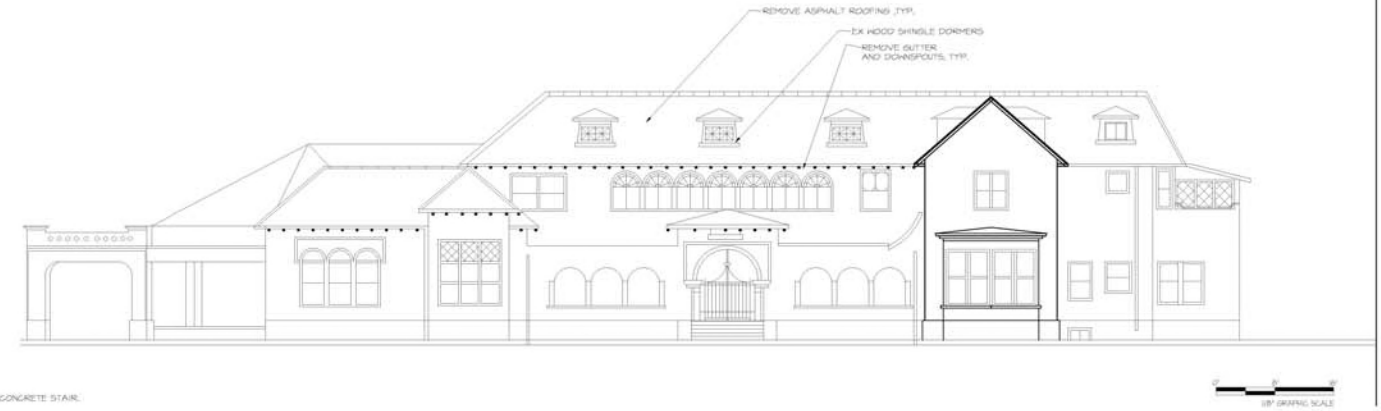
D ADAMS [NORTH] ELEVATION



C [EAST] ELEVATION



B [SOUTH] ELEVATION



A HOOVER STREET [WEST] ELEVATION

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BUILDING 1A - ELEVATIONS

A-1.4

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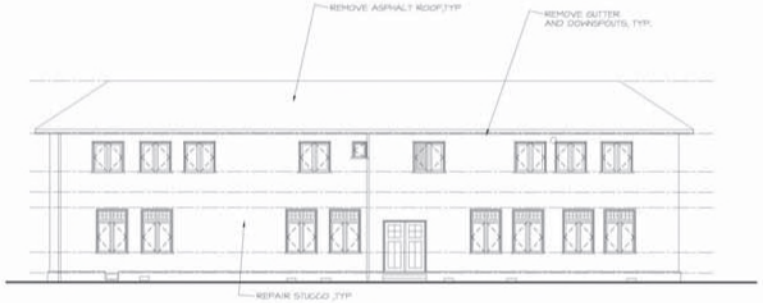
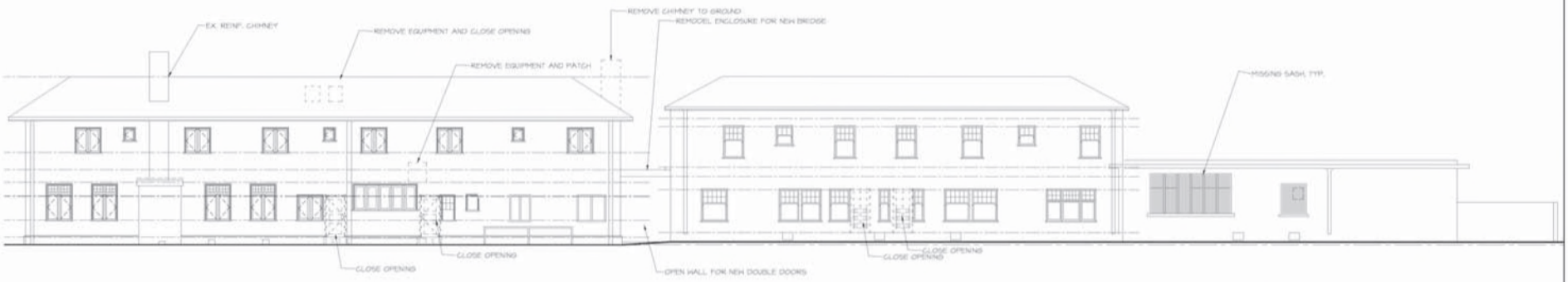
BUILDING 2D

C [NORTH] ELEVATION



BUILDING 2D

B ALLEY [SOUTH] ELEVATION



BUILDING 2D | BUILDING 2C | BUILDING 2B

A [EAST] ELEVATION

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BUILDING 2B,C,D - ELEVATIONS

A-1.6

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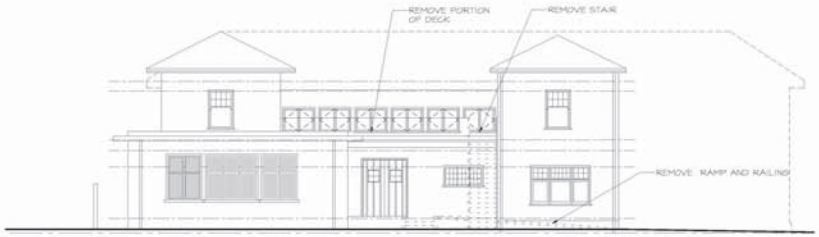
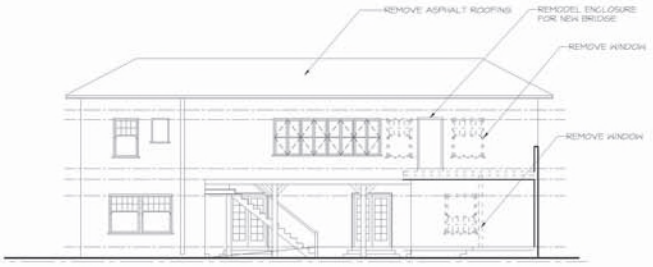
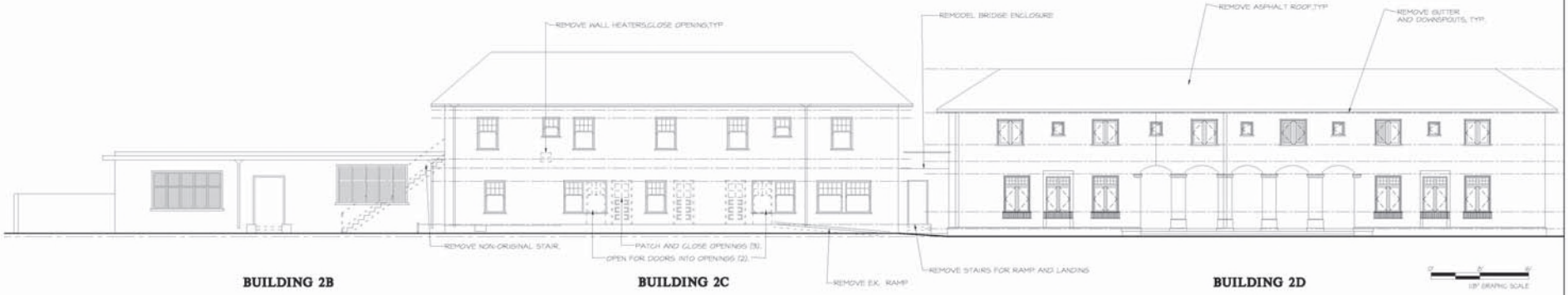


C ADAMS [NORTH] ELEVATION



B [SOUTH] ELEVATION



A COURT [WEST] ELEVATION

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BUILDING 2B,C,D - ELEVATIONS

A-1.5

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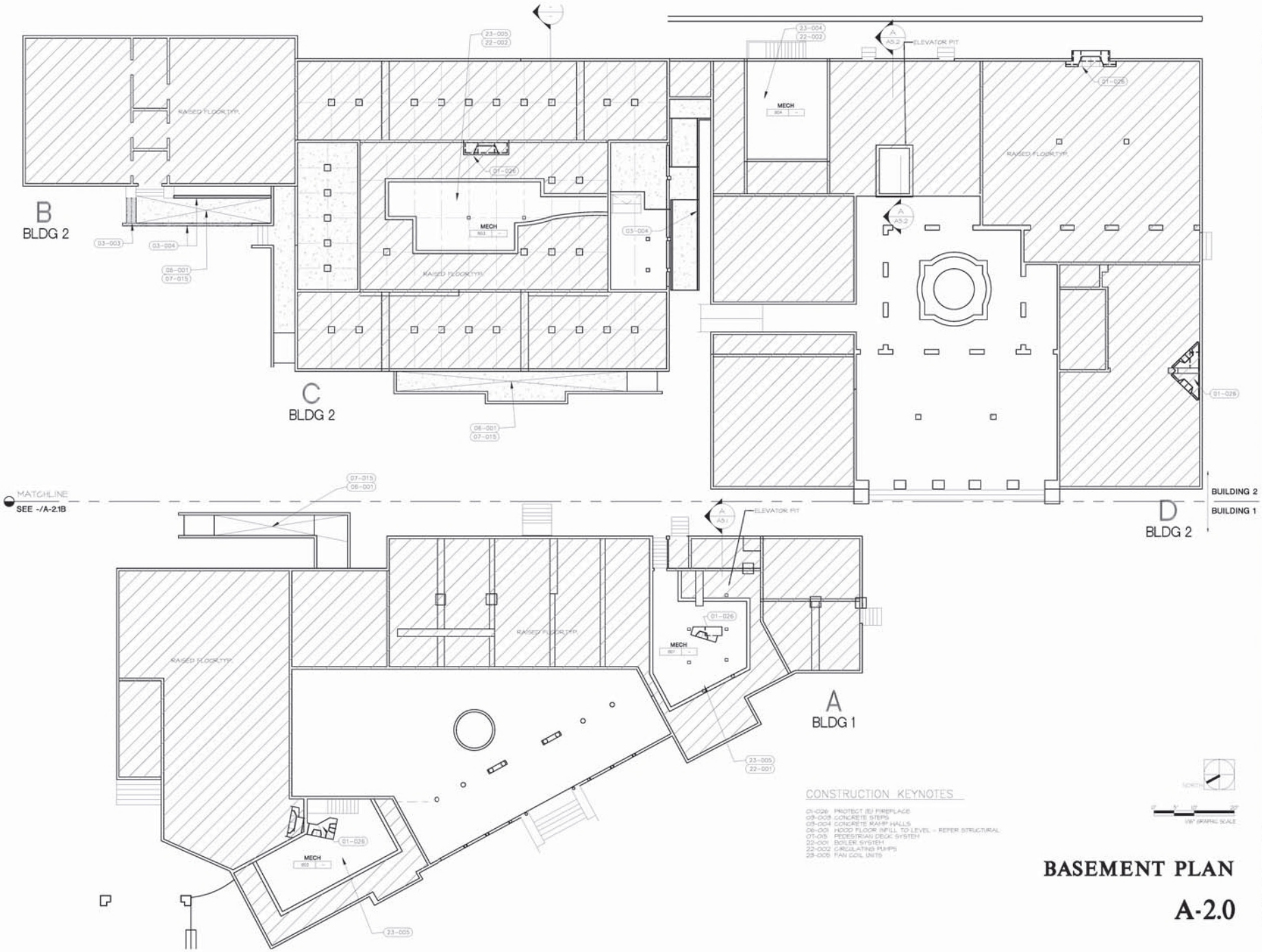

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BASEMENT PLAN

A-2.0

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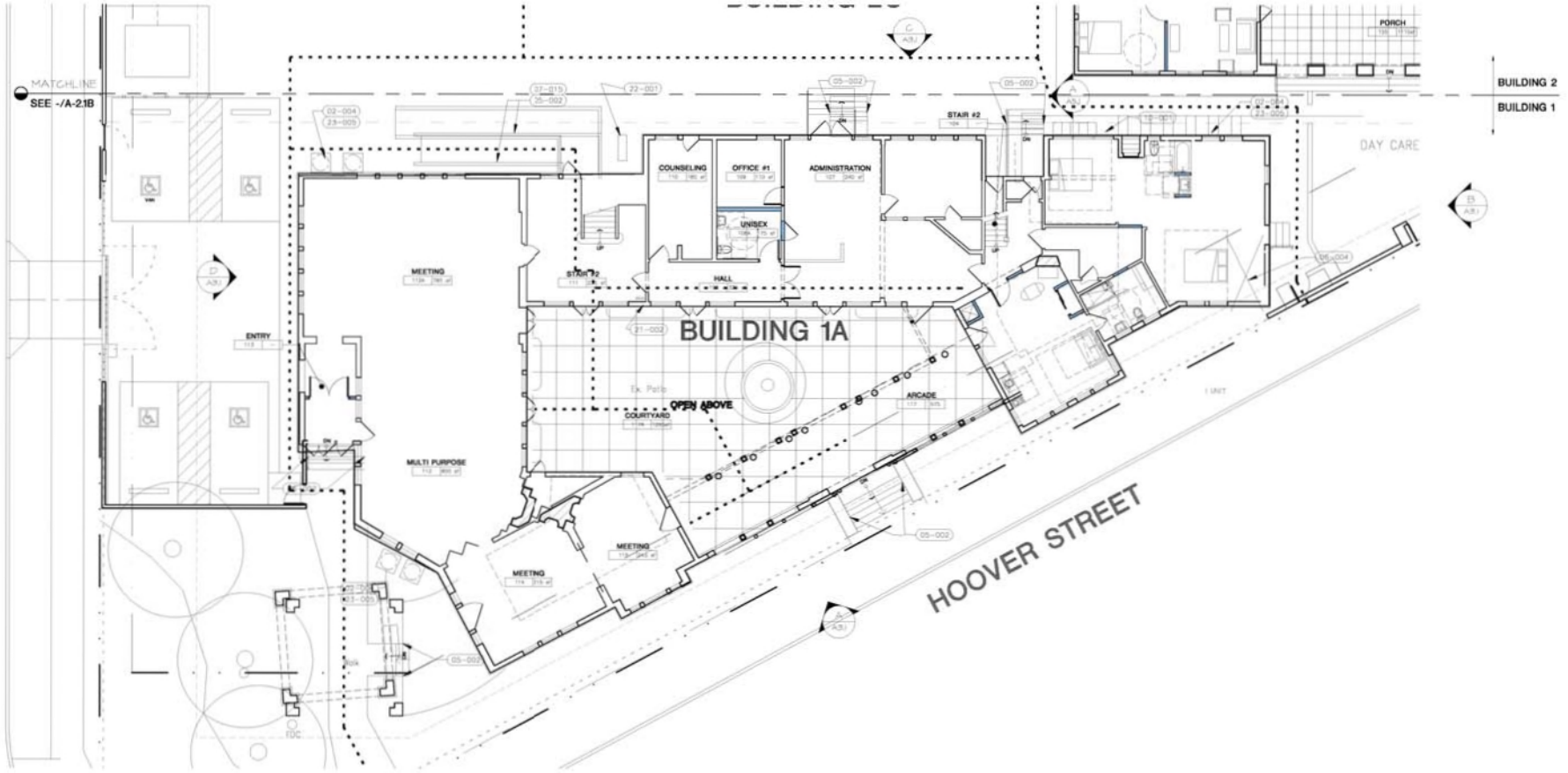

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

02-004 CONDENSORS 4" CONC. PADS
05-002 METAL HANDRAIL AND GUARDRAIL
06-002 WOOD HANDRAIL POSTS
06-004 FLOOR UNDERLAYMENT
07-015 PEDESTRIAN DECK SYSTEM
10-001 MAILBOX
14-001 ELEVATOR
21-002 (E) FIRE RISE
22-001 BOILER SYSTEM
23-005 CONDENSORS PACKING UNIT

BUILDING 1A - FIRST FLOOR PLAN

A-2.1A

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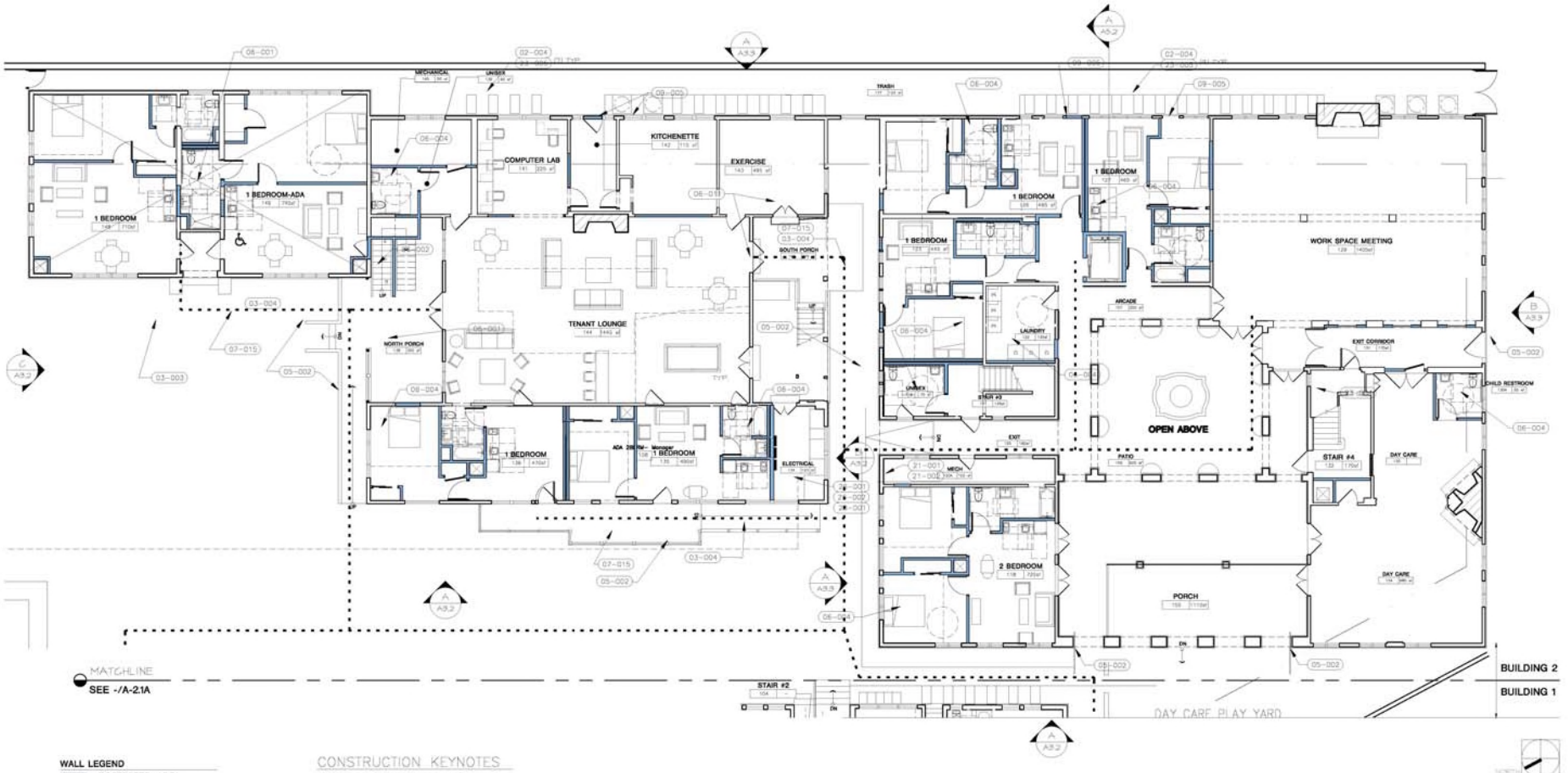

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

02-004 CONDENSORS 4" CONC. PADS
03-003 CONCRETE STEPS
03-004 CONCRETE RAMP
05-002 METAL HANDRAIL AND GUARDRAIL
06-001 HOOD FLOOR INFILL TO LEVEL - REFER STRUCTURAL
06-002 HOOD STAIR - REFER STRUCTURAL
06-003 HOOD HANDRAIL POSTS
06-004 FLOOR UNDERLAYMENT
06-011 PROTECT (E) HISTORIC DOOR, REPAIR DOOR, FRAME, TRIM.
07-015 PEDESTRIAN DECK SYSTEM
09-005 INFILL STUCCO
10-002 BIKE RACKS
21-001 (E) FIRE VALVE ASSEMBLY
21-002 (E) FIRE RISE
23-004 SPLIT HVAC SYSTEM
23-005 CONDENSORS PACKING UNIT
26-001 ELECTRIC PANEL
26-002 ELECTRIC METER
28-001 FIRE ALARM PANEL

BUILDING 2 B,C,D - FIRST FLOOR PLAN

A-2.1B

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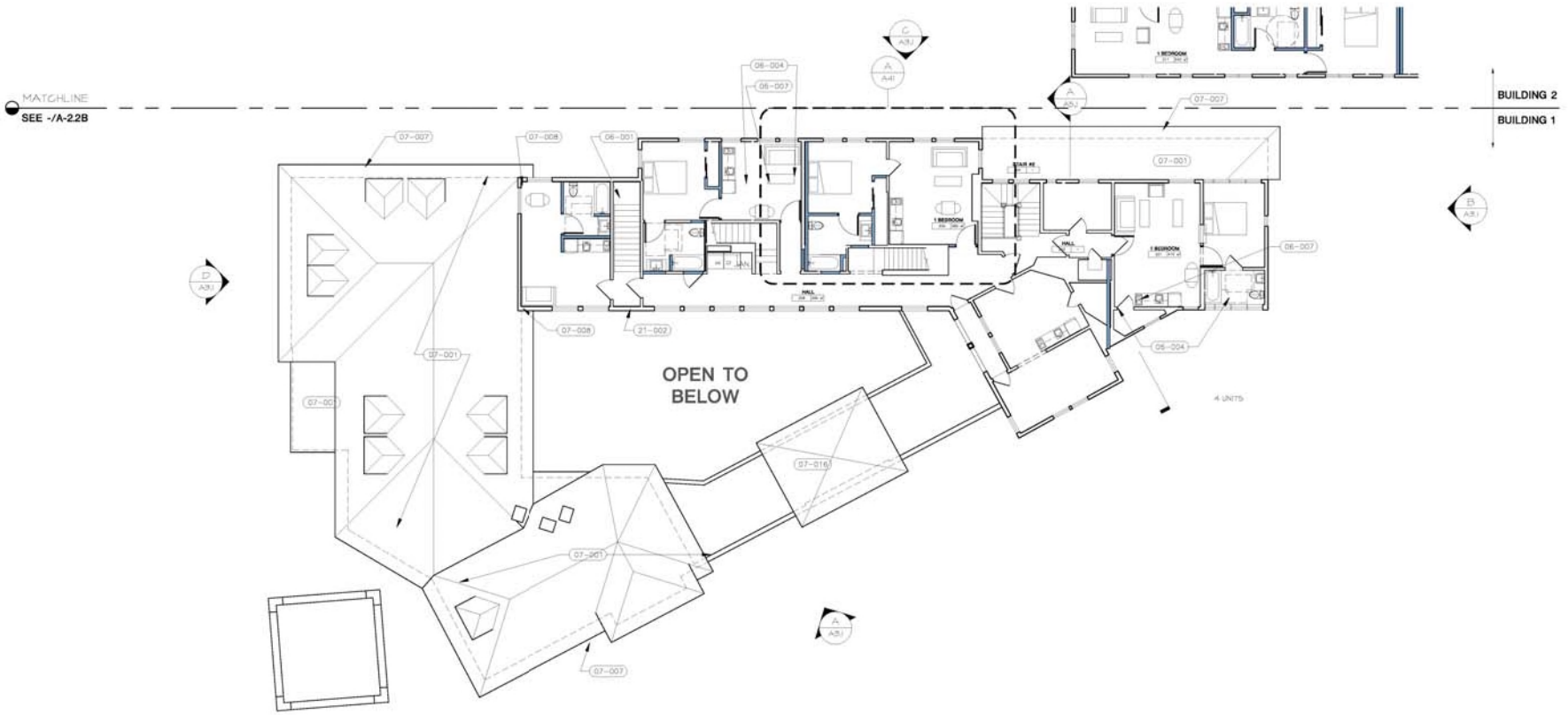

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

06-001 WOOD FLOOR INFILL TO LEVEL - REFER STRUCTURAL
06-004 FLOOR UNDERLAYMENT
06-007 1 HR. TREATMENT SEPARATION WALL
07-001 ASPHALT ROOF SHINGLE SYSTEM
07-007 (E) OGEE GUTTER, REPAIR
07-008 3" ROUND DOWNSPOUT, MATCH
07-016 ROOFING SYSTEM SHINGLE FLY
08-005 INFILL STUCCO
21-002 (E) FIRE RISE

BUILDING 1A - SECOND FLOOR PLAN

A-2.2A

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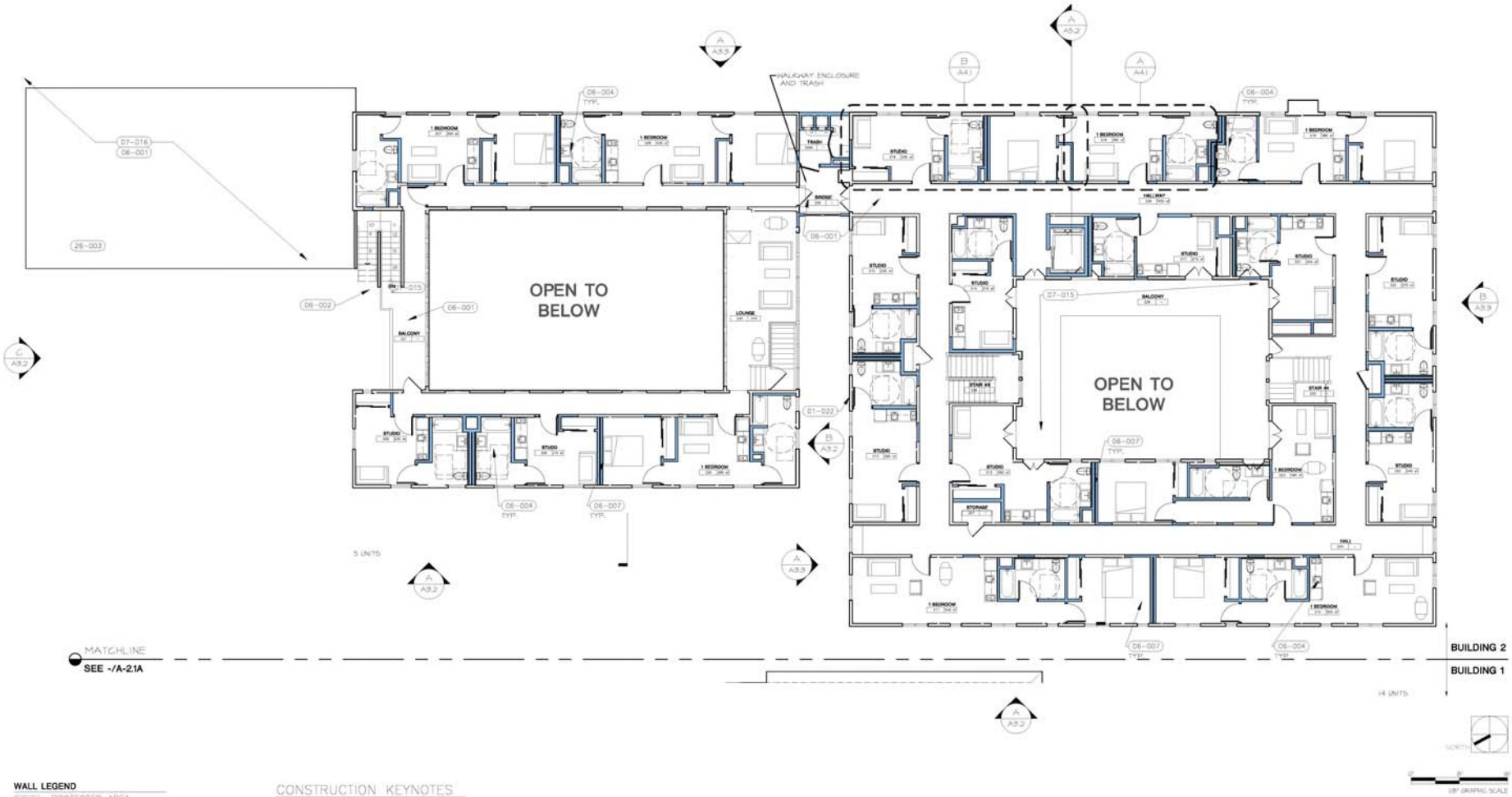

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

01-022 PROTECT WAINSCOT
06-001 HOOD FLOOR INFILL TO LEVEL - REFER STRUCTURAL
06-002 HOOD STAIR - REFER STRUCTURAL
06-004 FLOOR UNDERLAYMENT
06-007 1 HR TREATMENT SEPARATION WALL
07-015 PEDESTRIAN DECK SYSTEM
07-016 ROOFING SYSTEM SINGLE PLY

BUILDING 2B,C,D - SECOND FLOOR PLAN

A-2.2B

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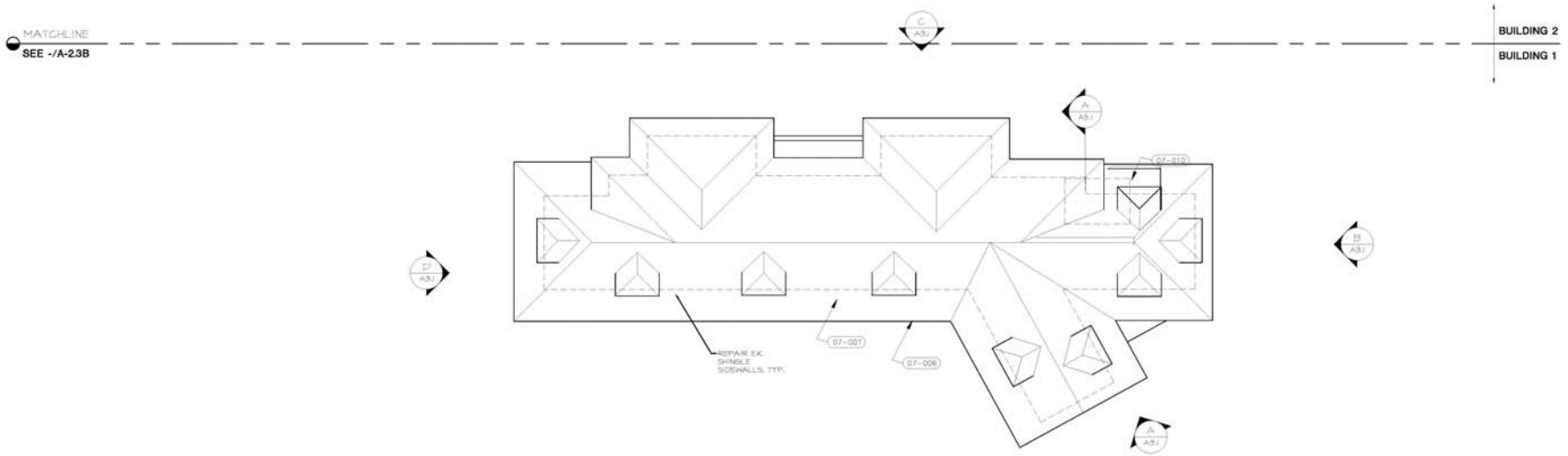
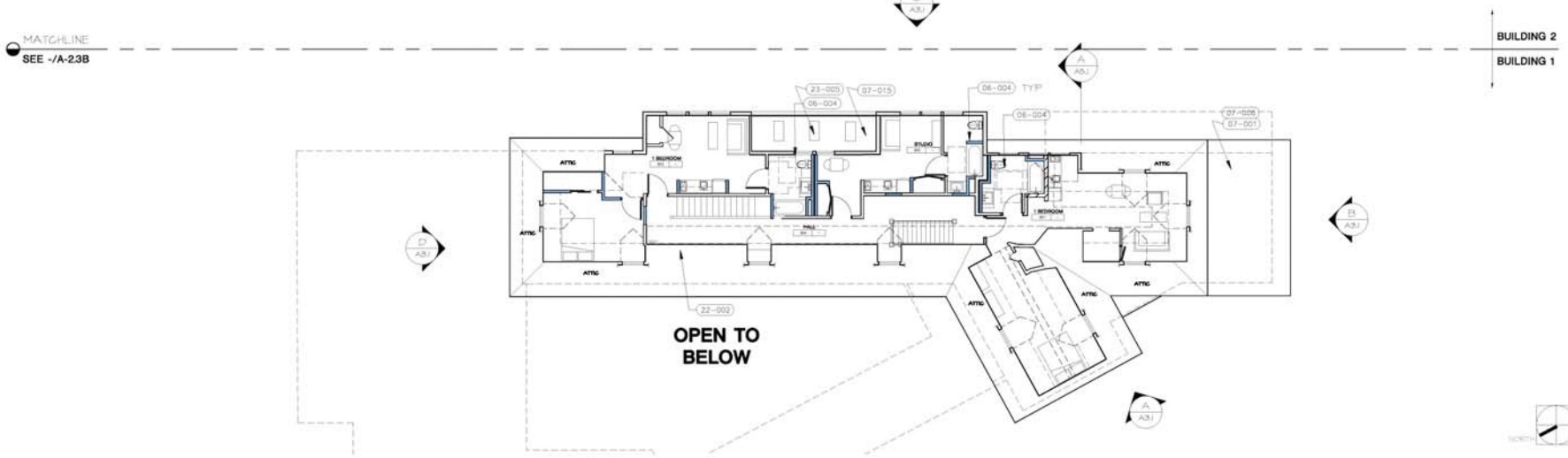


BUILDING 1A - ROOF PLAN



WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

06-004 FLOOR UNDERLAYMENT
07-001 ASPHALT ROOF SHINGLE SYSTEM
07-006 GALV. OGEE GUTTER/LEADER
07-012 GALV. METAL SIDE WALL FLASHING
07-015 PEDESTRIAN DECK SYSTEM
22-002 CIRCULATING PUMPS
23-005 CONDENSING PACKING UNIT

BUILDING 1A - THIRD FLOOR PLAN

A-2.3A

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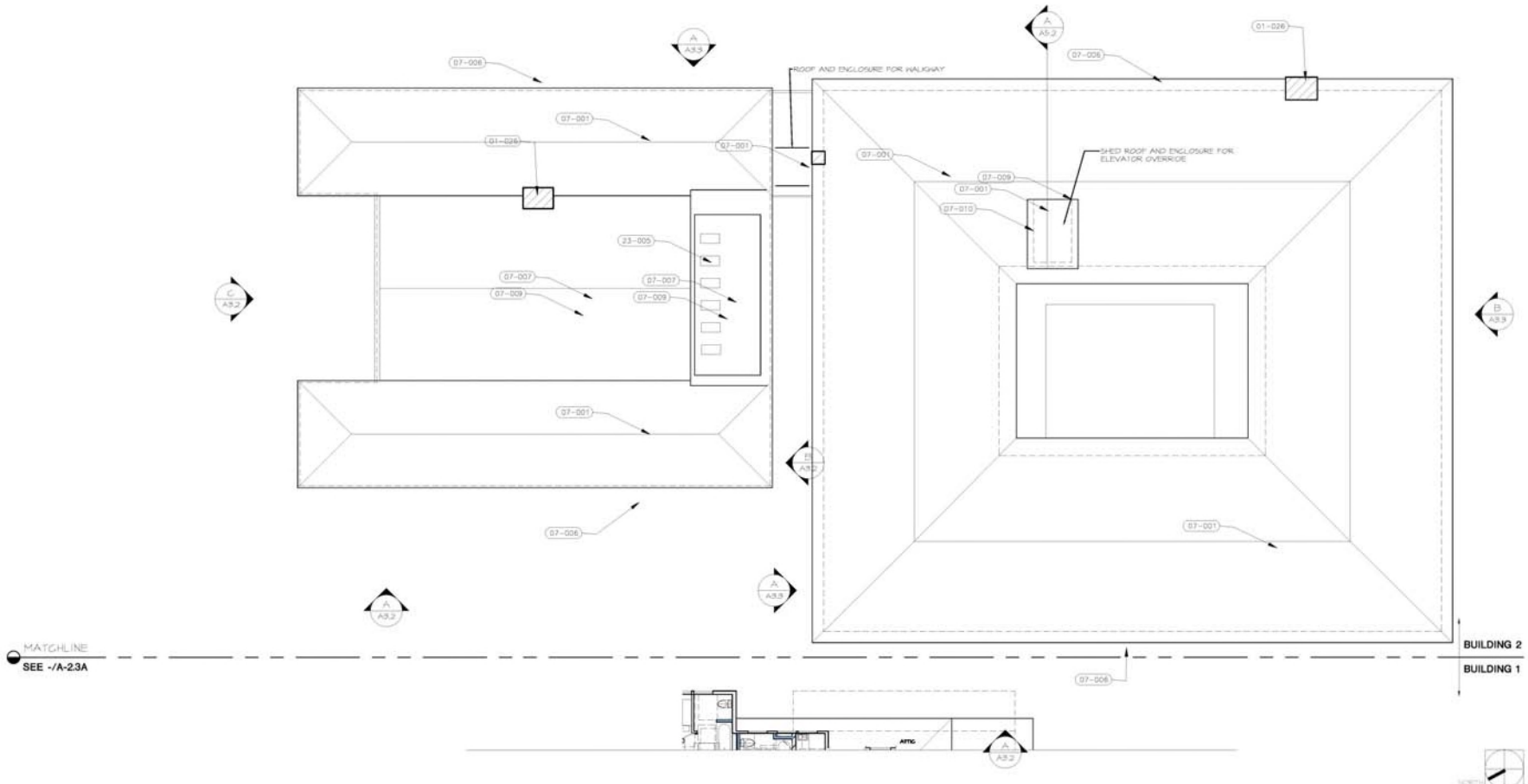

WALL LEGEND

- PROTECTED AREA
- DEMO WALL
- EX. WALL TO REMAIN
- UPGRADE TO RATED WALL
- REMOVE CEILING, WALL AND FLOOR FINISH
- NEW ALL FRAMING
- WALL BELOW OR ABOVE

CONSTRUCTION KEYNOTES

01-026 PROTECT (E) FIREPLACE
07-001 ASPHALT ROOF SHINGLE SYSTEM
07-006 GALV. OGEE GUTTER, MATCH
07-007 2" RIGID INSULATION
07-009 SINGLE PLY ROOFING
07-010 GALV. METAL SCB WALL FLASHING
23-005 CONDENSORS PACKING UNIT

BUILDING 2C:D - ROOF PLAN

A-2.3B

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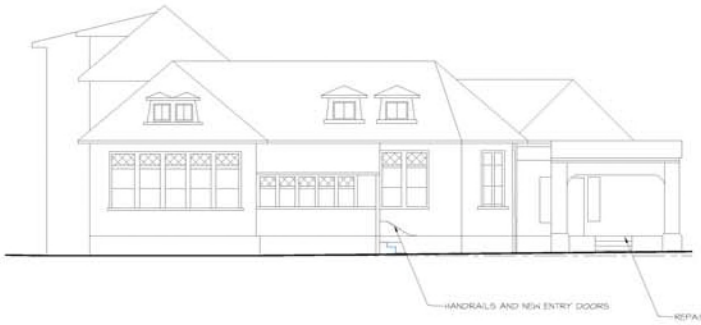


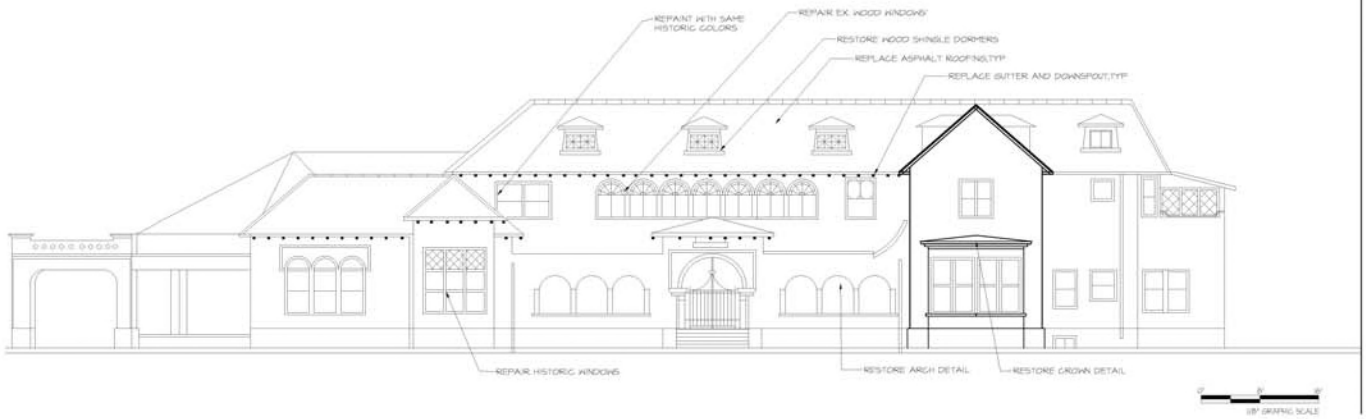
D ADAMS [NORTH] ELEVATION



C [EAST] ELEVATION



B [SOUTH] ELEVATION



A HOOVER STREET [WEST] ELEVATION

BUILDING 1A - ELEVATIONS

A-3.1

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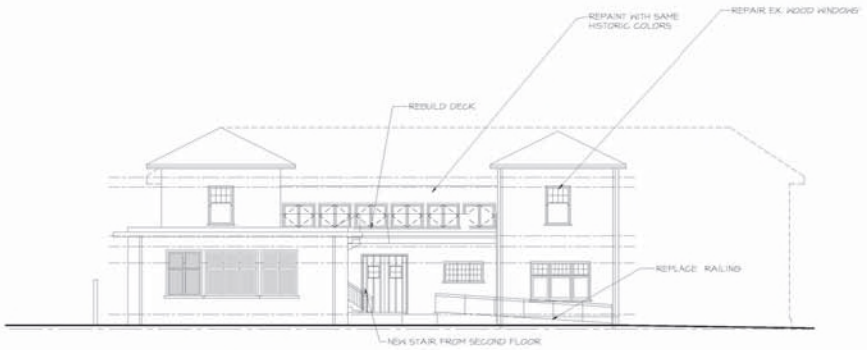
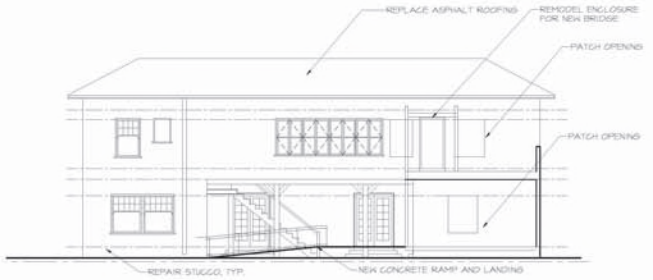
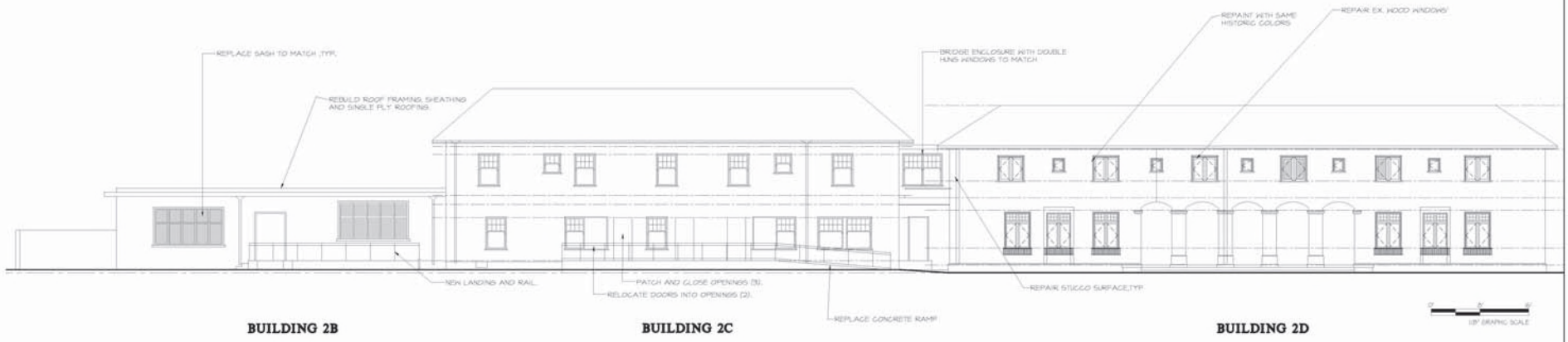


C ADAMS [NORTH] ELEVATION



B [SOUTH] ELEVATION



A COURT [WEST] ELEVATION

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BUILDING 2B,C,D - ELEVATIONS

A-3.2

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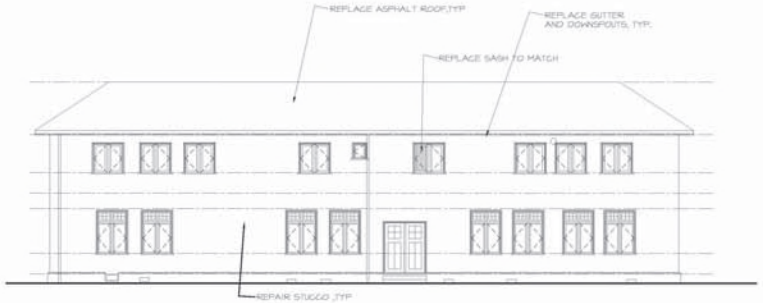
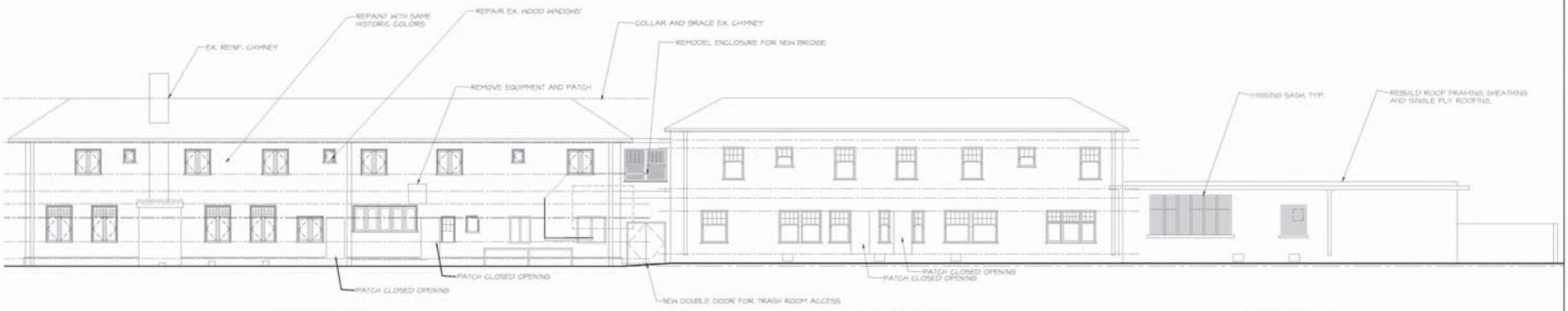
BUILDING 2D

C [NORTH] ELEVATION



BUILDING 2D

B ALLEY [SOUTH] ELEVATION



BUILDING 2D BUILDING 2C BUILDING 2B

A [EAST] ELEVATION

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BUILDING 2B,C,D - ELEVATIONS

A-3.3

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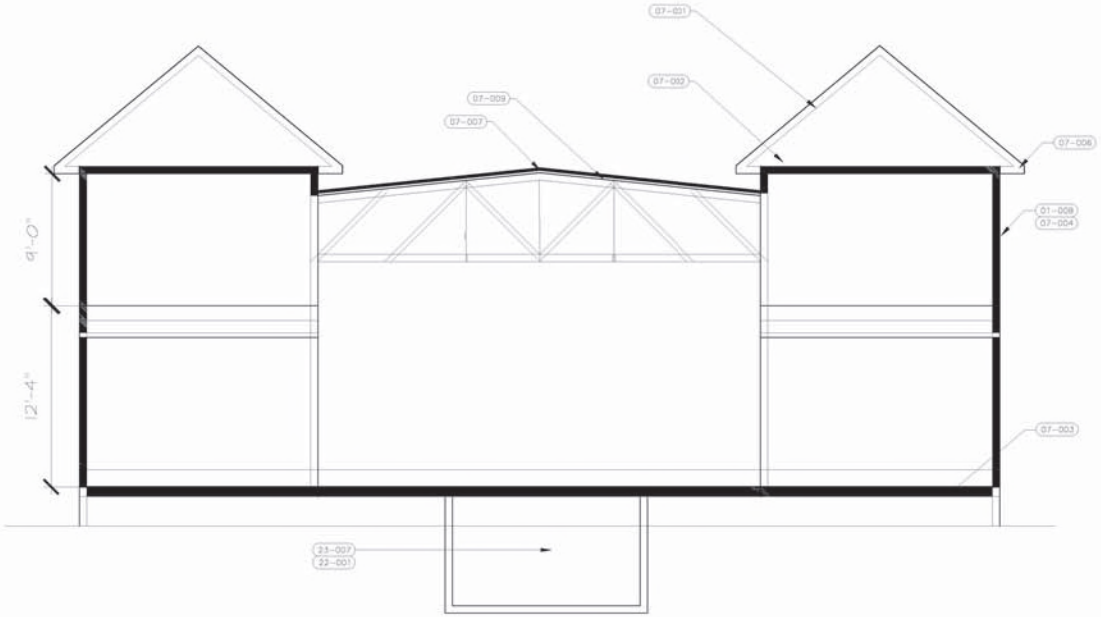
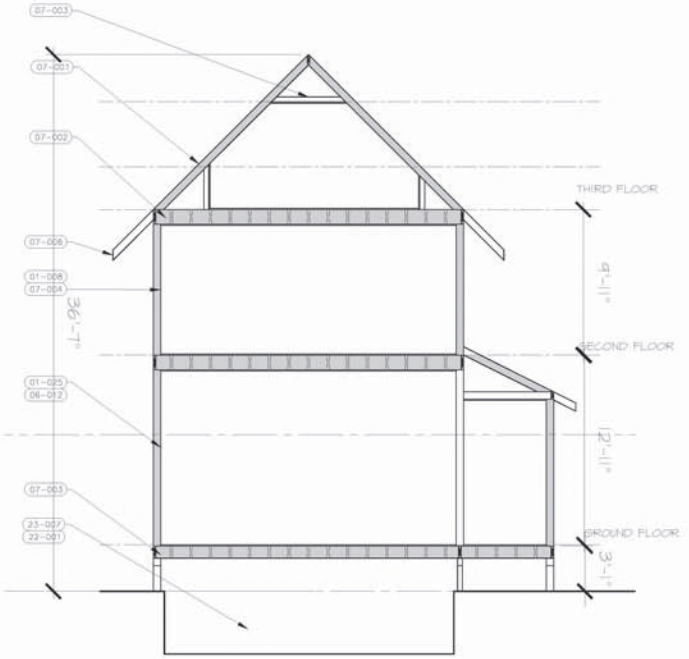


Building C Section



Building A Section

CONSTRUCTION KEYNOTES

01-008 DEMO WALL FINISH
01-025 PROTECT (E) EXTERIOR FINISH, REPAINT
06-012 PROTECT (E) HOOD SASH, REPAIR SASH, FRAMES AND TRIM.
07-001 ASPHALT ROOF SHINGLE SYSTEM
07-002 R-30 BLOWN-IN CEILING INSULATION
07-003 R-19 UNDERFLOOR BATT INSULATION - WIRE STAYS, TYP.
07-004 R-13 INSULATION AT WALLS
07-006 GALV. OGEE GUTTER, MATCH
14-001 ELEVATOR
22-001 BOILER SYSTEM
23-001 FANCOIL UNITS

0" 4"
1/8" = 1'-0" GRAPHIC SCALE

SECTIONS BUILDING 1A&1C

A-4.1

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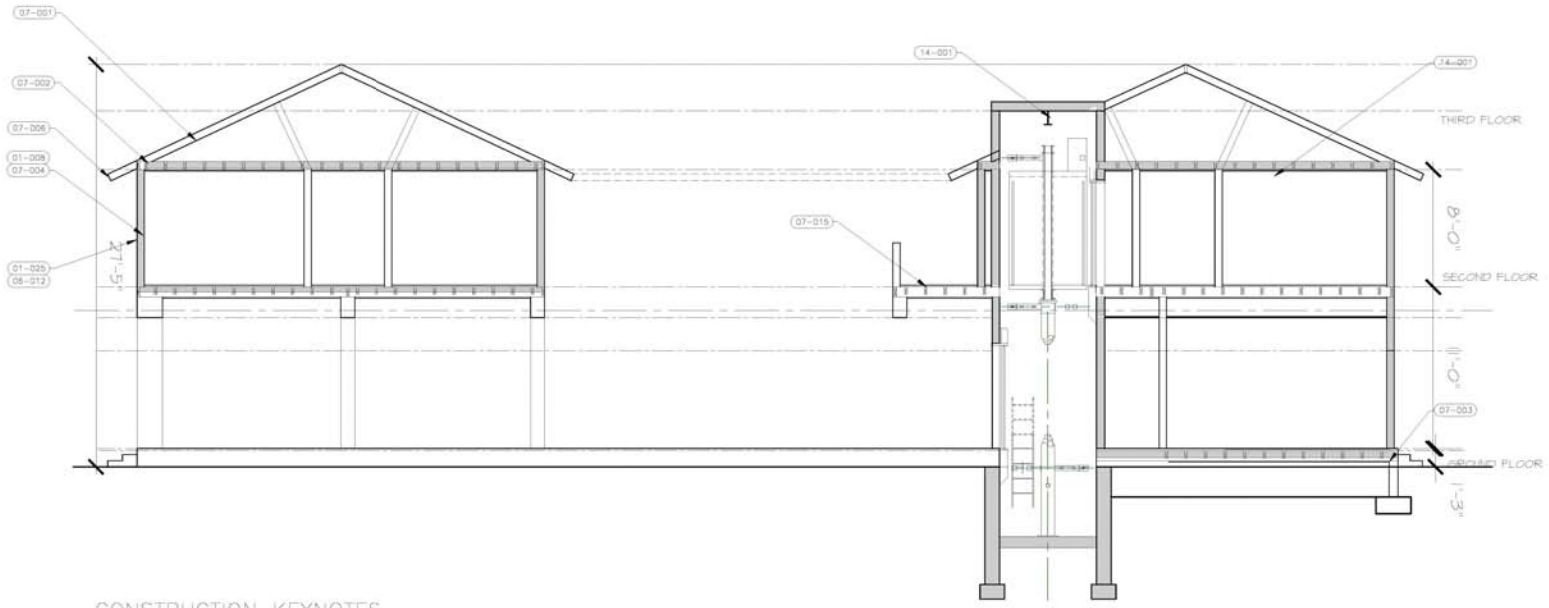

Building D Section

CONSTRUCTION KEYNOTES

01-008 DEMO WALL FINISH
01-025 PROTECT (E) EXTERIOR FINISH, REPAINT
06-012 PROTECT (E) WOOD SASH, REPAIR SASH, FRAMES AND TRIM.
07-001 ASPHALT ROOF SHINGLE SYSTEM
07-002 R-30 BLOWN-IN CEILING INSULATION
07-006 R-19 UNDERFLOOR BATT INSULATION - WIRE STAYS, TYP.
07-004 R-13 INSULATION AT WALLS
07-006 GALV. OGEE GUTTER, HATCH
07-015 PEDESTRIAN DECK SYSTEM
14-001 ELEVATOR

1/4" = 1'-0" GRAPHIC SCALE

SECTIONS BUILDING 2D

A-4.2

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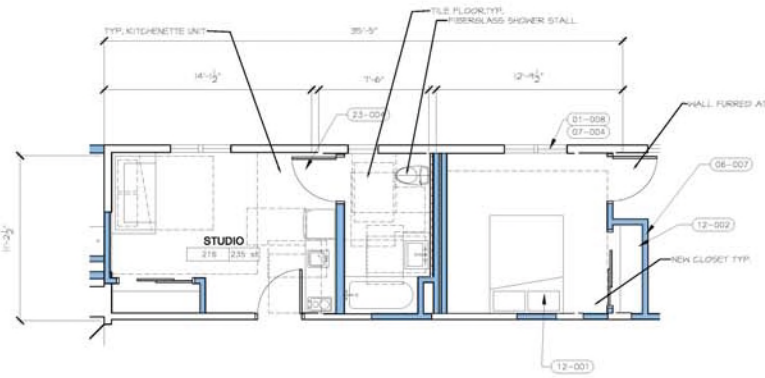
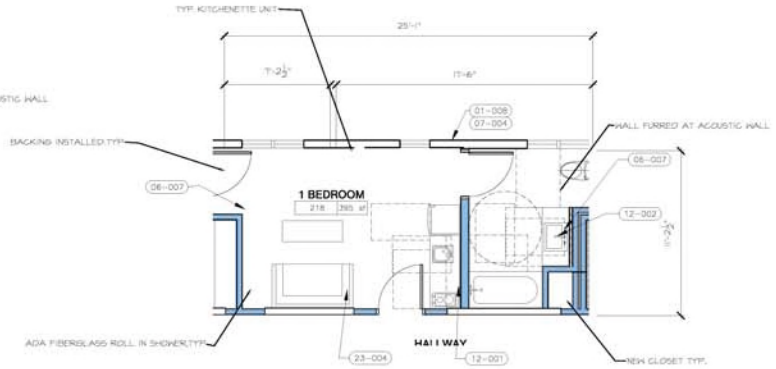
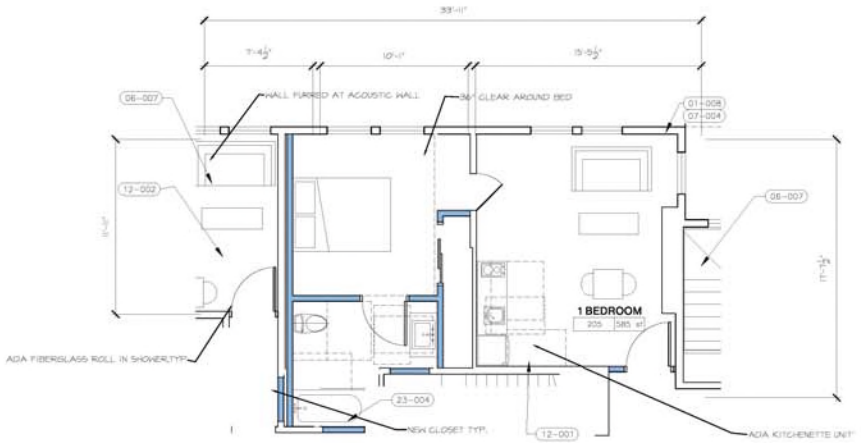


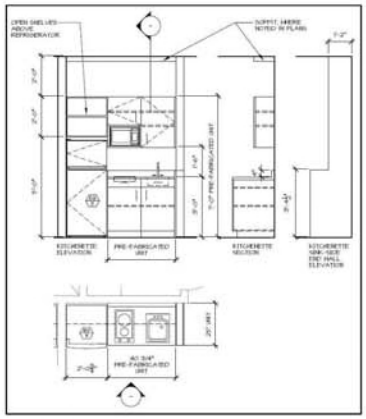
B One Bedroom- Unit 207- Bldg D
SCALE: 1/4" = 1'-0"



A Studio- Unit 209- Bldg D-Adaptible
SCALE: 1/4" = 1'-0"



D ADA One Bedroom- Unit 203- Bldg A
SCALE: 1/4" = 1'-0"



C Typical Kitchenette
SCALE: None

CONSTRUCTION KEYNOTES

01-008 DEMO WALL FINISH
06-007 1 HR TREATMENT SEPARATION WALL
07-004 R-13 INSULATION AT WALLS
12-001 UNIT KITCHEN
12-002 VANITY
23-004 SPLIT HVAC SYSTEM

1/4" GRAPHIC SCALE

ENLARGED UNIT PLANS

A-5.1

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SCHEDULE ABBREVIATIONS

GLAZING
- ITG INSULATED TEMP GLASS
- WG WIRE GLASS
- TG TEMPERED GLASS
- DS DOUBLE STRENGTH GLASS -
- IG INSULATED GLASS -

WINDOWS
- DH DOUBLE HUNG WITH DROP EARS
- H HOPPER TYPE
- F FIXED
- CS SINGLE CASEMENT
- DS DOUBLE CASEMENT

DOORS AND FRAMES
- EX EXISTING
- MTL PREASSEMBLED METAL FRAME
- WD WOOD PANEL
- SVG REUSE SALVAGED
- SC SOLID CORE DOOR
- HC HOLLOW CORE DOOR
- FGW FIBERGLASS CLAD WOOD
- HM HOLLOW METAL DOOR/FRAME
- ST STEEL FABRICATION

HARDWARE SCHEDULE # NOTES:

- HW-1 UNIT ENTRY
  SCHLAGE MERANO LEVER AND CLOSER
- HW-2 UNIT PASSAGE PRIVACY
  SCHLAGE MERANO LEVER WITH PRIVACY
- HW-3 UNIT FRENCH DOOR
  SCHLAGE LEVERLOCKSET AND BOLTS
- HW-4 UNIT CLOSET
  SCHLAGE MERANO LEVER
- HW-5 UNIT POCKET PULL
  ADA CUP PULL
- HW-6 UNIT POCKET PRIVACY
  ADA PRIVACY POCKET DOOR PULL
- HW-7 COMMERCIAL PASSAGE
  SCHLAGE OMEGA LEVER
- HW-8 COMMERCIAL UTILITY KEYED
  SCHLAGE OMEGA KEYED LEVER
- HW-09 ENTRY GATE
  OMEGA LEVER WITH ELECTRONIC ENTRY LOCK AND CLOSER
- HW-10 EXIT GATE
  OMEGA LEVER WITH LOCK AND CLOSER

WINDOW SCHEDULE (H)

NO.	DESCRIPTION	WIDTH	HEIGHT	OPER.	GLASS	HDWR	DETAILS SILL	DETAILS JAMB	DETAILS HEAD	REMARKS
WINDOWS										
W	CASEMENT	2'-4"	4'-0"	CASMT	DS	DP	-	-	-	
W2	DOUBLE CASEMENT	2'-8" EA	4'-0"	CASMT	DS	DP	-	-	-	
W3	DOUBLE CASEMENT	1'-8" EA	2'-8"	CASMT	DS	DP	-	-	-	FIXED WINDOW AT STAIR
W4	FIXED/CASEMNT	5'-10"	4'-0"	CASMT	DS	DP	-	-	-	
W5	FIXED/CASEMNT	5'-10"	4'-0"	CASMT	DS	DP	-	-	-	
W6	CASEMENT/FIXED	1'-4"	4'-0"	CASMT	DS	DP	-	-	-	45 DEGREE BAY WINDOW

WINDOW TYPES

DOOR SCHEDULE (101)

NO.	LOCATION	TYPE	WIDTH	HEIGHT	DOOR THICK.	DOOR MATL.	DOOR HDW.	FRAME MATL.	FRAME HEAD	FRAME JAMB	FRAME SILL	RATING	REMARKS
BASEMENT DOORS													
D01	STAIR #1	A	3'-0"	6'-8"	1-3/4"	HM	HW-7	HM			-		
TYPICAL UNIT DOORS													
UD1	UNIT ENTRY	A	3'-0"	6'-8"	1-3/4"	SC	HW1	MTL				-	EXTERIOR SILL AS OCCURS
UD2	UNIT INTERIOR TYP.	B	3'-0"	6'-8"	1-3/8"	HC	HW2	WD				-	-
UD3	UNIT POCKET	B	3'-0"	6'-8"	1-3/8"	HC	HW6	WD				-	POCKET DOOR
UD4	UNIT BATHROOM	C	3'-0"	6'-8"	1-3/8"	HC	HW2	WD				-	-
UD5	UNIT SLIDING	B1	3'-6"	6'-8"	1-3/8"	HC	HW5	WD			-	-	-
UD6	UNIT SLIDING	B2	4'-0"	6'-8"	1-3/8"	HC	HW5	WD			-	-	-
UD7	UNIT SLIDING	B3	5'-0"	6'-8"	1-3/8"	HC	HW5	WD			-	-	-
UD8	UNIT UTILITY	D	2'-0"	6'-8"	1-3/8"	SC	HW4	WD			-	-	-
UD9	UNIT LINEN	B	2'-0"	6'-8"	1-3/8"	HC	HW4	WD			-	-	-

ENTRANCE DOORS MUST MEET STC 26 RATING and 0.50 U VALUE

DOOR TYPES



A FLUSH PANEL

B FLUSH PANEL

C FLUSH MOLDED

D LOUVER MECHANICAL DOOR

INTEGRAL DEVELOPMENT, LLP / WARD ECONOMIC DEVELOPMENT CORPORATION

CASA DE ROSAS HOUSING
2600 S. Hoover Street - Los Angeles, CA 90007
AUGUST 10, 2017

DOOR AND WINDOW SCHEDULES

A-6.1

M2A Milofsky and Michali Architects

FINISH LEGEND

CT	CERAMIC TILE THINSET
CPT	CARPET
BR	BRICK
E	EXISTING
EFC	EXPOSED FINISHED CONCRETE SEALED
TS	TRAFFIC SURFACE
SG	STAIN GRADE WOOD
PG	PAINT GRADE WOOD
GB SK	DRYWALL W/SKIM COAT
GYP BD	DRYWALL
GWB	MOISTURE RESISTANT DRYWALL
HWD	HARDWOOD FLOOR AND SIDE
MTL	METAL
M	MARBLE
MDF	MEDIUM DENSITY FIBERBOARD
PP	PATCH OPENINGS & PAINT
RB	RUBBER BASE
SH	SHEET FLOORING
ST	STONE
SC	CONCRETE, SEALED
STUC	STUCCO
XD	WOOD
VB	VINYL BASE
VP	VINYL PLANK FLOORING
ET	REFINISH (E) TILE
EP	REFINISH (E) PLASTER
EWP	REFINISH (E) WOOD PANELING
ET	REFINISH (E) WOOD TRIM
EW	REFINISH WOOD

FINISH TRIM

FINISH SCHEDULE - COLORS

REMARKS	FIN_MISC2	FIN_MISC1	MILLWORK	CEILING	TRIM	DOOR	WALLS N	WALLS E	WALLS S	WALLS W	-	BASE	FLOOR	ROOM NUMBER	ROOM NAME
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	101	ADMINISTRATION
CONTER C2	-	-	G1	P3	P2	P2	P5	P5	P5	P5	-	P2	P4	108	OFFICE
	-	-	-	P3	P2	P2	P5	P5	P5	P5	-	P2	G1-1	108A	UNISEX
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	110	COUNSELLING
	-	-	-	P5	P2	P2	P1	P1	P1	P1	-	P2	P4	111	STAIR #2
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	112	MULTI-PURPOSE
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	112A	MULTI-PURPOSE
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	114	MEETING
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	115	MEETING

FINISH SCHEDULE - MATERIALS

ROOM NAME: 001 A

REMARKS	FLOOR	BASE	TRIM	WALLS N	WALLS E	WALLS S	WALLS W	CEILING	CEILING HT.	HARDWARE	WAINSCOT CABINETS
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	XD
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-
GWB AT WET WALLS, TYP., THINSET CERAMIC TILE, DURODK TUF	CT	CT	MDF	GYP BD	GYP BD	GYP BD	GYP BD	GYP BD		+	-
	CPT	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-
	EH	EH	EH	EP	EP	EP	EP	EP		-	-
	EH	EH	EH	EP	EP	EP	EP	EP		-	-
	EH	EH	EH	EP	EP	EP	EP	EP		-	-
	EH	EH	EH	EP	EP	EP	EP	EP		-	-

FINISH SCHEDULE - COLORS

REMARKS	FIN_MISC2	FIN_MISC1	MILLWORK	CEILING	TRIM	DOOR	WALLS N	WALLS E	WALLS S	WALLS W	-	BASE	FLOOR	ROOM NUMBER	ROOM NAME
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	-	LIVING/DINING
CONTER C2	-	-	G1	P3	P2	P2	P5	P5	P5	P5	-	P2	P4	-	KITCHEN
	-	-	-	P3	P2	P2	P5	P5	P5	P5	-	P2	RF-1	-	BATH
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	-	BEDROOM
	-	-	-	P3	P2	P2	P1	P1	P1	P1	-	P2	P4	-	HALLWAY

FINISH SCHEDULE - MATERIALS

ROOM NAME: 001 A

REMARKS	FLOOR	BASE	TRIM	WALLS N	WALLS E	WALLS S	WALLS W	CEILING	CEILING HT.	HARDWARE	WAINSCOT CABINETS
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	XD
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-
GWB AT WET WALLS, TYP., THINSET CERAMIC TILE, DURODK TUF	CT	CT	MDF	GYP BD	GYP BD	GYP BD	GYP BD	GYP BD		-	-
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-
	SH	MDF	MDF	GYP BD	GYP BD	GYP BD	GYP BD	EP		-	-

FINISH MATERIALS/COLORS

KEY	TYPE	FINISH	COLOR NAME	MANUFACTURER
PAINT - NOTE 1				
P1	WALLS	EGGSHELL	BONE DEC 765	DUNN EDWARDS
P2	TRIM/DOORS	SEMI-GLOSS	WHISPER DEW 340	DUNN EDWARDS
P3	CEILING	FLAT	WHISPER DEW 340	DUNN EDWARDS
P4	DOORS/TRIM/WINDOW	SEMI-GLOSS	WHISPER DEW 340	DUNN EDWARDS
P5	WALLS	SEMI-GLOSS	BONE DEC 765	DUNN EDWARDS
P6	CEILING	SEMI-GLOSS	WHISPER DEW 340	DUNN EDWARDS
P7	CONCRETE FLOOR	SEALER	-	-
FLOORING - NOTES 2 & 5				
RF-1	RMCS 2.0 6x6x9		FORBO	
GT-1	FLOOR TILE	2X2 HEX TILE	PORCELAIN WHITE (100)	ELITE RETRO
GT-3	FLOOR TILE	12X12	MATCH	MATCH
SG	PATIO/BALCONY FLOORING	ELASTOMERIC	STOCK	POLYDECK
CABINETS/COUNTERS - NOTE 4				
G1	PLASTIC LAMINATE		-	WILSON ART
G2	PLASTIC LAMINATE	-	-	WILSON ART
HI	2" WIRE CABINET PULLS	RUBBED BRONZE	96	-

NOTES:
1. CRI GREEN LABEL NO VOC PAINTS
2. FLOOR SCORE CERTIFIED RESILIENT FLOORING
3. CRI GREEN LABEL LOW VOC CARPETING AND LOW VOC PAD WITH LOW VOC ADHESIVES.
4. FORMALDEHYDE FREE CABINET MATERIALS OR SEALED BY LAMINATE OR NO-VOC PRIMER.
5. CARPET UNDERLAYMENT- HIGH RECYCLE CONTENT, NON-TOXIC, R12 INSULATION.

EXTERIOR FINISH MATERIALS/COLORS

KEY	TYPE	FINISH	COLOR NAME	MANUFACTURER
PAINT - NOTE 1				
EP1	WALLS	FLAT	-	DUNN EDWARDS
EP2	TRIM/WINDOW DOOR	SEMI GLOSS	-	DUNN EDWARDS
EP3	ACCENT	FLAT	-	DUNN EDWARDS
EP4	WINDOWS	SEMI-GLOSS	-	DUNN EDWARDS
EP5	WALKWAY	-	-	POLYDECK
EP6	METALS	SEMI-GLOSS		DUNN EDWARDS

EQUIPMENT SCHEDULE

NOTE: ALL ENERGY STAR APPLIANCES

MARK	DESCRIPTION	WIDTH	LENGTH	FINISH	MANUFACTURER/MODEL	REMARKS
EQ-1	2 BURNER RANGE	24"	-		DWYER OR EQUAL	240V
EQ-2	SINK	10.75"	14.75"	CHROME	DWYER OR EQUAL	
EQ-3			-			
EQ-4	ADA COUNTERTOP MICROWAVE	11-7/8"	12-3/8"	WHITE	JETAO9KWK	1.4 cu. ft.
EQ-5	MICROWAVE	95"	-	-	-	
EQ-6	FREE-STANDING REFRIGERATOR	29.625"	30.75"	WHITE	KENMORE	ENERGY STAR, 19 cu. ft.
EQ-7	COMMERCIAL FRONT LOAD WASHER	-	-	WHITE	SPEED QUEEN SFNNCASP5TWA01	ENERGY STAR
EQ-8	COMMERCIAL STACK DRYER	-	-	WHITE	SPEED QUEEN SDE5BCASW6TWA01	
EQ-9	COMMON SPACE EXHAUST HOOD	30"	-	WHITE	BROAN 4000	
EQ-10	TENANT MAILBOXES-3 SECTIONS	-	-	4G	SALISBURY INDUSTRIES	MAX 48" ADA MAILBOX
EQ-11	TENANT EXHAUST FAN	-	-			
EQ-12	FIRE EXTINGUISHER CABINET	9"	5"	WHITE	H-STYLE	ULINE - SEMI RECESSED SLIB

FIXTURE & ACCESSORY SCHEDULE

MARK	DESCRIPTION	WIDTH	LENGTH	FINISH	MANUFACTURER/MODEL	REMARKS
	RESIDENTIAL UNITS					
1	SHOWER CURTAIN ROD		60"	CHROME	MOEN - TR6000CH	
2	TOWEL BAR		24"	CHROME	DELTA - PORTER-18424	
3	TOWEL RING		7 1/2"	CHROME	DELTA - PORTER-18446	
4	TOILET PAPER HOLDER		-	CHROME	DELTA - PORTER-18450	
5	ROBE HOOK		-	CHROME	DELTA - PORTER-18435	
6	FRAMELESS WALL MIRROR	36"	36"		ERIAS - RO244 (S/M/LAR)	
7	MIRRORED RECESSED MEDICINE CABINET	16"	26"	CHROME	ZACA - REGULUS	
8	FIBERGLASS TUB/SHOWER UNIT	30"	60"	FIBGL	FIDEK CARE - ET60-30HC-BO	
9	ADA ROLL-IN FIBERGLASS TUB/SHOWER UNIT	30"	60"	FIBGL	LASCO BATHWARE - 16259FSTC	ADA, WITH SEAT AND GRAB BARS

INTEGRAL DEVELOPMENT LLP

WARD ECONOMIC DEVELOPMENT CORPORATION

CASA DE ROSAS HOUSING
2600 S. Hoover Street - Los Angeles, CA 90007
AUGUST 10, 2017

FINISH AND EQUIPMENT SCHEDULES

A-6.2

Milofsky and Michali Architects

Attachment D
Affordability Restrictions

2600 S. Hoover Street

ATTACHMENT D
CASA DE ROSAS (2600 HOOVER STREET)
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units
30% AMI TCAC / Moderate HCD / 30% AMI HHH-CH / 60% AMI CDLAC			
Number of Units	6	6	0
30% AMI TCAC Rent	$445	$469	N/A
30% AMI HHH-CH Rent	$445	$469	N/A
Moderate HCD Rent	$1,219	$1,388	N/A
60% AMI CDLAC Rent	$918	$976	N/A
PBS8 Vouchers	Yes	Yes	N/A
Applicable Rent	**$445**	**$469**	**N/A**
30% AMI TCAC / Moderate HCD / 30% AMI HHH-CH			
Number of Units	1	0	0
30% AMI TCAC Rent	$445	N/A	N/A
30% AMI HHH-CH Rent	$445	N/A	N/A
Moderate HCD Rent	$1,219	N/A	N/A
PBS8 Vouchers	Yes	N/A	N/A
Applicable Rent	**$445**	**N/A**	**N/A**
40% AMI TCAC / Moderate HCD / 40% AMI HHH-PSH / 60% AMI CDLAC			
Number of Units	2	2	0
40% AMI TCAC Rent	$603	$638	N/A
40% AMI HHH-PSH Rent	$603	$638	N/A
Moderate HCD Rent	$1,219	$1,388	N/A
60% AMI CDLAC Rent	$918	$976	N/A
PBS8 Vouchers	Yes	Yes	N/A
Applicable Rent	**$603**	**$638**	**N/A**
40% AMI TCAC / Moderate HCD / 40% AMI HHH-PSH /			
Number of Units	6	2	0
40% AMI TCAC Rent	$603	$638	N/A
40% AMI HHH-PSH Rent	$603	$638	N/A
Moderate HCD Rent	$1,219	$1,388	N/A
PBS8 Vouchers	No	No	N/A
Applicable Rent	**$603**	**$638**	**N/A**
60% AMI TCAC / Moderate HCD			
Number of Units	0	10	0
60% AMI TCAC Rent	N/A	$976	N/A
Moderate HCD Rent	N/A	$1,388	N/A
PBS8 Vouchers	N/A	No	N/A
Applicable Rent	**N/A**	**$976**	**N/A**

Prepared by: Keyser Marston Associates, Inc.
Filename: Casa de Rosas - 2017 4% Model; Affordability Chart; jlr; 9/7/2017

Attachment E: Term Sheet – 6901-6915 S. Main Street

6901 South Main Street
Owner Participation Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Owner Participation Agreement ("OPA") for The Residences on Main (Project) shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), Coalition for Responsible Community Development, a California nonprofit public benefit corporation (CRCD), and L.A. Family Housing, a California nonprofit public benefit corporation (LAFH). CRCD and LAFH are collectively referred to as "Developer".

2. **City Site Description:**
Four parcels of land are currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Parcel 1	6901 South Main Street	6012-009-902	5,570	Attachment A
City Parcel 2	6905 South Main Street	6012-009-901	5,592	Attachment A
City Parcel 3	6909 South Main Street	6012-009-904	5,592	Attachment A
City Parcel 4	6915 South Main Street	6012-009-903	2,500	Attachment A
Total City Site			**19,254**	

3. **Developer Site Description:**
One parcel of land is currently owned by the Developer and is adjacent to the City Parcels indicated above:

	Address	APN	Parcel Size (Sf)	Legal Description
Developer Parcel	6917 South Main Street	6012-009-065	5,000	Attachment B
Total Developer Site			**5,000**	

4. **City Site History**
The Community Redevelopment Agency of the City of Los Angeles (CRA/LA) acquired the four City-owned parcels over a four year period from 2006 to 2010. In April 2006, 6901 and 6905 South Main Street were transferred to the CRA/LA as a result of a public nuisance and narcotics abatement lawsuit. In July of 2008, CRA/LA purchased 6915 South Main Street for $201,509 using CD 9 Housing Trust Series D Bond Proceeds. Finally, in March of 2010, CRA/LA purchased 6909 S Main Street for $575,000 using Bunker Hill Replacement Housing Trust Fund Dollars. The four City-owned parcels were transferred from the former CRA/LA to HCIDLA in May 2013.

5. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: The Residences on Main will be a four-story building that will consist of 50 units. Approximately 25 units will be dedicated to Transition Age Youth (TAY) and chronically homeless households, approximately 24 units will be provided to homeless family households, and one unit will be set-aside for an on-site manager. A total of 25 parking spaces will be provided in

an at-grade podium parking garage. Approximately 2,530 square feet of community/service space will be provided, in addition to a 750-square foot community garden area.

b. Project Site Size: The gross site area consists of 24,254 square feet of land area (includes the City Site and Developer Site). However, a number of street dedications will be required. The net site area after these street dedications is estimated at 22,956 square feet of land area.
c. Gross Building Area: 44,095 square feet (30,065 sf gross living area, 6,196 sf of common/service areas, 7,834 sf of circulation).
d. Unit Mix: 21 studio units, 15 one-bedroom units, 6 two-bedroom units, and 8 three-bedroom units.
e. Parking: 25 spaces
f. Target Population: transition age youth (TAY), chronically homeless, family homeless (49 Permanent Supportive Housing Units)
g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. At least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
h. Amenities: Two offices for supportive services, two community rooms, one tech room, laundry rooms on each residential floor, storage for 50 bicycles, and a community garden.

6. **Purchase and Sale of the City Site:**
The City agrees to sell and convey to the Developer, and the Developer agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the OPA and the Grant Deed.

7. **Purchase Price for City Site:**
The City agrees to convey the City Site to the Developer and the Developer agrees to purchase the City Site for the fair market value of the City Site based on an appraisal conducted within six months of the closing on the land by an HCIDLA approved appraiser ("Purchase Price").

8. **Relocation**
The Developer Parcel includes a two-unit residential building that is currently occupied. The Developer will be responsible for relocating the occupants per City, State and/or Federal relocation requirements. The Developer estimates the relocation costs to be approximately $300,000. This cost estimate includes the tenant relocation expenses as well as the costs to prepare a relocation plan.

9. **Developer Pro Forma:**
Attached ("Attachment C") is the current Developer Pro Forma for the Project.

10. **Project Site Plan:**
Attached ("Attachment D") is the current Site Plan for the Project.

11. **Labor Rates:**
The Project will incur federal Davis Bacon, and State of California prevailing wages.

12. **Developer Fee:**
The total developer fee is estimated at $2,775,191, which is the maximum allowed under the TCAC regulations. ~~The Developer intends to defer $260,088 or 9% of the developer fee, which will be repaid out of the Project's cash flow.~~ In addition, the Developer proposes to contribute an additional $275,191, or 10% of the developer fee, back to the Project as Developer Equity. This equates to the amount of the developer fee above $2.50 million.

13. **Social Services to be Provided at Project:**

The Project will provide $120,000 in annual social services on-site. The Project proposes to service Transition Age Youth, and homeless individuals and their families. Full-time on-site case management will be provided to all of the tenants. Additionally, the Developer proposes to have two full-time Case Managers and one part-time Resident Services Coordinator available at the Project. The services that will be made available to residents will include the following:

a. Case management
b. Individualized Service Plans
c. Mental Health Care
d. Substance Use Services
e. Employment Training
f. Housing Outplacement
g. Life Skills
h. Physical Health Care
i. Benefits Assistance
j. Representative Payee
k. Legal Assistance
l. Peer Advocacy
m. Transportation Assistance
n. Social and Recreational Activities
o. Child Care (as needed)
p. Parenting Education (as needed)
q. Medication Management
r. Attendant Care
s. Adult Day Care
t. Green education

14. **Minimum Reserves:**

a. Capitalized Operating Reserves - $235,500
b. Annual Replacement Reserves - $500 per unit

15. **City Land Loan Terms:**

The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:

a. The City Loan Amount will be equal to the Purchase Price of the City Site.
b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from Certificate of Occupancy (COO).
c. The City Land Loan will have a 3.0% simple interest rate applied.
d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payment on other soft loans.)
e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB).
f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
g. The City Land Loan will be secured by a subordinated Trust Deed that will be applied to the entire Project Site.

16. **Subordination:**

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB

17. **Affordability Restrictions (See Attachment E):**

One unit will be unrestricted and set-aside for an on-site manager. The remaining 49 units will be subject to income and affordability requirements imposed by the regulatory agreements for up to a 55-year period after COO. The income and affordability restrictions are as follows:

a. City Land Regulatory Agreement (per California Health & Safety Code):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0	0	0
Moderate Income HCD	§50093	§50053	21	15	5	8	49
Total Units			**21**	**15**	**5**	**8**	**49**

b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	16	4	0	0	20
50% AMI	TCAC	TCAC	5	11	5	8	29
Total Units			**21**	**15**	**5**	**8**	**49**

c. CDLAC Regulatory Agreement (20% at 50% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	0	0	0	0	0
35% AMI	TCAC	TCAC	0	0	0	0	0
40% AMI	TCAC	TCAC	0	0	0	0	0
50% AMI	TCAC	TCAC	10	0	0	0	10
Total Units			**10**	**0**	**0**	**0**	**10**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI – PSH / TAY / CH	TCAC	TCAC	16	4	0	0	20
50% AMI – PSH / TAY / CH	TCAC	TCAC	5	0	0	0	5
50% AMI – PSH	TCAC	TCAC	0	11	5	8	24
Total Units			**21**	**15**	**5**	**8**	**49**

e. City Density Bonus Regulatory Agreement (Per Health and Safety Code Definitions):[1]

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0	0	0
Low Income HCD	§50079.5	§50053	10	0	0	0	10
Total Units			**10**	**0**	**0**	**0**	**10**

18. **Financing Plan:**

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$14,017,000
Permanent		$2,190,000
4% Tax Credit Equity	TCAC/TBD Investor	$8,545,000
LACDC Loan	LACDC	~~$1,500,000~~
AHP Loan	Federal Home Loan Bank	$1,035,000
Deferred Developer Fee	Developer	$260,000
Developer Equity	Developer	$275,000
HHH Loan	City of LA	~~$9,700,000~~
City Loan	City of LA	FMV of City Site
Project-Based Section 8	HACLA	49 Vouchers

$3,000,000

$7,540,000

19. **Milestones:**

The Developer agrees to apply for the funds listed below by the following dates:

Action	Date
OPA Executed	By December 29, 2017
Entitlements Application	October 2017
Entitlements Secured	April 2018
LACDC Application / Award	October 2017 / February 2018
HHH PSH Application / Award	November 2017 / February 2018
PBS8 1st Application / Award	November 2017 / February 2018
AHP Application / Award	March 2018 / June 2018
City TEB Application / Approval	May 2018 / August 2018
CDLAC Application / Award	July 2018 / September 2018
4% TCAC Application / Award	August 2018 / September 2018
Financing / Land Closing	December 2018
Construction Commences / Completed	December 2018 / September 2020
Placed in Service Date	September 2020

/

/

[1] The actual City Density Bonus affordability requirements will be subject to the Planning Department's review process.

20. **Agreement of Terms:**

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 10/19/17

Sean L. Spear
Assistant General Manager

DEVELOPER
CRCD / LAFH

By: _____ Date: 10/5/17

Mark Wilson
Executive Director
Coalition for Responsible Community Development

By: _____ Date: _____

Stephanie Klasky-Gamer
President and CEO
LA Family Housing

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Parcel Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

20. Agreement of Terms:

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: _____

Sean L. Spear
Assistant General Manager

DEVELOPER
CRCD / LAFH

By: _____ Date: _____

Mark Wilson
Executive Director
Coalition for Responsible Community Development

By: _____ Date: 10/6/17

Stephanie Klasky-Gamer
President and CEO
LA Family Housing

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Parcel Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

6901-6915 S. Main Street

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THE NORTH 1/3 OF THE EAST 140.00 FEET OF THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 19, TOWNSHIP 2 SOUTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN, BOUNDED ON THE NORTH BY THE SOUTH LINE OF 69TH STREET; WEST BY THE WEST LINE OF MAIN STREET AND THE SOUTH BY THE NORTH LINE OF TRACT NO. 4791, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 50 PAGE 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL MINERALS, GAS, OIL, PETROLEUM, NAPHTHA AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE, WITHOUT HOWEVER, THE RIGHT OF SURFACE ENTRY, AS RESERVED OR EXCEPTED IN DEED(S) OF RECORD.

PARCEL2:

THE SOUTH 39.94 FEET OF THE NORTH 2/3RDS OF THE EAST 140.00 FEET OF THAT PORTION OF THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 2 SOUTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN, BOUNDED ON THE NORTH BY THE SOUTH LINE OF 69TH STREET, EAST BY THE WEST LINE OF MAIN STREET AND SOUTH BY THE NORTH LINE OF TRACT NO. 4791, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 50 PAGE(S) 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL MINERALS, GAS, OIL, PETROLEUM, NAPHTHA AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE, WITHOUT HOWEVER, THE RIGHT OF SURFACE ENTRY, AS RESERVED OR EXCEPTED IN DEED(S) OF RECORD.

PARCEL3:

THE SOUTH ONE-THIRD OF THE EAST 140.00 FEET OF THAT PORTION OF THE SOUTHEAST ONE-QUARTER OF SECTION 19, TOWNSHIP 2 SOUTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, LYING SOUTH OF THE SOUTH LINE OF 69TH STREET, WEST OF THE WEST LINE OF MAIN STREET AND NORTH OF THE NORTH LINE OF TRACT NO. 4791 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 50 PAGE 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL4:

LOT 29 OF TRACT NO. 4791, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 50 PAGE 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Attachment B
Developer Parcel Legal Description

6901-6915 S. Main Street

Order No: 09192728-919-KRC-KRE

EXHIBIT "A"

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

LOTS 30 AND 31 OF TRACT NO. 4791, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 50 PAGE 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor's Parcel Number: **6012-009-065**

Attachment C
Developer Pro Forma

6901-6915 S. Main Street

The Residences on the Main

Prepared For: LAFH
Prepared By: California Housing Partnership Corporation
Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

TABLE OF CONTENTS

Sources of Funds..... 1
Uses of Funds..... 1a
Unit Mix & Rental Income..... 2
Rent Comparison Table..... 2a
Tax Credit Calculation..... 3
Base Year Income & Expense..... 4
Mortgage Calculation & Bond Ratios..... 4a
Lease-up / Placed-in-Service Schedule..... 5
Net Syndication Proceeds..... 6
Threshold Basis Limits..... 7
15-Year Cash Flow..... 8
Outstanding Debt & Reserves..... 8a
Schedule of Deductions..... 9
Analysis of Taxable Income..... 10
Capital Account & Exit Tax Liability..... 11
Investment Summary..... 12
Net Quarterly Benefits..... 13

SOURCES OF FUNDS

PERMANENT

	AMOUNT	TOTAL INT COST	OID INT RATE	TERM (Yr)	COMMENTS	
Tax-Exempt Permanent Loan	1,991,800	5.30%		15		
HCIDLA - PSH	7,540,000	3.00%	1.79%	55		
LACDC - MHHF Funds	3,000,000	3.00%	1.76%	57		
Accrued/Deferred Interest	97,000					
FHLB - AHP	1,110,000	0.00%	0.00%	55		
HCIDLA Land Loan	1,120,000	3.00%	3.00%	55		
Accrued/Deferred Interest -	61,600					
Deferred Developer Fee	423,492	0.00%	0.00%		*Total Developer Fee (net of deferred):*	*2,076,508*
Capital Contributions						
General Partner	150,784					
Limited Partners	8,161,813				*Credit Pricing (LIHTC):*	*$0.963*
					Credit Pricing (net for TCAC app):	0.951
TOTAL SOURCES	**23,656,489**				*4% Credit Rate:*	*3.21%*
Surplus/(Shortfall)	*-0*					

CONSTRUCTION

	AMOUNT	INT RATE	TERM (Mo.)
Tax-Exempt Construction Loan	12,469,359	4.72%	22
HCIDLA - PSH	3,619,200	3.00%	22
LACDC - MHHF Funds	3,000,000	3.00%	22
Accrued/Deferred Interest -	97,000		
FHLB - AHP	1,110,000	0.00%	22
HCIDLA Land Loan	1,120,000	3.00%	22
Accrued/Deferred Interest -	61,600		
Costs Deferred Until Conversion	788,873		
Deferred Developer Fee	423,492		
Capital Contributions			
General Partner	150,784		
Limited Partners	816,181		
TOTAL SOURCES	**23,656,490**		
Surplus/(Shortfall)	0		

COSTS DEFERRED UNTIL CONVERSION

Operating Reserve	165,921
Permanent Loan Fees	-
Legal - Permanent Closing	-
Title/Recording/Escrow - Permanent	-
Audit/Cost Certification	-
Developer Fee	622,952
TOTAL	788,873

DEVELOPER FEE PAY-IN SCHEDULE

Construction Closing	934,429
Construction Completion	519,127
Permanent Conversion	519,127
8609/Tax Filing	103,825
Deferred Into Operations	423,492
TOTAL	2,500,000

INTEREST RATE STACK	*Construction*	*Permanent Tranche A*
Index	1.2200%	2.3000%
Bank spread	1.7500%	2.0000%
Cushion	1.5000%	1.0000%
TOTAL	*4.72%*	*5.30%*

The Residences on the Main

Uses of Funds

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

	TOTAL	100.00% TOTAL RESIDENTIAL	0.00% TOTAL COMMERCIAL	DEPRECIABLE NON-DEPREC	DEPRECIABLE RESIDENTIAL	DEPRECIABLE NON-RES	EXPENSE	AMORTIZE	TAX CREDIT ELIGIBLE CONST/ REHAB	TAX CREDIT ELIGIBLE ACQUIS
ACQUISITION COSTS										
Total Purchase Price	*1,833,135*									
Land - City Owned Parcel	1,120,000	1,120,000	0	1,120,000						
Land - Adjacent Parcel	525,000	525,000	0	525,000						
Holding Costs (RETax,Other Holding)	62,500	62,500	0	62,500	0				0	0
Demolition & Abatement	125,635	125,635	0	125,635						
GENERAL DEVELOPMENT COSTS										
Unit Construction (Total Contract: 13943326)	8,314,009	8,314,009	0		8,314,009	0		0	8,314,009	
Off-Site Improvements	42,700	42,700	0	0	42,700	0			42,700	
Parking	1,995,262	1,995,262	0		1,995,262	0		0	1,995,262	
Site Improvements/Landscape	474,590	474,590	0		474,590	0			474,590	
Furnishings included in contract	922,550	922,550	0		922,550	0			922,550	
Contractor General Requirements	1,068,727	1,068,727	0		1,068,727	0			1,068,727	
Contractor Overhead & Profit	593,737	593,737	0		593,737	0			593,737	
Contractor Bond + Insurance	406,116	406,116	0		406,116	0			406,116	
Construction Contingency (5.5%)	788,848	788,848	0	0	788,848	0			788,848	
Local Permits/Fees/Utility Fees	400,000	400,000	0		400,000	0			400,000	
Local Development Impact Fees	300,000	300,000	0		300,000	0			300,000	
Phase I/Asbestos/Toxics	15,454	15,454	0		15,454	0			15,454	
Architecture	550,000	550,000	0		550,000	0			550,000	
Survey/Engineering/Soils/Testing & Inspections	173,799	173,799	0		173,799	0			173,799	
Appraisal	10,000	10,000	0	10,000	0	0		0	0	
Relocation (Consultant, Perm)	300,000	300,000	0	300,000	0	0			0	
Market Study	6,500	6,500	0		0	0		6,500	0	
Acquisition Loan Interest + Expenses	63,000	63,000	0	63,000	0	0			0	
Predevelopment Loan Interest + Expenses	21,000	21,000	0	0	21,000	0			21,000	
Construction Period Interest	647,400	647,400	0		470,800	0	176,600		470,800	
Construction Period Interest (Seller Loan accrued intere	61,600	61,600	0		44,797	0	16,803		44,797	
Construction Period Interest-(HCID PSH interest)	199,100	199,100	0		144,789	0	54,311		144,789	
Construction Period Interest - (LACDC accrued interest	97,000	97,000	0		70,540	0	26,460		70,540	
Title/Recording/Escrow - Acquisition	14,000	14,000	0	14,000	0	0			0	0
Title/Recording/Escrow - Construction	50,000	50,000	0		50,000	0			50,000	0
Title/Recording/Escrow - Permanent	15,000	15,000	0					15,000		
Real Estate Taxes During Construction	52,500	52,500	0		52,500	0	0		52,500	0
Insurance During Construction	66,470	66,470	0		66,470	0	0		66,470	0
Soft Cost Contingency (5%)	168,488	168,488	0		168,488	0			168,488	
TCAC Application/Monitoring Fee	30,571	30,571	0					30,571		
Legal: Acquisition	0	0	0	0	0				0	0
Construction Closing	50,000	50,000	0		50,000	0			50,000	0
Permanent Closing	10,000	10,000	0					10,000		
Organization of Partnership	10,000	10,000	0				10,000			
Syndication	30,000	30,000	0	30,000						
Investor Legal	45,000	45,000	0	45,000						
Syndication Consulting	55,000	55,000	0	55,000					0	0
Audit/Cost Certification	15,000	15,000	0		0		15,000	0	0	
Furnishings	150,000	150,000	0		150,000	0			150,000	
Marketing Expenses	10,000	10,000	0	0			10,000			
Operating Reserve	165,921	165,921	0	165,921						
Lease-Up Fees	50,000	50,000	0				50,000			
Deputy Inspections/Soils Monitoring/Other Inspections	100,000	100,000	0	0	100,000				100,000	
Construction Manager	80,000	80,000	0		80,000	0			80,000	
Consultants (LEED, Solar, CASp, Sound, CUAC, Local	143,500	143,500	0		143,500	0			143,500	
CDC Loan Reservation Deposit Fee/Monitoring Fee	13,220	13,220	0		13,220	0			13,220	
Developer Fee	2,650,784	2,650,784	0	0	2,650,784	0			2,650,784	
COSTS OF ISSUANCE/FINANCING COSTS										
Lender Counsel (Permanent)	50,000	50,000	0					50,000	0	
Lender Counsel (Construction)	50,000	50,000	0		0	0		50,000	0	
Bond Counsel	50,000	50,000	0		0	0		50,000		
Issuer Financial Advisor	35,000	35,000	0		0	0		35,000		
Lender Expenses	25,000	25,000	0		0	0		25,000	0	
Lender Fees (Construction)	93,500	93,500	0		0	0		93,500	0	
Lender Fees (Permanent)	14,900	14,900	0					14,900		
Trustee Fee	2,500	2,500	0					2,500		
Trustee Counsel	2,500	2,500	0					2,500		
CDLAC Fees	4,364	4,364	0					4,364		
Issuer Fee	31,173	31,173	0					31,173		
Issuer Expenses (app + TEFRA)	6,000	6,000	0					6,000		
Prepaid Annual Issuer Fee	31,173	31,173	0					31,173		
CDIAC Fees	398	398	0	-	-			398	-	
Subtotal - Costs of Issuance	*396,509*	*396,509*	*0*	*0*	*0*	*0*	*0*	*396,509*	*0*	*0*
TOTAL DEVELOPMENT COSTS	**23,656,490**	**23,656,490**	**0**	**2,516,056**	**20,322,679**	**0**	**359,175**	**458,580**	**20,322,679**	**0**
Total Development Cost Per Unit	*473,130*									

TCAC DEVELOPER FEE CALCULATION

	Constr	Total
Maximum Potential TCAC Fee (per limits)	2,500,000	2,500,000
Maximum Potential TCAC Fee (per basis)	2,650,784	2,650,784
Ratio	100.00%	100.00%
Maximum Fee Per TCAC	2,650,784	2,650,784
Maximum Fee per HCD	-	-
Maximum Fee per City	2,500,000	2,500,000
Maximum Fee per TCAC Application	-	-
Less:	-	-
Net Fee (Less other development costs)	2,500,000	2,500,000
MAXIMUM FEE	**2,650,784**	**2,650,784**

AVERAGE AFFORDABILITY FOR QUALIFIED UNITS (% AMI)	42.68%

	UNIT MIX	*UTILITY ALLOWANCES*
0 BR	21	$21
1 BR	15	$25
2 BR	6	$32
3 BR	8	$37

RESIDENTIAL INCOME

TIER I - LACDC/MHHF *30%* *TAY Chronically Homeless Units/MHHF Units* **Percentage of Targeted Units:** *30.6%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	15	440	6,600	30.0%	473	452	6,780	81,360
1 BR	0	775	0	0.0%	0	482	0	0
TOTAL	15		6,600				6,780	81,360

TIER II *30%* *TAY Chronically Homeless Units Mod RDA Rents* **Percentage of Targeted Units:** *10.2%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	1	440	440	30.0%	473	452	452	5,424
1 BR	4	775	3,100	30.0%	507	482	1,928	23,136
TOTAL	5		3,540				2,380	28,560

TIER III *50%* *TAY Other Homeless Units Mod RDA Rents* **Percentage of Targeted Units:** *10.2%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	5	440	2,200	50.0%	788	767	3,835	46,020
1 BR	0	775	0	0.0%	0	820	0	0
TOTAL	5		2,200				3,835	46,020

TIER IV *50%* *Other Homeless Units Mod RDA Rents* **Percentage of Targeted Units:** *49.0%*

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	0	440	0	0.0%	0	767	0	0
1 BR	11	775	8,525	50.0%	845	820	9,020	108,240
2 BR	5	900	4,500	50.0%	1,014	982	4,910	58,920
3 BR	8	1,265	10,120	50.0%	1,171	1,134	9,072	108,864
4 BR	0	1,250	0	0.0%	0	1,307	0	0
TOTAL	24		23,145				23,002	276,024

MANAGER UNITS

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
2 BR	1	900	900	0.0%	0	0	0	0
TOTAL	1		900				0	0

DHS OPERATING SUBSIDY

UNIT TYPE	NUMBER	INCOME TIER	PER-UNIT MONTHLY NET RENT	PER UNIT DHS NET RENT	PER-UNIT MONTHLY DHS PREMIUM	TOTAL MONTHLY DHS PREMIUM	TOTAL ANNUAL DHS PREMIUM
0 BR	15	30%	452	988	536	8,040	96,480
0 BR	1	30%	452	988	536	536	6,432
0 BR	5	50%	767	988	221	1,105	13,260
1 BR	4	30%	482	1,195	713	2,852	34,224
1 BR	11	50%	820	1,195	375	4,125	49,500
2 BR	5	50%	982	1,545	563	2,815	33,780
3 BR	8	50%	1,134	2,079	945	7,560	90,720
TOTAL	49					27,033	324,396
SUBSIDY PREMIUM (annual subsidy income less total annual base rents)						27,033	324,396
TOTAL - BASE RENT PLUS SUBSIDY PREMIUM						63,030	756,360

TOTAL RESIDENTIAL INCOME	**TOTAL SQ FT**	**TOTAL UNITS**	**TOTAL MONTHLY (Net)**	**TOTAL ANNUAL**
		50	**63,030**	**756,360**
TOTAL SQ FT - TAX CREDIT ELIGIBLE	35,485			
TOTAL SQ FT - NON-TAX CREDIT ELIGIBLE	0			
TOTAL RENTABLE SQ FT	35,485			

MISCELLANEOUS INCOME	PER-UNIT MONTHLY	TOTAL MONTHLY	TOTAL ANNUAL
Laundry/Vending	22.00	1,100	13,200

The Residences on the Main

Tax Credit Calculation

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

	FEDERAL			CALIFORNIA		
	ACQUIS	CONST/ REHAB	TOTAL	ACQUIS	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	20,322,679	20,322,679	0	0	0
Less:						
Business Energy Tax Credit (Res. Portion)	0	0	0	0	0	0
Non-Eligible (Federal/Grant Financing):		0	0	0	0	0
Reserves/Credits from Seller (bldg proration)	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
		0	0			
ELIGIBLE BASIS	0	20,322,679	20,322,679	0	0	0
THRESHOLD BASIS LIMIT			*32,564,277*			
REQUESTED ELIGIBLE BASIS	0	20,322,679	20,322,679	0	0	0
LESS: Voluntary Reduction for Tiebreaker		0			0	
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS	0	20,322,679			0	
HIGH COST ADJUSTMENT (Y/N) Y	100.0%	130.0%		100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS	0	26,419,483	26,419,483	0	0	0
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	26,419,483	26,419,483	0	0	0
LESS: Credit Reduction for Leveraging 0.00%	0	0	0			
ADJUSTED QUALIFIED CREDIT BASIS	0	26,419,483	26,419,483			
CREDIT RATE Federal Annual/Yr 1-3 State	3.21%	3.21%		3.21%	3.21%	
Year 4 - State				3.37%	3.37%	
MAXIMUM CREDIT AMOUNT PER COSTS						
Federal Annual/Yr 1-3 State	0	848,065	848,065	0	0	0
Year 4 - State				0	0	0
Total				0	0	0
ACTUAL TCAC CREDIT RESERVATION						
Federal Annual/Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Federal Annual/Total State	0	848,065	848,065			0
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			8,480,654			0

The Residences on the Main

Base Year Income & Expense

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

INCOME		
Scheduled Gross Income		431,964
Subsidy Premium		324,396
Misc. Income		13,200
Vacancy Loss	10.0%	(44,516)
Vacancy Loss - Subsidy Premium	10.0%	(32,440)
EFFECTIVE GROSS INCOME		692,604
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	600	
Legal	7,000	
Accounting/Audit	12,000	
Security	58,000	
Office Exp, Training/Compliance, Internet	12,000	
Total Administrative		89,600
Management Fee		32,000
Utilities		
Electricity	25,000	
Gas	14,000	
Total Utilities		39,000
Water/Sewer		15,000
Payroll/Payroll Taxes		
On-Site Managers	60,000	
Maintenance/Janitorial Payroll	0	
Payroll Taxes/Benefits	13,700	
Total Payroll/Payroll Taxes		73,700
Insurance		25,000
Real Estate Taxes		2,000
Maintenance		
Painting	8,000	
Repairs	8,000	
Trash Removal	7,000	
Exterminating	4,000	
Grounds	6,000	
Elevator	2,500	
Misc Contracts, Fire/Safety Alarm Monitor	0	
Total Maintenance		35,500
Replacement Reserve		25,000
Other		
Annual Bond Monitoring Fee	4,000	
Trustee Fee	1,500	
Services	120,000	
HCID Monitoring Fee	6,615	
Cable/Internet	2,000	
Total Other		134,115
TOTAL EXPENSES - RESIDENTIAL		470,915
Per Unit Per Year (incl. Reserves)	*9,418*	
Per Unit Per Year (w/o RSC, Taxes & Reserves)	*6,478*	
TOTAL EXPENSES - COMMERCIAL		0
NET AVAILABLE INCOME		221,689

The Residences on the Main

Mortgage Calculation & Bond Ratios

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

MAXIMUM MORTGAGE CALCULATION

Tax-Exempt Permanent Loan

Net Operating Income		221,689
LESS: Section 8 Increment		0
Adjusted NOI		221,689
DSC		1.15
Available for Debt Service		192,773
	Underwriting Constraint	Maximum Loan Amount
Debt Service Coverage	1.15	1,991,800
MAXIMUM MORTGAGE		**1,991,800**

LOAN CONSTANT/TIC CALCULATION

	Conventional
Bond/Loan Rate	5.30000%
Term (Yr)	15.00
Mortgage Insurance Premium	0.00000%
GNMA/Servicing	0.00000%
Annual Issuer Fee	0.00000%
Other Annual Bond Fees	0.00000%
Amort (P&I)	4.37811%
Loan Constant	9.67811%
Imputed Total Interest Cost (TIC)	5.30000%

BOND/REHABILITATION RATIOS

Tax-Exempt Financing Ratio

	Aggregate
Series A Bonds (NOI)	0
Series B Bonds (IRP)	0
Tax-Exempt Construction Loan	12,469,359
Tax-Exempt Bridge Loan	0
TOTAL TAX-EXEMPT FINANCING	12,469,359
AGGREGATE BASIS	
Depreciable basis (residential)	20,322,679
Depreciable basis (commercial)	0
Land	1,645,000
Appraisal	10,000
Relocation (Consultant, Perm)	300,000
Title/Recording/Escrow - Acquisition	14,000
Acquisition Loan Interest + Expenses	63,000
Holding Costs (RETax,Other Holding)	62,500
TOTAL BASIS ALLOCATION	22,417,179
Percent Tax-Exempt Financing	**55.62%**

The Residences on the Main

Threshold Basis Limit Calculation

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

County:	Los Angeles
9% or 4% credits:	4%

BASE LIMITS			*THRESHOLD BASIS LIMIT FOR THIS PROJECT*				
Unit Type	**9%**	**4%**	Unit Type	# Units	Per Unit Basis Limit		TOTAL
0 BR	181,763	203,046	0 BR	21	203,046		4,263,966
1 BR	209,571	234,110	1 BR	15	234,110		3,511,650
2 BR	252,800	282,400	2 BR	6	282,400		1,694,400
3 BR	323,584	361,472	3 BR	8	361,472		2,891,776
4 BR	360,493	402,702	4 BR	0	402,702		0
				50			12,361,792
			Additional Basis Adjustments:				
			Local Development Impact Fees				300,000
			Prevailing Wage			20%	2,472,358
			Parking beneath Units			7%	0
			Childcare			2%	0
			100% Special Needs			2%	247,236
			Elevator Service			10%	0
			Energy/Resource Efficiency (up to 10%)			8%	0
			Population			-	0
			Bonds: 1% each % units @ 36% - 50% AMI		*29*	59%	7,293,457
			Bonds: 2% each % units @ or below 35% AMI		*20*	40%	9,889,434
			TOTAL THRESHOLD BASIS LIMIT				32,564,277
			TOTAL ELIGIBLE BASIS				20,322,679
						Surplus/(Deficit):	*12,241,598*
						TCAC 130% High Cost Test:	*62.41%*

The Residences on the Main

15-Year Cash Flow

Version: 2.0 LACDC NOFA 23-A 2017
Revised: October 20, 2017

ASSUMPTIONS:			
Rent Increase:	2.50%	Perm Loan - % Debt Svc Yr 1	100.00%
Expenses Increase:	3.50%	Percent Q.O. In Lease-up Yr	100.00%
Real Estate Tax Increase:	2.00%		
Reserve Increase:	0.00%		

			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
GROSS POTENTIAL INCOME - RESIDENTIAL			431,964	442,763	453,832	465,178	476,807	488,728	500,946	513,469	526,306	539,464	552,950	566,774	580,944	595,467	610,354
Subsidy Premium			324,396	332,506	340,819	349,339	358,072	367,024	376,200	385,605	395,245	405,126	415,254	425,636	436,277	447,183	458,363
Misc. Income			13,200	13,530	13,868	14,215	14,570	14,935	15,308	15,691	16,083	16,485	16,897	17,320	17,753	18,196	18,651
Vacancy Loss - Residential	10.0%		(44,516)	(45,629)	(46,770)	(47,939)	(49,138)	(50,366)	(51,625)	(52,916)	(54,239)	(55,595)	(56,985)	(58,409)	(59,870)	(61,366)	(62,901)
Vacancy Loss - Subsidy Premium	10.0%		(32,440)	(33,251)	(34,082)	(34,934)	(35,807)	(36,702)	(37,620)	(38,560)	(39,525)	(40,513)	(41,525)	(42,564)	(43,628)	(44,718)	(45,836)
GROSS EFFECTIVE INCOME			692,604	709,919	727,667	745,859	764,505	783,618	803,208	823,289	843,871	864,967	886,592	908,756	931,475	954,762	978,631
Operating Expenses (excl. reserves, taxes)		*439,915*	439,915	455,312	471,248	487,742	504,813	522,481	540,768	559,695	579,284	599,559	620,544	642,263	664,742	688,008	712,088
Real Estate Taxes		*2,000*	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438	2,487	2,536	2,587	2,639
TOTAL OPERATING EXPENSES			445,915	461,352	477,329	493,864	510,977	528,689	547,020	565,992	585,627	605,949	626,982	648,749	671,278	694,595	718,727
NET OPERATING INCOME			246,689	248,567	250,338	251,995	253,528	254,929	256,188	257,296	258,243	259,018	259,610	260,007	260,197	260,167	259,904
REPLACEMENT RESERVE		*25,000*	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
NET INCOME AVAILABLE FOR DEBT SERVICE			221,689	223,567	225,338	226,995	228,528	229,929	231,188	232,296	233,243	234,018	234,610	235,007	235,197	235,167	234,904
Tax-Exempt Permanent Loan																	
Principal Balance		1,991,800	1,902,447	1,808,242	1,708,920	1,604,205	1,493,803	1,377,405	1,254,687	1,125,304	988,894	845,077	693,449	533,587	365,043	187,347	0
Debt Service			192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769
Principal			89,353	94,205	99,321	104,715	110,402	116,398	122,719	129,383	136,409	143,817	151,628	159,862	168,544	177,697	187,347
Interest		5.300%	103,416	98,563	93,447	88,053	82,367	76,371	70,050	63,385	56,359	48,951	41,141	32,907	24,225	15,072	5,422
TOTAL DEBT SERVICE			192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769	192,769
NET CASH FLOW			28,920	30,798	32,570	34,226	35,759	37,160	38,420	39,528	40,475	41,250	41,842	42,239	42,429	42,399	42,136
Debt Service Coverage Ratio			1.15	1.16	1.17	1.18	1.19	1.19	1.20	1.21	1.21	1.21	1.22	1.22	1.22	1.22	1.22
DISTRIBUTION OF CASH FLOW																	
LP Investor Services Fee - Current		*5,000*	5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093
LP Investor Services Fee - Deferred			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee		*423,492*	23,920	25,623	27,214	28,683	30,022	31,222	32,273	33,166	33,891	34,435	34,789	34,939	53,316	0	0
GP Partnership Management Fee - Current		*10,000*	0	0	0	0	0	0	0	0	0	0	0	0	0	15,640	16,187
PUBLIC LENDERS - Percent of Cash Flow	50.00%																
LACDC - MHHF Funds	*12.86%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCIDLA Land Loan	*4.80%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCIDLA - PSH	*32.33%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sponsor Distribution	50.00%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Partner	90.00%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Limited Partner	10.00%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Attachment D
Site Plan

6901-6915 S. Main Street


COALITION for RESPONSIBLE
COMMUNITY DEVELOPMENT
LA FAMILY
HOUSING

SITE ADDRESS:
6901 Main Street
Los Angeles, CA 90021

APN:
601-2009-901 , 902, 903 & 904
601-2009-065

SITE AREA:
24,254 SF / 0.56 acres
after dedications
24,816 SF w/ half alley

ZONING:
(Q)C2-1

DENSITY ALLOWED:
1:800 - 24,816 / 800 = 31 Units
w/35% density bonus = 42 Units

DENSITY PROVIDED:
50 UNITS (60% Density Bonus)

BUILDING AREA:

1ST FLOOR (GARAGE)	17,042 SF
2ND - 4TH FLOOR -	38,637 SF (12,879 SF/FL)
TOTAL BUILDING =	55,679 SF

FAR:
22,743 SF : 38,637 SF OR
1.69 : 1 F.A.R.

BLDG HEIGHT:
ALLOWABLE: 45'
PROVIDED: 50'

UNITS:
50 UNITS TOTAL:

21 - STUDIOS
15 - 1 BR
6 - 2 BR
8 - 3 BR

OPEN AREA REQUIRED:

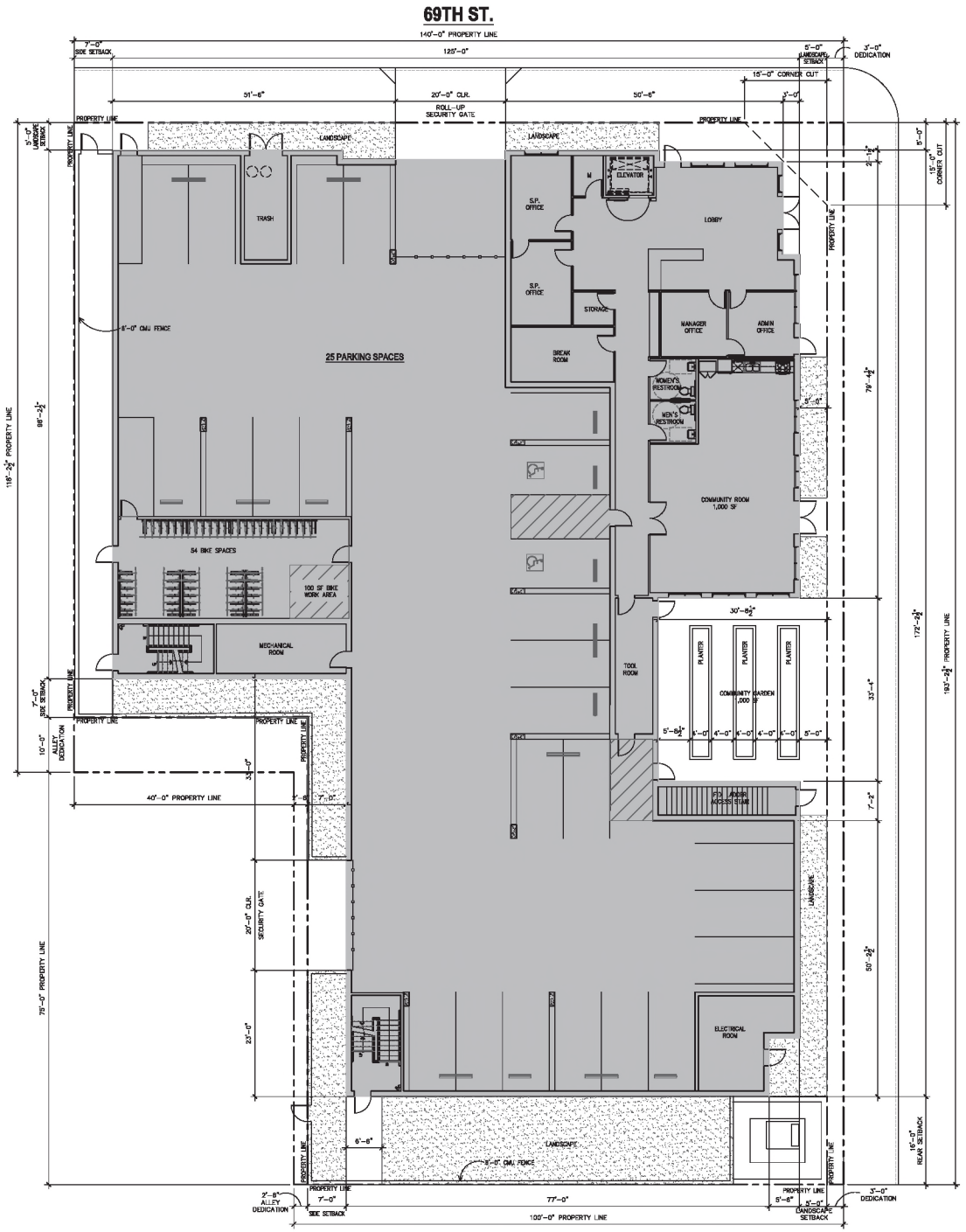
21 STD X 100 SF	= 2,100 SF
15 1BR X 100 SF	= 1,500 SF
6 2BR X 125 SF	= 750 SF
8 3BR X 175 SF	= 750 SF
TOTAL OPEN AREA	= 5,100 SF

OPEN AREA PROVIDED:

BALCONIES (0@50SF)	= 0 SF
COURTYARD	= 3,750 SF
COMMUNITY AREA (25% MAX OF REQ)	= 1,275 SF
COMMUNITY GARDEN	= 750 SF
TOTAL OPEN AREA PROVIDED	= 5,775 SF

PARKING REQUIRED:
AB744 - OPTION 3 (SPECIAL NEEDS)
25 SPECIAL NEEDS AFFORDABLE UNITS @
0.3 SPACE PER UNIT = 8 SPACES
24 AFFORDABLE UNITS @
0.5 SPACE PER UNIT = 12 SPACES
1 MANAGER UNIT @
2 SPACES PER UNIT = 2 SPACES
22 SPACES REQUIRED

25 SPACES PROVIDED



SITE PLAN
SCALE: 1/8" = 1'-0"

The above drawings, specifications, ideas, designs and arrangements represented thereby are and shall remain property of the Architect (Y&M Architects), and no part thereof shall be copied, disclosed to others or used in connection with any other project, other than the specific project for which they have been prepared and developed, without the written consent of the Architect. (Y&M Architects). Visual contact with these drawings or specifications shall constitute conclusive evidence of acceptance of these restrictions. Written dimensions on these drawings shall have pre-cover scaled dimensions. Contractors shall verify and be responsible for all dimensions and conditions on the job, and this office must be notified of any variations from the dimensions and conditions shown by these drawings. Shop drawings must be submitted to this office for approval before proceeding with fabrication.

Y&M Architects
724 S. Spring Street #304
Los Angeles, CA 90014
Tel. 213 623 2107 Fax. 213 623 2108
www.ymarch.com

THE RESIDENCES ON MAIN
Project. 6901 Main Street, Los Angeles, CA 90021

C.R.C.D. – LA FAMILY HOUSING
Developer. -

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Date

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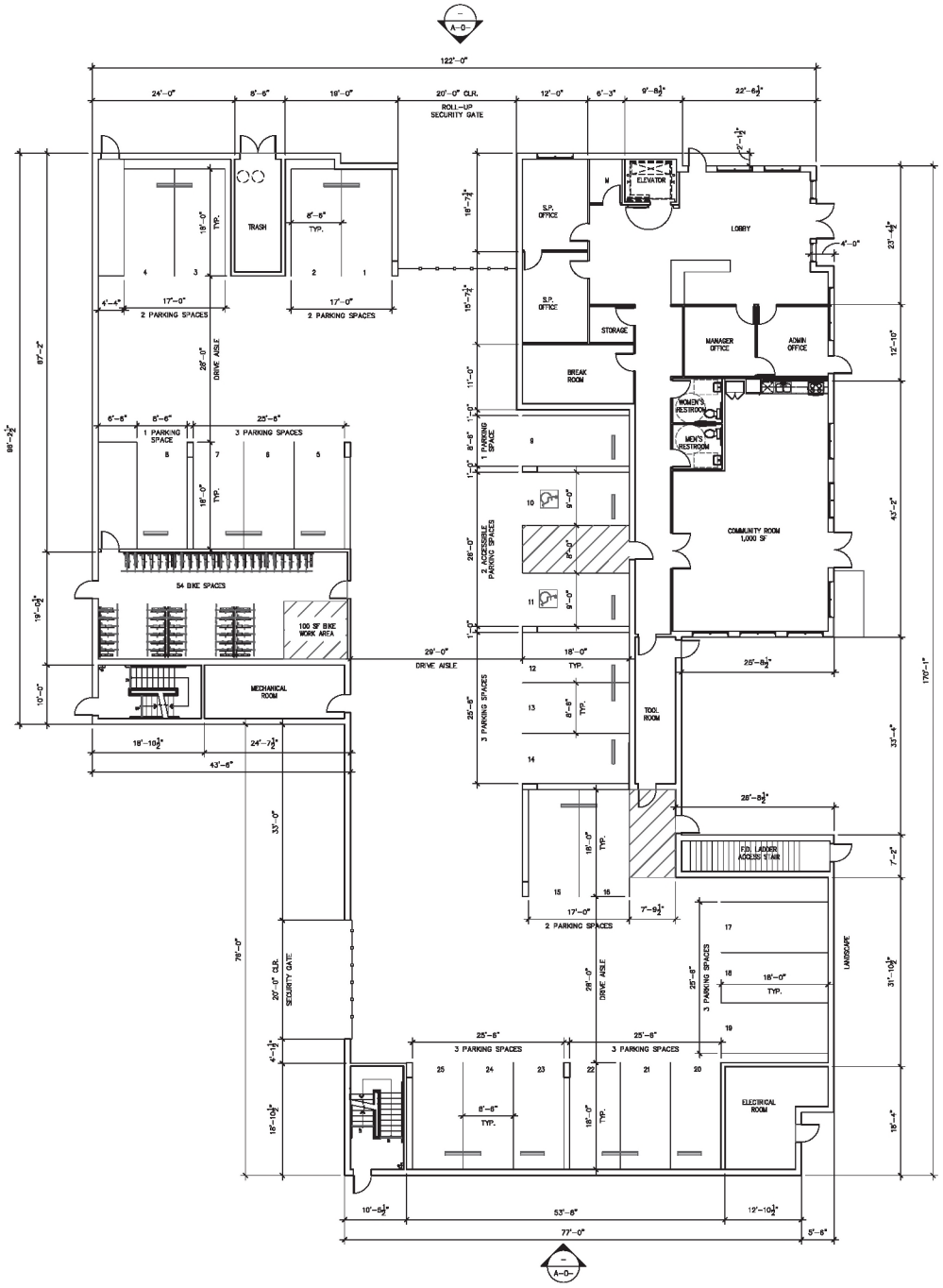

GROUND FLOOR PLAN
SCALE: 1/8" = 1'-0"

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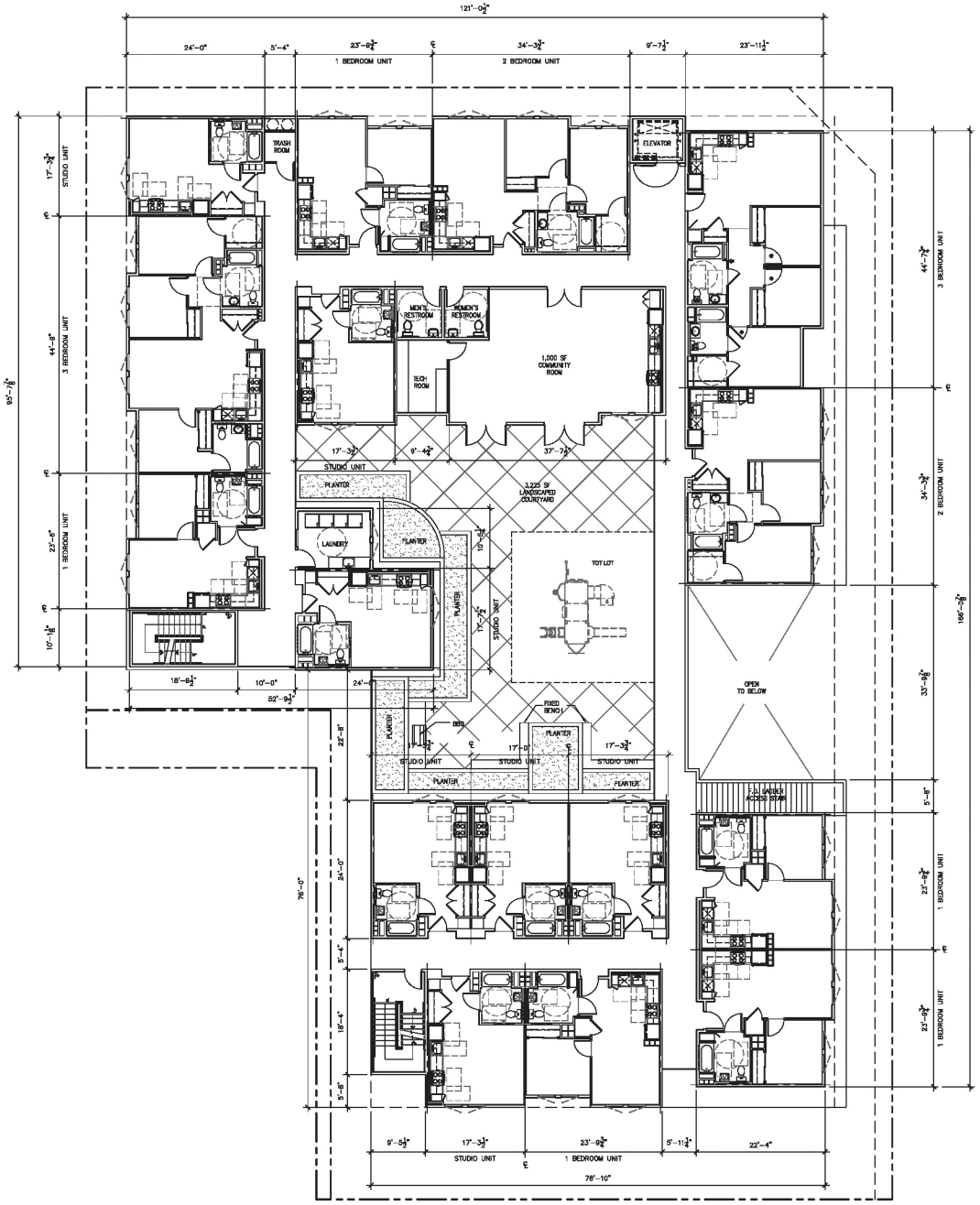

2ND FLOOR PLAN
SCALE: 1/8"= 1'-0"

1

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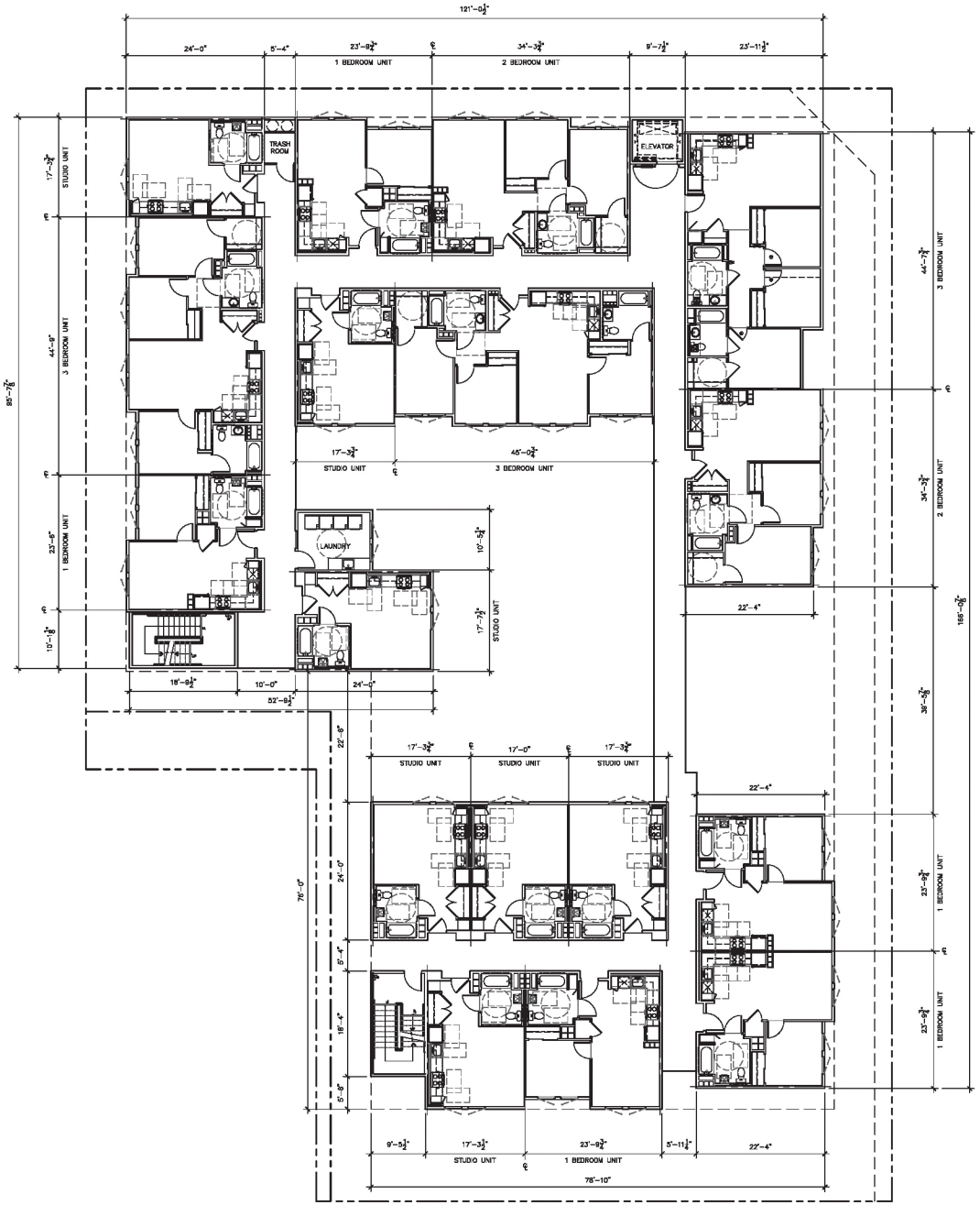

3RD- 4TH
FLOOR PLAN
SCALE 1/8"= 1'-0"
1

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A–05
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REAR ELEVATION (4)
SCALE: 1/8"= 1'-0"



SIDE YARD ELEVATION (3)
SCALE: 1/8"= 1'-0"



MAIN STREET ELEVATION (2)
SCALE: 1/8"= 1'-0"



69TH STREET ELEVATION (1)
SCALE: 1/8"= 1'-0"

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Project. 6901 Main Street, Los Angeles, CA 90021

C.R.C.D. – LA FAMILY HOUSING

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A–08

Page

Attachment E
AFFORDABILITY RESTRICTIONS

6901-6915 S. Main Street

ATTACHMENT E
THE RESIDENCES ON MAIN
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	Studio Units	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units
30% AMI TCAC / Mod HCD / 30% AMI HHH-TAY/CH / LI DB / 50% CDLAC				
Number of Units	10	NA	NA	NA
30% AMI TCAC Rent	$452	NA	NA	NA
30% AMI HHH Rent	$452	NA	NA	NA
Moderate HCD Rent (HCID)	$1,226	NA	NA	NA
Low Income HCD Rent (Density Bonus)	$659	NA	NA	NA
50% CDLAC Rent	$767	NA	NA	NA
PBS8 Vouchers	10	NA	NA	NA
Applicable Rent	**$452**	**N/A**	**N/A**	**N/A**
30% AMI TCAC / Moderate HCD / 30% AMI HHH-PSH				
Number of Units	6	4	NA	NA
30% AMI TCAC Rent	$452	$477	NA	NA
30% AMI HHH Rent	$452	$477	NA	NA
Moderate HCD Rent	$1,226	$1,396	NA	NA
PBS8 Vouchers	6	4	NA	NA
Applicable Rent	**$452**	**$477**	**0**	**0**
50% AMI TCAC / Moderate HCD / 50% AMI HHH-PSH				
Number of Units	5	11	5	8
50% AMI TCAC Rent	$767	$815	$976	$1,125
50% AMI HHH Rent	$767	$815	$976	$1,125
Moderate HCD Rent	$1,226	$1,396	$1,566	$1,736
PBS8 Vouchers	5	11	5	8
Applicable Rent	**$767**	**$815**	**$976**	**$1,125**

Prepared by: Keyser Marston Associates, Inc.
File name: 6901 S Main_9 19 17; Rents; trb

Attachment F: Term Sheet – 2375 W. Washington Boulevard

2375 West Washington Boulevard
Disposition and Development Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Disposition and Development Agreement ("DDA") for the Gramercy Place project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and Hollywood Community Housing Corporation, a California Non-profit Public Benefit Corporation ("Developer").

2. **City Site Description:**
Three parcels of land are currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	2375 West Washington Blvd	5073-018-900	20,462	Attachment A
City Site	2339 West Washington Blvd	5073-018-901	11,573	Attachment A
City Site	1849 South Gramercy Place	5073-018-902	8,899	Attachment A

3. **City Site History:**
In September 2008, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) acquired the site for $4,403,944 from Stephen and Delores Smith Family Trust. Prior to acquisition, the site operated as an official police garage vehicle storage yard. CRA/LA acquiring the project using five funding sources detailed below:
   - $2,324,844 Wilshire/Koreatown Housing Trust Series C Bond Proceeds (Tax-exempt Bonds)
   - $2,000,000 CRA Program Income
   - $65,000 Wilshire/Koreatown Housing Trust Series A Bond Proceeds
   - $10,000 Mid-City Housing Trust Series A Bond Proceeds
   - $4,100 Mid-City Tax Increment

   The project is located in the Mid-City Recovery Redevelopment Project Area. The CRA/LA and the City Council adopted a Joint Finding of Benefit Resolution to allow the use of almost $2.4M from Wilshire Center/Koreatown Low and Moderate Income Housing Funds outside of the project area. The tax exempt bonds used to finance the acquisition of the site were fully redeemed on September 1, 2017 as confirmed by the Office of the City Administrative Officer. The taxable bonds that were used to finance the redemption are not subject to the same restrictions as the tax exempt bonds.

4. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary:
      b. Project Site Size: 40,934 Square Feet of Land Area.
      c. Gross Building Area: Approximately 50,570 square feet (34,400 sf. gross living area, 189 sf. leasing office, 1,074 sf. of community space, 3,900 sf. of ground floor commercial space, and 11,007 sf. of common area/circulation).
      d. Unit Mix: 58 one-bedroom units, 6 two-bedroom units
      e. Parking: 63 spaces (52 residential spaces and 11 commercial spaces)
      f. Target Population: Head of Households aged fifty-five (55) years and greater.
      g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. At least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for

mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.

h. Amenities: On-site physical amenities will include laundry, community room with a kitchen, offices for property management and resident services staff, elevators serving all floors, and free parking. In addition to the two property managers who will live on-site, one who will work Monday through Friday 9-5 and another who will work evenings and weekends, DHS will provide case managers for the DHS residents.

5. **Ground Lease of the City Site:**
The City agrees to ground lease to Developer and the Developer agrees to ground lease from the City, the lease hold interest in the City Site in accordance with the DDA. The Ground Lease will have a 99 year term.

6. **Ground Rent for City Site:**
The City agrees to ground lease the City Site to Developer and the Developer agrees to ground lease the City Site for an upfront payment equal to the fair market value of the City Site based on an appraisal conducted within six months of the closing on the ground lease by a City approved appraiser ("Upfront Ground Rent").

7. **Developer Pro Forma:**
Attached ("Attachment C") is the current Developer Pro Forma for the Project.

8. **Project Site Plan:**
Attached ("Attachment D") is the current Site Plan for the Project.

9. **Labor Rates:**
The Project will incur federal Davis Bacon and state prevailing wages if required by a project funding source. It is assumed that the Project will not be required to enter into a Project Labor Agreement.

10. **Developer Fee:**
The total developer fee is estimated at $3,963,875, which is the maximum allowed under the TCAC and City underwriting guidelines. The Developer will contribute $1,463,875 as equity to the Project. The net cash to be received by the Developer is $2,500,000, which is the maximum allowed by the City underwriting guidelines.

11. **Social Services to be Provided at Project:**
The Project will provide social services on-site. These services will be provided by a Los Angeles County authorized service provider. It is anticipated that Housing Works will provide the following services:
    a. Service coordination and case management will be provided to the 62 households;
    b. Services will be tailored to formerly homeless seniors, including services tailored to the 10 DMH clients.

12. **Minimum Reserves:**
    a. Capitalized Operating Reserves - $187,845, estimated at three months of operating expenses and debt service payments.
    b. Annual Replacement Reserves – as required by current HCD regulations
    c. Transition Reserves – as required by current HCD regulations

13. **City Land Loan Terms:**

The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:

a. The City Land Loan Amount will be equal to the Upfront Ground Rent of the City Site.
b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from the COO
c. The City Land Loan will have a 3.0% simple interest rate applied.
d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payments on other soft loans.)
e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB).
f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
g. The City Land Loan will be secured by a ground lease on the City Site.

14. Subordination:

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB

15. Affordability Restrictions (See Attachment E):

With two units set-aside for on-site managers, units' income and affordability requirements will be restricted for a minimum of 55 years from the Certificate of Occupancy (COO) by the following regulatory agreements:

a. City Land Regulatory Agreement (per California Health & Safety Code):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0
Moderate Income HCD	§50093	§50053	58	4	62
Total Units			**58**	**4**	**62**

b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	31	0	31
60% AMI	TCAC	TCAC	27	4	31
Total Units			**58**	**4**	**62**

c. CDLAC Regulatory Agreement (40% at 60% AMI):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
50% AMI	TCAC	TCAC	0	0	0
60% AMI	TCAC	TCAC	24	2	26
Total Units			**24**	**2**	**26**

d. MHP-Supportive Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	31	0	31
60% AMI	TCAC	TCAC	0	0	0
Total Units			**31**	**0**	**31**

e. MHSA Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	10	0	10
60% AMI	TCAC	TCAC	0	0	0
Total Units			**10**	**0**	**10**

f. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	16	0	16
30% AMI – PSH	TCAC	TCAC	15	0	15
Total Units			**31**	**0**	**31**

g. City Density Bonus Regulatory Agreement (Per Health and Safety Code Definitions):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	9	0	9
Low Income HCD	§50079.5	§50053	0	0	0
Total Units			**9**	**0**	**9**

16. Financing Plan:

Description	Entity	Amount
Predevelopment Loan	LIIF	$500,000
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$19,905,000
Permanent		$2,364,000
4% Tax Credits	TCAC/TBD Investor	$15,294,000
HHH Loan	City of LA	$9,920,000
CDC MHHF Program	County of LA	$3,000,000
HCD-IIG	HCD	$1,319,000
Deferred Developer Fee	Developer	$1,474,000
Project-Based Section 8	HACLA & County	31 Vouchers

17. Milestones:

The Developer anticipates applying for the funds listed below or an alternative source(s) providing an equal amount of sources to the project by the following dates:

Action	Date
DDA Executed	By December 29, 2017

LA County CDC Application / Award	October 2017 / January 2018
Entitlements Secured	December 2017
HHH PSH Application / Award	November 2017 / January 2018
IIG Loan Application / Award	January 2018
PBV Vouchers Application / Award	May 2018 / June 2018
City TEB Application / Approval	June 2018
CDLAC Application / Award	August 2018 / November 2018
4% TCAC Application / Award	August 2018 / November 2018
Partnership Closing	February 2019
Financing / Land Closing	February 2019
Construction Commences / Completed	February 2019 / June 2020
Placed in Service Date	June 2020

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18. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement, Ground Lease and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 10/19/17

Sean L. Spear
Assistant General Manager

DEVELOPER
Hollywood Community Housing Corporation

By: _____ Date: Oct 17, 2017

Sarah Letts
Executive Director

Attachment A	City Site Legal Description
Attachment B	Developer Pro Forma
Attachment C	Site Plan
Attachment D	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

2375 W. Washington Boulevard

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOTS 32, 33 AND 35 OF ANGELUS VISTA TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2 PAGE 73 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES IN, UNDER OR THAT MAY BE PRODUCED, SAVED, SOLD OR REMOVED FROM THE LAND CONVEYED HEREBY OR FROM ANY PART THEREOF OR THAT MAY BE PRODUCED OR REMOVED BY MEANS OF A WELL OR WELL BORE PENETRATING OR TRAVERSING THE SAID LAND OR ANY PART THEREOF, TOGETHER WITH THE RIGHT TO EXTRACT SAID OIL, GAS OR OTHER HYDROCARI30N SUBSTANCES AND TOGETHER WITH ALL PROCEEDS, RENTS, ROYALTIES, BONUSES AND OTHER CONSIDERATIONS ALLOCATED TO OR WHICH MAY ACCRUE OR BE PAY ABLE WITH RESPECT TO THE SAID INTEREST IN AND TO SAID OIL, GAS AND OTHER HYDROCARI30N AND MINERAL SUBSTANCES RESERVED HEREBY, PROVIDED HOWEVER, THAT GRANTORS DO HEREBY WAIVE AND RELINQUISH ANY AND ALL RIGHTS TO USE OR OCCUPY THE SURFACE OR SUBSURFACE TO A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND FOR ANY PURPOSE WHATSOEVER, AS RESERVED BY C. H. STEVENSON AND M. L. STEVENSON, HUSBAND AND WIFE IN DEED RECORDED OCTOBER 6, 1959 AS INSTRUMENT NO. 1061, OFFICIAL RECORDS.

PARCEL2:

LOT 34 OF ANGELUS VISTA TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 2 PAGE 73 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Attachment B
Developer Pro Forma

2375 W. Washington Boulevard

Gramercy Place Apts (senior)

Prepared For: HCHC
Prepared By: California Housing Partnership Corporation
Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

TABLE OF CONTENTS

Sources of Funds..... 1
Uses of Funds..... 1a
Unit Mix & Rental Income..... 2
Rent Comparison Table..... 2a
Tax Credit Calculation..... 3
Base Year Income & Expense..... 4
Mortgage Calculation & Bond Ratios..... 4a
Lease-up/Placed-in-Service Schedule..... 5
Net Syndication Proceeds..... 6
Threshold Basis Limits..... 7
15-Year Cash Flow..... 8
Outstanding Debt & Reserves..... 8a
Schedule of Deductions..... 9
Analysis of Taxable Income..... 10
Capital Account & Exit Tax Liability..... 11
Investment Summary..... 12
Net Quarterly Benefits..... 13

SOURCES OF FUNDS

PERMANENT

	AMOUNT	TOTAL INT COST	OID INT RATE	TERM (Yr)	COMMENTS	
Tax Exempt Bond - Permanent	2,363,500	5.25%		15		
HCID Ground Lease Note	0	3.00%	0.00%	55		
LA County CDC (MHHF)	3,000,000	3.00%	1.79%	55		
Accrued/Deferred Interest	177,000					
HHH (PSH)	9,920,000	3.00%	1.79%	55	*Fully funded at conversion for 50% test*	
HCD - IIG	1,319,029	0.00%	0.00%	55		
GP Capital Contribution	1,474,474	0.00%	0.00%		*Total Developer Fee (net of deferred):*	*2,500,000*
Capital Contributions						
General Partner	100				*Credit Pricing (State):*	*$0.800*
Limited Partners	15,294,143				*Credit Pricing (LIHTC):*	*$0.960*
TOTAL SOURCES	**33,548,246**				*4% Credit Rate:*	*3.21%*
Surplus/(Shortfall)	*0*					

CONSTRUCTION

	AMOUNT	INT RATE	TERM (Mo.)	
Tax Exempt Construction Loan	19,905,710	4.75%	24	
HCID Ground Lease Note	0	3.00%	24	
LA County CDC (MHHF)	2,950,000	3.00%	24	*Holdback during construction (programmatic)*
Accrued/Deferred Interest -	177,000			
HHH (PSH)	4,960,000	3.00%	24	*Holdback during construction for 50% test*
HCD - IIG	1,319,029	0.00%	24	
Costs Deferred Until Conversion	1,232,519			
GP Capital Contribution	1,474,474			
Capital Contributions				
General Partner	100	0.00%		
Limited Partners	1,529,414			
TOTAL SOURCES	**33,548,246**			
Surplus/(Shortfall)	*-0*			

COSTS DEFERRED UNTIL CONVERSION

Transition Reserve	0
Operating Reserve (3 months)	187,519
Replacement Reserve	-
Permanent Loan Fees	-
Legal - Permanent Closing	15,000
Title/Recording/Escrow - Permanent	15,000
Audit/Cost Certification	15,000
Developer Fee	1,000,000
TOTAL	1,232,519

DEVELOPER FEE PAY-IN SCHEDULE

Construction Closing	1,250,000
Construction Completion	250,000
Permanent Conversion	875,000
8609/Tax Filing	125,000
TOTAL	2,500,000

INTEREST RATE STACK	*Construction*	*Permanent Tranche A*
Index	1.2500%	2.0000%
Bank spread	2.0000%	2.0000%
Cushion	1.5000%	1.2500%
TOTAL	*4.75%*	*5.25%*

Gramercy Place Apts (senior)

Uses of Funds

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

		TOTAL	96.00% TOTAL RESIDENTIAL	4.00% TOTAL COMMERCIAL	DEPRECIABLE NON-DEPREC	DEPRECIABLE RESIDENTIAL	DEPRECIABLE NON-RES	EXPENSE	AMORTIZE	TAX CREDIT ELIGIBLE CONST/ REHAB	TAX CREDIT ELIGIBLE ACQUIS.
ACQUISITION COSTS											
Total Purchase Price		*0*									
Ground Lease Value		0	0	0	0						
Demolition & Abatement		190,410	182,794	7,616	190,410						
GENERAL DEVELOPMENT COSTS											
Unit Construction		17,915,089	17,915,089	0		17,915,089	0		0	17,915,089	
Off-Site Improvements		76,560	76,560	0	0	76,560	0			76,560	
Site Improvements/Landscape/HRI		50,000	50,000	0		50,000	0			50,000	
Contractor General Requirements		1,552,488	1,552,488	0		1,552,488	0			1,552,488	
12.28%	Contractor Overhead & Profit	1,000,000	1,000,000	0		1,000,000	0			1,000,000	
	Contractor Bond + Insurance	628,213	628,213	0		628,213	0			628,213	
	Commercial Construction (incl OH, Profit, Bond, Ins)	873,394	0	873,394		0	873,394			0	
0.020956	Construction Contingency	934,065	896,702	37,363	0	896,702	37,363			896,702	
	Local Permits/Fees/Utility Fees	801,716	769,647	32,069		769,647	32,069			769,647	
	Local Development Impact Fees	277,000	265,920	11,080		265,920	11,080			265,920	
	Environmental Audit/Geotech	10,000	9,600	400		9,600	400			9,600	
	Reimbursables	40,000	38,400	1,600		38,400	1,600			38,400	
	Architecture (includes landscape design)	1,184,500	1,137,120	47,380		1,137,120	47,380			1,137,120	
	Survey/Engineering	109,999	105,599	4,400		105,599	4,400			105,599	
	Appraisal	10,000	9,600	400	0	10,000	0		0	10,000	
	Market Study	10,000	9,600	400		9,600	0		0	9,600	
	Predevelopment Financing	172,097	165,213	6,884	172,097	0	0			0	
	Holding Costs/Predevelopment Expenses	80,000	76,800	3,200	80,000	0	0			0	
	Construction Period Interest - Bank Loan	1,134,600	1,089,216	45,384		707,990	29,500	397,110		707,990	
	Construction Period Interest - CDC accrued	177,000	169,920	7,080		169,920	7,080	0		169,920	
	Construction Period Interest - HCID paid	177,300	177,300	0		115,245	0	62,055		115,245	
	Title/Recording/Escrow - Construction	75,000	72,000	3,000		72,000	3,000			72,000	0
	Title/Recording/Escrow - Permanent	15,000	14,400	600					15,000		
	Insurance During Construction	150,000	144,000	6,000		144,000	6,000	0		144,000	0
	Soft Cost Contingency	250,000	240,000	10,000		240,000	10,000			240,000	
	TCAC Application/Monitoring Fee	40,069	40,069	0					40,069		
	Legal: Acquisition	0	0	0	0	0				0	0
	Construction Closing	75,000	72,000	3,000		72,000	3,000			72,000	0
	Permanent Closing	15,000	14,400	600					15,000		
	Organization of Partnership	15,000	14,400	600				15,000			
	Syndication	55,000	55,000	0	55,000						
	Accounting	15,000	14,400	600	0			15,000			
	Syndication Consulting	65,000	65,000	0	65,000					0	0
	Audit/Cost Certification	15,000	15,000	0	15,000	0		0	0	0	
	Furnishings	100,000	100,000	0		100,000	0			100,000	
	Replacement Reserve	0	0	0	0			0			
	Transition Reserve	0	0	0	0						
	Operating Reserve (3 months)	187,519	187,519	0	187,519						
	Marketing/Lease-Up	82,000	78,720	3,280				82,000			
	Planning/CEQA/Entitlements	70,000	67,200	2,800		67,200				67,200	
	Construction Manager	137,500	132,000	5,500		132,000	5,500			132,000	
	Consultants (LEED, Solar, Sound, CASp, CUAC)	75,000	72,000	3,000		72,000	3,000			72,000	
	LA County Compliance Fee	16,585	16,585	0		0	0	16,585		0	
	Deputy Inspections	145,000	139,200	5,800	0	139,200	5,800			139,200	
	Developer Fee	3,974,474	3,815,495	158,979	0	3,815,495	158,979			3,815,495	0
COSTS OF ISSUANCE/FINANCING COSTS											
	Lender Counsel (Permanent)	0	0	0					0	0	
	Lender Counsel (Construction)	75,000	75,000	0		0	0		75,000	0	
	Bond Counsel	50,000	50,000	0		0	0		50,000		
	Underwriter Counsel	0	0	0		0	0		0		
	Issuer Financial Advisor	35,000	35,000	0		0	0		35,000		
	Lender Expenses	40,000	40,000	0		0	0		40,000	0	
	Lender Fees (Construction)	199,100	199,100	0		0	0		199,100	0	
	Lender Fees (Permanent)	23,600	23,600	0					23,600		
	Trustee Fee	5,000	5,000	0					5,000		
	Trustee Counsel	30,000	30,000	0					30,000		
	CDLAC Fees	6,967	6,967	0					6,967		
	Issuer Fee (HCID)	49,764	49,764	0					49,764		
	Issuer Expenses (app + TEFRA)	6,000	6,000	0					6,000		
	Prepaid Annual Issuer Fee	49,764	49,764	0					49,764		
	CDIAC Fees	473	473	0	-	-			473	-	
	Subtotal - Costs of Issuance	*570,668*	*570,668*	*0*	*0*	*0*	*0*	*0*	*570,668*	*0*	*0*
TOTAL DEVELOPMENT COSTS		**33,548,246**	**32,265,838**	**1,282,408**	**765,026**	**30,311,989**	**1,239,544**	**587,750**	**640,737**	**30,311,989**	**0**
Total Development Cost Per Unit			*504,154*								

TCAC DEVELOPER FEE CALCULATION

	Constr	Acq	Total
Maximum Potential TCAC Fee (paid)	2,500,000	-	2,500,000
Maximum Potential TCAC Fee (per basis)	3,974,474	-	3,974,474
Ratio	100.00%	0.00%	100.00%
MAXIMUM FEE	3,974,474	-	**3,974,474**

Gramercy Place Apts (senior)

Unit Mix & Rental Income

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

AVERAGE AFFORDABILITY FOR QUALIFIED UNITS (% AMI	45.19%

	UNIT MIX	*UTILITY ALLOWANCES*
0 BR	0	18
1 BR	58	25
2 BR	6	33

RESIDENTIAL INCOME

TIER I — *30%* — **Percentage of Targeted Units: *50.0%***

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
1 BR	31	550	17,050	30.0%	507	482	14,942	179,304
2 BR	0	800	0	0.0%	0	574	0	0
TOTAL	31		17,050				14,942	179,304

TIER V — *60%* — **Percentage of Targeted Units: *50.0%***

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
1 BR	27	550	14,850	60.0%	1,014	989	26,703	320,436
2 BR	4	800	3,200	60.0%	1,215	1,182	4,728	56,736
TOTAL	31		18,050				31,431	377,172

MANAGER UNITS

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
2 BR	2	800	1,600	0.0%	0	0	0	0
TOTAL	2		1,600				0	0

PBV/DHS SUBSIDY INCOME at 100% FMR

UNIT TYPE	NUMBER	INCOME TIER	PER-UNIT MONTHLY NET RENT	PER UNIT DHS RENT	PER-UNIT MONTHLY DHS PREMIUM	TOTAL MONTHLY DHS PREMIUM	TOTAL ANNUAL DHS PREMIUM
1 BR	31	30%	482	1,195	713	22,103	265,236
TOTAL	31					22,103	265,236
SECTION 8 PREMIUM (annual Section 8 income less total annual base rents)						22,103	265,236
TOTAL - BASE RENT PLUS SECTION 8 PREMIUM						68,476	821,712

TOTAL RESIDENTIAL INCOME	**TOTAL SQ FT**	**TOTAL UNITS**	**TOTAL MONTHLY (Net)**	**TOTAL ANNUAL**
		64	**37,045**	**821,712**
TOTAL SQ FT - TAX CREDIT ELIGIBLE	36,700			
TOTAL SQ FT - NON-TAX CREDIT ELIGIBLE	0			
TOTAL RENTABLE SQ FT	36,700			

MISCELLANEOUS INCOME	PER-UNIT MONTHLY	TOTAL MONTHLY	TOTAL ANNUAL
Interest Reduction Payment	0	0	0
Laundry/Vending	5	320	3,840
Financial	0	0	0

Gramercy Place Apts (senior)

Tax Credit Calculation

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

	FEDERAL			CALIFORNIA		
	ACQUIS	CONST/ REHAB	TOTAL	ACQUIS	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	30,311,989	30,311,989	0	30,311,989	30,311,989
Less:						
Business Energy Tax Credit (Res. Portion)	0	0	0	0	0	0
ELIGIBLE BASIS	0	30,311,989	30,311,989	0	30,311,989	30,311,989
THRESHOLD BASIS LIMIT			*36,473,489*			
REQUESTED ELIGIBLE BASIS	0	30,311,989	30,311,989	0	30,311,989	30,311,989
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS	0	30,311,989				
HIGH COST ADJUSTMENT (Y/N) Y	100.0%	130.0% in QCT		100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS	0	39,405,586	39,405,586	0	30,311,989	30,311,989
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	39,405,586	39,405,586	0	30,311,989	30,311,989
LESS: Credit Reduction for Leveraging 0.00%	0	0	0			
ADJUSTED QUALIFIED CREDIT BASIS	0	39,405,586	39,405,586			
CREDIT RATE Federal Annual/Yr 1-3 State	3.21%	3.21%		3.21%	3.21%	
Year 4 - State				3.37%	3.37%	
MAXIMUM CREDIT AMOUNT PER COSTS						
Federal Annual/Yr 1-3 State	0	1,264,919	1,264,919	0	2,919,045	2,919,045
Year 4 - State				0	1,021,514	1,021,514
Total				0	3,940,559	3,940,559
ACTUAL TCAC CREDIT RESERVATION						
Federal Annual/Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Federal Annual/Total State	0	1,264,919	1,264,919			3,940,559
					Adjustment:	-
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			12,649,193			3,940,559

Gramercy Place Apts (senior)

Base Year Income & Expense

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

INCOME		
Scheduled Gross Income		556,476
Section 8 Premium		265,236
Misc. Income		3,840
Vacancy Loss	5.0%	(28,016)
Vacancy Loss - Section 8 Premium	5.0%	(13,262)
EFFECTIVE GROSS INCOME		784,274
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	500	
Legal	1,500	
Accounting/Audit	15,000	
Office Exp, Training/Compliance, Internet	15,000	
Total Administrative		32,000
Management Fee		46,080
Utilities		
Electricity	15,000	
Gas	12,000	
Total Utilities		27,000
Water/Sewer		35,000
Payroll/Payroll Taxes		
On-Site Managers	60,000	
Maintenance/Janitorial Payroll	45,000	
Payroll Taxes/Benefits	15,000	
Total Payroll/Payroll Taxes		120,000
Insurance		35,000
Real Estate Taxes		5,000
Maintenance		
Painting	5,000	
Repairs	12,000	
Trash Removal	10,000	
Exterminating	2,000	
Grounds	2,000	
Elevator	5,000	
Misc Contracts, Supplies, Vehicle	30,000	
Total Maintenance		66,000
Replacement Reserve		32,000
Other		
HCID Issuer Fee	4,000	
Services	120,000	
Budget Adjustment	0	
Total Other		124,000
TOTAL EXPENSES - RESIDENTIAL		522,080
Per Unit Per Year (incl. Reserves)	*8,158*	
Per Unit Per Year (w/o Services, Taxes, Reserves)	*5,704*	
NET AVAILABLE INCOME		262,194
HCD Mandatory Interest		0
NET AVAILABLE INCOME		262,194
Debt Service Coverage Ratio		1.15
AVAILABLE FOR DEBT SERVICE		227,995

Gramercy Place Apts (senior)

Mortgage Calculation & Bond Ratios

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

MAXIMUM MORTGAGE CALCULATION

Tax Exempt Bond - Permanent

Net Operating Income		262,194
DSC		1.15
Available for Debt Service		227,995
LESS: AHSC Interest Payment		-
LESS: MHP Interest Payment		-
Net Available for Debt Service		227,995

	Underwriting Constraint	Maximum Loan Amount
Debt Service Coverage	1.15	2,363,500
Loan-to-Value	85.0%	0
Percent of Transaction Costs	100.0%	33,548,246
Statutory Limit		36,473,489
Lender Commitment		NA
MAXIMUM MORTGAGE		**2,363,500**

LOAN CONSTANT/TIC CALCULATION

	Tax Exempt Bond
Bond/Loan Rate	5.25000%
Term (Yr)	15.00
Mortgage Insurance Premium	0.00000%
GNMA/Servicing	0.00000%
Annual Issuer Fee	0.00000%
Other Annual Bond Fees	0.00000%
Amort (P&I)	4.39653%
Loan Constant	9.64653%
Imputed Total Interest Cost (TIC)	5.25000%

BOND/REHABILITATION RATIOS

Tax-Exempt Financing Ratio

	Aggregate
Tax Exempt Construction Loan	19,905,710
TOTAL TAX-EXEMPT FINANCING	19,905,710
AGGREGATE BASIS	
Depreciable basis (residential)	30,311,989
Land	0
TOTAL BASIS ALLOCATION	31,741,943
Percent Tax-Exempt Financing	**62.71%**

Gramercy Place Apts (senior)

Lease-up/Placed-in-Service Schedule

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

LIHTC LEASE-UP SCHEDULE

Lease-Up Start (Year): 2020

	Lease Up/Mo	
Month	*# Units*	*Percent*
Jan-20	62	100.0%
Feb-20	0	0.0%
Mar-20	0	0.0%
Apr-20	0	0.0%
May-20	0	0.0%
Jun-20	0	0.0%
Jul-20	0	0.0%
Aug-20	0	0.0%
Sep-20	0	0.0%
Oct-20	0	0.0%
Nov-20	0	0.0%
Dec-20	0	0.0%
TOTAL	62	100.0%

% Q.O. in First Year **100.0%**

BUILDING PLACED-IN-SERVICE SCHEDULE

Start Year: 2020

		Bldg. PIS by Month	
Month	*Building #*	*# Units*	*Percent*
Jan-20	1	64	100.0%
Feb-20	0	0	0.0%
Mar-20	0	0	0.0%
Apr-20	0	0	0.0%
May-20	0	0	0.0%
Jun-20	0	0	0.0%
Jul-20	0	0	0.0%
Aug-20	0	0	0.0%
Sep-20	0	0	0.0%
Oct-20	0	0	0.0%
Nov-20	0	0	0.0%
Dec-20	0	0	0.0%
TOTAL		64	100.0%

% PIS in First Year **100.0%**

OPERATIONS SCHEDULE

Start Year: 2020

	Completed Lease Up/Mo	
Month	*No. Units*	*Percent*
Jan-20	64	100.0%
Feb-20	0	0.0%
Mar-20	0	0.0%
Apr-20	0	0.0%
May-20	0	0.0%
Jun-20	0	0.0%
Jul-20	0	0.0%
Aug-20	0	0.0%
Sep-20	0	0.0%
Oct-20	0	0.0%
Nov-20	0	0.0%
Dec-20	0	0.0%
TOTAL	64	100.0%

% Operating in First Year **100.0%**

DEVELOPMENT SCHEDULE

TCAC App	Sep-2017	
CDLAC Bond Allocation	Sep-2017	
Start Construction	Mar-2018	*1Q 2018*
Complete Construction	Mar-2020	*24 months construction*
Placed In Service	Mar-2020	
Start Lease-Up	Mar-2020	
100% Qualified Occupancy	Aug-2020	*3Q 2020*
Permanent Conversion	Nov-2020	*4Q 2020*

Gramercy Place Apts (senior)

Threshold Basis Limit Calculation

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

County:	Los Angeles
9% or 4% credits:	4%

BASE LIMITS			***THRESHOLD BASIS LIMIT FOR THIS PROJECT***				
Unit Type	**9%**	**4%**	Unit Type	# Units	Per Unit Basis Limit		TOTAL
0 BR	181,763	203,046	0 BR	0	203,046		0
1 BR	209,571	234,110	1 BR	58	234,110		13,578,380
2 BR	252,800	282,400	2 BR	6	282,400		1,694,400
3 BR	323,584	361,472	3 BR	0	361,472		0
4 BR	360,493	402,702	4 BR	0	402,702		0
				64			15,272,780
			Additional Basis Adjustments:				
			Local Development Impact Fees				277,000
			Prevailing Wage			20%	3,054,556
			Parking beneath Units			7%	1,069,095
			Childcare			2%	0
			100% Special Needs			2%	0
			Elevator Service			10%	1,527,278
			Energy/Resource Efficiency (up to 10%)			3%	0
			Toxic/Seismic Abatement Costs				0
			Bonds: 1% each % units @ 36% - 50% AMI		-	0%	0
			Bonds: 2% each % units @ or below 35% AMI		*31*	50%	15,272,780
			TOTAL THRESHOLD BASIS LIMIT				36,473,489
			TOTAL ELIGIBLE BASIS				30,311,989

Gramercy Place Apts (senior)

15-Year Cash Flow

Version: 1.03a (HCID-no MHP)
Revised: October 12, 2017

ASSUMPTIONS:																	
Rent Increase:	2.50%	Perm Loan - % Debt Svc Yr 1		100.00%													
Expenses Increase:	3.50%	Percent Q.O. In Lease-up Yr		100.00%													
Real Estate Tax Increase:	2.00%	Percent Ops in Yr 1		100.0%													
Reserve Increase:	0.00%																
			2021	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
GROSS POTENTIAL INCOME - RESIDENTIAL			556,476	570,388	584,648	599,264	614,245	629,602	645,342	661,475	678,012	694,962	712,336	730,145	748,398	767,108	786,286
Section 8 Premium			265,236	271,867	278,664	285,630	292,771	300,090	307,592	315,282	323,164	331,243	339,525	348,013	356,713	365,631	374,772
Misc. Income			3,840	3,936	4,034	4,135	4,239	4,345	4,453	4,565	4,679	4,796	4,916	5,038	5,164	5,293	5,426
Vacancy Loss - Residential	5.0%		(28,016)	(28,716)	(29,434)	(30,170)	(30,924)	(31,697)	(32,490)	(33,302)	(34,135)	(34,988)	(35,863)	(36,759)	(37,678)	(38,620)	(39,586)
Vacancy Loss - Section 8 Premium	5.0%		(13,262)	(13,593)	(13,933)	(14,282)	(14,639)	(15,005)	(15,380)	(15,764)	(16,158)	(16,562)	(16,976)	(17,401)	(17,836)	(18,282)	(18,739)
GROSS EFFECTIVE INCOME			784,274	803,881	823,978	844,578	865,692	887,334	909,518	932,256	955,562	979,451	1,003,938	1,029,036	1,054,762	1,081,131	1,108,159
Operating Expenses (excl. reserves, taxes)		*481,080*	481,080	497,918	515,345	533,382	552,050	571,372	591,370	612,068	633,490	655,663	678,611	702,362	726,945	752,388	778,722
Real Estate Taxes		*5,000*	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597
HCID Issuer Fee		*4,000*	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL OPERATING EXPENSES			490,080	507,018	524,547	542,688	561,463	580,893	601,001	621,812	643,349	665,638	688,706	712,579	737,286	762,856	789,319
NET OPERATING INCOME			294,194	296,863	299,431	301,890	304,230	306,442	308,517	310,444	312,213	313,813	315,232	316,457	317,476	318,275	318,840
REPLACEMENT RESERVE		*32,000*	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
NET INCOME AVAILABLE FOR DEBT SERVICE			262,194	264,863	267,431	269,890	272,230	274,442	276,517	278,444	280,213	281,813	283,232	284,457	285,476	286,275	286,840
Tax Exempt Bond - Permanent																	
Interest Payment			121,547	115,821	109,789	103,431	96,732	89,672	82,233	74,393	66,132	57,427	48,254	38,587	28,400	17,665	6,353
Principal Payment			106,449	112,174	118,207	124,565	131,264	138,324	145,763	153,602	161,863	170,569	179,742	189,409	199,596	210,330	221,642
TOTAL DEBT SERVICE			227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996	227,996
NET CASH FLOW			34,199	36,868	39,436	41,894	44,234	46,446	48,521	50,448	52,218	53,817	55,236	56,461	57,480	58,279	58,844
Debt Service Coverage Ratio			1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.24	1.25	1.25	1.26	1.26
DISTRIBUTION OF CASH FLOW																	
LP Investor Services Fee - Current		*5,000*	5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093
Deferred Developer Fee			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Partnership Management Fee - Current		*20,000*	20,000	20,700	21,425	22,174	22,950	23,754	24,585	25,446	26,336	27,258	28,212	29,199	30,221	31,279	32,374
PUBLIC LENDERS - 50% of Cash Flow																	
LA County CDC (MHHF)	*10.53%*		969	1,158	1,333	1,493	1,638	1,765	1,874	1,964	2,033	2,080	2,104	2,103	2,076	2,021	1,936
HHH (PSH)	*34.83%*		3,204	3,829	4,408	4,938	5,415	5,836	6,197	6,494	6,722	6,878	6,957	6,953	6,863	6,681	6,401
HCD - IIG	*4.63%*		233	278	320	359	393	424	450	472	488	500	505	505	499	485	465
HCID Ground Lease Note	*0.00%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FHLB AHP	*0.00%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Partner	0.01%		0	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Limited Partner	99.99%		4,792	5,727	6,593	7,385	8,099	8,728	9,268	9,711	10,053	10,286	10,404	10,399	10,265	9,992	9,574

Attachment C
Site Plan

2375 W. Washington Boulevard

GRAMERCY PLACE APARTMENTS

ADDRESS:
2375 W. WASHINGTON BLVD.
LOS ANGELES, CA

ARCHITECT:
KEVIN DALY ARCHITECTS
3617 WEST EXPOSITION BLVD.
LOS ANGELES, CA 90016

T: 310.856.3180
E: INFO@KEVINDALYARCHITECTS.COM

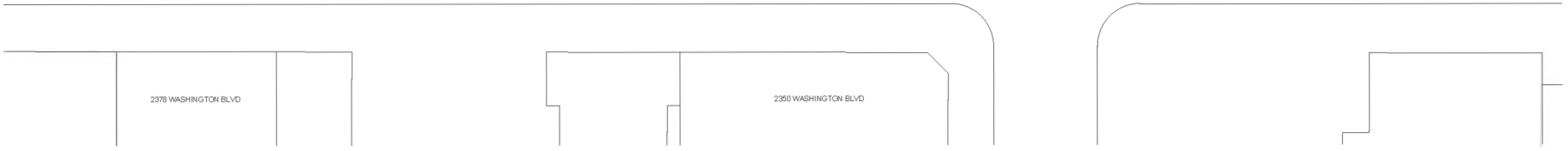
CONSULTANTS:

SEAL & SIGNATURE:

ISSUED FOR:

NO.	DESCRIPTION	DATE
1	ENTITLEMENTS	09/11/2017
2	ENTITLEMENTS REV.	09/13/2017





1 SITE PLAN
1/16" = 1'-0"

0' 8' 16' 32'

TITLE:
SITE PLAN

PLOT:
09/15/17

SHEET:
A1.00



NEIGHBORHOOD AERIAL



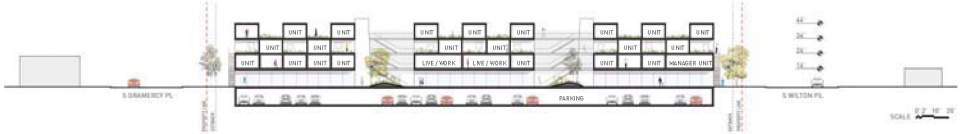
SITE ZONING GRAIN



STREET VIEW ALONG WASHINGTON



CROSS SECTION THROUGH BUILDING



LONGITUDINAL SECTION THROUGH BUILDING



AREA MAP

GRAMERCY PLACE APARTMENTS

NEIGHBORHOOD CONTEXT

JUNE 8, 2017

Hollywood Community Housing Corporation

KDA KEVIN DALY ARCHITECTS

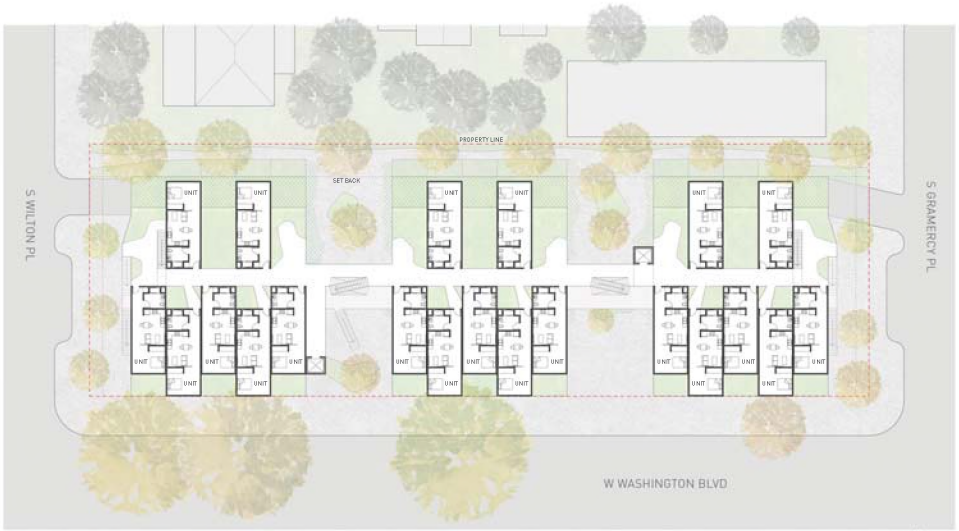
3417 WEST EXPOSITION BLVD
LOS ANGELES, CA 9001
T: 310.654.3900
F: 310.654.3983



GROUND PLAN



LEVEL 2 PLAN



LEVEL 3 PLAN



LEVEL 4 PLAN

GRAMERCY PLACE APARTMENTS

BUILDING DESIGN

JUNE 8, 2017

Hollywood Community Housing Corporation

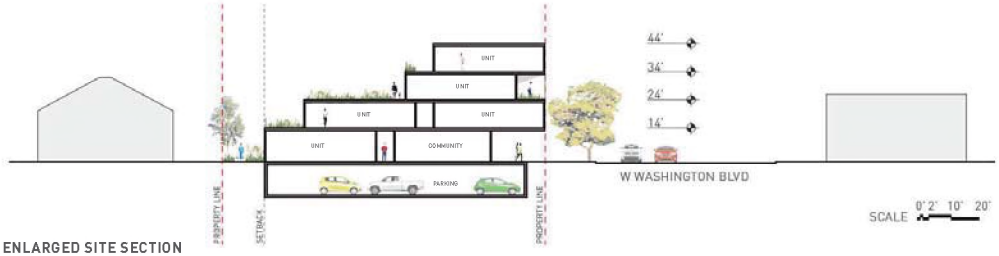
3417 WEST EXPOSITION BLVD
LOS ANGELES, CA 9001 6
T: 310.654.3500
F: 310.654.3183



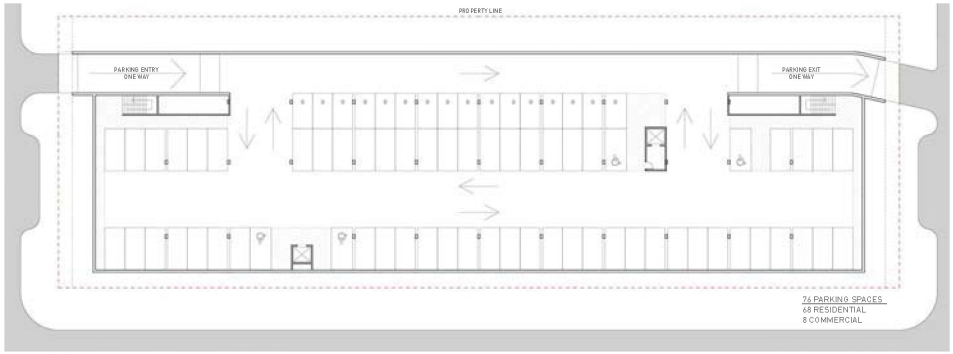
MASSING MODEL - VIEW FROM SOUTHWEST



MASSING MODEL - VIEW FROM NORTHWEST



ENLARGED SITE SECTION



PARKING PLAN



ENLARGED PUBLIC COURTYARD PLAN



STOREFRONT PATIO



GARDEN ALLEY

GRAMERCY PLACE APARTMENTS

BUILDING DESIGN

JUNE 8, 2017

Hollywood Community Housing Corporation

KDA KEVIN DALY ARCHITECTS

3417 WEST EXPOSITION BLVD
LOS ANGELES, CA 9001
T: 310.654.3500
F: 310.654.3183



VEHICULAR ACCESS



NEIGHBORHOOD PASSAGE



WASHINGTON BLVD FRONTAGE



RESIDENT COURTS

GRAMERCY PLACE APARTMENTS

SITE CIRCULATION & ACCESS

JUNE 8, 2017

Hollywood Community Housing Corporation

3417 WEST EXPOSITION BLVD
LOS ANGELES, CA 9001
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F: 310.654.3183

Attachment D
Affordability Mix Summary

2375 W. Washington Boulevard

ATTACHMENT D
2375 W. WASHINGTON BOULEVARD
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	1-Bedroom Units	2-Bedroom Units
30% TCAC/MHP/MHSA, Moderate HCD, 30% HHH-CH		
Number of Units	10	0
30% AMI TCAC Rent	$482	N/A
30% AMI MHP Rent	$482	N/A
30% AMI MHSA Rent	$482	N/A
30% AMI HHH-CH Rent	$482	N/A
Moderate HCD Rent	$1,401	N/A
DMH Vouchers	Yes	N/A
Applicable Rent	**$482**	**N/A**
30% TCAC/MHP, Moderate HCD, 30% HHH-CH / VLI DB		
Number of Units	6	0
30% AMI TCAC Rent	$482	N/A
30% AMI MHP Rent	$482	N/A
30% AMI HHH-CH Rent	$482	N/A
Moderate HCD Rent	$1,401	N/A
Very-Low Income Density Bonus Rent	$623	N/A
PBV Vouchers	Yes	N/A
Applicable Rent	**$482**	**N/A**
30% TCAC / 30% MHP / 30% HHH / Moderate HCD / VLI DB		
Number of Units	3	0
30% AMI TCAC Rent	$482	N/A
30% AMI MHP Rent	$482	N/A
30% AMI HHH Rent	$482	N/A
Moderate HCD Rent	$1,401	N/A
Very-Low Income Density Bonus Rent	$623	N/A
PBV Vouchers	Yes	N/A
Applicable Rent	**$482**	**N/A**
30% TCAC / 30% MHP / 30% HHH / Moderate HCD		
Number of Units	12	0
30% AMI TCAC Rent	$482	N/A
30% AMI MHP Rent	$482	N/A
30% AMI HHH Rent	$482	N/A
Moderate HCD Rent	$1,401	N/A
Very-Low Income Density Bonus Rent	$623	N/A
PBV Vouchers	Yes	N/A
Applicable Rent	**$482**	**N/A**
60% TCAC / 60% CDLAC / Moderate HCD		
Number of Units	24	2
60% AMI TCAC Rent	$989	$1,183
60% AMI CDLAC Rent	$989	$1,183
Moderate HCD Rent	$1,401	$1,570
PBV Vouchers	No	No
Applicable Rent	**$989**	**$1,183**
60% TCAC / Moderate HCD		
Number of Units	3	2
60% AMI TCAC Rent	$989	$1,183
Moderate HCD Rent	$1,401	$1,570
PBV Vouchers	No	No
Applicable Rent	**$989**	**$1,183**

Prepared by: Keyser Marston Associates, Inc.
Filename: 2375 W Washington Blvd - 2017 4% Model; Affordability Chart; jlr; 10/5/2017

Attachment G: Term Sheet – 4314 W. Adams Boulevard

4314 W. Adams Boulevard
Owner Participation Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Owner Participation Agreement ("OPA") for the Adams Terrace project shall be entered into by and between the City of Los Angeles, a municipal corporation ("City"), and Abode Communities, Inc., a California nonprofit benefit corporation ("Developer").

2. **City Site Description:**
One parcel of land is currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	4314 W. Adams Boulevard	5051-005-901	15,209	Attachment A

3. **Developer Site Description:**
One parcel of land is currently owned by the Developer:

	Address	APN	Parcel Size (Sf)	Legal Description
Developer Parcel 1	4347 W. Adams Boulevard	5059-003-021	21,219	Attachment B
Developer Parcel 2		5059-003-022		Attachment B
Total Developer Site			**21,219**	

4. **City Site History:**
The property was acquired in January 2009 by the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) for $1,917,843. The City Site is located in the former Mid-City Redevelopment Project Area and $822,843 from the Mid-City Housing Trust Fund, $1,000,000 in Mid-City Housing Trust Bonds – Series C, and $100,000 from Mid-City Tax Increment were used as the funding sources. In 2013 the land was transferred from CRA/LA to HCIDLA, which is the Housing Successor Agency. Currently, the City Site is vacant.

5. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: The Project will be a scattered site new construction permanent supportive housing development for seniors that will create 86 apartment units, including two on-site manager's units on the Project Site. The two buildings will both be four stories tall, including three levels of residential living area over one level podium parking garage. Sustainable features will include LEED for Homes Silver standards.
   b. Project Site Size: 36,428 Square Feet of Land Area (includes the City Site and Developer Site).
   c. Gross Building Area: 86,232 square feet (71,770 sf gross living area and 14,462 sf of common area/circulation).
   d. Unit Mix: 27 studio units, 57 one-bedroom units, and 2 two-bedroom units.
   e. Parking: 51 spaces
   f. Target Population: homeless seniors, seniors

g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. Also, at least 10% of the total units will be accessible to persons with mobility impairments and 4% to persons with sensory impairments. All other units will be adaptable.
h. Amenities: Both buildings will include a community room, outdoor landscaped courtyards, and a community garden.

6. **Purchase and Sale of the City Site:**
The City agrees to sell and convey to Developer and the Developer agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the OPA and Grant Deed.

7. **Purchase Price for City Site:**
The purchase price is set at $895,000 ("Purchase Price") based on the fair market value appraisal prepared by Gold Coast Appraisals, Inc. and dated October 28, 2017.

8. **Developer Pro Forma:**
Attached ("Attachment C") is the current Developer Pro Forma for the Project.

9. **Project Site Plan:**
Attached ("Attachment D") is the current Site Plan for the Project.

10. **Labor Rates:**
The Project will incur federal Davis Bacon, state prevailing wages and a City Project Labor Agreement.

11. **Developer Fee:**
The total developer fee is estimated at $4,743,957, which is the maximum allowed under TCAC and the City's underwriting guidelines. However, the Developer will contribute $2,353,725 to the Project. Thus, the net cash to be received by the Developer is $2,390,232, which is below the City's HHH underwriting guidelines.

12. **Social Services to be Provided at Project:**
The Project will provide an estimated $50,000 in annual social services on-site. These services will be provided by a Los Angeles County authorized service provider, Abode Communities and St. Joseph's and will include the following:
a. Onsite services will include service coordination and case management;
b. Educational services, including assessment, GED, and school enrollment;
c. Employment services, such as job skills training, job readiness, job placement, and job retention services;
d. Housing outplacement, such as linkages to alternative housing options for residents that require a higher level of care based on changes to their functioning or health status; and
e. Life skills training, such as household maintenance, nutrition, cooking, and laundry.

13. **Reserves:**
Subject to lender and investor requirements.
a. Capitalized Operating Reserves - $310,588.
b. Annual Replacement Reserves - $51,600, or $600 per unit per year.
c. Capitalized Transition Reserves – 503,250.

14. **City Land Loan Terms:**
The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:

a. The City Land Loan Amount will be equal to the Purchase Price of the City Site, which is set at $895,000.
b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from the COO.
c. The City Land Loan will have a 3.0% simple interest rate applied.
d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payments on other soft loans.)
e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB) and secured by a subordinated Deed of Trust that will be applied to the City Site only.
f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.

15. Subordination:

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB

16. Affordability Restrictions (See Attachment E):

With two units set-aside for on-site managers units, income and affordability requirements will be restricted by the following 55-year regulatory agreements as follows:

a. City Land Regulatory Agreement (per California Health & Safety Code). This Agreement will only be applies to the City Site.

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0	0
Moderate Income HCD	§50093	§50053	15	22	0	37
Total Units			**15**	**22**	**0**	**37**

b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	14	29	0	43
50% AMI	TCAC	TCAC	13	28	0	41
Total Units			**27**	**57**	**0**	**84**

c. CDLAC Regulatory Agreement (40% @ 60% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
50% AMI	TCAC	TCAC	0	0	0	0
60% AMI	TCAC	TCAC	11	23	0	34
Total Units			**11**	**23**	**0**	**34**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	7	15	0	22
30% AMI – PSH	TCAC	TCAC	7	14	0	21
Total Units			**14**	**29**	**0**	**43**

e. City Density Bonus Regulatory Agreement (per Health & Safety Code):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	3	6	0	9
60% AMI	TCAC	TCAC	24	51	0	75
Total Units			**27**	**57**	**0**	**84**

f. HAP Contract for Project Based Vouchers:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	2-Bdrm Units	Total Units
30% AMI	HUD	HUD	14	29	0	43
Total Units			**14**	**29**	**0**	**43**

17. Financing Plan:

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Acquisition Loan	Golden State Acquisition Fund (LIIF)	$2,280,000
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$23,543,000
Permanent		$2,418,000
4% Federal Tax Credits	TCAC/TBD Investor	$14,077,000
Business Energy Tax Credits	TCAC/TBD Investor	$90,000
HHH Loan	City of LA	$12,000,000
AHSC Loan	HCD	$6,700,000
IIG Loan	HCD	$2,934,000
Developer Fee Contribution	Developer	$2,354,000
Deferred Developer Fee	Developer	$1,190,000
City Land Loan	City of LA	$895,000
Project-Based Section 8	HACLA	43 Vouchers

18. Milestones:

The Developer agrees to apply for the funds listed below by the following dates:

Action	Date
OPA Executed	By January 15, 2018
Entitlements Secured	Completed
HHH Application / Award	December 2017 / January 2018
AHSC Application / Award	January 2018 / June 2018
IIG Application / Award	January 2018 / June 2018
City TEB Application / Award	May 2018 / May 2018
CDLAC Application / Award	July 2018 / October 2018
4% TCAC Application / Award	July 2018 / October 2018

HACLA PBV Application Approval	December 2017 / January 2018
Financing / Land Closing	December 2018
Construction Commences / Completed	December 2018 / July 2020
Placed in Service Date	July 2020

19. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Owners Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 12/21/17

Sean L. Spear
Assistant General Manager

DEVELOPER
Abode Communities

By: _____ Date: 12/21/17

Lara Regus
Senior Vice President, Development

Attachment A	City Parcel Legal Description
Attachment B	Developer Site Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

Attachment A
City Site Legal Description

4314 W. Adams Boulevard

LEGAL DESCRIPTION OF THE SITE

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 1 AND 2 OF TRACT NO. 4830, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 53 PAGE 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID PROPERTY, BUT WITH NO RIGHT OF SURFACE ENTRY AS PROVIDED IN DEED RECORDED IN BOOK 13235 PAGE 334 AND IN BOOK 22128 PAGE 30, BOTH OF OFFICIAL RECORDS.

APN: 5051-005-901, 5051-005-902

Attachment B
Developer Site Legal Description

4314 W. Adams Boulevard

LEGAL DESCRIPTION

(LRPMP ASSET ID NO. 100)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 52, 53 AND 54 OF THE CHISWICK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 22 PAGES 98 AND 99 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE NORTH 50 FEET THEREOF.

APN: 5059-003-021,022

Attachment C
Developer Pro Forma

4314 W. Adams Boulevard

Adams Terrace

Prepared For:	Abode
Prepared By:	California Housing Partnership Corporation
Version:	3.11 (AHSC-2010 UMRs)
Revised:	December 6, 2017

TABLE OF CONTENTS

Sources of Funds..... 1
Uses of Funds..... 1a
Unit Mix & Rental Income..... 2
Rent Comparison Table..... 2a
Tax Credit Calculation..... 3
Base Year Income & Expense..... 4
Mortgage Calculation & Bond Ratios..... 4a
Lease-up/Placed-in-Service Schedule..... 5
Net Syndication Proceeds..... 6
Threshold Basis Limits..... 7
15-Year Cash Flow..... 8
Outstanding Debt & Reserves..... 8a
Schedule of Deductions..... 9
Analysis of Taxable Income..... 10
Capital Account & Exit Tax Liability..... 11
Investment Summary..... 12
Net Quarterly Benefits..... 13

SOURCES OF FUNDS

PERMANENT

	AMOUNT	TOTAL INT COST	OID INT RATE	TERM (Yr)	COMMENTS
Tax Exempt Bond - Permanent	2,417,900	5.50%		15	
HCD - AHSC	6,700,000	0.00%	0.00%	55	*Perm only*
HCID Seller Note	895,000	4.00%	2.14%	55	
HCD - HRI Grant (GP Loan)	0	0.00%	0.00%	55	
HCD - TRI/TRA Grant (GP Loan)	0	0.00%	0.00%	55	
HHH	12,000,000	3.00%	1.79%	55	*Fully funded at perm for 50% test*
IIG	2,933,760	0.00%	0.00%	55	
LA County CDC	0	0.00%	0.00%	55	
GP Capital Contribution	2,353,725				
Deferred Developer Fee	1,190,232	0.00%	0.00%		*Total Developer Fee (net of deferred):* *1,200,000*
					Deferred fee to be paid via cash flow: *1,190,232*
Capital Contributions					
General Partner	0				
Limited Partners (BETC)	89,991				*Credit Pricing (BETC):* *$1.000*
Limited Partners	14,077,119				*Credit Pricing (LIHTC):* *$0.923*
TOTAL SOURCES	**42,657,727**				*4% Credit Rate:* *3.23%*
Surplus/(Shortfall)	*-0*				*Total AHSC Request:* *6,700,000*

CONSTRUCTION

	AMOUNT	INT RATE	TERM (Mo.)	
Tax Exempt Construction Loan	23,543,460	5.00%	24	
HCID Seller Note	895,000	4.00%	24	
HCD - HRI Grant (GP Loan)	0	0.00%	24	
HHH	9,000,000	3.00%	24	*Holdback during construction for 50% test*
IIG	2,933,760	0.00%	24	
LA County CDC	0	0.00%	24	*Holdback during construction (programmatic)*
Costs Deferred Until Conversion	1,333,838			
GP Capital Contribution	2,353,725			
Deferred Developer Fee	1,190,232			
Capital Contributions				
General Partner	0	0.00%		
Limited Partners	1,407,712			
TOTAL SOURCES	**42,657,727**			
Surplus/(Shortfall)	*-0*			

COSTS DEFERRED UNTIL CONVERSION

Transition Reserve	503,250
Operating Reserve (4 months)	310,588
Title/Recording/Escrow - Permanent	10,000
Audit/Cost Certification	30,000
Developer Fee	480,000
TOTAL	1,333,838

DEVELOPER FEE PAY-IN SCHEDULE

Construction Closing	600,000
Construction Completion	120,000
Permanent Conversion	420,000
8609/Tax Filing	60,000
TOTAL	1,200,000

INTEREST RATE STACK

	Construction	*Permanent Tranche A*
Index	1.5000%	2.0000%
Bank spread	2.0000%	2.0000%
Cushion	1.5000%	1.5000%
TOTAL	*5.00%*	*5.50%*

Adams Terrace

Uses of Funds

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

	TOTAL	100.00% TOTAL RESIDENTIAL	NON-DEPREC	DEPRECIABLE RESIDENTIAL	DEPRECIABLE NON-RES	EXPENSE	AMORTIZE	TAX CREDIT ELIGIBLE CONST/ REHAB	TAX CREDIT ELIGIBLE ACQUIS.
ACQUISITION COSTS									
Total Purchase Price	*3,175,000*								
Land Value (HCID Parcel)	895,000	895,000	895,000						
Land Acquisition (private parcel)	2,280,000	2,280,000	2,280,000	0	0				0
Sustainable Transportation Improvements	0	0	0						
GENERAL DEVELOPMENT COSTS									
Unit Construction	19,238,000	19,238,000		19,238,000	0		0	19,238,000	
Off-Site Improvements	0	0	0	0	0			0	
Domestic Solar Hot Water	300,000	300,000		300,000	0		0	300,000	
Site Improvements/Landscape	1,040,858	1,040,858		1,040,858	0			1,040,858	
Furnishings/FFE	0	0		0	0			0	
Contractor General Requirements	1,686,309	1,686,309		1,686,309	0			1,686,309	
Contractor Overhead & Profit	1,264,732	1,264,732		1,264,732	0			1,264,732	
Contractor Bond + Insurance	474,275	474,275		474,275	0			474,275	
Construction Contingency	2,400,417	2,400,417	0	2,400,417	0			2,400,417	
Local Permits/Fees/Utility Fees	657,298	657,298		657,298	0			657,298	
Local Development Impact Fees	0	0		0	0			0	
Phase I/Asbestos/Toxics	16,200	16,200		16,200	0			16,200	
Architecture	1,485,785	1,485,785		1,485,785	0			1,485,785	
Survey/Engineering	333,899	333,899		333,899	0			333,899	
Appraisal	14,000	14,000	0	14,000	0		0	14,000	
Market Study	12,000	12,000		12,000	0		0	12,000	
Predevelopment Financing	667,888	667,888	667,888	0	0			0	
Holding Costs/Predevelopment Expenses	45,374	45,374	45,374	0	0			0	
Construction Period Interest - Bank Loan	1,412,600	1,412,600		918,190	0	494,410		918,190	
HCID Seller Note accrued/deferred interest	0	0		0	0	0		0	
Construction Period Interest - HHH paid	321,789	321,789		209,163	0	112,626	0	209,163	
LA CDC accrued/deferred interest	0	0		0	0	0		0	
Title/Recording/Escrow - Acquisition	10,000	10,000	10,000	0	0			0	0
Title/Recording/Escrow - Construction	128,482	128,482		128,482	0			128,482	0
Title/Recording/Escrow - Permanent	10,000	10,000					10,000		
Real Estate Taxes	79,375	79,375		79,375	0	0		79,375	0
Insurance During Construction	230,000	230,000		230,000	0	0		230,000	0
Soft Cost Contingency	333,695	333,695		333,695	0			333,695	
TCAC Application/Monitoring Fee	51,693	51,693					51,693		
Legal: Acquisition	20,000	20,000	20,000	0				0	0
Construction Closing	55,000	55,000		55,000	0			55,000	0
Organization of Partnership	3,600	3,600				3,600			
Syndication	60,000	60,000	60,000						
Accounting	34,600	34,600	0			34,600			
Syndication Consulting	55,000	55,000	55,000					0	0
Entitlements	220,000	220,000		220,000	0			220,000	
Audit/Cost Certification	30,000	30,000	30,000	0		0	0	0	
Furnishings	207,500	207,500		207,500	0			207,500	
Transition Reserve	503,250	503,250	503,250						
Operating Reserve (4 months)	310,588	310,588	310,588						
Marketing/Lease-Up	80,500	80,500				80,500			
LEED/Sustainable Design Soft Costs	67,000	67,000		67,000				67,000	
Construction Manager/Monitoring	247,000	247,000		247,000	0			247,000	
Consultants (Entitlements, LEED, Solar, Sound, CASp,	0	0		0	0			0	
Project Administration	7,200	7,200		7,200	0			7,200	
LA CDC Fee	23,005	23,005	0	0			23,005	0	
Developer Fee	4,743,957	4,743,957	0	4,743,957	0			4,743,957	0
COSTS OF ISSUANCE/FINANCING COSTS									
Lender Counsel (Construction)	60,000	60,000		0	0		60,000	0	
Bond Counsel	50,000	50,000		0	0		50,000		
Issuer Financial Advisor	35,000	35,000		0	0		35,000		
Lender Expenses	23,300	23,300		0	0		23,300	0	
Lender Fees (Construction)	235,400	235,400		0	0		235,400	0	
Lender Fees (Permanent)	24,200	24,200					24,200		
Trustee Fee	5,000	5,000					5,000		
Trustee Counsel	30,000	30,000					30,000		
CDLAC Fees	8,240	8,240					8,240		
Issuer Fee (HCID)	58,859	58,859					58,859		
Issuer Expenses (app + TEFRA)	6,000	6,000					6,000		
Prepaid Annual Issuer Fee	58,859	58,859					58,859		
CDIAC Fees	5,000	5,000	-	-			5,000	-	
Subtotal - Costs of Issuance	*599,858*	*599,858*	*0*	*0*	*0*	*0*	*599,858*	*0*	*0*
TOTAL DEVELOPMENT COSTS	**42,657,727**	**42,657,727**	**4,877,100**	**36,370,335**	**0**	**725,736**	**684,556**	**36,370,335**	**0**
Total Development Cost Per Unit	*496,020*								

TCAC DEVELOPER FEE CALCULATION

	Constr	Acq	Total
Maximum Potential TCAC Fee (per limits)	2,500,000	-	2,500,000
Maximum Potential TCAC Fee (per basis)	4,743,957	-	4,743,957
Ratio	100.00%	0.00%	100.00%
MAXIMUM FEE	4,743,957	-	4,743,957

Adams Terrace

Unit Mix & Rental Income

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

AVERAGE AFFORDABILITY FOR QUALIFIED UNITS (% AMI)	39.76%
% of Units: PSH	51.1%
Non-PSH	48.9%

	UNIT MIX	*UTILITY ALLOWANCES*
0 BR	27	18
1 BR	57	25
2 BR	2	33

RESIDENTIAL INCOME

TIER I — *30%* — *PSH - Seniors* — **Percentage of Targeted Units: *51.2%***

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	14	500	7,000	29.9%	472	454	6,356	76,272
1 BR	29	550	15,950	30.0%	507	482	13,978	167,736
2 BR	0	800	0	0.0%	0	574	0	0
TOTAL	43		22,950				20,334	244,008

TIER IV — *50%* — *Seniors* — **Percentage of Targeted Units: *48.8%***

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	13	500	6,500	50.0%	788	770	10,010	120,120
1 BR	28	550	15,400	50.0%	845	820	22,960	275,520
2 BR	0	800	0	0.0%	0	980	0	0
TOTAL	41		21,900				32,970	395,640

MANAGER UNITS

UNIT TYPE	NUMBER	PER UNIT SQ FT	TOTAL SQ FT	% MEDIAN INCOME AFFORDABLE	PER-UNIT MONTHLY GROSS RENT	PER-UNIT MONTHLY NET RENT	TOTAL MONTHLY NET RENT	TOTAL ANNUAL NET RENT
0 BR	0	500	0	0.0%	0	0	0	0
1 BR	0	550	0	0.0%	0	0	0	0
2 BR	2	800	1,600	0.0%	0	0	0	0
TOTAL	2		1,600				0	0

SECTION 8 INCOME (HACLA)

UNIT TYPE	NUMBER	INCOME TIER	PER-UNIT MONTHLY NET RENT	PER UNIT S8 RENT	PER-UNIT MONTHLY S8 PREMIUM	TOTAL MONTHLY S8 PREMIUM	TOTAL ANNUAL S8 PREMIUM
0 BR	14	30%	454	1,155	701	9,814	117,768
1 BR	29	30%	482	1,387	905	26,245	314,940
TOTAL	43					36,059	432,708
SECTION 8 PREMIUM (annual Section 8 income less total annual base rents)						36,059	432,708
TOTAL - BASE RENT PLUS SECTION 8 PREMIUM						89,363	1,072,356

TOTAL RESIDENTIAL INCOME	**TOTAL SQ FT**	**TOTAL UNITS**	**TOTAL MONTHLY (Net)**	**TOTAL ANNUAL**
		86	**89,363**	**1,072,356**
TOTAL SQ FT - TAX CREDIT ELIGIBLE	46,450			
TOTAL SQ FT - NON-TAX CREDIT ELIGIBLE	0			
TOTAL RENTABLE SQ FT	46,450			

MISCELLANEOUS INCOME	PER-UNIT MONTHLY	TOTAL MONTHLY	TOTAL ANNUAL
Laundry/Vending	4	301	3,612

Adams Terrace

Tax Credit Calculation

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

	FEDERAL			CALIFORNIA		
	ACQUIS	CONST/ REHAB	TOTAL	ACQUIS	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	36,370,335	36,370,335	0	36,370,335	36,370,335
Less:						
Business Energy Tax Credit (Res. Portion)	0	(45,000)	(45,000)	0	0	0
ELIGIBLE BASIS	0	36,325,335	36,325,335	0	36,370,335	36,370,335
THRESHOLD BASIS LIMIT			*55,653,065*			
REQUESTED ELIGIBLE BASIS	0	36,325,335	36,325,335	0	36,370,335	36,370,335
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS	0	36,325,335				
HIGH COST ADJUSTMENT (Y/N) Y	100.0%	130.0% in QCT		100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS	0	47,222,936	47,222,936	0	36,370,335	36,370,335
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	47,222,936	47,222,936	0	36,370,335	36,370,335
LESS: Credit Reduction for Leveraging 0.00%	0	0	0			
ADJUSTED QUALIFIED CREDIT BASIS	0	47,222,936	47,222,936			
CREDIT RATE Federal Annual/Yr 1-3 State	3.23%	3.23%		3.23%	3.23%	
Year 4 - State				3.31%	3.31%	
MAXIMUM CREDIT AMOUNT PER COSTS						
Federal Annual/Yr 1-3 State	0	1,525,301	1,525,301	0	3,524,286	3,524,286
Year 4 - State				0	1,203,858	1,203,858
Total				0	4,728,144	4,728,144
ACTUAL TCAC CREDIT RESERVATION						
Federal Annual/Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Federal Annual/Total State	0	1,525,301	1,525,301			4,728,144
					Request reduction:	(4,728,144)
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			15,253,008			0

BUSINESS ENERGY TAX CREDIT	
Basis for Business Tax Credit (Resid)	300,000
LESS: solar rebates	0
Basis for Business Energy Credit	300,000
Credit Percentage	30.0%
Total Business Energy Credit	**90,000**
Res. Portion of Bus Energy Credit	**90,000**

Adams Terrace

Base Year Income & Expense

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

INCOME		
Scheduled Gross Income		639,648
Section 8 Premium		432,708
Misc. Income		3,612
Vacancy Loss	7.5%	(48,245)
Vacancy Loss - Section 8 Premium	7.5%	(32,453)
EFFECTIVE GROSS INCOME		995,270
(assuming TCAC waiver for 5% vacancy rate for SN units w/ operating subsidy)		
EXPENSES - RESIDENTIAL		
Administrative		
Advertising	1,000	
Legal	2,000	
Accounting/Audit	15,000	
Office Exp, Training/Compliance, Internet	40,000	
Total Administrative		58,000
Management Fee		61,920
Utilities		
Electricity	29,000	
Gas	25,000	
Total Utilities		54,000
Water/Sewer		45,000
Payroll/Payroll Taxes		
On-Site Managers	80,000	
Maintenance/Janitorial Payroll	60,000	
Payroll Taxes/Benefits	25,000	
Total Payroll/Payroll Taxes		165,000
Insurance		80,000
Real Estate Taxes		5,000
Maintenance		
Painting	7,000	
Repairs	10,000	
Trash Removal	8,000	
Exterminating	4,000	
Grounds	6,000	
Elevator	8,000	
Misc Contracts, Supplies, Vehicle	50,000	
Total Maintenance		93,000
Replacement Reserve		51,600
Other		
HCID Issuer Fee	3,022	
Services	50,000	
Budget Adjustment (for LA CDC minimum OpEx)	0	
Total Other		53,022
TOTAL EXPENSES - RESIDENTIAL		666,542
Per Unit Per Year (incl. Reserves)	*7,750*	
Per Unit Per Year (w/o Services, Taxes, Reserves)	*6,511*	
NET AVAILABLE INCOME		328,728
AHSC Transit Passes (years 1-3)		20,640
HCD Mandatory Interest		28,140
NET AVAILABLE INCOME		279,948
NET AVAILABLE INCOME (w/o Section 8)		(120,307)
Debt Service Coverage Ratio		1.15
AVAILABLE FOR DEBT SERVICE		243,433

Adams Terrace

Mortgage Calculation & Bond Ratios

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

MAXIMUM MORTGAGE CALCULATION

Tax Exempt Bond - Permanent

Net Operating Income		328,728
DSC		1.15
Available for Debt Service		285,850
LESS: HCD Interest Payment		(28,140)
LESS: AHSC Transit Passes		(20,640)
Net Available for Debt Service		237,070

	Underwriting Constraint	Maximum Loan Amount
Debt Service Coverage	1.15	2,417,900
Loan-to-Value	85.0%	0
Percent of Transaction Costs	100.0%	42,657,727
Statutory Limit		55,653,065
Lender Commitment		NA
MAXIMUM MORTGAGE		**2,417,900**

LOAN CONSTANT/TIC CALCULATION

	Tax Exempt Bond
Bond/Loan Rate	5.50000%
Term (Yr)	15.00
Mortgage Insurance Premium	0.00000%
GNMA/Servicing	0.00000%
Annual Issuer Fee	0.00000%
Other Annual Bond Fees	0.00000%
Amort (P&I)	4.30500%
Loan Constant	9.80500%
Imputed Total Interest Cost (TIC)	5.50000%

BOND/REHABILITATION RATIOS

Tax-Exempt Financing Ratio

	Aggregate
Tax Exempt Construction Loan	23,543,460
TOTAL TAX-EXEMPT FINANCING	23,543,460
AGGREGATE BASIS	
Depreciable basis (residential)	36,370,335
Land	895,000
TOTAL BASIS ALLOCATION	37,275,335
Percent Tax-Exempt Financing	**63.16%**

Adams Terrace

Lease-up/Placed-in-Service Schedule

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

LIHTC LEASE-UP SCHEDULE

Lease-Up Start (Year): 2020

	Lease Up/Mo	
Month	*# Units*	*Percent*
Jan-20	84	100.0%
Feb-20	0	0.0%
Mar-20	0	0.0%
Apr-20	0	0.0%
May-20	0	0.0%
Jun-20	0	0.0%
Jul-20	0	0.0%
Aug-20	0	0.0%
Sep-20	0	0.0%
Oct-20	0	0.0%
Nov-20	0	0.0%
Dec-20	0	0.0%
TOTAL	84	100.0%

% Q.O. in First Year **100.0%**

BUILDING PLACED-IN-SERVICE SCHEDULE

Start Year: 2020

		Bldg. PIS by Month	
Month	*Building #*	*# Units*	*Percent*
Jan-20	2	86	100.0%
Feb-20	0	0	0.0%
Mar-20	0	0	0.0%
Apr-20	0	0	0.0%
May-20	0	0	0.0%
Jun-20	0	0	0.0%
Jul-20	0	0	0.0%
Aug-20	0	0	0.0%
Sep-20	0	0	0.0%
Oct-20	0	0	0.0%
Nov-20	0	0	0.0%
Dec-20	0	0	0.0%
TOTAL		86	100.0%

% PIS in First Year **100.0%**

OPERATIONS SCHEDULE

Start Year: 2020

	Completed Lease Up/Mo	
Month	*No. Units*	*Percent*
Jan-20	86	100.0%
Feb-20	0	0.0%
Mar-20	0	0.0%
Apr-20	0	0.0%
May-20	0	0.0%
Jun-20	0	0.0%
Jul-20	0	0.0%
Aug-20	0	0.0%
Sep-20	0	0.0%
Oct-20	0	0.0%
Nov-20	0	0.0%
Dec-20	0	0.0%
TOTAL	86	100.0%

% Operating in First Year **100.0%**

Adams Terrace

Threshold Basis Limit Calculation

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

County:	Los Angeles
9% or 4% credits:	4%

BASE LIMITS			***THRESHOLD BASIS LIMIT FOR THIS PROJECT***			
Unit Type	**9%**	**4%**	Unit Type	# Units	Per Unit Basis Limit	TOTAL
0 BR	181,763	203,046	0 BR	27	203,046	5,482,242
1 BR	209,571	234,110	1 BR	57	234,110	13,344,270
2 BR	252,800	282,400	2 BR	2	282,400	564,800
3 BR	323,584	361,472	3 BR	0	361,472	0
4 BR	360,493	402,702	4 BR	0	402,702	0
				86		19,391,312

Additional Basis Adjustments:			
Local Development Impact Fees			0
Prevailing Wage		20%	3,878,262
Parking beneath Units		7%	1,357,392
Childcare		2%	0
100% Special Needs		2%	0
Elevator Service		10%	1,939,131
Energy/Resource Efficiency (up to 10%)		3%	0
Toxic/Seismic Abatement Costs			0
Bonds: 1% each % units @ 36% - 50% AMI	*41*	48%	9,307,830
Bonds: 2% each % units @ or below 35% AMI	*43*	51%	19,779,138
TOTAL THRESHOLD BASIS LIMIT			55,653,065
TOTAL ELIGIBLE BASIS			36,325,335

Adams Terrace

15-Year Cash Flow

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

ASSUMPTIONS:																	
Rent Increase:	2.50%	Perm Loan - % Debt Svc Yr 1		100.00%													
Expenses Increase:	3.50%	Percent Q.O. In Lease-up Yr		100.00%													
Real Estate Tax Increase:	2.00%	Percent Ops in Yr 1		100.0%													
Reserve Increase:	0.00%																
			2021	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
GROSS POTENTIAL INCOME - RESIDENTIAL			639,648	655,639	672,030	688,831	706,052	723,703	741,796	760,340	779,349	798,833	818,804	839,274	860,255	881,762	903,806
Section 8 Premium			432,708	443,526	454,614	465,979	477,629	489,569	501,809	514,354	527,213	540,393	553,903	567,750	581,944	596,493	611,405
Misc. Income			3,612	3,702	3,795	3,890	3,987	4,087	4,189	4,294	4,401	4,511	4,624	4,739	4,858	4,979	5,104
Vacancy Loss - Residential	7.5%		(48,245)	(49,451)	(50,687)	(51,954)	(53,253)	(54,584)	(55,949)	(57,348)	(58,781)	(60,251)	(61,757)	(63,301)	(64,883)	(66,506)	(68,168)
Vacancy Loss - Section 8 Premium	7.5%		(32,453)	(33,264)	(34,096)	(34,948)	(35,822)	(36,718)	(37,636)	(38,577)	(39,541)	(40,529)	(41,543)	(42,581)	(43,646)	(44,737)	(45,855)
GROSS EFFECTIVE INCOME			995,270	1,020,152	1,045,656	1,071,797	1,098,592	1,126,057	1,154,209	1,183,064	1,212,640	1,242,956	1,274,030	1,305,881	1,338,528	1,371,991	1,406,291
Operating Expenses (excl. reserves, taxes)		*606,920*	606,920	628,162	650,148	672,903	696,455	720,831	746,060	772,172	799,198	827,170	856,121	886,085	917,098	949,196	982,418
AHSC Transit Passes		*20,640*	20,640	20,640	20,640												
Real Estate Taxes		*5,000*	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597
HCID Issuer Fee		*3,022*	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022	3,022
TOTAL OPERATING EXPENSES			635,582	656,925	679,012	681,231	704,889	729,373	754,713	780,938	808,078	836,167	865,238	895,324	926,461	958,687	992,038
NET OPERATING INCOME			359,688	363,228	366,644	390,566	393,703	396,684	399,496	402,126	404,562	406,789	408,792	410,557	412,067	413,305	414,253
REPLACEMENT RESERVE		*51,600*	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600	51,600
NET INCOME AVAILABLE FOR DEBT SERVICE			308,088	311,628	315,044	338,966	342,103	345,084	347,896	350,526	352,962	355,189	357,192	358,957	360,467	361,705	362,653
Tax Exempt Bond - Permanent																	
Interest Payment			130,320	124,298	117,937	111,216	104,117	96,617	88,694	80,324	71,482	62,142	52,274	41,850	30,837	19,204	6,914
Principal Payment			106,755	112,777	119,138	125,859	132,958	140,458	148,381	156,751	165,593	174,934	184,801	195,225	206,238	217,871	230,161
TOTAL DEBT SERVICE			237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075	237,075
HCD - AHSC			28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140	28,140
NET CASH FLOW			42,873	46,412	49,829	73,751	76,888	79,869	82,681	85,311	87,747	89,974	91,977	93,742	95,252	96,489	97,438
Debt Service Coverage Ratio			1.16	1.17	1.19	1.28	1.29	1.30	1.31	1.32	1.33	1.34	1.35	1.35	1.36	1.36	1.37
DISTRIBUTION OF CASH FLOW																	
Deferred Developer Fee			42,873	46,412	49,829	73,751	76,888	79,869	82,681	85,311	87,747	89,974	91,977	93,742	95,252	96,489	97,438
LP Investor Services Fee - Current		*5,000*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LP Investor Services Fee - Deferred			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Partnership Management Fee - Current		*15,000*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Partnership Management Fee - Deferred			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PUBLIC LENDERS - 50% of Cash Flow																	
HCD - HRI Grant (GP Loan)	*0.00%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HHH	*30.62%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LA County CDC	*0.00%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCD - AHSC	*17.10%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HCID Seller Note	*2.28%*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Partner	0.01%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Limited Partner	99.99%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Adams Terrace
HCD AHSC Program

Version: 3.11 (AHSC-2010 UMRs)
Revised: December 6, 2017

I. MHP/AHSC Loan Limit (2017 Non-HERA, MHP General, Los Angeles)

Unit Type	# Assisted Units	% AMI	MHP / AHSC Level	Per Unit Limit	TOTAL
0 BR	14	30%	MHP B / 35% SMI	193,134	2,703,876
1 BR	29	30%	MHP B / 35% SMI	198,032	5,742,928
0 BR	13	50%	50% SMI	147,759	1,920,867
1 BR	28	50%	50% SMI	149,344	4,181,632
Mgr Unit	2			45,000	90,000
Total Units	86				
				MHP General Max Loan Calculation	5,006,804
				AHSC Max Loan Calculation	14,639,303
				Requested Loan Amount	**6,700,000**

Level of Committed Funding at time of Application

EFCs include: permanent commitments, including LIHTC equity (no reservation required), conditionally reserved HOME/CDBG/MHSA funds, land donation supported by appraisal or local fee waiver, owner equity contributions or developer funds.

(AHSC funds requested + Enforceable funding commitments - deferred costs)/(TDC-deferred costs) --> must be greater than 90%

	Type	
Tax Exempt Bond - Permanent	Committed	2,417,900
HCD - AHSC	AHSC	6,700,000
HCID Seller Note	Committed	895,000
HCD - HRI Grant (GP Loan)	N/A	0
HCD - TRI/TRA Grant (GP Loan)	AHSC	0
HHH	Committed	12,000,000
IIG	Uncommitted	2,933,760
LA County CDC	Uncommitted	0
GP Capital Contribution	Committed	2,353,725
Deferred Developer Fee	Committed	1,190,232
Capital Contributions		
General Partner	Committed	0
Limited Partners (BETC)	Committed	89,991
Limited Partners	Committed	14,077,119

Total Permanent Funds (not incl HRI):	42,657,727
Residential TDC (not incl HRI):	42,657,727
Residential Deferred Costs:	1,333,838
Requested AHSC Funds:	
HCD - AHSC	6,700,000
HCD - TRI/TRA Grant (GP Loan)	0
Total AHSC Funding:	6,700,000
Total Permanent Funds Committed:	33,023,967
Permanent Funds Committed to Residential:	33,023,967
Total AHSC Funds Requested:	6,700,000
% of Permanent Funds Committed	**92.90%**
	PASS

Attachment D
Site Plan

4314 W. Adams Boulevard

PROJECT DIRECTORY

PROJECT APPLICANT

4347 Adams, L.P.
1149 S. Hill St, Suite 700
Los Angeles, CA 90015
213.629.2702

ENTITLEMENT CONSULTANT

Jim Ries
Craig Lawson + Co., LLP
3221 Hutchinson Avenue, Suite D
Los Angeles, CA 90034
310.838.2400

PROJECT ARCHITECT

Abode Communities Architecture
1149 S. Hill St, Suite 700
Los Angeles, CA 90015
213.629.2702

CIVIL ENGINEER

Coory Engineering
1718 N. Neville Street
Orange, CA 92865
714.202.8700

LANDSCAPE ARCHITECT

Edge Design Group
9416 Culver Blvd, Suite #194
Culver City, CA 90232
213.596.8299

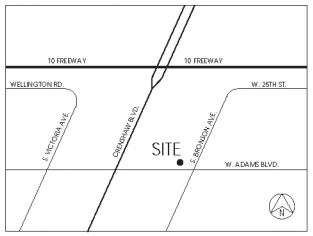
PROJECT DESCRIPTION

The project consists of the new construction of a privately owned senior development that will provide 48 units of affordable rental housing over at grade parking & common areas. The common area services will include on-site property management offices, a community room, community laundry facilities as well as outdoor hardscaped and landscaped courtyards.

The project will provide 47 income-restricted housing with studio and 1-bedrooms units (1 additional managers unit at 2-bedrooms) and will consist of approximately 62,000 square feet with a maximum of 4 stories.

The project does not provide housing on behalf of any public institution but it is partially publicly funded and subject to UFAS requirements.

VICINITY MAP



SITE INFORMATION

Site Address:

4347 West Adams Boulevard, Los Angeles, CA 90018

Accessor ID No.:

5059-003-021 and 5059-003-022

Property Boundary Description:

LOTS 52, 53, AND 54 OF THE CHISWICK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 22, PAGE 98 AND 99 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

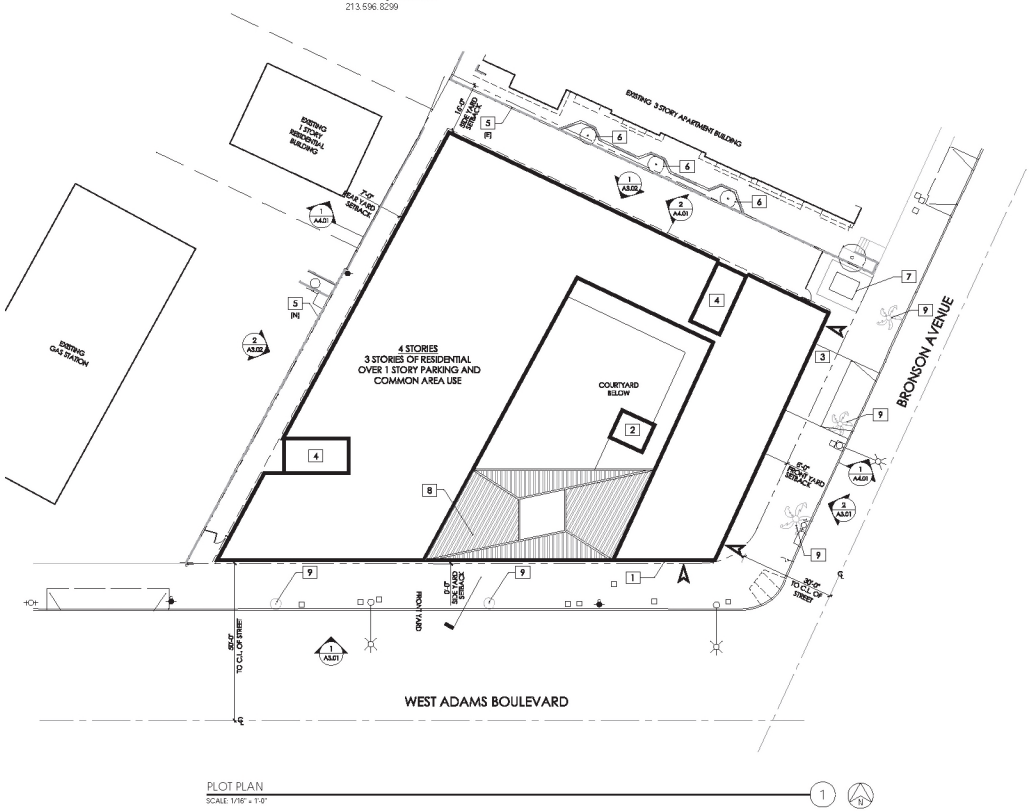
EXCEPT THE NORTH 50 FEET THEREOF

Zoning:

C2-1-O-SP

SHEET INDEX

G0.01	PLOT PLAN
G0.02	MATERIAL BOARD
1 of 1	SURVEY
C-1a	CONCEPTUAL GRADING PLAN
L-1.00	GENERAL NOTES AND MATERIAL LEGEND
L-1.01	STREET LEVEL PLANTING PLAN
L-1.02	STREET LEVEL PLANTING IMAGES
L-1.03	PODIUM LEVEL PLANTING PLAN
L-1.04	PODIUM LEVEL PLANTING IMAGES
L-1.05	LEVEL 4 PLANTING PLAN
L-1.06	LEVEL 4 PLANTING IMAGES
A2.01	FIRST & SECOND FLOOR PLAN
A2.02	THIRD & FOURTH FLOOR PLAN
A2.03	ROOF PLAN
A3.01	ELEVATIONS
A3.02	ELEVATIONS
A4.01	SECTIONS
A5.01	ENLARGED UNIT PLANS



PLOT PLAN
SCALE: 1/16" = 1'-0"

NOTES

1. 5 EXISTING TREES ON SITE TO BE REMOVED.

LEGEND

- PROPERTY LINE
- SETBACK LINE
- ENTRANCE

KEYNOTES

1. RESIDENT FRONT ENTRANCE GATE
2. ELEVATOR
3. ENTRANCE TO DRIVEWAY/PARKING AREA
4. STAIRS
5. CMU WALL
6. EXISTING TREES TO REMAIN
7. TRANSFORMER
8. ROOF STRUCTURE; OPEN TO BELOW
9. EXISTING TREES TO BE REMOVED

LOT/BUILDABLE AREA			
	Square feet	Acres	
Lot Area / Buildable Area	21,219	0.49	
DENSITY			
PERMITTED		# of Units	
R4 Density	(1 unit/400 SF)	54	
Density Bonus	35%	19	
Total		73	
PROPOSED	Unit Type	# of Units	
	0-1 Bed	47	
	2-Bed	1	
Total		48	
FLOOR AREA			
PERMITTED	FAR	Total SF	
Residential	1.5	31,829	
with 35% Density Bonus	3	63,657	
PROPOSED	FAR	Total SF	
Residential	2.92	62,000	
BUILDING HEIGHT & STORIES			
	Height	Stories	
PERMITTED	45'	unlimited	
PROPOSED	49'	4	
OPEN SPACE			
REQUIRED			
Per LAMC 12.21.G	Units	Square Feet	Total
> 3 Habitable rooms	-	175	-
= 3 Habitable rooms	1	125	125
< 3 Habitable rooms	47	100	4,700
Total	48		4,825
Indoor Space maximum(25% of total)			1,206
Landscaped Open Space minimum (30% of total)			1,448
TOTAL PROPOSED			5,950
Common Interior Open Space		1,150	
1st Floor: Community Room	750		
1st Floor: Lobby	400		
Common Exterior Open Space		2,400	
2nd Floor: Podium Courtyard	1,200		
3rd Floor: Covered Terrace	1,200		
Private Open Space		2,400	
Balconies (48 *50)	2,400		
Landscaped Open Space			1,600
TREES			
REQUIRED (1 per 4 unit)	12	Trees	
PROPOSED	13	Trees	
BICYCLE PARKING			
REQUIRED	Short Term	Long Term	
	(1 per 10 units)	(1 per unit)	Total
Residential	5	48	53
PROPOSED	Short Term	Long Term	Total
Residential	5	48	53
VEHICULAR PARKING			
REQUIRED	Unit Type	# of Units	Stalls/Unit	Total Required
Residential (Parking Option 2)	0-1 Bed	47	0.5	23.5
Residential (Manager's Unit AB 744)	2 bedroom	1	0.5	0.5
				24
PROPOSED				
Residential		29	Stalls	
Standard	16			
Compact	11			
Handicapped Accessible	2			
Total	29	Stalls		
SETBACKS				
REQUIRED	Rear	Front	Side(s)	
	16'	0'	7'	
PROPOSED	Rear (west)	Front	Side (south)	Side (north)
	7'	8'	0'	16'

abode communities
1149 S. Hill Street, Suite 700
Los Angeles, CA 90015
tel. 213.629.2702
fax. 213.225.2715

ADAMS TERRACE I
4347 WEST ADAMS BLVD
LOS ANGELES, CA 90018

LICENSED ARCHITECT
GIUSEPPE ALONGI
C-26571
10-31-12
RENEWAL DATE
STATE OF CALIFORNIA

The ideas and designs represented herein and the drawing, all prepared by Abode Communities are for the use solely with respect to this project and Abode Communities shall retain all common law, statutory and other reserved rights including copyright, and they shall not be used by others for any other purpose without written permission of Abode Communities.

ISSUE	DATE:	REV:
ENTITLEMENTS	09.30.2016	
ENTITLEMENTS	11.16.2016	(1)
REVISED ENTITLEMENTS	04.10.2017	

SHEET TITLE

PLOT PLAN

DATE: 4/10/2017
SCALE: AS NOTED
SHEET NUMBER

G0.01

PROJECT DIRECTORY

PROJECT APPLICANT
4347 Adams, L.P.
1149 S. Hill St, Suite 700
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213.629.2702

ENTITLEMENT CONSULTANT
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PROJECT ARCHITECT
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1718 N. Nevile Street
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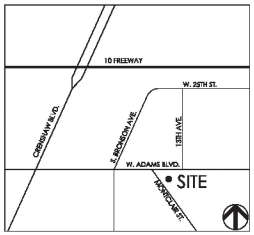
LANDSCAPE ARCHITECT
Edge Design Group
9415 Culver Blvd, Suite #194
Culver City, CA 90232
213.596.8299

PROJECT DESCRIPTION
The project consists of the new construction of a privately owned senior development that will provide 38 units of affordable rental housing over at grade parking & common areas. The common area services will include on-site property management offices, a community room (1), community laundry facilities (1) as well as outdoor hardscaped and landscaped courtyards.

The project will provide 37 restricted affordable units with studios and 1-bedrooms (1 additional managers unit at 2-bedrooms) and will consist of approximately 35,690 sqaure feet with a maximum of 4 stories.

The project does not provide housing on behalf of any public institution but it is partially publicly funded and subject to UFAS requirements.

VICINITY MAP



SITE INFORMATION

Site Address:

4314 West Adams Boulevard, Los Angeles, CA 90018

Accessor ID No.:

5051-008-901, 902

LEGAL DESCRIPTION:

This property is situated in the city of Los Angeles, County of Los Angeles, State of California, described as follows:

Lots 1 and 2 of tract no. 4830, as per map recorded in book 53 page 63 of maps, in the office of the county recorder.

Except therefrom all oil, gas, minerals and other hydrocarbon substances lying below the surface of said property, but with no right of surface entry as provided in deed recorded in book 13235 page 33A and in book 22128 page 30, both of official records.

Zoning:

C2-1-O -SP

SHEET INDEX

G1.01	SITE PLAN
G1.02	MATERIAL BOARD
1 of 1	ALTA SURVEY
C-1.a	CONCEPTUAL GRADING PLAN
L-1.00	GENERAL NOTES AND PLANTING LEGEND
L-1.01	STREET LEVEL PLANTING PLAN
L1.02	STREET LEVEL PLANTING IMAGES
L1.03	SECOND LEVEL PLANTING PLAN
L1.04	SECOND LEVEL PLANTING IMAGES
L1.05	THIRD LEVEL PLANTING PLAN
L1.06	THIRD LEVEL PLANTING IMAGES
L1.07	FOURTH LEVEL PLANTING PLAN
L1.08	FOURTH LEVEL PLANTING IMAGES
L1.09	FIFTH LEVEL PLANTING PLAN
L1.10	FIFTH LEVEL ROOF PLANTING IMAGES
A2.01	FIRST FLOOR PLAN
A2.02	SECOND FLOOR PLAN
A2.03	THIRD FLOOR PLAN
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A4.01	SECTIONS
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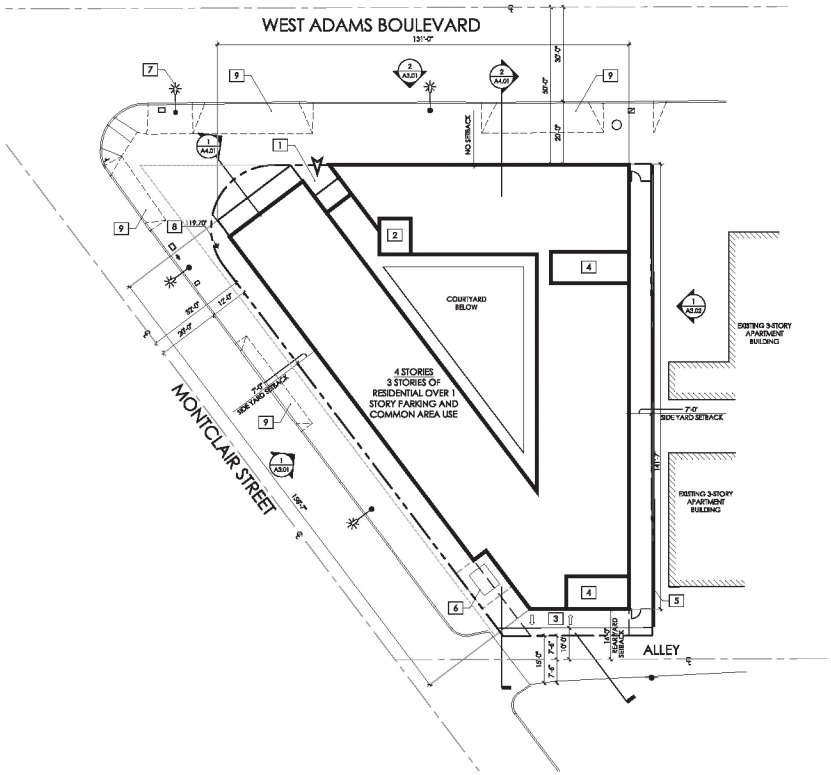
A5.02	ENLARGED UNIT PLANS

LEGEND

- PROPERTY LINE
- SETBACK LINE
- VEHICULAR ACCESS
- ENTRANCE

KEYNOTES

1. RESIDENT FRONT ENTRANCE GATE
2. ELEVATOR
3. ENTRANCE TO DRIVEWAY PARKING AREA
4. STAIRS
5. EXISTING BLOCK WALL
6. TRANSFORMER
7. EXISTING STREET LIGHT
8. LOWEST GRADE POINT WITHIN 5 FT. FROM BUILDING
9. EXISTING DRIVEWAY TO BE ELIMINATED



PLOT PLAN
SCALE: 1/16" = 1'-0"

LOT/BUILDABLE AREA			
	Square feet	Acres	
Lot Area / Buildable Area	15,209	0.35	
DENSITY			
PERMITTED		# of Units	
R4 Density	(1 unit/400 SF)	39	
Density Bonus	35%	14	
Total		53	
PROPOSED	**Unit Type**	**# of Units**	
	Studios	15	
	1-Bed	22	
	2-Bed	1	
Total		38	
FLOOR AREA			
PERMITTED	**FAR**	**Total SF**	
Residential	1.5	22,814	
Floor Area Incentive per 12.22 A.25(4)	3	45,627	
PROPOSED	**FAR**	**Total SF**	
Residential	2.35	35,690	
BUILDING HEIGHT & STORIES			
	Height	**Stories**	
PERMITTED	45'	unlimited	
PROPOSED	56'	4	
OPEN SPACE			
REQUIRED			
Per LAMC 12.21.G	**Units**	**Square Feet**	**Total**
> 3 Habitable rooms	-	175	-
= 3 Habitable rooms	1	125	125
< 3 Habitable rooms	37	100	3,700
Total	38		3,825
Indoor Space maximum(25% of total)			956
Landscaped Open Space minimum (30% of total)			1,148
TOTAL PROPOSED			**3,825**
Common Interior Open Space		600	
1st Floor: lobby	600		
Common Exterior Open Space		1,325	
3rd Floor Courtyard	750		
Roof Terrace	575		
Private Open Space		1,900	
Balconies (38 *50)	1,900		
Landscaped Open Space			1,148
TREES			
REQUIRED (1 per 4 unit)	10 Trees		
PROPOSED	10 Trees		
BICYCLE PARKING			
REQUIRED	**Short Term**	**Long Term**	
	(1 per 10 units)	**(1 per unit)**	**Total**
Residential	4	38	42
PROPOSED	**Short Term**	**Long Term**	**Total**
Residential	4	38	42
VEHICULAR PARKING			
REQUIRED	**Unit Type**	**# of Units**	**Stalls/Unit** / **Total Required**
Residential (Parking Option 2)	0-1 Bed	17	0.5 / 18
Residential (Manager's Unit AB 744)	2 bedroom	1	0.5 / 1
			19
PROPOSED			
Residential		22 Stalls	
Standard	12		
Compact	9		
Handicapped Accessible	1		
Total	22 Stalls		
SETBACKS			
REQUIRED	**Rear (Alley)**	**Front (Adams Blvd)**	**Side(s)**
	16'	0'	7'
PROPOSED	**Rear (Alley)**	**Front (Adams Blvd)**	**Side (Montclair St.)** / **Side (east)**
	16'	0'	7' / 7'

AVERAGE UNIT SIZE:
1 BEDROOM: 574 S.F.
STUDIOS: 429 S.F.
2 BEDROOMS: 952 S.F.

abode communities
1149 S. Hill Street, Suite 700
Los Angeles, CA 90015
tel. 213.629.2702
fax 213.225.2715

ADAMS TERRACE II
4314 W. Adams Boulevard
Los Angeles, CA 90018

LICENSED ARCHITECT
GIUSEPPE ALOISI
C-26571
12-31-17
RENEWAL DATE
STATE OF CALIFORNIA

The ideas and designs represented herein and this drawing, as prepared by Abode Communities are for this use solely with respect to this project and Abode Communities shall retain all common law, statutory and other reserved rights including copyright, and they shall not be used by others for any other purpose without written permission of Abode Communities.

ISSUE:	DATE:	REV:
ENTITLEMENTS	08.24.2017	
ENTITLEMENTS	07.19.2017	

SHEET TITLE

PLOT PLAN

DATE: 7/20/2017
SCALE: AS NOTED
SHEET NUMBER

G1.01

Attachment E
Affordability Mix Summary

4314 W. Adams Boulevard

ATTACHMENT D
4314 ADAMS
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	Studio Units	1-Bedroom Units
30% TCAC/MHP / Moderate HCD / VLI DB / 30% HHH-CH		
Number of Units	3	6
30% AMI TCAC / MHP Rent	$455	$482
30% AMI HHH-CH Rent	$455	$482
Moderate HCD Rent	$1,229	$1,401
Very-Low Income Density Bonus Rent	$549	$623
PBV Vouchers	Yes	Yes
Applicable Rent	**$455**	**$482**
30% TCAC/MHP / Moderate HCD / 60% TCAC DB / 30% HHH-CH		
Number of Units	4	9
30% AMI TCAC/MHP Rent	$455	$482
30% AMI HHH-CH Rent	$455	$482
Moderate HCD Rent	$1,229	$1,401
60% AMI TCAC Density Bonus Rent	$928	$989
PBV Vouchers	Yes	Yes
Applicable Rent	**$455**	**$482**
30% TCAC/MHP / Moderate HCD / 60% TCAC DB / 30% HHH-PSH		
Number of Units	7	14
30% AMI TCAC/MHP Rent	$455	$482
30% AMI HHH-PSH Rent	$455	$482
Moderate HCD Rent	$1,229	$1,401
60% AMI TCAC Density Bonus Rent	$928	$989
DHS Vouchers	Yes	N/A
Applicable Rent	**$455**	**$482**
50% AMI TCAC/MHP / Moderate HCD / 60% TCAC DB / 60% AMI CDLAC		
Number of Units	11	23
50% AMI TCAC/MHP Rent	$770	$820
Moderate HCD Rent	$1,229	$1,401
60% AMI TCAC Density Bonus Rent	$928	$989
60% CDLAC Rent	$928	$989
DHS Vouchers	No	No
Applicable Rent	**$770**	**$820**
50% AMI TCAC/MHP / Moderate HCD / 60% TCAC DB		
Number of Units	2	5
50% AMI TCAC/MHP Rent	$770	$820
Moderate HCD Rent	$1,229	$1,401
60% AMI TCAC Density Bonus Rent	$928	$989
PBV Vouchers	No	No
Applicable Rent	**$770**	**$820**

Attachment H: Term Sheet – 11950 W. Missouri Avenue

11950 Missouri Avenue
Disposition and Development Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Disposition and Development Agreement ("DDA") for the 11950 Missouri Avenue project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and Missouri & Bundy Housing LP ("Developer").

2. **City Site Description:**
One parcel of land is currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Site	11950 Missouri Avenue	4259-020-900	32,642	Attachment A

3. **City Site History:**
The City Site was previously used as an animal shelter. The approximately 6,500 square foot vacant animal shelter facility currently on the property will need to be demolished. In September 2016, the Office of the City Administrative Officer (CAO) issued a Request for Qualifications / Proposals for the Affordable Housing Opportunity Sites, which included the City Site. On December 14, 2016, the City Council approved the selection of the Developer for the purpose of creating a full development plan for the project leasing to negotiating the terms of a DDA and/or ground lease. The CAO also charged HCIDLA with the disposition process of the property. On March 7, 2017, Thomas Safran & Associates Development, Inc. entered into a 720 day Exclusive Negotiation Agreement (ENA) with HCIDLA.

4. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: The project will include five levels of apartments over one level of structured parking. A total of 35 permanent supportive housing units will be provided. The building will include an access control system and a network of security cameras.
   b. Project Site Size: 32,642 Square Feet of Land Area.
   c. Gross Building Area: Approximately 85,326 square feet (61,883 sf. gross living area, 3,610 sf. of community space and offices, and 19,833 sf. of common area/circulation).
   d. Unit Mix: 34 one-bedroom units, 17 two-bedroom units, and 19 three-bedroom units
   e. Parking: 48 spaces
   f. Target Population: Permanent supportive housing units for homeless families provided via families path of the County Coordinated Entry System.
   g. ADA Requirements: A CASp will be retained for the Project, which will comply with all City requirements as listed in the draft HHH and managed pipeline regulations. At least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
   h. Amenities: A community room will provide a television viewing area, communal kitchen, fitness room, management and maintenance rooms, casework office, central laundry room, bike storage, and a roof deck and outdoor courtyard with BBQ.

5. **Ground Lease of the City Site:**
The City agrees to ground lease to Developer and the Developer agrees to ground lease from the City, the lease hold interest in the City Site in accordance with the DDA. The Ground Lease will have a 67 year (or more) term with a 32 year (or less) extension, not to exceed a total of 99 years.

6. **Ground Rent for City Site:**
The City agrees to ground lease the City Site to Developer and the Developer agrees to ground lease the City Site for an upfront payment equal to the fair market value of the City Site based on an appraisal conducted within six months of the closing on the ground lease by a City approved appraiser ("Upfront Ground Rent").

7. **Developer Pro Forma:**
Attached ("Attachment B") is the current Developer Pro Forma for the Project.

8. **Project Site Plan:**
Attached ("Attachment C") is the current Site Plan for the Project.

9. **Labor Rates:**
The Project will incur federal Davis Bacon and state prevailing wages if required by a project funding source. It is assumed that the Project will be required to enter into a Project Labor Agreement.

10. **Developer Fee:**
The total developer fee is estimated at $2,500,000, which is the maximum allowed under the TCAC and City underwriting guidelines. The Developer may defer $496,000 to be repaid from Project cash flow. The net cash to be received by the Developer is $2,500,000, which is the maximum allowed by the City underwriting guidelines.

11. **Social Services to be Provided at Project:**
The Project will provide social services on-site, with a budget of $10,000 for the overall resident population. Supportive services for the permanent supportive housing population shall be provided by Imagine LA, a Los Angeles County authorized service provider. It is anticipated that Imagine LA will provide the following services with funds from the County of Los Angeles:
    a. Each building will have dedicated space for group meetings and private offices where services will be offered in an appropriate setting;
    b. The project will provide leading edge 'best practice services' to not only help individuals and families stabilize, but to enable them to thrive, with the end goal of residents confidently "moving on" or "out" of the project to actively live productive lives. By adopting the best practice services method, more individuals and families will have an opportunity to benefit from the program as the project grows and develops over time. This will be possible by:
        i. The Imagine LA Family Empowerment & Mentorship (Imagine LA MSW) model which combines intensive case management with best practices to stabilize program participants; and,
        ii. With a competent mentorship program, and staff trained and guided by Imagine LA MSW, under clinical supervision, and with access to public and public resources, residents are empowered to thrive and successfully integrate into the community. Individuals and family members (over five years old) will receive an Imagine LA MSW mentor, and Financial Wellness Mentor. The mentors will work with residents on a weekly basis, for 12 to 18 months. The goal of the mentors is to facilitate relationship, skills and confidence building, and provide the resources that ensure the new skills will endure.

12. **Minimum Reserves:**
    a. Capitalized Operating Reserves - $226,000, estimated at three months of operating expenses and debt service payments.
    b. Annual Replacement Reserves – $24,500, or $350 per unit
    c. Capitalized Supportive Services Reserves - $302,000
    d. Capitalized Transition Reserves – None

13. **City Land Loan Terms:**
    The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:
    a. The City Land Loan Amount will be equal to the Upfront Ground Rent of the City Site;
    b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from the Certificate of Occupancy (COO);
    c. The City Land Loan will have a 3.0% simple interest rate applied;
    d. The annual loan payments will be based on 50% of residual receipts (this amount will be shared proportionally with payments on other soft loans);
    e. The City Land Loan will be subordinated to the Tax-Exempt Bonds (TEB);
    f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable;
    g. The City Land Loan will be secured by a ground lease on the City Site.

14. **Subordination:**
    The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City TOC Affordability Restrictions	Unsubordinated
City Ground Lease	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB

15. **Affordability Restrictions (See Attachment D):**
    With one three-bedroom unit set-aside for the on-site manager, units' income and affordability requirements will be restricted for a minimum of 55 years from the COO by the following regulatory agreements:

    a. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	31	4	0	35
50% AMI	TCAC	TCAC	1	3	6	10
60% AMI	TCAC	TCAC	2	10	12	24
Total Units			**34**	**17**	**18**	**69**

    b. CDLAC Regulatory Agreement (40% at 60% AMI):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
50% AMI	TCAC	TCAC	0	0	0	0
60% AMI	TCAC	TCAC	14	7	7	28
Total Units			**14**	**7**	**7**	**28**

c. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	17	1	0	18
50% AMI – PHS / CH	TCAC	TCAC	1	0	0	1
30% AMI – PSH	TCAC	TCAC	14	2	0	16
Total Units			**32**	**3**	**0**	**35**

d. City TOC Regulatory Agreement (per Health and Safety Code Definitions):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	4	3	3	10
Low Income HCD	§50079.5	§50053	0	0	0	0
Total Units			**4**	**3**	**3**	**10**

16. Financing Plan:

Description	Entity	Amount
Predevelopment Loan	TBD	$250,000
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$15,250,000
Permanent		$5,590,000
4% Tax Credits	TCAC/TBD Investor	$11,337,000
HHH Loan	City of LA	$11,094,000
AHP Loan	County of LA	$730,000
Deferred Developer Fee	Developer	$496,000
Project-Based Section 8	HACLA	35 Vouchers

17. Milestones:

The Developer anticipates applying for the funds listed below or an alternative source(s) providing an equal amount of sources to the project by the following dates:

Action	Date
DDA Executed	By December 29, 2017
Entitlements Submitted	October 2017
Entitlements Secured	April 2017
HHH PSH Application / Award	November 2017 / January 2018
AHP Loan Application / Award	March 2018 / June 2018
PBV Vouchers Application / Award	To be determined
City TEB Application / Approval	April 2018 / June 2018
CDLAC Application / Award	June 2018 / August 2018
4% TCAC Application / Award	June 2018 / August 2018
Financing / Land Closing	December 2018
Construction Commences / Completed	December 2018 / August 2020
Placed in Service Date	August 2020

/

/

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/

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18. **Agreement of Key Terms and Conditions:**

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Disposition and Development Agreement, Ground Lease and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 12/4/17

Sean L. Spear
Assistant General Manager

DEVELOPER
Thomas Safran & Associates Development, Inc.

By: _____ Date: 10/23/17

Andrew D. Gross
President

ATTACHMENTS:

Attachment A	City Site Legal Description
Attachment B	Developer Pro Forma
Attachment C	Site Plan
Attachment D	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

11950 W. Missouri Avenue

Order No: 09192288-919-KRC-KRE

EXHIBIT "A"

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

ALL THAT PORTION OF BLOCK 24 OF PACIFIC FARMS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1, PAGES 43 AND 44 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWESTERLY LINE OF SAID BLOCK, SAID POINT BEING DISTANT 200 FEET SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE FROM THE NORTHWESTERLY LINE OF SAID BLOCK; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE 200 FEET TO SAID NORTHWESTERLY LINE; THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE 180 FEET; THENCE SOUTHEASTERLY ALONG A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK TO A LINE PARALLEL WITH SAID NORTHWESTERLY LINE AND WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED PARALLEL LINE TO THE POINT OF BEGINNING.

Assessor's Parcel Number: **4259-020-900**

Attachment B
Developer Pro Forma

11950 W. Missouri Avenue

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)

Sources & Uses

Sources	Construction	Conversion	Permanent
Construction Loan	15,250,000	(15,250,000)	-
Perm Loan 1	-	5,590,000	5,590,000
Perm Loan 2	-	-	-
Perm Loan 3	-	-	-
HCID LA - HOME	-	-	-
AHP	730,000	-	730,000
HCID LA - HHH	11,094,300	-	11,094,300
Land Contribution	-	-	-
Cap & Trade	-	-	-
Soft Loan 6	-	-	-
Soft Loan 7	-	-	-
Soft Loan 8	-	-	-
Deferred Interest on Soft Loans	-	-	-
Deferred Developer Fee Loan	1,500,000	495,687	495,687
Cash Flow From Operations	-	-	-
Other Sources		-	
Other Sources	-	-	-
GP Equity	-	-	-
LP Equity	144,123	11,042,520	11,336,642
Total Sources	**28,718,423**	**1,878,206**	**29,246,629**

Uses	Construction	Conversion	Permanent
Acquisition Costs	-	-	-
Construction Costs	21,377,160	-	21,377,160
Architecture & Engineering	1,101,600	-	1,101,600
Government Fees	1,145,000	-	1,145,000
Financing Costs	1,457,800	-	1,457,800
Other Soft Costs	1,136,863	-	1,136,863
Reserves	-	528,206	528,206
Cash Developer Fee	1,000,000	854,314	2,004,314
Deferred Developer Fee	1,500,000	495,687	495,687
Total Uses	**28,718,423**	**1,878,206**	**29,246,629**
Surplus / (Gap)	**0**	**0**	**0**

LP Equity Pay-In	Pay-In Schedule		
	Date	%	$
Initial Capital Contr. / Begin Constr.	11/1/18	1.27%	144,123
Construction Pmt. - 75% Complete	12/31/19	0.00%	0
Construction Pmt. - C of O / PIS	8/31/20	0.00%	0
Construction Completion	10/31/20	0.00%	0
Perm Loan Conversion	2/28/21	97.41%	11,042,520
IRS Forms 8609/ K1	8/31/21	1.32%	150,000
Other	8/31/21	0.00%	0
Total LP Equity		**100.00%**	**11,336,642**
		0.00%	*0*

Developer Fee Payout	Payout Schedule		
	Date	%	$
Initial Capital Contr. / Begin Constr.	11/1/18	20.00%	500,000
Construction Pmt. - 75% Complete	12/31/19	0.00%	0
Construction Pmt. - C of O / PIS	8/31/20	0.00%	0
Construction Completion	10/31/20	20.00%	500,000
Perm Loan Conversion	2/28/21	34.17%	854,314
IRS Forms 8609/ K1	8/31/21	6.00%	150,000
Deferred Developer Fee	8/31/21	19.83%	495,687
Total Developer Fee		**100.00%**	**2,500,000**
		0.00%	*0*

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Development Budget & Cost Allocations

		Total Development Costs	Land & Offsite Costs	Commercial Costs 0.00%	Depreciable Costs: Residential Building	Depreciable Costs: Site Work	Depreciable Costs: FF&E	Amortized Costs	Expensed Costs	Other Non-Deductible Costs	Eligible Basis: Rehab or New Const.	Eligible Basis: Acquisition
Acquisition Costs												
Land Acquisition Costs	1	0	0	0								
Other Land / Ineligible Acq. Costs			0									
Other Land / Ineligible Acq. Costs			0									
Bldg. Acquisition (4% Acq/Rehab)	0				0							0
Other Eligible Acq. Costs (4% Acq/Rehab)					0							0
Other Eligible Acq. Costs (4% Acq/Rehab)					0							0
Total Acquisition Costs		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
General Contractor Costs												
Demolition, Site Clearing		150,000	150,000	0								
Sitework and Utilities		350,000		0		350,000					350,000	
Off Site Work		100,000		0		100,000					100,000	
Landscape, Hardscape, Site Work		250,000		0		250,000					250,000	
Grading, Excavation, Shoring		150,000		0		150,000					150,000	
Structures:Residential Garage		1,950,000		0	1,950,000				0		1,950,000	
Structures: Commercial Garage		0		0	0					0	0	
Structures: Commercial Shell		0		0	0						0	
Structures: Residential Space		13,750,000		0	13,750,000						13,750,000	
Structures: Non-Residential		0		0	0						0	
General Conditions	7.00%	987,000		0	987,000						987,000	
Contractor Overhead & Profit	5.00%	835,000		0	835,000						835,000	
Contractor Profit	0.00%	0		0	0						0	
Contractor Insurance	1.00%	167,000		0	167,000						167,000	
P&P Bond Premium	1.00%	167,000		0	167,000						167,000	
Total General Contractor Costs		**18,856,000**	**150,000**	**0**	**17,856,000**	**850,000**	**0**	**0**	**0**	**0**	**18,706,000**	**0**
Other Hard Costs												
Hard Cost Contingency on GC Costs	10.00%	1,885,600		0	1,885,600						1,885,600	
Project Labor Agreement (PLA) Administration	1.00%	188,560	188,560									
Other Site Work, Utilities, Landscape, etc.		100,000				100,000					100,000	
Hard Cost Contingency on Other Hard Costs	0.00%	0			0						0	
Residential FF&E		197,000					197,000				197,000	
DAS Fire Antenna System		100,000					100,000				100,000	
Pre Construction Services		50,000			50,000						50,000	
Total Other Hard Costs		**2,521,160**	**188,560**	**0**	**1,935,600**	**100,000**	**297,000**	**0**	**0**	**0**	**2,332,600**	**0**
Total Construction Costs		**21,377,160**	**338,560**	**0**	**19,791,600**	**950,000**	**297,000**	**0**	**0**	**0**	**21,038,600**	**0**
Architecture & Engineering												
Architectural Design & Supervision		538,920		0	538,920						538,920	
Sustainable Development, LEED Consulting		38,500		0	38,500						38,500	
Landscape Architect Design & Supervision		55,000		0	55,000						55,000	
MEP Engineering		100,430		0	100,430						100,430	
Structural Engineering		90,750		0	90,750						90,750	
Civil Engineering		33,000		0	33,000						33,000	
Interior Design		30,000			30,000						30,000	
Construction Management		200,000		0	200,000						200,000	
Other A&E		15,000		0	15,000						15,000	
Total Architecture & Engineering		**1,101,600**	**0**	**0**	**1,101,600**	**0**	**0**	**0**	**0**	**0**	**1,101,600**	**0**
Government Fees												
Entitlement Processing		50,000		0	50,000						50,000	
Plan Check, Building Permits		395,000		0	395,000						395,000	
Impact Fees, School Fees		200,000		0	200,000						200,000	
Utility Service, Utility Reloction and Other Fees		500,000		0	500,000						500,000	
Total Government Fees		**1,145,000**	**0**	**0**	**1,145,000**	**0**	**0**	**0**	**0**	**0**	**1,145,000**	**0**
Financing Costs												
Acquisition Loan: Loan Fees				0	0						0	
Acquisition Loan: Legal Fees		10,000		0	10,000						10,000	
Acquisition Loan: Title & Recording				0	0						0	
Acquisition Loan: Other				0	0						0	
Acquisition Loan: Interest Expense				0	0						0	
Construction Loan: Loan Fees	152,500	152,500		0	152,500						152,500	
Construction Loan: Legal Fees				0	0						0	
Construction Loan: Title & Recording		40,000		0	40,000						40,000	
Construction Loan: Other				0	0						0	
Construction Loan: Interest Expense	891,172	891,172		0	567,110				324,063		567,110	
Deferred Interest on Soft Loans	173,543	155,179		0	155,179						155,179	
Permanent Loans: Loan Fees	55,900	53,800						53,800			0	
Permanent Loans: Legal Fees								0			0	
Permanent Loans: Title & Recording		10,000						10,000			0	
Permanent Loans: Other								0			0	
Permanent Loans: HUD Application Fee								0			0	
Permanent Loans: HUD Processing Fee								0			0	
Permanent Loans: MIP								0			0	
Bond Costs of Issuance: TEFRA		2,500						2,500			0	
Bond Costs of Issuance: Underwriting Fee								0			0	
Bond Costs of Issuance: Bond Issuance Fee	28,975	28,975		0				28,975			0	
Bond Costs of Issuance: Issuer Fees		3,000						3,000			0	
Bond Costs of Issuance: Trustee Fees		4,000						4,000			0	
Bond Costs of Issuance: Fnc'l Advisor Fees		35,000						35,000			0	
Bond Costs of Issuance: Rating Agency Fees		5,000						5,000			0	
Bond Costs of Issuance: Legal Fees		35,000						35,000			0	
Bond Costs of Issuance: CDLAC Fees	9,150	9,150						9,150			0	
Bond Costs of Issuance: Other Fees								0			0	
Other Financing Costs								0			0	
Tax Credit Fees	22,589	22,524						22,524				
Total Financing Costs		**1,457,800**	**0**	**0**	**924,789**	**0**	**0**	**208,949**	**324,063**	**0**	**924,789**	**0**
Other Soft Costs												
Real Estate Taxes		15,000		0	15,000						15,000	
Builder's Risk & OCP Insurance		150,000		0	150,000						150,000	
HUD 108/ EDI Fees		0		0	0						0	
Legal - Transactional		65,000		0	40,000			25,000			40,000	
Legal - Land Use		30,000			30,000						30,000	
Accounting & Audit		40,000		0	15,000			25,000			15,000	
Land Use, CEQA Consulting		35,000			35,000						35,000	
Misc Consulting		65,000		0	65,000						65,000	
Appraisal		6,000		0	6,000						6,000	
Market Study		7,500		0	7,500						7,500	
Waterproofing Consultant		20,000		0	20,000						20,000	
Environmental Reports		5,000		0	5,000						5,000	

Soils Reports + Geotech Inspections		32,600		0	32,600						32,600	
ALTA Survey		15,000		0	15,000						15,000	
Soft Cost Reimburseables/ Security		90,000		0	90,000						90,000	
FF&E				0	0						0	
Deputy Inspections		150,000		0	150,000						150,000	
Tenant Improvement Allowance		0		0					0			
Other Expensed Costs									0			
Marketing & Lease-Up		73,000						73,000				
Organizational Costs								0				
Other Amortized Costs								0				
Syndication Costs: Legal										0		
Syndication Costs: Other										0		
Soft Cost Contingency	7.50%	337,763		0	337,763					0	337,763	
Total Other Soft Costs		**1,136,863**	**0**	**0**	**1,013,863**	**0**	**0**	**123,000**	**0**	**0**	**1,013,863**	**0**
Reserves												
Replacement Reserve										0		
Operating Reserve	225,074	226,286								226,286		
Supportive Services Reserve		301,920								301,920		
Other Reserve #2										0		
Total Reserves		**528,206**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**528,206**	**0**	**0**
Developer Fee	2,500,000	**2,500,000**		0	**2,500,000**						2,500,000	**0**
TOTAL DEVELOPMENT COSTS		**29,246,629**	**338,560**	**0**	**26,476,851**	**950,000**	**297,000**	**331,949**	**324,063**	**528,206**	**27,723,851**	**0**

Prior Version Total Dev. Costs											
This Pro Forma vs. Prior Version	**29,246,629**	**338,560**	**0**	**26,476,851**	**950,000**	**297,000**	**331,949**	**324,063**	**528,206**	**27,723,851**	**0**

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Net Operating Income, Cash Flow & Taxable Income / (Loss)

		Base Year	Aug-Dec 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029	11 2030	12 2031	13 2032	14 2033	15 2034
NOI & Residual Cash Flow																	
Pro Rate Year 1-2 Inflator?	Yes																
Potential Rent - Restricted Units	2.00%	681,648	227,216	687,328	701,075	715,096	729,398	743,986	758,866	774,043	789,524	805,315	821,421	837,849	854,606	871,699	889,133
Potential Rental Subsidy	2.00%	352,740	117,580	355,680	362,793	370,049	377,450	384,999	392,699	400,553	408,564	416,735	425,070	433,571	442,243	451,088	460,109
Potential Services Subsidy	2.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Potential Rent - Commercial	2.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Potential Rent - Manager Units	2.00%	10,800	3,600	10,890	11,108	11,330	11,557	11,788	12,023	12,264	12,509	12,759	13,015	13,275	13,540	13,811	14,087
Potential Other Income @ $0.00	2.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Restricted		(51,124)	(17,041)	(51,550)	(52,581)	(53,632)	(54,705)	(55,799)	(56,915)	(58,053)	(59,214)	(60,399)	(61,607)	(62,839)	(64,095)	(65,377)	(66,685)
Vacancy/Loss - Sect. 8 Increment		(35,274)	(11,758)	(35,568)	(36,279)	(37,005)	(37,745)	(38,500)	(39,270)	(40,055)	(40,856)	(41,674)	(42,507)	(43,357)	(44,224)	(45,109)	(46,011)
Vacancy/Loss - Other Subsidy		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Commercial		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Manager		(540)	(180)	(545)	(555)	(566)	(578)	(589)	(601)	(613)	(625)	(638)	(651)	(664)	(677)	(691)	(704)
Vacancy/Loss - Other Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income		**958,250**	**319,417**	**966,236**	**985,561**	**1,005,272**	**1,025,377**	**1,045,885**	**1,066,802**	**1,088,138**	**1,109,901**	**1,132,099**	**1,154,741**	**1,177,836**	**1,201,393**	**1,225,421**	**1,249,929**
Operating Expenses @ $7,047		**(493,313)**	**(198,861)**	**(500,765)**	**(515,224)**	**(530,106)**	**(545,422)**	**(561,186)**	**(577,412)**	**(594,112)**	**(611,300)**	**(628,992)**	**(647,201)**	**(665,943)**	**(685,234)**	**(705,090)**	**(725,528)**
Net Operating Income		**464,938**	**120,555**	**465,471**	**470,337**	**475,166**	**479,955**	**484,698**	**489,391**	**494,027**	**498,601**	**503,108**	**507,541**	**511,893**	**516,159**	**520,331**	**524,401**
Perm Loan 1 Debt Service - Perm Loan 1		(382,483)	0	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)	(382,483)
Perm Loan 2 Debt Service - Perm Loan 2		0	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Perm Loan 3 Debt Service - Perm Loan 3		0	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Replacement Reserve Deposits @ $350 / Year		(24,500)	(10,208)	(24,806)	(25,550)	(26,317)	(27,106)	(27,920)	(28,757)	(29,620)	(30,509)	(31,424)	(32,367)	(33,338)	(34,338)	(35,368)	(36,429)
Operating Reserve Deposits			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Withdrawals			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual Cash Flow		**57,955**	**110,347**	**58,182**	**62,303**	**66,366**	**70,365**	**74,295**	**78,150**	**81,924**	**85,609**	**89,201**	**92,691**	**96,072**	**99,338**	**102,480**	**105,489**
DSCR - Perm Loan 1		**1.15**	0.00	1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.28
DSCR - Perm Loans 1+2		**1.15**	0.00	1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.28
DSCR - Perm Loans 1+2+3		**1.15**	0.00	1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.28
Cash Flow as Percentage of EGI		*6%*	*35%*	*6%*	*6%*	*7%*	*7%*	*7%*	*7%*	*8%*	*8%*	*8%*	*8%*	*8%*	*8%*	*8%*	*8%*

	Base Year	Aug-Dec 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029	11 2030	12 2031	13 2032	14 2033	15 2034
Vacancy/Loss Assumptions																
Vacancy/Loss % - Restricted	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Vacancy/Loss % - Sect. 8 Increment	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vacancy/Loss % - Other Subsidy	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vacancy/Loss % - Commercial	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Vacancy/Loss % - Manager	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Vacancy/Loss % - Other Income	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Loan Inputs & Schedules

Loan Inputs

Loan	Construction	Permanent	Month & Year of Closing	Interest Rate	Issuer Fees, Trustee Fees, MIP, etc.	Amort Period	Term to Maturity	Minimum Combined DSCR	Projected Combined DSCR	Interest Accrual Method	Interest Deduction Method	Share of Remaining Cash Flow	Recourse / Non-Recourse
Construction Loan	15,250,000		Nov-18	4.25%	0.00%		27 mos.						R
Perm Loan 1		5,590,000	Feb-21	6.00%	0.00%	35	30	1.15	1.15				NR
Perm Loan 2			Feb-21	6.00%	0.00%	15	15	1.10	1.15				NR
Perm Loan 3			Feb-21	6.00%	0.00%	15	15	1.05	1.15				NR
HCID LA - HOME			Nov-18	4.00%			55			Simple	OID	0.00%	NR
AHP	730,000	730,000	Nov-18	0.00%			55			Simple	OID	0.00%	NR
HCID LA - HHH	11,094,300	11,094,300	Nov-18	3.00%			55			Simple	OID	50.00%	NR
Land Contribution	-	-	Nov-18	0.00%			55			Simple	OID	0%	NR
Cap & Trade			Nov-18	0.00%			55			Simple	OID	0%	NR
Soft Loan 6			Nov-18	0.00%			55			Simple	OID	0%	NR
Soft Loan 7			Nov-18	0.00%			55			Simple	OID	0%	NR
Soft Loan 8			Nov-18	0.00%			55			Simple	OID	0%	NR
Deferred Developer Fee Loan	1,500,000	495,687	Aug-20	0.00%			15			Compound	Book	100%	R

Construction Period Interest Accruals

Loan	Construction	Interest Rate	Total Constr. Term Int. Expense	To Placed In-Service A / O Balance	To Placed In-Service Months Outstanding	To Placed In-Service Int. Exp.	To Payoff / Conversion A / O Balance	To Payoff / Conversion Months Outstanding	To Payoff / Conversion Int. Exp.
Construction Loan	15,250,000	4.25%	891,172	50%	21	567,109	100%	6	324,063
Perm Loan 1	-	5.55%	0	0%	18	0	100%	0	0
Perm Loan 2	-	6.00%	0	0%	18	0	100%	0	0
Perm Loan 3	-	6.00%	0	0%	18	0	100%	0	0
HCID LA - HOME	-	2.14%	0	50%	18	0	100%	0	0
AHP	730,000	0.00%	0	50%	18	0	100%	0	0
HCID LA - HHH	11,094,300	1.79%	173,543	50%	21	173,543	100%	0	0
Land Contribution	-	0.00%	0	50%	21	0	100%	0	0
Cap & Trade	-	0.00%	0	50%	21	0	100%	0	0
Soft Loan 6	-	0.00%	0	50%	21	0	100%	0	0
Soft Loan 7	-	0.00%	0	50%	21	0	100%	0	0
Soft Loan 8	-	0.00%	0	50%	21	0	100%	0	0
Totals			**1,064,715**			**740,652**			**324,063**

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Investor LP Equity & Tax Credit Calculations

	Total	Rehab / New Construction Tax Credits	Acquisition Tax Credits
LP Equity			
Aggregate Tax Credits (see below)	11,569,160	11,569,160	0
Allocation % to LP	99.99%	99.99%	99.99%
Allocation $ to LP	11,568,003	11,568,003	0
Cents Per Credit @ IRR = 5.79%	0.9800	0.9800	0.9800
Base Equity	11,336,642	11,336,642	0
Cumulative Equity Adjustments	0		
Total LP Equity	**11,336,642**	*0*	
** Cents / Credit @ 100% Allocation*	*0.97990*		

	Total	Rehab / New Construction Tax Credits	Acquisition Tax Credits
Tax Credit Calculations			
Eligible Basis (from Development Budget)	27,723,851	27,723,851	0
less: Grants, Federal BMIR Loans		0	0
less: Non-Qualifying, Non-Recourse Loans		0	0
less: Non-Qualif. Portion of Higher Quality Units		0	0
less: Residential Historic Tax Credit		0	0
less: Other Exclusions		0	0
less: Voluntary Basis Reduction		0	0
Requested Unadjusted Eligible Basis Before Limit	27,723,851	27,723,851	0
Adjusted Threshold Basis Limits (see below)	51,426,691	51,426,691	
Requested Unadjusted Eligible Basis After Limit	27,723,851	27,723,851	0
Basis Adjustment (QCT or DDA)		130%	
Adjusted Eligible Basis	36,041,006	36,041,006	0
Applicable Fraction		100.00%	100.00%
Qualified Basis	36,041,006	36,041,006	0
less: Credit Reduction		0	
Adjusted Qualified Basis	36,041,006	36,041,006	0
Tax Credit Rate		3.21%	3.21%
Annual Tax Credits: Calculated	1,156,916	1,156,916	0
Annual Tax Credits: Reservation (enter 0 if none)	0	0	
Annual Tax Credits on IRS Form(s) 8609	**1,156,916**	**1,156,916**	**0**
Aggregate Tax Credits on IRS Form(s) 8609	**11,569,160**	**11,569,160**	**0**
Excess Eligible Basis/(Shortfall)		0	0

_____			
	-		
	34		
	17		
	19		
	-		
$ Adjustments	0		0
	112%		

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Unit Mix

Project Unit Mix

Type	Total Units	Restricted	Mkt. Rate	Manager
0 BR	-	-	-	-
1 BR	34	34	-	-
2 BR	17	17	-	-
3 BR	19	18	-	1
4 BR	-	-	-	-
Total	70	69	-	1

Project Unit Mix

Category	Total Units	% of Total	0 BR	1 BR	2 BR	3 BR	4 BR
Sect. 42	31	44%	-	2	14	15	-
Sect. 42 / HHH	28	40%	-	28	-	-	-
Sect. 42 / HHH / VLI	7	10%	-	4	3	-	-
Sect. 42 / VLI	3	4%	-	-	-	3	-
Restricted	69	99%	-	34	17	18	-
Mkt. Rate	-	0%	-	-	-	-	-
Manager	1	1%	-	-	-	1	-
Total	70	100%	-	34	17	19	-
% Units	100%		0%	49%	24%	27%	0%

Section 42 Units

AMI	Total Units	% of Total	0 BR	1 BR	2 BR	3 BR	4 BR
30%	35	50.7%	-	31	4	-	-
35%	-	0.0%	-	-	-	-	-
40%	-	0.0%	-	-	-	-	-
45%	-	0.0%	-	-	-	-	-
50%	10	14.5%	-	1	3	6	-
55%	-	0.0%	-	-	-	-	-
60%	24	34.8%	-	2	10	12	-
Total	69	100%	-	34	17	18	-
% of Total	100%		0.0%	49.3%	24.6%	26.1%	0.0%

Section 42 Units

Type	Total Units	% of Total	30%	35%	40%	45%	50%	55%	60%
0 BR	-	0.0%	-	-	-	-	-	-	-
1 BR	34	49.3%	31	-	-	-	1	-	2
2 BR	17	24.6%	4	-	-	-	3	-	10
3 BR	18	26.1%	-	-	-	-	6	-	12
4 BR	-	0.0%	-	-	-	-	-	-	-
Total	69	100%	35	-	-	-	10	-	24
% of Total	100%		50.7%	0.0%	0.0%	0.0%	14.5%	0.0%	34.8%

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Rent Roll - Including Project Based Vouchers

# Units	# BRs	Sq. Ft.
70	125	58,500

	UNDERWRITING RENT		
	Net U/W	Subsidy	Total U/W
Monthly	$ 56,804	$ 29,395	$ 86,199
Yearly	$ 681,648	$ 352,740	$ 1,034,388

	PBV SUBSIDY RENT		
	Gross HAP	(Util Allow)	Net HAP
Monthly	$ 46,914	$ -	$ 46,914
Yearly	$ 562,968	$ -	$ 562,968

	TOC RENT (CITY)		
	Gross Amt	(Util Allow)	Net Amt
Monthly	$ 6,916	$ (321)	$ 6,595
Yearly	$ 82,992	$ (3,852)	$ 79,140

	SECTION 42 (TCAC) RENT		
AMI	Max Sect. 42	(Util Allow)	Net Sect. 42
	$ 60,119	$ (2,133)	$ 57,986
	$ 721,428	$ (25,596)	$ 695,832

Category	Unit ID	# of BRs	Sq. Ft.	Net U/W	Subsidy	Total U/W	Gross HAP	(Util Allow)	Net HAP	Gross Amt	(Util Allow)	Net Amt	AMI	Max Sect. 42	(Util Allow)	Net Sect. 42
Sect. 42 / HHH / VLI	1	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314	$ 622	$ (24)	$ 598	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH / VLI	2	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314	$ 622	$ (24)	$ 598	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH / VLI	3	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314	$ 622	$ (24)	$ 598	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH / VLI	4	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314	$ 622	$ (24)	$ 598	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	5	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	6	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	7	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	8	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	9	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	10	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	11	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	12	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	13	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	14	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	15	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	16	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	17	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	18	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	19	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	20	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	21	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	22	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	23	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	24	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	25	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	26	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	27	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	28	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	29	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	30	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	31	1	600	$ 483	$ 831	$ 1,314	$ 1,314		$ 1,314			$ -	30%	$ 507	$ (24)	$ 483
Sect. 42 / HHH	32	1	600	$ 821	$ 493	$ 1,314	$ 1,314		$ 1,314			$ -	50%	$ 845	$ (24)	$ 821
Sect. 42	33	1	600	$ 990	$ -	$ 990			$ -			$ -	60%	$ 1,014	$ (24)	$ 990
Sect. 42	34	1	600	$ 990	$ -	$ 990			$ -			$ -	60%	$ 1,014	$ (24)	$ 990
Sect. 42 / HHH / VLI	35	2	900	$ 575	$ 1,047	$ 1,622	$ 1,622		$ 1,622	$ 699	$ (33)	$ 666	30%	$ 608	$ (33)	$ 575
Sect. 42 / HHH / VLI	36	2	900	$ 575	$ 1,047	$ 1,622	$ 1,622		$ 1,622	$ 699	$ (33)	$ 666	30%	$ 608	$ (33)	$ 575
Sect. 42 / HHH / VLI	37	2	900	$ 575	$ 1,047	$ 1,622	$ 1,622		$ 1,622	$ 699	$ (33)	$ 666	30%	$ 608	$ (33)	$ 575
Sect. 42	38	2	900	$ 575	$ -	$ 575			$ -			$ -	30%	$ 608	$ (33)	$ 575
Sect. 42	39	2	900	$ 980	$ -	$ 980			$ -			$ -	50%	$ 1,013	$ (33)	$ 980
Sect. 42	40	2	900	$ 980	$ -	$ 980			$ -			$ -	50%	$ 1,013	$ (33)	$ 980
Sect. 42	41	2	900	$ 980	$ -	$ 980			$ -			$ -	50%	$ 1,013	$ (33)	$ 980
Sect. 42	42	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	43	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	44	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	45	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	46	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	47	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	48	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	49	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	50	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42	51	2	900	$ 1,183	$ -	$ 1,183			$ -			$ -	60%	$ 1,216	$ (33)	$ 1,183
Sect. 42 / VLI	52	3	1,200	$ 735	$ -	$ 735			$ -	$ 777	$ (42)	$ 735	50%	$ 1,171	$ (42)	$ 1,129
Sect. 42 / VLI	53	3	1,200	$ 735	$ -	$ 735			$ -	$ 777	$ (42)	$ 735	50%	$ 1,171	$ (42)	$ 1,129
Sect. 42 / VLI	54	3	1,200	$ 735	$ -	$ 735			$ -	$ 777	$ (42)	$ 735	50%	$ 1,171	$ (42)	$ 1,129
Sect. 42	55	3	1,200	$ 1,129	$ -	$ 1,129			$ -			$ -	50%	$ 1,171	$ (42)	$ 1,129
Sect. 42	56	3	1,200	$ 1,129	$ -	$ 1,129			$ -			$ -	50%	$ 1,171	$ (42)	$ 1,129
Sect. 42	57	3	1,200	$ 1,129	$ -	$ 1,129			$ -			$ -	50%	$ 1,171	$ (42)	$ 1,129

Sect. 42	58	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	59	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	60	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	61	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	62	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	63	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	64	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	65	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	66	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	67	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	68	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
Sect. 42	69	3	1,200		$ 1,364	$ -	$ 1,364			$ -			$ -	60%	$ 1,406	$ (42)	$ 1,364
RESTRICTED	**69**	**122**	**57,300**	**Monthly**	**$ 56,804**	**$ 29,395**	**$ 86,199**	**$ 46,914**	**$ -**	**$ 46,914**	**$ 6,916**	**$ (321)**	**$ 6,595**		**$ 60,119**	**$ (2,133)**	**$ 57,986**
				Yearly	**$ 681,648**	**$ 352,740**	**$ 1,034,388**	**$ 562,968**	**$ -**	**$ 562,968**	**$ 82,992**	**$ (3,852)**	**$ 79,140**		**$ 721,428**	**$ (25,596)**	**$ 695,832**

11950 Missouri Avenue (Formerly Animal Shelter) - (10-11-2017)
Operating Expenses

Pro Rate Year 1-2 Inflator?	Yes	Base Year	Aug-Dec 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029	11 2030	12 2031	13 2032	14 2033	15 2034
Payroll																	
On-Site Manager	3.00%	55,000	22,917	55,688	57,358	59,079	60,851	62,677	64,557	66,494	68,489	70,543	72,660	74,839	77,085	79,397	81,779
Office and Administration	3.00%	40,000	16,667	40,500	41,715	42,966	44,255	45,583	46,951	48,359	49,810	51,304	52,843	54,429	56,061	57,743	59,476
Maintenance	3.00%	75,000	31,250	75,938	78,216	80,562	82,979	85,468	88,032	90,673	93,394	96,195	99,081	102,054	105,115	108,269	111,517
Resident Services	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0		0	0
Security	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grounds	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Taxes & Workers Compensation	3.00%	15,300	6,375	15,491	15,956	16,435	16,928	17,436	17,959	18,497	19,052	19,624	20,213	20,819	21,444	22,087	22,749
Employee Benefits	3.00%	4,000	1,667	4,050	4,172	4,297	4,426	4,558	4,695	4,836	4,981	5,130	5,284	5,443	5,606	5,774	5,948
Value of Employee Apartments	3.00%	10,800	4,500	10,935	11,263	11,601	11,949	12,307	12,677	13,057	13,449	13,852	14,268	14,696	15,137	15,591	16,058
Other Expenses	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		200,100	**83,375**	**202,601**	**208,679**	**214,940**	**221,388**	**228,029**	**234,870**	**241,916**	**249,174**	**256,649**	**264,349**	**272,279**	**280,448**	**288,861**	**297,527**
Administrative Expenses																	
Property Mgmt. Fee (% of EGI)	5.00%	47,913	15,971	48,312	49,278	50,264	51,269	52,294	53,340	54,407	55,495	56,605	57,737	58,892	60,070	61,271	62,496
Property Mgmt. Fee (Fixed Fee)	2.50%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renting Expenses	3.00%	1,500	625	1,519	1,564	1,611	1,660	1,709	1,761	1,813	1,868	1,924	1,982	2,041	2,102	2,165	2,230
Office Supplies / Minor Equipment	3.00%	5,000	2,083	5,063	5,214	5,371	5,532	5,698	5,869	6,045	6,226	6,413	6,605	6,804	7,008	7,218	7,434
Legal	3.00%	7,000	2,917	7,088	7,300	7,519	7,745	7,977	8,216	8,463	8,717	8,978	9,248	9,525	9,811	10,105	10,408
Audit Expenses (project related)	3.00%	7,000	2,917	7,088	7,300	7,519	7,745	7,977	8,216	8,463	8,717	8,978	9,248	9,525	9,811	10,105	10,408
Accounting/Bookkeeping	3.00%	7,500	3,125	7,594	7,822	8,056	8,298	8,547	8,803	9,067	9,339	9,620	9,908	10,205	10,512	10,827	11,152
Telephone/ Computer	3.00%	10,000	4,167	10,125	10,429	10,742	11,064	11,396	11,738	12,090	12,452	12,826	13,211	13,607	14,015	14,436	14,869
Other Expenses	3.00%	2,500	1,042	2,531	2,607	2,685	2,766	2,849	2,934	3,022	3,113	3,207	3,303	3,402	3,504	3,609	3,717
		88,413	**32,846**	**89,318**	**91,514**	**93,767**	**96,077**	**98,447**	**100,878**	**103,371**	**105,928**	**108,550**	**111,241**	**114,001**	**116,832**	**119,736**	**122,716**
Utilities		-															
Electricity	3.00%	38,000	15,833	38,475	39,629	40,818	42,043	43,304	44,603	45,941	47,319	48,739	50,201	51,707	53,258	54,856	56,502
Water & Sewer	3.00%	27,000	11,250	27,338	28,158	29,002	29,872	30,769	31,692	32,642	33,622	34,630	35,669	36,739	37,841	38,977	40,146
Gas	3.00%	15,000	6,250	15,188	15,643	16,112	16,596	17,094	17,606	18,135	18,679	19,239	19,816	20,411	21,023	21,654	22,303
Internet	3.00%	5,000	2,083	5,063	5,214	5,371	5,532	5,698	5,869	6,045	6,226	6,413	6,605	6,804	7,008	7,218	7,434
Other:	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		85,000	**35,417**	**86,063**	**88,644**	**91,304**	**94,043**	**96,864**	**99,770**	**102,763**	**105,846**	**109,021**	**112,292**	**115,661**	**119,131**	**122,705**	**126,386**
Operating & Maintenance																	
Maintenance Supplies	3.00%	10,000	4,167	10,125	10,429	10,742	11,064	11,396	11,738	12,090	12,452	12,826	13,211	13,607	14,015	14,436	14,869
Janitorial Supplies	3.00%	2,000	833	2,025	2,086	2,148	2,213	2,279	2,348	2,418	2,490	2,565	2,642	2,721	2,803	2,887	2,974
Grounds Supplies	3.00%	3,500	1,458	3,544	3,650	3,760	3,872	3,989	4,108	4,231	4,358	4,489	4,624	4,763	4,905	5,053	5,204
Contract Maintenance & Repairs	3.00%	7,200	3,000	7,290	7,509	7,734	7,966	8,205	8,451	8,705	8,966	9,235	9,512	9,797	10,091	10,394	10,706
Grounds Contract	3.00%	15,000	6,250	15,188	15,643	16,112	16,596	17,094	17,606	18,135	18,679	19,239	19,816	20,411	21,023	21,654	22,303
Extermination	3.00%	5,000	2,083	5,063	5,214	5,371	5,532	5,698	5,869	6,045	6,226	6,413	6,605	6,804	7,008	7,218	7,434
Trash Removal	3.00%	20,000	8,333	20,250	20,858	21,483	22,128	22,792	23,475	24,180	24,905	25,652	26,422	27,214	28,031	28,872	29,738
Contract Cleaning-	3.00%	12,000	5,000	12,150	12,515	12,890	13,277	13,675	14,085	14,508	14,943	15,391	15,853	16,329	16,818	17,323	17,843
Heating, A/C Repairs	3.00%	2,000	833	2,025	2,086	2,148	2,213	2,279	2,348	2,418	2,490	2,565	2,642	2,721	2,803	2,887	2,974
Elevator	3.00%	3,600	1,500	3,645	3,754	3,867	3,983	4,102	4,226	4,352	4,483	4,617	4,756	4,899	5,046	5,197	5,353
Decorating & Repairs	3.00%	1,500	625	1,519	1,564	1,611	1,660	1,709	1,761	1,813	1,868	1,924	1,982	2,041	2,102	2,165	2,230
Employee Apartment	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		81,800	**34,083**	**82,823**	**85,307**	**87,866**	**90,502**	**93,217**	**96,014**	**98,894**	**101,861**	**104,917**	**108,065**	**111,307**	**114,646**	**118,085**	**121,628**
Insurance																	
Property Insurance	3.00%	20,000	8,333	20,250	20,858	21,483	22,128	22,792	23,475	24,180	24,905	25,652	26,422	27,214	28,031	28,872	29,738
Other Expenses	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		20,000	**8,333**	**20,250**	**20,858**	**21,483**	**22,128**	**22,792**	**23,475**	**24,180**	**24,905**	**25,652**	**26,422**	**27,214**	**28,031**	**28,872**	**29,738**
Real Estate Taxes		-															
Property Taxes	2.00%	8,000	3,333	8,067	8,228	8,393	8,560	8,732	8,906	9,084	9,266	9,451	9,640	9,833	10,030	10,230	10,435
Other Levies	2.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		8,000	**16**	**8,067**	**8,228**	**8,393**	**8,560**	**8,732**	**8,906**	**9,084**	**9,266**	**9,451**	**9,640**	**9,833**	**10,030**	**10,230**	**10,435**
Other Taxes, Licenses & Fees		-															
Special Assessments	3.00%	1,500	625	1,519	1,564	1,611	1,660	1,709	1,761	1,813	1,868	1,924	1,982	2,041	2,102	2,165	2,230
Other:	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		-	**625**	**1,519**	**1,564**	**1,611**	**1,660**	**1,709**	**1,761**	**1,813**	**1,868**	**1,924**	**1,982**	**2,041**	**2,102**	**2,165**	**2,230**
Resident Services																	
Resident Services	3.00%	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional Resident Services	3.00%	10,000	4,167	10,125	10,429	10,742	11,064	11,396	11,738	12,090	12,452	12,826	13,211	13,607	14,015	14,436	14,869
		10,000	**4,167**	**10,125**	**10,429**	**10,742**	**11,064**	**11,396**	**11,738**	**12,090**	**12,452**	**12,826**	**13,211**	**13,607**	**14,015**	**14,436**	**14,869**
TOTAL OPERATING EXPENSES		**493,313**	**198,861**	**500,765**	**515,224**	**530,106**	**545,422**	**561,186**	**577,412**	**594,112**	**611,300**	**628,992**	**647,201**	**665,943**	**685,234**	**705,090**	**725,528**

TOTAL OPERATING EXPENSES / UNIT	**7,047**
REPLACEMENT RESERVE / UNIT	**350**
OP EXP + REPL RESERVE / UNIT	**7,397**

Attachment C
Site Plan

11950 W. Missouri Avenue



PROGRAM SUMMARY

ADDRESS:	11950 W. MISSOURI AVENUE
APN NUMBER:	4259020900
PROJECT TYPE:	100% AFFORDABLE
TYPE OF CONSTURCTION:	5 STORY TYPE III OVER 1 STORY TYPE I AT GRADE PODIUM
CURRENT ZONE:	PF1-XL
PROPOSED ZONE BASED	R3-1
LOT AREA:	32,642 SF (.75 ACRES)
TOTAL BUILDING SF:	99,543 SF
FAR:	3.05

PROPOSED NUMBER OF DU:

UNIT A	(1 BEDROOM)	655 SF	34 UNITS		(49%)
UNIT B	(2 BEDROOM)	970 SF	17 UNITS		(24%)
UNIT C1	(3 BEDROOM)	1,180 SF	3 UNITS	(4%)	(27%)
UNIT C2	(3 BEDROOM)	1,200 SF	5 UNITS	(7%)	
UNIT C3	(3 BEDROOM)	1,202 SF	4 UNITS	(6%)	
UNIT C4	(3 BEDROOM)	1,218 SF	3 UNITS	(4%)	
UNIT C5	(3 BEDROOM)	1,251 SF	4 UNITS	(6%)	
			TOTAL:	**70 UNITS**	

MAXIMUM ALLOWABLE HEIGHT:	45' TOC + 22' BONUS = 67'
PROPOSED HEIGHT:	67'

FRONT SETBACK (MISSOURI):	REQUIRED: 15'	PROPOSED: 15'
REAR SETBACK (SOUTH PL):	REQUIRED: 15'	PROPOSED: 15'
SIDE SETBACK(EAST PL):	REQUIRED: 10'	PROPOSED: 10'
SIDE SETBACK (BUNDY):	REQUIRED: 12'	PROPOSED: 12'

PARKING REQUIRED: 0.5 SPACES X 70 UNITS = **35 SPACES REQUIRED**
PARKING PROVIDED : 46 STANDARD + 2 HC = **48 SPACES PROVIDED**

OPEN SPACE REQUIRED:

1 BEDROOM:	125 SF	X	34 UNITS =	4,250 SF
2 BEDROOM:	175 SF	X	17 UNITS =	3,325 SF
3 BEDROOM:	175 SF	X	19 UNITS =	2,975 SF
			TOTAL OPEN SPACE REQUIRED:	**10,550 SF**

OPEN SPACE PROVIDED:

STREET LEVEL:		5,143 SF
PODIUM COURTYARD:		3,820 SF
COMMUNITY SPACES:		1,481 SF
UNIT C2:	5 X (50 SF)	250 SF
UNIT C3:	4 X (50 SF)	200 SF
UNIT C4:	3 X (50 SF)	150 SF
TOTAL OPEN SPACE PROVIDED:		**11,044 SF**

SITE PLAN

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

SCALE: 1"=20'
0 10 20 30 40 60

NORTH

WITHEE MALCOLM ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

Job No.: B6069 Date: 10.13.17

SD01



LEVEL 1

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

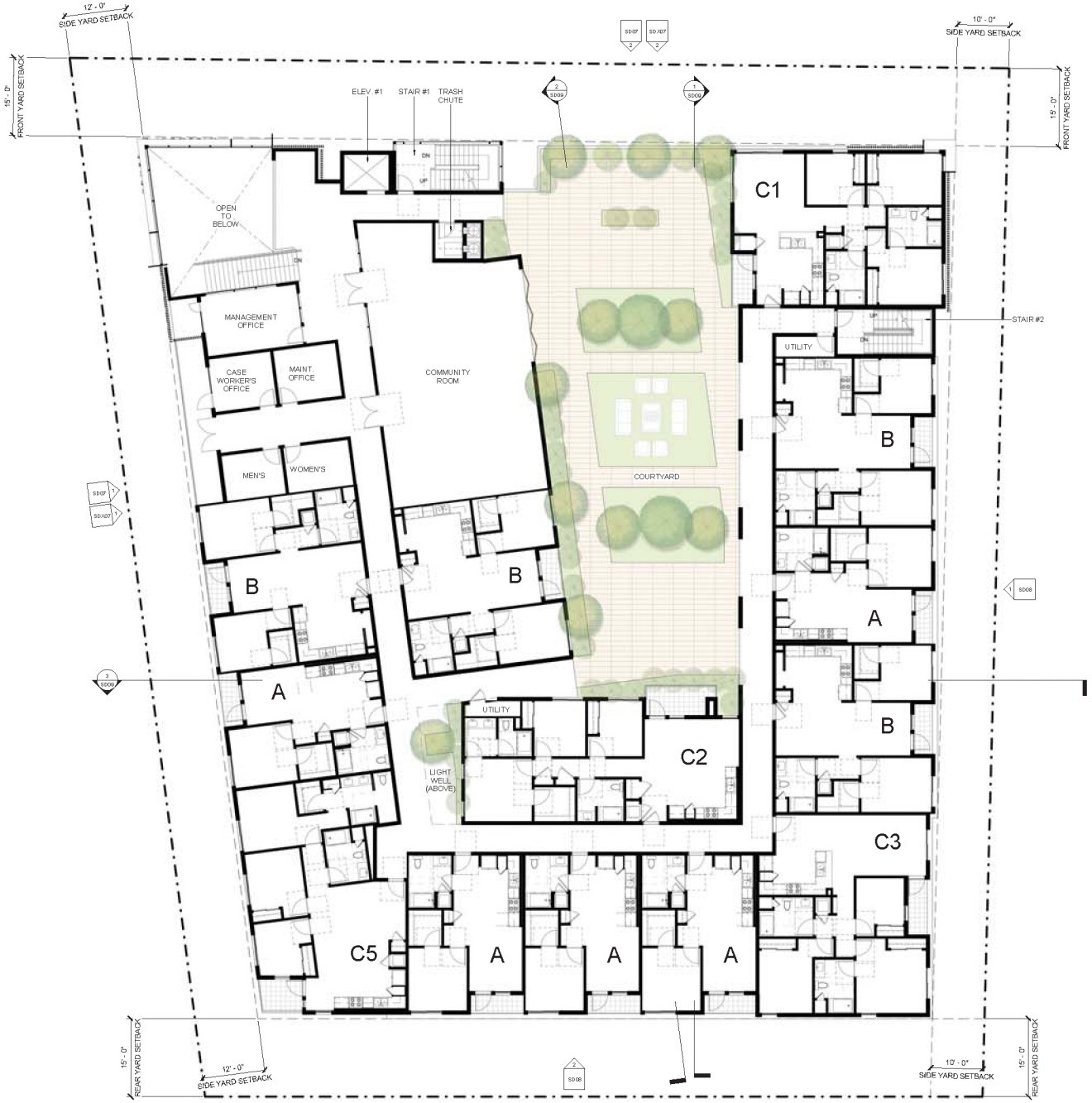
SCALE: 16'-1"-0"

NORTH

WITHEE MALCOLM ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

Job No.: B6069 Date: 10.13.17

SD02



LEVEL 2-PODIUM

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

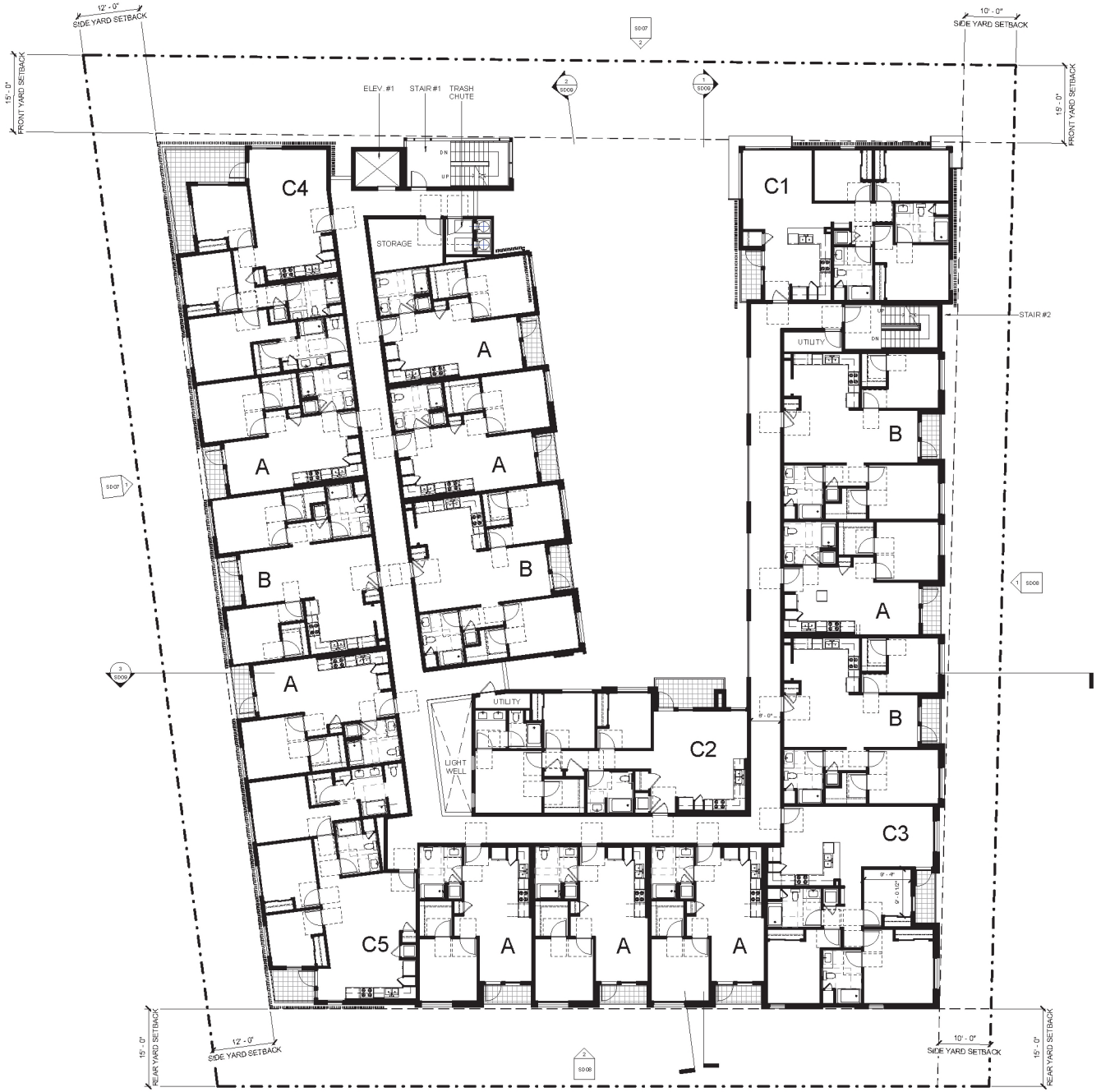
SCALE: 16'-1"-0"

NORTH

WITHEE MALCOLM ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

Job No.: B6069 Date: 10.13.17

SD03



LEVEL 3-4

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

SCALE: 16'-1"-0"

NORTH

WITHEE MALCOLM
ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

Job No.: B6069 Date: 10.13.17

SD04



LEVEL 5

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

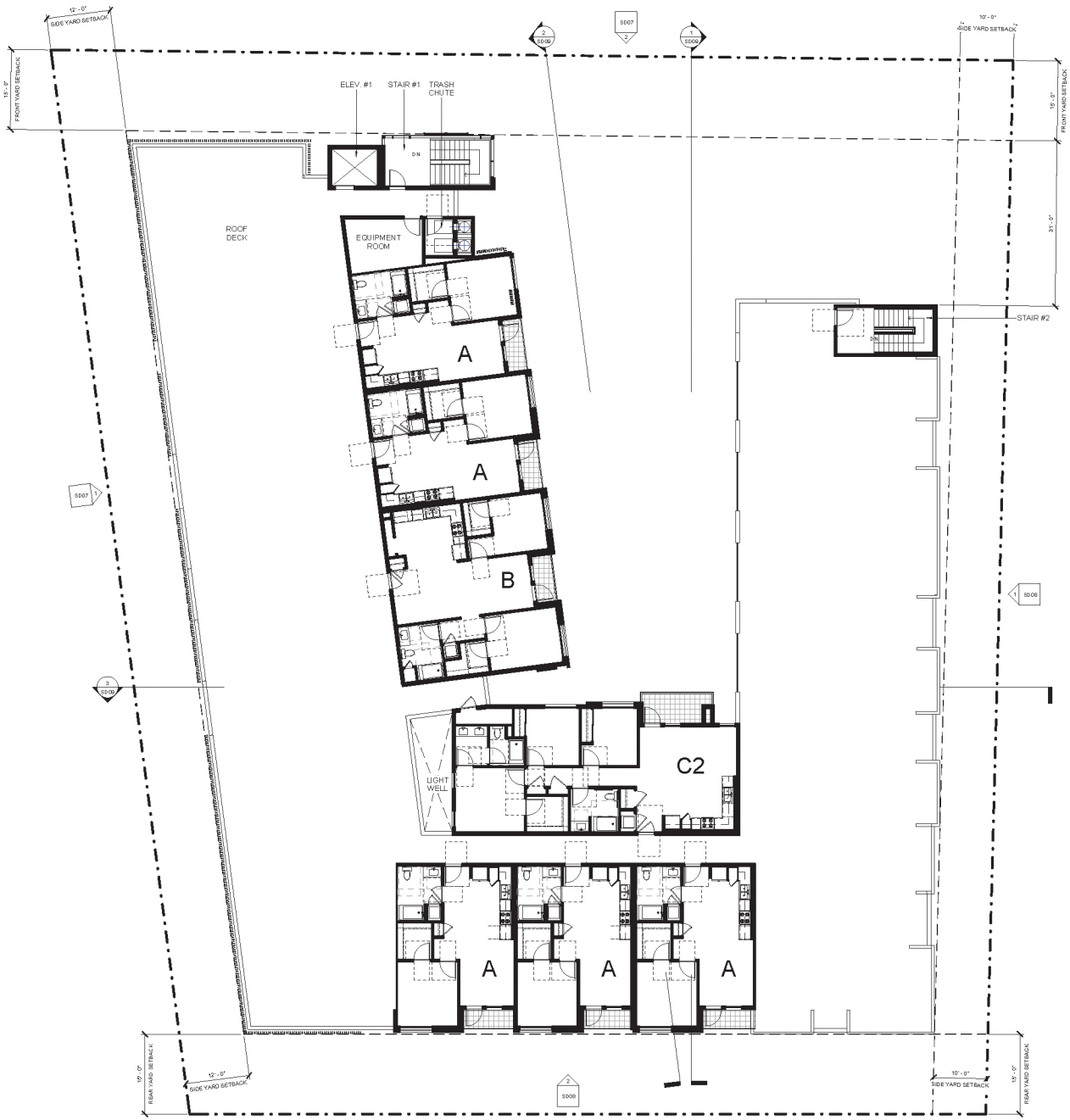
SCALE: 16'-1"-0"

NORTH

WITHEE MALCOLM
ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

SD05

Job No.: B6069 Date: 10.13.17



LEVEL 6

MISSOURI & BUNDY DEVELOPMENT

THOMAS SAFRAN & ASSOCIATES

SCALE: 16'-1'-0"

NORTH

WITHEE MALCOLM
ARCHITECTS
2251 West 190th Street Torrance, CA 90504 310. 217. 8885
witheemalcolm.com

SD06

Job No.: B6069 Date: 10.13.17

Attachment D

AFFORDABILITY RESTRICTIONS

11950 W. Missouri Avenue

ATTACHMENT D
11950 WEST MISSOURI AVENUE
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	1-Bedroom Units	2-Bedroom Units	3-Bedroom Units
30% TCAC / 30% HHH / VLI TOC			
Number of Units	4	0	0
30% AMI TCAC Rent	$483	N/A	N/A
30% AMI HHH Rent	$483	N/A	N/A
Very-Low Income TOC Rent	$598	N/A	N/A
60% AMI CDLAC Rent	$990	N/A	N/A
PBV Vouchers	Yes	N/A	N/A
Applicable Rent	**$483**	**N/A**	**N/A**
30% TCAC / 30% HHH-CH / 60% CDLAC			
Number of Units	10	0	0
30% AMI TCAC Rent	$483	N/A	N/A
30% AMI HHH-CH Rent	$483	N/A	N/A
60% AMI CDLAC Rent	$990	N/A	N/A
PBV Vouchers	Yes	N/A	N/A
Applicable Rent	**$483**	**N/A**	**N/A**
30% TCAC / 30% HHH			
Number of Units	10	2	0
30% AMI TCAC Rent	$483	$575	N/A
30% AMI HHH Rent	$483	$575	N/A
60% AMI CDLAC Rent	$990	$1,183	N/A
PBV Vouchers	Yes	N/A	N/A
Applicable Rent	**$483**	**N/A**	**N/A**
30% TCAC / 30% HHH-CH			
Number of Units	7	1	0
30% AMI TCAC Rent	$483	$575	N/A
30% AMI HHH-CH Rent	$483	$575	N/A
PBV Vouchers	Yes	Yes	N/A
Applicable Rent	**$483**	**$575**	**N/A**
30% TCAC			
Number of Units	0	1	0
30% AMI TCAC Rent	N/A	$575	N/A
PBV Vouchers	N/A	Yes	N/A
Applicable Rent	**N/A**	**$575**	**N/A**
50% TCAC / VLI TOC			
Number of Units	0	0	3
50% AMI TCAC Rent	N/A	N/A	$1,129
Very-Low Income TOC Rent	N/A	N/A	$735
PBV Vouchers	N/A	N/A	No
Applicable Rent	**N/A**	**N/A**	**$735**
50% TCAC			
Number of Units	1	3	3
50% AMI TCAC Rent	$821	$980	$1,129
PBV Vouchers	No	No	No
Applicable Rent	**$821**	**$980**	**$1,129**
60% TCAC / 60% CDLAC			
Number of Units	2	7	7
60% AMI TCAC Rent	$990	$1,183	$1,364
60% AMI CDLAC Rent	$990	$1,183	$1,364
PBV Vouchers	No	No	No
Applicable Rent	**$990**	**$1,183**	**$1,364**
60% TCAC			
Number of Units	0	3	5
60% AMI TCAC Rent	N/A	$1,183	$1,364
PBV Vouchers	N/A	No	No
Applicable Rent	**N/A**	**$1,183**	**$1,364**

Rents shown are net of utility allowance which is subject to change

Prepared by: Keyser Marston Associates, Inc.
Filename: 11950 W. Missouri Ave - 2017 4% Model; Affordability Chart; jlr; 10/19/2017

Attachment I: Term Sheet – 557 S. Crocker Avenue

557 & 559 Crocker Street
Owner Participation Agreement
Key Terms and Conditions

1. **Parties to the Agreement:**
The Owner Participation Agreement ("OPA") for the Weingart Tower project shall be entered by and between the City of Los Angeles, a municipal corporation ("City"), and Weingart Center Association, a California nonprofit public benefit corporation (WCA) and Chelsea Investment Corporation (Chelsea), collectively referred to as "Developer", which shall be assignable to a California limited partnership whose general partners are affiliates of WCA and Chelsea (the "Partnership").

2. **City Site Description:**
Two parcels of land are currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Parcel 1	557 South Crocker Street	5147-024-901	1,411	Attachment A
City Parcel 2	559 South Crocker Street	5147-024-900	4,237	Attachment A
Total City Site			**5,648**	

3. **WCA Site Description:**
Three parcels of land are currently owned by the WCA and are adjacent to the City Parcels 1 and 2 indicated above:

	Address	APN	Parcel Size (Sf)	Legal Description
Developer Parcel 1	No Address	5147-024-004	1,436	Attachment B
Developer Parcel 2	552 S. San Pedro Street	5147-024-022	16,129	Attachment B
Developer Parcel 3	No Address	5147-024-024	4,312	Attachment B
Total Developer Site			**21,877**	

4. **City Site History:**
The property was acquired in 1991 for redevelopment purposes by the Community Redevelopment Agency (CRA/LA) for $288,417. The City Site is located in the former Central Business District Redevelopment Project Area and housing set-aside tax increments were used as the funding source. In 2013 the land was transferred from CRA/LA to HCIDLA. Currently, the City Site is being leased by WCA for $500 per month and used as a parking lot by Weingart Center for the Homeless for parking.

5. **Development Plan Summary:**
The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:
   a. Project Summary: Weingart Tower will be an 18-story building that will consist of 278 units. Approximately 228 units will be dedicated to housing homeless, approximately 47 units will be provided to non-homeless households, and three units will be set-aside for on-site managers. A total of 40 parking spaces will be provided in a subterranean parking garage, 36,204, sf of community/service space will be providing in addition to an 8,000 square foot café.
   b. Project Site Size: 27,525 Square Feet of Land Area.

c. Gross Building Area: 184,465 square feet (106,550 sf gross living area, 36,204 sf leasing office/service areas, 8,000 sf café and 33,711 sf of common area/circulation).
d. Unit Mix: 231 studio units and 47 one-bedroom units.
e. Parking: 40 spaces
f. Target Population: chronically homeless, homeless (55 Permanent Supportive Housing Units)
g. ADA Requirements: at least 10% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility
h. Amenities: Dining facility with full meal service, counseling center, career center, two fitness rooms, computer room, laundry rooms on each floor, social enterprise room, training rooms, ground floor and roof terrace courtyards.

6. **Purchase and Sale of the City Site:**
The City agrees to sell and convey to WCA and the WCA agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the DDA and the Grant Deed.

7. **Purchase Price for City Site:**
The City agrees to convey the City Site to WCA and the WCA agrees to purchase the City Site for the fair market value of the City Site based on an appraisal conducted within six months of the closing on the land by an HCIDLA approved appraiser ("Purchase Price").

8. **Developer Pro Forma:**
Attached ("Attachment C") is the current Developer Pro Forma for the Project.

9. **Project Site Plan:**
Attached ("Attachment D") is the current Site Plan for the Project.

10. **Labor Rates:**
The Project will incur federal Davis Bacon, state prevailing wages and a City Project Labor Agreement.

11. **Developer Fee:**
The total developer fee is estimated at $16,179,000, which is the maximum allowed under the TCAC regulations. For a project of this size, the maximum capitalized fee that the Developer can receive is $2,500,000 + $10,000 per unit over 100 units, or $4,280,000, per TCAC regulations. While TCAC also allows the developer to defer additional fee, the HCIDLA regulations do not. Therefore, the total fee to the Developer will be $4,280,000, with $11,899,000 to be contributed as Developer Equity.

12. **Social Services to be Provided at Project:**
The Project will prove $827,698 in annual social services on-site. These services will be provided by a Los Angeles County authorized service provider. WCA is proposed to provide a Managing Director, Clinical Social Worker, 12 Case Managers and a part-time Quality Assurance monitor to the Project. The social services provided on-site will include the following:
a. Case management
b. Benefits counseling and advocacy
c. Mental health care
d. Emotional skill building
e. Substance use services
f. Enhanced services
g. Employment services
h. Linkage to out-placements

i. Representative payee
j. Peer support and advocacy
k. Legal assistance
l. Medication management

13. **Minimum Reserves:**
    a. Capitalized Operating Reserves - $1,184,000
    b. Annual Replacement Reserves - $500 per unit
    c. Transition Reserves - $1,250,000 ($4,545/PBS8 Voucher)

14. **City Land Loan Terms (NOT APPLICABLE IF WEINGART PAYS FOR THE LAND):**
    The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:
    a. The City Loan Amount will be equal to the Purchase Price of the City Site.
    b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from Certificate of Occupancy (COO).
    c. The City Land Loan will have a 3.0% simple interest rate applied.
    d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payment on other soft loans.)
    e. The City Land Loan will be subordinated to the Tax-Exempt Bonds.
    f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
    g. The City Land Loan will be secured by a subordinated Trust Deed that will be applied to the entire Project Site.

15. **Subordination:**
    The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to TEB
City Density Bonus Affordability Restrictions	Unsubordinated
HHH Affordability Restrictions	Subordinated to TEB
City Land Loan	Subordinated to TEB, AHSC Deed of Trust

16. **Affordability Restrictions (See Attachment F):**
    With three units set-aside for on-site managers, units' income and affordability requirements will be restricted by the following 55-year, from Certificate of Occupancy (COO), regulatory agreements as follows:

    a. City Land Regulatory Agreement (per California Health & Safety Code):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	0	0	0
Low Income HCD	§50079.5	§50053	0	0	0
Moderate Income HCD	§50093	§50053	228	47	275
Total Units			**228**	**47**	**275**

b. TCAC Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	150	0	150
35% AMI	TCAC	TCAC	39	0	39
40% AMI	TCAC	TCAC	39	0	39
50% AMI	TCAC	TCAC	0	47	47
Total Units			**228**	**47**	**275**

c. 22CDLAC Regulatory Agreement (20% at 50% AMI):

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	0	0	0
35% AMI	TCAC	TCAC	0	0	0
40% AMI	TCAC	TCAC	0	0	0
50% AMI	TCAC	TCAC	56	0	56
Total Units			**56**	**0**	**56**

d. HHH Regulatory Agreement:

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
30% AMI – PSH / CH	TCAC	TCAC	28	0	28
35% AMI – PSH / CH	TCAC	TCAC	0	0	0
30% AMI – PSH	TCAC	TCAC	27	0	27
35% AMI – PSH	TCAC	TCAC	0	0	0
Total Units			**55**	**0**	**55**

e. City Density Bonus Regulatory Agreement (Per Health and Safety Code Definitions):[1]

	Income Restriction	Rent Restriction	Studio Units	1-Bdrm Units	Total Units
Very-Low Income HCD	§50105	§50053	42	0	42
Low Income HCD	§50079.5	§50053	0	0	0
Total Units			**42**	**0**	**42**

[1] The actual City Density Bonus affordability requirements will be subject to the Planning Department's review process.

17. **Financing Plan:**

The following summarizes the approved Financing Plan for the Project:

Description	Entity	Amount
Tax-Exempt Bonds	CDLAC/Issued by City of LA	
Construction		$71,648,000
Permanent		$5,715,000
4% Tax Credits	TCAC/TBD Investor	$51,871,000
State Tax Credits	TCAC/TBD Investor	$8,076,000
Solar LIHTC Equity + Rebate	TCAC/TBD Investor	$171,000
HHH PSH Loan	City of LA	$24,000,000
HHH Facilities Loan	City of LA	$7,000,000
AHSC Loan	HCD	$17,000,000
AHSC Grant	HCD	$3,000,000
AHP	FHLB	$2,000,000
Developer Land Contribution	Weingart Center Association	$8,243,0000
Developer Fee Contribution	Developer	$11,899,000
Deferred Developer Fee	Developer	$720,000
City Loan	City of LA	FMV of City Site
Project-Based Section 8	HACLA & County of LA	275 Vouchers

18. **Milestones:**

Action	Date
OPA Executed	By December 29, 2017
Entitlements Application	Completed
Entitlements Secured	September 2018
HHH Facilities Application / Award	October 2017 / January 2018
HHH PSH Application / Award	March 2018 / May 2018
PBS8 1st Application / Award	March 2018 / October 2018
AHSC Application / Award	September 2018 / March 2019
City TEB Application / Approval	November 2018 / February 2019
CDLAC Application / Award	March 2019 / May 2019
4% TCAC Application / Award	March 2019 / May 2019
State TCAC Application / Approval	March 2019 / May 2019
AHP Application / Approval	March 2019 / June 2019
Financing / Land Closing	August 2019
Construction Commences / Completed	September 2019 / September 2021
Placed in Service Date	September 2021

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19. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: 10/3/2017

Helmi Hisserich
Director of Housing

DEVELOPER
Weingart Center Association

By: _____ Date: 9/20/17

Senator Kevin Murray (ret.)
President and CEO

Chelsea Investment Corporation

By: _____ Date: _____

Cheri Hoffman
President

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Parcels Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

19. Agreement of Key Terms and Conditions:

This agreement of key terms and conditions is not a contract. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA
City of Los Angeles Housing and Community Investment Department

By: _____ Date: _____

Helmi Hisserich
Director of Housing

DEVELOPER
Weingart Center Association

By: _____ Date: _____

Senator Kevin Murray (ret.)
President and CEO

Chelsea Investment Corporation

By: Cheri Hoffman Date: 9/27/17

Cheri Hoffman
President

Attachment A	HCIDLA Parcel Legal Description
Attachment B	Developer Parcels Legal Description
Attachment C	Developer Pro Forma
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

Attachment A
HCIDLA Parcel Legal Description

557 S. Crocker Avenue

ATTACHMENT A

Address: 557 – 559 CROCKER STREET, LOS ANGELES, CA 90013

APNs: 5147-024-900 and 5147-024-901

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 6, THE SOUTHERLY HALF OF LOT 7, AND THE NORTHERLY HALF OF LOT 5, IN BLOCK 20 OF THE WOLFSKILL ORCHARD TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30 PAGE 9, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF.

Attachment B
Developer Parcel Legal Description

557 S. Crocker Avenue

Attachment B

5147-024-022

LOTS 26, 27, 28, 29, ALL IN BLOCK 20, WOLFSKILL ORCHARD TRACT, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

5147-024-024

LOTS 8, THE NORTH ½ OF LOT 7 ALL IN BLOCK 20, WOLFSKILL ORCHARD TRACT, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

5147-024-004

THE SOUTH ½ OF LOT 5 ALL IN BLOCK 20, WOLFSKILL ORCHARD TRACT, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30 PAGE(S) 9 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Attachment C
Developer Pro Forma

557 S. Crocker Avenue

PROJECT SUMMARY

Weingart Tower - CAFÉ P1 - 278 Units

Revision Date: 09/26/17

CHELSEA INVESTMENT CORPORATION

Preliminary Analysis Subject to Further Revisions

SOURCES AND USES SUMMARY

Development Costs		
Acquisition		
Land (including City's adjacent site)	$29,650/unit	8,242,750
Basis Eligible Acquisition Cost	$0/unit	0
Subtotal Acquisition	$29,650/unit	**8,242,750**
Hard Costs		
Interior Amenity/Services	$30,950/unit	8,604,000
Offsites	$592/unit	164,500
Sitework	$2,118,838/acre	783,970
Parking	$82.47/gsf	1,933,875
Vertical	$197,640/unit	54,944,019
AHSC STI	$10,791/unit	3,000,000
GC Contingency + Escalation for 2.5 years	$23,896/unit	6,643,036
Construction Management Fee	$7,169/unit	1,992,911
Overhead, Profit, General Conditions	$28,914/unit	8,038,074
Owner Contingency	$14,947/unit	4,155,219
Subtotal Hard Costs	$324,675/unit	**90,259,605**
A&E	$12,149/unit	3,377,500
Financing Fees and Interest	$21,787/unit	6,056,720
Legal Fees	$1,106/unit	307,500
Reserves	$8,755/unit	2,433,956
Development Impact and Permit Fees	$44,052/unit	12,246,405
Developer Fee	$58,198/unit	16,179,110
Misc (Acctg, Marketing, Reports, Studies, Etc)	$2,936/unit	816,271
Contingency	$3,726/unit	1,035,846
Subtotal Soft Costs	$152,710/unit	**42,453,308**
Total Development Costs	$507,035/unit	**140,955,663**
Cash Developer Fee - TCAC 4.28m		4,280,000
AHSC Leverage		829.2%

Sources		
Federal LIHTC Equity	37%	51,871,577
State LIHTC Equity	6%	8,076,006
Solar LIHTC Equity + Rebates	0%	170,983
Permanent Loan (Tranche A)	4%	5,715,237
AHP and/or CMF	1%	2,000,000
Developer Land Contribution / Note	6%	8,242,750
Deferred Developer Fee	0%	0
Developer Fee Contribution	8%	11,899,110
Prop HHH - $7.0m Facility + $24.0m PSH	22%	31,000,000
AHSC STI	2%	3,000,000
AHSC AHD	12%	17,000,000
Soft Loan Interest	1%	1,980,000
Total Development Sources	**100%**	**140,955,663**

FINANCING ASSUMPTIONS

Equity

	Closing	*Completion*	*Conversion*	*8,609*
Equity Pay In	10%	0%	89%	1%

Federal Tax Credit Price		$ 1.0000
State Tax Credit Price		$ 0.8000
Solar Tax Credit Price		$ 1.0000
9% Credit Rate		
4% Credit Rate	TCAC App Rate	3.25%
LP Interest		99.99%
10 Yr Federal Tax Credits		51,876,765
3 Yr State Credits		10,096,017
Solar Credits		171,000

Debt

Opr. Exp./Unit/Year	5,910
Services/Unit/Year	2,977
Service&Office Space/$/sq ft/Year	$5.50/sq ft
Replacement Reserves/Unit/Year	500
Vacancy Rate	5.00%
DCR	1.25
Perm Loan Amort	15
Interest Rate - Permanent Loan	6.00%
Interest Rate - Construction Loan	4.00%
Tax- Exempt Bonds - Construction/Perm	5,715,237
Tax- Exempt Bonds - Construction	65,933,097
Tax- Exempt Bonds - C Bond	0
Total Bonds	71,648,334

Tax Credit Considerations

DDA/QCT Boost	130%
Rural Designation	No
50% Test	54.68%
CA 9% Site Amenity Score	15
CA 9% Tiebreaker	N/A
Prevailing Wage (State, Federal, Both):	Yes
Housing Set Aside	N/A

PRELIM DEVELOPMENT PROGRAMMING SUMMARY

City:	LA
MSA:	LA
Site (acres):	0.370
Construction Type:	High Rise
No. of Stories:	18 stories
Parking Type:	Underground /Stalls
No. of Stalls:	40
Impact Fees per Unit:	39,645
Financing Sources:	4%TC & Bonds, AHSC, Prop HHH & PBVs

PROJECT UNIT & INCOME MIX

AMI	Studio	1BR	2BR	3BR	Totals
Sq. Ft.	350	535	700	1,050	106,550
UA	$26	$36	$46	$0	
60%	0	0	0	0	0
55%	0	0	0	0	0
50%	0	47	0	0	47
45%	0	0	0	0	0
40%	39	0	0	0	39
35%	39	0	0	0	39
30%	150	0	0	0	150
Mgr.	0	3	0	0	3
Totals	228	50	0	0	278

Common	25,623	Net SF	132,173	Cost psf	$ 682.89
Eff Loss	**25.63%**	**Gross SF**	226,620	**Cost psf**	$ 366.71

CASH FLOW

End of Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Net Income	3,564,803	3,653,923	3,745,271	3,838,903	3,934,875	4,033,247	4,134,078	4,237,430	4,343,366	4,451,950	4,563,249	4,677,330	4,794,263	4,914,120	5,036,973	5,162,897
Operating Exp	1,783,535	1,845,958	1,910,567	1,977,437	2,046,647	2,118,280	2,192,419	2,269,154	2,348,574	2,430,774	2,515,852	2,603,906	2,695,043	2,789,370	2,886,998	2,988,042
NOI	**1,781,268**	**1,807,965**	**1,834,704**	**1,861,466**	**1,888,228**	**1,914,968**	**1,941,659**	**1,968,276**	**1,994,792**	**2,021,176**	**2,047,397**	**2,073,424**	**2,099,220**	**2,124,750**	**2,149,976**	**2,174,855**
Debt Service	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	239,708
Services	827,698	848,390	869,600	891,340	913,624	936,464	959,876	983,873	1,008,470	1,033,681	1,059,523	1,086,012	1,113,162	1,140,991	1,169,516	1,198,753
Reserves	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000
Issuer Fees & Admin Fee	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144
Mandatory Pymts	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
MGP&AGP&LP Fees	25,000	25,650	26,420	27,212	28,028	28,869	29,735	30,627	31,546	32,493	33,467	34,471	35,506	36,571	37,668	28,966
Residual CF	**119,685**	**125,039**	**129,799**	**134,029**	**137,691**	**140,749**	**143,163**	**144,891**	**145,891**	**146,117**	**145,522**	**144,056**	**141,668**	**138,304**	**133,907**	**477,283**
DCR	**1.25**	**1.26**	**1.27**	**1.28**	**1.29**	**1.29**	**1.30**	**1.30**	**1.31**	**1.31**	**1.31**	**1.31**	**1.31**	**1.30**	**1.30**	**3.11**
Developer Land Note	*59,843*	*62,520*	*64,951*	67,120	*69,008*	*70,597*	*71,867*	*72,798*	*73,368*	*73,554*	*73,334*	*72,682*	*71,573*	*69,981*	*67,876*	*238,642*

TAX CREDITS & BASIS CALCULATION
Weingart Tower - CAFÉ P1 - 278 Units

DESCRIPTION OF COSTS	ACTUAL OR EST. OF COSTS	30% ELIGIBLE BASIS	70% ELIGIBLE BASIS
ACQUISITION			
Land Cost	$ 8,242,750	XXXXXXXXXXXX	XXXXXXXXXXXX
Entitlements		XXXXXXXXXXXX	XXXXXXXXXXXX
AHSC STI Project	$ 3,000,000	XXXXXXXXXXXX	XXXXXXXXXXXX
Land Lease Rent Prepayment	$ -	XXXXXXXXXXXX	XXXXXXXXXXXX
Verifiable Carrying Costs	$ -	XXXXXXXXXXXX	XXXXXXXXXXXX
Existing Improvement Costs	$ -	XXXXXXXXXXXX	$ -
Other: City parcel		XXXXXXXXXXXX	XXXXXXXXXXXX
TOTAL LAND/AQUISITION COSTS	**$ 11,242,750**	**$ -**	**$ -**
REHABILITATION			
Off-Site Improvements	$ -		$ -
Environmental Remediation	$ -		$ -
Site Work	$ -		$ -
Structures	$ -		$ -
General Requirements	$ -		$ -
Contractor Overhead	$ -		$ -
Contractor Profit	$ -		$ -
Contractor General Liability Insurance	$ -		$ -
Other:	$ -		$ -
TOTAL REHABILITATION COSTS	**$ -**	**$ -**	**$ -**
RELOCATION			
Temporary Relocation	$ -		$ -
Permanent Relocation	$ -		XXXXXXXXXXXX
TOTAL RELOCATION COSTS	**$ -**	**$ -**	**$ -**
NEW CONSTRUCTION			
Interior Amenity/Services	$ 8,604,000		$ 8,604,000
Off-site Improvements	$ 164,500		$ 164,500
Solar	$ -		$ -
Site Work	$ 783,970		$ 783,970
Parking Garage	$ 1,933,875		$ 1,933,875
Vertical	$ 54,944,019		$ 54,944,019
GC Contingency + Escalation for 2.5 years	$ 6,643,036		$ 6,643,036
Construction Management Fee	$ 1,992,911		$ 1,992,911
General Conditions, Overhead & Profit	$ 8,038,074		$ 8,038,074
Contractor Profit	$ -		$ -
Contractor General Liability Insurance	$ -		$ -
Other: PW Factor	$ -		$ -
TOTAL CONSTRUCTION	**$ 83,104,385**	**$ -**	**$ 83,104,385**
ARCHITECTURAL FEES			
Building	$ 2,500,000		$ 2,500,000
Landscape	$ 9,000		$ 9,000
Energy Consultant	$ 85,000		$ 85,000
Other: Acoustic Study	$ -		$ -
Other: Traffic Study	$ -		$ -
Other:	$ -		$ -
TOTAL ARCHITECTURAL COSTS	**$ 2,594,000**	**$ -**	**$ 2,594,000**
SURVEY & ENGINEERING			
Civil (includes ALTA)	$ 325,000		$ 325,000
ALTA	$ -		$ -
Staking	$ 45,000		$ 45,000
Structural Testing	$ 150,000		$ 150,000
Soils including testing and phase I	$ 75,000		$ 75,000
Other : dry utility	$ 45,000		$ 45,000
Other : noise	$ 8,500		$ 8,500
Other : Fire, Bldg Maintenance, etc	$ 135,000		$ 135,000
TOTAL SURVEY & ENGINEERING	**$ 783,500**	**$ -**	**$ 783,500**
CONTINGENCY COSTS			
Hard Cost Contingency	$ 4,155,219		$ 4,155,219
Soft Cost Contingency	$ 1,035,846		$ 1,035,846
TOTAL CONTINGENCY COSTS	**$ 5,191,065**	**$ -**	**$ 5,191,065**
CONSTRUCTION PERIOD EXPENSES			
Construction Loan Interest	$ 2,751,440		**$ 1,087,580**
C Bond Loan Interest	$ -		**$ -**
Soft Loan Interest	$ 1,980,000		**$ 1,485,000**
Origination Fee	$ 704,446		**$ 469,631**
Credit Enhancement & Application Fee	$ -		$ -
Owner Paid Bonds	$ -		$ -
Lender Inspection Fees	$ 45,000		$ 45,000
Taxes During Construction	$ 7,500		**$ 5,000**
Prevailing Wage Monitoring	$ -		$ -
Insurance During Construction	$ 65,000		**$ 43,333**
Title and Recording Fees	$ 20,000		**$ 13,333**
Construction Management & Testing	$ -		$ -
Predevelopment Loan Interest	$ -		$ -
Other: PW Monitoring	$ 150,000		$ 150,000
Other:	$ -		$ -
TOTAL CONSTRUCTION PERIOD EXPENSE	**$ 5,723,387**	**$ -**	**$ 3,298,877**
PERMANENT FINANCING EXPENSES			
Loan Origination Fee	$ 57,152	XXXXXXXXXXXX	XXXXXXXXXXXX
Credit Enhancement & Application Fee	$ -	XXXXXXXXXXXX	XXXXXXXXXXXX
Title and Recording Fees	$ 7,500	XXXXXXXXXXXX	XXXXXXXXXXXX
Property Taxes	$ -	XXXXXXXXXXXX	XXXXXXXXXXXX

Insurance	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
Other: Issuer Fee	$	268,681	XXXXXXXXXXXX	XXXXXXXXXXXX
Other:	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
TOTAL PERMANENT FINANCING COSTS	**$**	**333,334**	**$**	**-**	**$**	**-**
LEGAL FEES						
Construction Lender Legal	$	60,000			$	40,000
Permanent Lender Legal	$	52,500			XXXXXXXXXXXX
Sponsor Legal	$	60,000			$	60,000
Organizational Legal	$	20,000			XXXXXXXXXXXX
Bond Legal	$	55,000			XXXXXXXXXXXX
CPA, Opinion	$	50,000			$	50,000
Other: GP Legal	$	10,000			$	10,000
TOTAL LEGAL	**$**	**307,500**	**$**	**-**	**$**	**160,000**
CAPITALIZED RESERVES						
Operating Reserve	$	1,183,956	XXXXXXXXXXXX	XXXXXXXXXXXX
Replacement Reserve	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
Rent-up Reserve	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
Transition Reserve	$	1,250,000	XXXXXXXXXXXX	XXXXXXXXXXXX
Other: Prepaid HOA	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
Other: Capitalized LP Fee	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
TOTAL RESERVE COSTS	**$**	**2,433,956**	**$**	**-**	**XXXXXXXXXXXX**
REPORTS & STUDIES						
Appraisal	$	10,000			$	10,000
Market Study	$	-			$	-
Physical Needs Assessment	$	10,000			$	10,000
Environmental Studies	$	25,000			$	25,000
Other: Lender Deposit	$	25,000			$	25,000
Other: Investor Deposit	$	25,000			$	25,000
Other: Soils Report	$	-			$	-
Other: Phase I	$	2,500			$	2,500
TOTAL REPORTS & STUDIES	**$**	**97,500**	**$**	**-**	**$**	**97,500**
OTHER EXPENSES						
TCAC App./Alloc/Monitoring Fees	$	167,447	XXXXXXXXXXXX	XXXXXXXXXXXX
CDLAC/CDIAC Fees	$	35,824		XXXXXXXXXXXX
Local Permit Fees	$	1,225,000			$	1,225,000
Local Development Impact Fees	$	11,021,405			$	11,021,405
CFD Prepayment	$	-			$	-
Syndicator/Investor Fees & Expenses	$	-	XXXXXXXXXXXX	XXXXXXXXXXXX
Furnishings	$	85,000			$	85,000
Final Cost Audit Expense	$	10,000			$	10,000
Marketing	$	130,500	XXXXXXXXXXXX	XXXXXXXXXXXX
MGP Services Fee	$	200,000			$	200,000
SDHC Ap, Orig, Servicing, Legal, Const Review	$	40,000			$	40,000
Accounting/Finance/Admin	$	50,000			$	50,000
Other: CPA Opinion	$	-			$	-
Other:	$	-			$	-
TOTAL OTHER COSTS	**$**	**12,965,176**	**$**	**-**	**$**	**12,631,405**
DEVELOPER COSTS						
Developer Fee Limit - Per Application	$	2,500,000	$	-	$	2,500,000
Developer Fee Calculation	$	16,179,110	$	-	$	16,179,110
Developer Fee	$	16,179,110	$	-	$	16,179,110
Consultants/Processing Agent	$	-			$	-
Project Administration	$	-			$	-
Syndication Consultant	$	-			$	-
Guarantee Fees	$	-			$	-
Broker Fees Paid to Related Party	$	-			$	-
Construction Oversight & Mgmt	$	-			$	-
TOTAL DEVELOPER FEE	**$**	**16,179,110**	**$**	**-**	**$**	**16,179,110**
TOTAL RESIDENTIAL COSTS	**$**	**140,955,663**	**$**	**-**	**$**	**124,039,843**
TOTAL COMMERCIAL COSTS	**$**	**-**			**$**	**-**
TOTAL PROJECT AND BASIS COSTS	**$**	**140,955,663**	**$**	**-**	**$**	**124,039,843**
Adjustment for Excess Basis - **Office for Staff**					**$**	**1,254,601**
Additional Amount Voluntarily Excluded From Basis					**$**	**-**
Requested Undadjusted Eligible Basis			$	-	$	122,785,242
130% DIFFICULT DEVELOPMENT FACTOR?	Tract #: Not Avail.		y		$	159,620,814
Credit Reduction				11.56%	$	-
Total Adjusted Qualified Basis					$	159,620,814
TX CREDITS @ % LI Eligible@ Tx Credit Rt	**100.00%**		**3.25%**		**3.25%**
				Application Rate		
TX CREDITS @ % LI Eligible			**$**	**-**	**$**	**5,187,676**
TX CREDITS OVER TEN YEARS			**$**	**-**	**$**	**51,876,765**
TX CREDIT EQ'Y@$/Credit@% Investment	$	1.0000		99.99%	**$**	**51,871,577**
State Tax Credits - 13% of Eligible Basis & Over 4 Yrs		13.00%		63.25%	$	10,096,017
State Tax Credits Equity	$	0.8000		99.99%	$	8,076,006
Solar Credits - 30% of Eligible Basis		30.00%	$	570,000.00	$	570,000
Solar Equity	$	1.0000		99.99%	$	170,983
Solar Rebates					$	-

OPERATING BUDGET & INCOME ANALYSIS

Weingart Tower - CAFÉ P1 - 278 Units

Rent:	Restriction	%AMI	Units	Square Feet/Unit	Total Sq. Ft.	Gross Rents	Rent Adjustment	HACLA 12/1/2016 All Electric Utility Allowance	Monthly Net Rent	Annual Rent	VPS HACLA 11/1/16 RA Contract Rent	Annual Overhang
0BR/1BA	LIHTC	50%	0	350	0	$ 760	$ -	$ 26	$ 734	$ -	$ 1,086	$ -
0BR/1BA	LIHTC	45%	0	350	0	$ 684	$ -	$ 26	$ 658	$ -	$ 1,086	$ -
0BR/1BA	LIHTC	40%	39	350	13,650	$ 608	$ -	$ 26	$ 582	$ 272,376	$ 1,086	$ 235,872
0BR/1BA	LIHTC	35%	39	350	13,650	$ 532	$ -	$ 26	$ 506	$ 236,808	$ 1,086	$ 271,440
0BR/1BA	LIHTC	30%	150	350	52,500	$ 456	$ -	$ 26	$ 430	$ 774,000	$ 1,086	$ 1,180,800
1BR/1BA	LIHTC	50%	47	535	25,145	$ 814	$ -	$ 36	$ 778	$ 438,792	$ 1,314	$ 302,304
1BR/1BA	LIHTC	45%	0	535	0	$ 732	$ -	$ 36	$ 696	$ -	$ 1,314	$ -
1BR/1BA	LIHTC	40%	0	535	0	$ 651	$ -	$ 36	$ 615	$ -	$ 1,314	$ -
1BR/1BA	LIHTC	35%	0	535	0	$ 570	$ -	$ 36	$ 534	$ -	$ 1,314	$ -
1BR/1BA	LIHTC	30%	0	535	0	$ 488	$ -	$ 36	$ 452	$ -	$ 1,314	$ -
0BR/1BA	LIHTC	MGR	3	535	1,605	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					0	$ -						
Total Rents / Residential			278		107,050					1,721,976		1,990,416
Parking	**parking**				19,138							
Utility	**storage, utility room, mechanical, electrical, trash, fire room, AV equip.**				9,860							
Circulation	**stairs, elevator, walkway, ramp, hallway circulation**				33,711							
Restrooms	**restrooms that are not in units**				797							
Common	**common/reception, dining/kitchen, mail room, mezzanine/flex space, counseling, career center, training & computer rooms, multi-purpose space, laundry/vending**				25,623	subject to $5.5/sq ft charge; excluding 8,000 sq ft for kitchen/cafeteria - NNN to WA						
Staff	**ALL staff space including but not limited to admin staff and service delivery staff**				7,924	subject to $5.5/sq ft charge						
Open Courtyard/Decks	**L6, L7, L12, L13, L18**				9,807							
Sq Ft for garages	**underground garages in addition to the surpace parking listed above**				12,710							
Construction Square Feet					226,620							
RA Overhang										1,990,416		

Income from Operations	PUPM		
Laundry	$ 8.00		26,688
Other Income (App. Fees, Late, etc.)	$ 4.00		13,344
Garage	$ -		0
Cable & Highspeed Data Income	$ -		0
Telephone Income	$ -		0
Sub-Total	**$ 12.00**		3,752,424
Less: Vacancies @	5%		187,621
Commercial Income			0
Less: Vacancies @	50%		0
Total Income			**3,564,803**
Operating Expenses			
Admin	$ 545		151,457
Management Fee	$ 658		182,824
Utilities	$ 1,315		365,648
Payroll	$ 1,643		456,761
Repair & Maintenance	$ 822		228,530
Insruance	$ 316		87,827
Taxes (HOA, CFD)	$ 74		20,613
Other	$ 537		149,366
Total Expenses	**$ 5,910**	Barker 5/4/17 budget	**1,643,026**
Ground Lease Pmt			0
Addt'l Operating Expenses - All Service areas including the admin offices, BUT excluding café	25,547	$5.50/sq ft "MK&CFISD estimate"	**140,509**
Net Operating Income			**1,781,268**
Reserves	$500.00/unit		139,000
Services	$2,977/unit	WA Budget dated 3/21	827,698
Issuer's and Admin Fee	0.125%	0.125%xPermLoanPrincipal	7,144
Mandatory Debt Service (AHSC & NPLH)	0.420%		84,000
Net Income Available for Debt Service			**723,426**
		DSC TEST	1.25

Loan Sizing	Tranche A
Loan Amount	5,715,237
Interest	6.00%
Term	15
Amortization	15
Debt Service Coverage	1.25
Monthly Payment	48,228
Annual Payment	578,741
Cash Flow After D/S	144,685

OPERATIONAL CASH FLOW

Weingart Tower - CAFÉ P1 - 278 Units

			13	14	15	16	17	18	19	20	21	22	23	24	25
Gross Revenue	Inflation @	2.50%	5,046,593	5,172,758	5,302,077	5,434,629	5,570,495	5,709,757	5,852,501	5,998,813	6,148,784	6,302,503	6,460,066	6,621,567	6,787,107
Vacancy		5.00%	(252,330)	(258,638)	(265,104)	(271,731)	(278,525)	(285,488)	(292,625)	(299,941)	(307,439)	(315,125)	(323,003)	(331,078)	(339,355)
Net Revenue			**4,794,263**	**4,914,120**	**5,036,973**	**5,162,897**	**5,291,970**	**5,424,269**	**5,559,876**	**5,698,873**	**5,841,344**	**5,987,378**	**6,137,063**	**6,290,489**	**6,447,751**
Operating Expenses (including non residential)	Inflation @	3.50%	2,695,043	2,789,370	2,886,998	2,988,042	3,092,624	3,200,866	3,312,896	3,428,847	3,548,857	3,673,067	3,801,624	3,934,681	4,072,395
Net Operating Income			**2,099,220**	**2,124,750**	**2,149,976**	**2,174,855**	**2,199,346**	**2,223,403**	**2,246,980**	**2,270,025**	**2,292,487**	**2,314,311**	**2,335,438**	**2,355,808**	**2,375,356**
Replacement Reserves		0.00%	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000
Resident Services	Inflation @	2.50%	1,113,162	1,140,991	1,169,516	1,198,753	1,228,722	1,259,440	1,290,926	1,323,200	1,356,280	1,390,187	1,424,941	1,460,565	1,497,079
Cash Available to Debt Service			**847,059**	**844,760**	**841,460**	**837,101**	**831,624**	**824,963**	**817,053**	**807,826**	**797,208**	**785,124**	**771,497**	**756,243**	**739,277**
Principal and Interest		6.00%	578,741	578,741	578,741	239,708	0	0	0	0	0	0	0	0	0
Issuer's and Admin Fee		0.00%	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144
Mandatory Soft Loan Payments		0.42%	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Managing GP Fee		2.50%	13,449	13,785	14,130	14,483	14,845	15,216	15,597	15,987	16,386	16,796	17,216	17,646	18,087
Administrative GP Fee		2.50%	13,449	13,785	14,130	14,483	14,845	15,216	15,597	15,987	16,386	16,796	17,216	17,646	18,087
Net Project Cash Flow			**150,276**	**147,304**	**143,315**	**477,283**	**710,789**	**703,386**	**694,716**	**684,709**	**673,291**	**660,389**	**645,921**	**629,807**	**611,959**
		DSCR	1.31	1.30	1.30	3.11	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!				
TCAC Gross Revenue Test	no more than 2% in year 15 if DSCR > 12	8%	3.51%	3.38%	3.24%	9.32%	13.29%	12.85%	12.40%	11.95%	11.48%	11.01%	10.53%	10.04%	9.55%
TCAC Debt Service Test		125%													
UMR Operating Expense Test	<= 1.20 DSCR or 12% cash flow to expen	12%	3.95%	3.75%	3.53%	11.40%	16.45%	15.77%	15.09%	14.41%	13.73%	13.04%	12.36%	11.67%	10.99%
Distributuions:															
Refinance Proceeds						0									
Incentive Leasing Fee															
Resident Services	0	3.00%	0	0	0	0									
LP Fee	5,000	3.00%	7,129	7,343	7,563	0									
Developer Land Contribution / Note	50%of Avail Cashflow	4.00%	71,573	69,981	67,876	238,642	355,395	351,693	347,358	342,354	336,646	330,194	322,961	314,903	305,979
Cash Available After Deferred Fee Pmt			**71,573**	**69,981**	**67,876**	**238,642**	**355,395**	**351,693**	**347,358**	**342,354**	**336,646**	**330,194**	**322,961**	**314,903**	**305,979**
AHSC	35.00%	0.00%	25,051	24,493	23,757	83,525	124,388	123,093	121,575	119,824	117,826	115,568	113,036	110,216	107,093
Prop HHH - $7.0m Facility + $24.0m PSH	65.00%	65%	46,523	45,488	44,120	155,117	231,007	228,601	225,783	222,530	218,820	214,626	209,924	204,687	198,887
NPLH	0.00%	0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow Available After Soft Loan Loans			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Partnership Admin Fee (90% of Cash Flow)		90.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow Available after Partnership Admin Fee			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
LP Distribution		99.99%	0	0	0	0	0	0	0	0	0	0	0	0	0
GP Distribution		0.01%	0	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Cash Flow After Partnership Distribution			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

OPERATIONAL CASH FLOW

Weingart Tower - CAFÉ P1 - 278 Units

			1	2	3	4	5	6	7	8	9	10	11	12
Gross Revenue	Inflation @	2.50%	3,752,424	3,846,235	3,942,390	4,040,950	4,141,974	4,245,523	4,351,661	4,460,453	4,571,964	4,686,263	4,803,420	4,923,505
Vacancy		5.00%	(187,621)	(192,312)	(197,120)	(202,048)	(207,099)	(212,276)	(217,583)	(223,023)	(228,598)	(234,313)	(240,171)	(246,175)
Net Revenue			**3,564,803**	**3,653,923**	**3,745,271**	**3,838,903**	**3,934,875**	**4,033,247**	**4,134,078**	**4,237,430**	**4,343,366**	**4,451,950**	**4,563,249**	**4,677,330**
Operating Expenses (including non residential)	Inflation @	3.50%	1,783,535	1,845,958	1,910,567	1,977,437	2,046,647	2,118,280	2,192,419	2,269,154	2,348,574	2,430,774	2,515,852	2,603,906
Net Operating Income			**1,781,268**	**1,807,965**	**1,834,704**	**1,861,466**	**1,888,228**	**1,914,968**	**1,941,659**	**1,968,276**	**1,994,792**	**2,021,176**	**2,047,397**	**2,073,424**
Replacement Reserves		0.00%	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000	139,000
Resident Services	Inflation @	2.50%	827,698	848,390	869,600	891,340	913,624	936,464	959,876	983,873	1,008,470	1,033,681	1,059,523	1,086,012
Cash Available to Debt Service			**814,570**	**820,574**	**826,104**	**831,126**	**835,605**	**839,503**	**842,783**	**845,404**	**847,322**	**848,494**	**848,874**	**848,412**
Principal and Interest		6.00%	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741	578,741
Issuer's and Admin Fee		0.00%	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144	7,144
Mandatory Soft Loan Payments		0.42%	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Managing GP Fee		2.50%	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121
Administrative GP Fee		2.50%	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121
Net Project Cash Flow			**124,685**	**130,189**	**135,206**	**139,703**	**143,643**	**146,990**	**149,704**	**151,745**	**153,069**	**153,632**	**153,387**	**152,286**
		DSCR	1.25	1.26	1.27	1.28	1.29	1.29	1.30	1.30	1.31	1.31	1.31	1.31
TCAC Gross Revenue Test	no more than 2% in year 15 if DSCR > 12	8%	3.59%	3.65%	3.70%	3.72%	4.00%	4.00%	3.97%	3.93%	3.88%	3.81%	3.73%	3.63%
TCAC Debt Service Test		125%												
UMR Operating Expense Test	<= 1.20 DSCR or 12% cash flow to expen	12%	4.77%	4.83%	4.86%	4.87%	4.85%	4.81%	4.75%	4.66%	4.56%	4.43%	4.29%	4.13%
Distributuions:														
Refinance Proceeds														
Incentive Leasing Fee			0	0	0									
Resident Services	0	3.00%	0	0	0	0	0	0	0	0	0	0	0	0
LP Fee	5,000	3.00%	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921
Developer Land Contribution / Note	50%of Avail Cashflow	4.00%	59,843	62,520	64,951	67,120	69,008	70,597	71,867	72,798	73,368	73,554	73,334	72,682
Cash Available After Deferred Fee Pmt			**59,843**	**62,520**	**64,951**	**67,120**	**69,008**	**70,597**	**71,867**	**72,798**	**73,368**	**73,554**	**73,334**	**72,682**
AHSC	35.00%	0.00%	20,945	21,882	22,733	23,492	24,153	24,709	25,153	25,479	25,679	25,744	25,667	25,439
Prop HHH - $7.0m Facility + $24.0m PSH	65.00%	65%	38,898	40,638	42,218	43,628	44,855	45,888	46,714	47,319	47,689	47,810	47,667	47,243
NPLH	0.00%	0%	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow Available After Soft Loan Loans			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Partnership Admin Fee (90% of Cash Flow)		90.00%	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow Available after Partnership Admin Fee			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
LP Distribution		99.99%	0	0	0	0	0	0	0	0	0	0	0	0
GP Distribution		0.01%	0	0	0	0	0	0	0	0	0	0	0	0
Remaining Cash Flow After Partnership Distribution			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

OPERATIONAL CASH FLOW

Weingart Tower - CAFÉ P1 - 278 Units

			26	27	28	29	30
Gross Revenue	Inflation @	2.50%	6,956,784	7,130,704	7,308,972	7,491,696	7,678,988
Vacancy		5.00%	(347,839)	(356,535)	(365,449)	(374,585)	(383,949)
Net Revenue			**6,608,945**	**6,774,169**	**6,943,523**	**7,117,111**	**7,295,039**
Operating Expenses (including non residential)	Inflation @	3.50%	4,214,929	4,362,451	4,515,137	4,673,167	4,836,728
Net Operating Income			**2,394,016**	**2,411,717**	**2,428,386**	**2,443,944**	**2,458,311**
Replacement Reserves		0.00%	139,000	139,000	139,000	139,000	139,000
Resident Services	Inflation @	2.50%	1,534,506	1,572,868	1,612,190	1,652,495	1,693,807
Cash Available to Debt Service			**720,510**	**699,849**	**677,196**	**652,449**	**625,504**
Principal and Interest		6.00%	0	0	0	0	0
Issuer's and Admin Fee		0.00%	7,144	7,144	7,144	7,144	7,144
Mandatory Soft Loan Payments		0.42%	84,000	84,000	84,000	84,000	84,000
Managing GP Fee		2.50%	18,539	19,003	19,478	19,965	20,464
Administrative GP Fee		2.50%	18,539	19,003	19,478	19,965	20,464
Net Project Cash Flow			**592,287**	**570,699**	**547,095**	**521,375**	**493,431**
		DSCR					
TCAC Gross Revenue Test	no more than 2% in year 15 if DSCR > 12	8%	9.05%	8.54%	8.02%	7.49%	6.96%
TCAC Debt Service Test		125%					
UMR Operating Expense Test	<= 1.20 DSCR or 12% cash flow to expen	12%	10.30%	9.62%	8.93%	8.24%	7.56%
Distributuions:							
Refinance Proceeds							
Incentive Leasing Fee							
Resident Services	0	3.00%					
LP Fee	5,000	3.00%					
Developer Land Contribution / Note	50%of Avail Cashflow	4.00%	296,144	285,349	273,548	260,688	246,716
Cash Available After Deferred Fee Pmt			**296,144**	**285,349**	**273,548**	**260,688**	**246,716**
AHSC	35.00%	0.00%	103,650	99,872	95,742	91,241	86,350
Prop HHH - $7.0m Facility + $24.0m PSH	65.00%	65%	192,493	185,477	177,806	169,447	160,365
NPLH	0.00%	0%	0	0	0	0	0
Cash Flow Available After Soft Loan Loans			**0**	**0**	**0**	**0**	**0**
Partnership Admin Fee (90% of Cash Flow)		90.00%	0	0	0	0	0
Cash Flow Available after Partnership Admin Fee			**0**	**0**	**0**	**0**	**0**
LP Distribution		99.99%	0	0	0	0	0
GP Distribution		0.01%	0	0	0	0	0
Remaining Cash Flow After Partnership Distribution			**0**	**0**	**0**	**0**	**0**

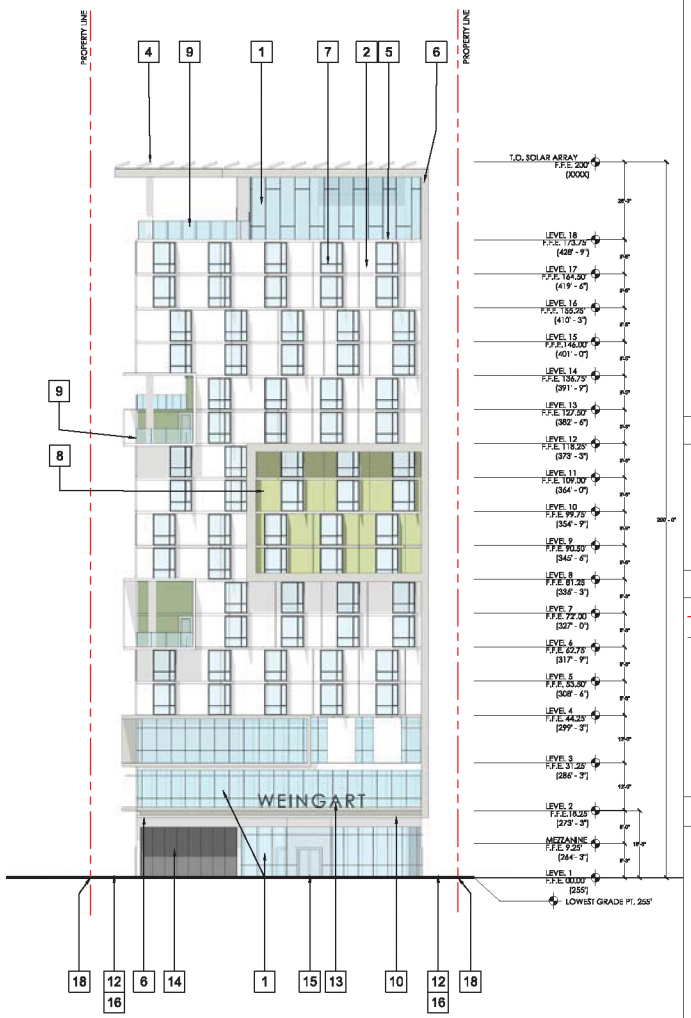
Attachment D
Site Plan

557 S. Crocker Avenue



1 SOUTH ELEVATION

SCALE: 1/16" = 1'-0" (PHASE 1)



2 EAST ELEVATION

SCALE: 1/16" = 1'-0" (PHASE 1)

KEY NOTES

1. STOREFRONT GLAZING SYSTEM
2. PRECAST CONCRETE PANELS
3. METAL TRELLIS
4. PHOTOVOLTAIC PANELS
5. EXPOSED SLAB
6. METAL TRIM
7. VINYL WINDOWS
8. COMPOSITE METAL PANELS
9. GLASS BALCONY RAILING SYSTEM
10. METAL CANOPY
11. SPANDREL PANELS
12. RESIDENTIAL ENTRANCE
13. SIGN - 29'-3" X 3'-6"
14. GARAGE OPENING/ GATE
15. DINING ENTRANCE
16. 7' TALL GATE
17. EXTENDED DECORATIVE METAL TRIM
18. 7' TALL FENCE
19. EXPOSED CONCRETE

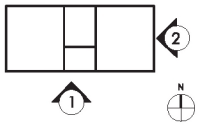
ABBREVIATIONS

T.O. TOP OF
F.F.E. FINISH FLOOR ELEVATION
PT. POINT

LEGEND

PROPERTY LINE
DEDICATION LINE

KEY PLAN - TOWER 1A



EXTERIOR ELEVATION - TOWER 1A SC: 1/16"=1'-0" **A401**

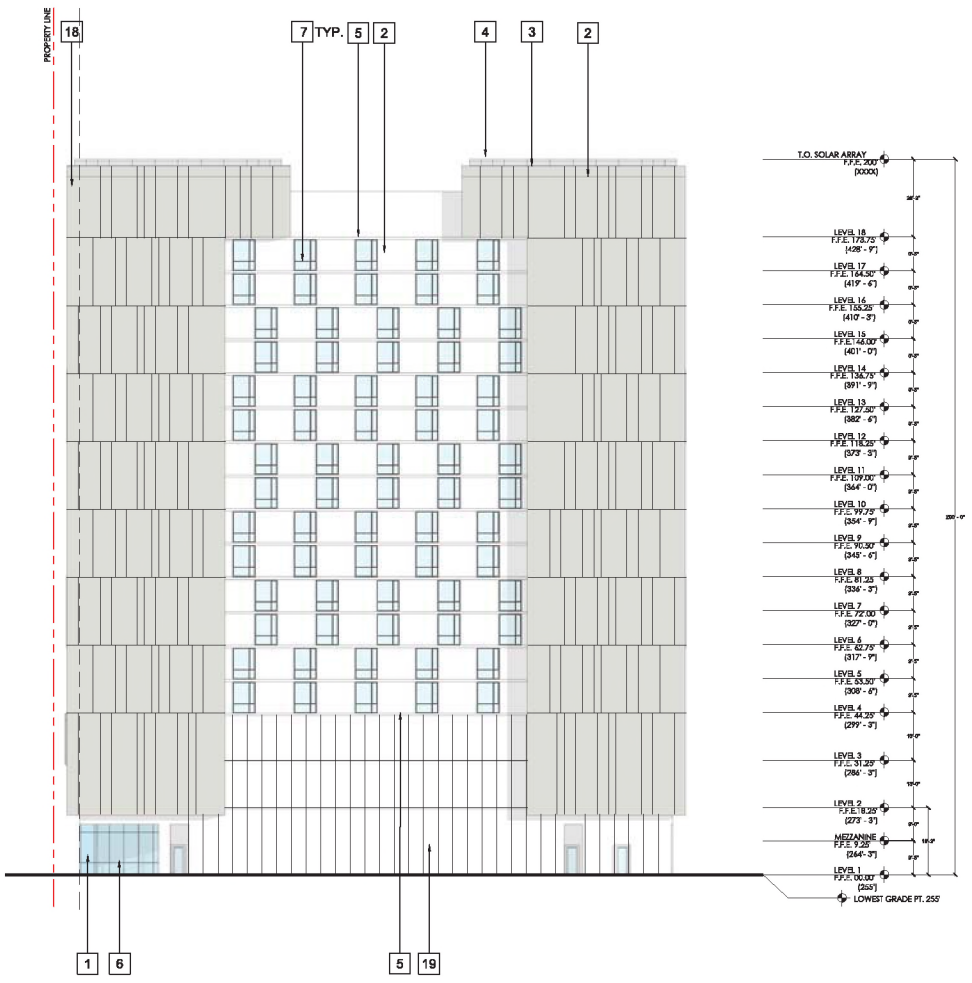
PROJECT: **WEINGART TOWERS- PHASE 1&2** / JOB NO: **3291** / DATE: **FEB 13 2017**

554 S. SAN PEDRO STREET LOS ANGELES, CA

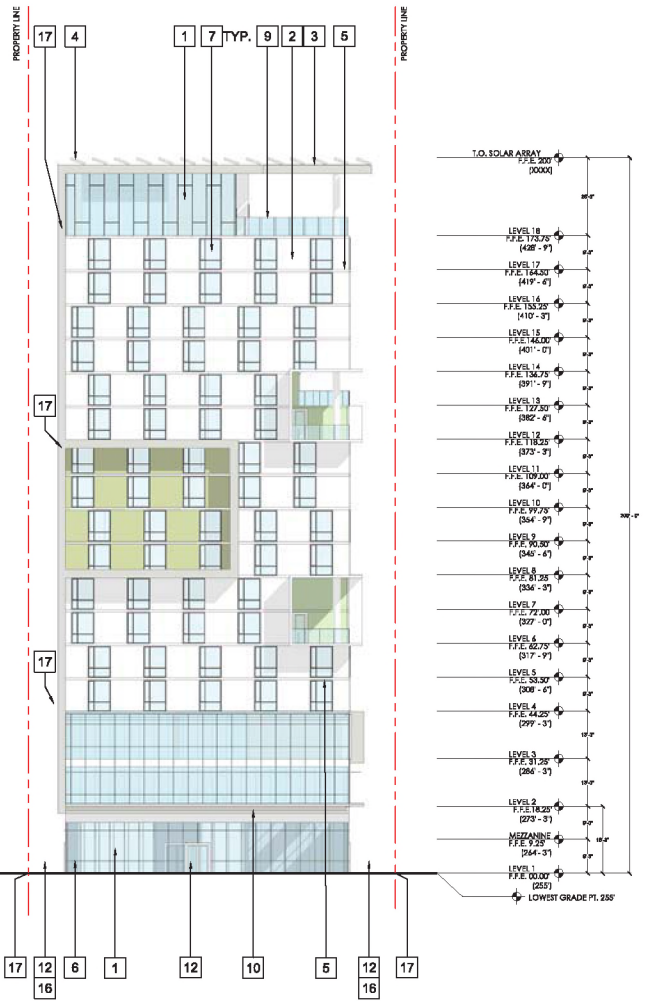
JWDA ARCHITECTURE / PLANNING / INTERIOR DESIGN

CHELSEA INVESTMENT CORPORATION

WEINGART



1 NORTH ELEVATION
SCALE: 1/16" = 1'-0" (PHASE 1)



2 WEST ELEVATION
SCALE: 1/16" = 1'-0" (PHASE 1)

KEY NOTES

1. STOREFRONT GLAZING SYSTEM
2. PRECAST CONCRETE PANELS
3. METAL TRELLIS
4. PHOTOVOLTAIC PANELS
5. EXPOSED SLAB
6. METAL TRIM
7. VINYL WINDOWS
8. COMPOSITE METAL PANELS
9. GLASS BALCONY RAILING SYSTEM
10. METAL CANOPY
11. NOT USED
12. RESIDENTIAL ENTRANCE
13. SIGN - 29'-3" X 3'-6"
14. NOT USED
15. NOT USED
16. 7' TALL GATE
17. EXTENDED DECORATIVE METAL TRIM
18. 7' TALL FENCE
19. EXPOSED CONCRETE

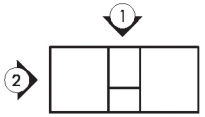
ABBREVIATIONS

T.O. TOP OF
F.F.E. FINISH FLOOR ELEVATION
PT. POINT

LEGEND

PROPERTY LINE
DEDICATION LINE

KEY PLAN - TOWER 1A



EXTERIOR ELEVATION - TOWER 1A SC: 1/16"=1'-0" **A402**

PROJECT: **WEINGART TOWERS- PHASE 1&2** / JOB NO: **3291** / DATE: **FEB 13 2017**

554 S. SAN PEDRO STREET LOS ANGELES, CA

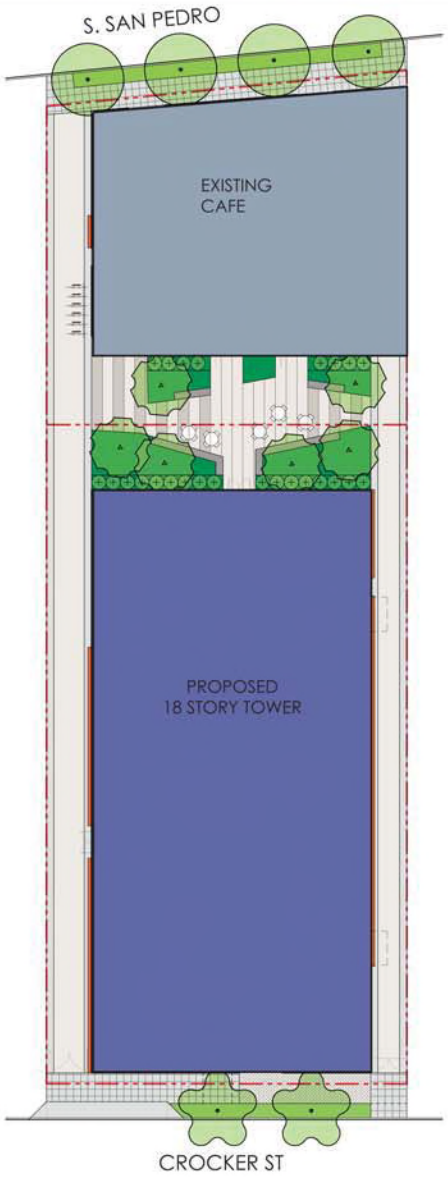
JWDA ARCHITECTURE / PLANNING / INTERIOR DESIGN
CHELSEA INVESTMENT CORPORATION
WEINGART


WEINGART

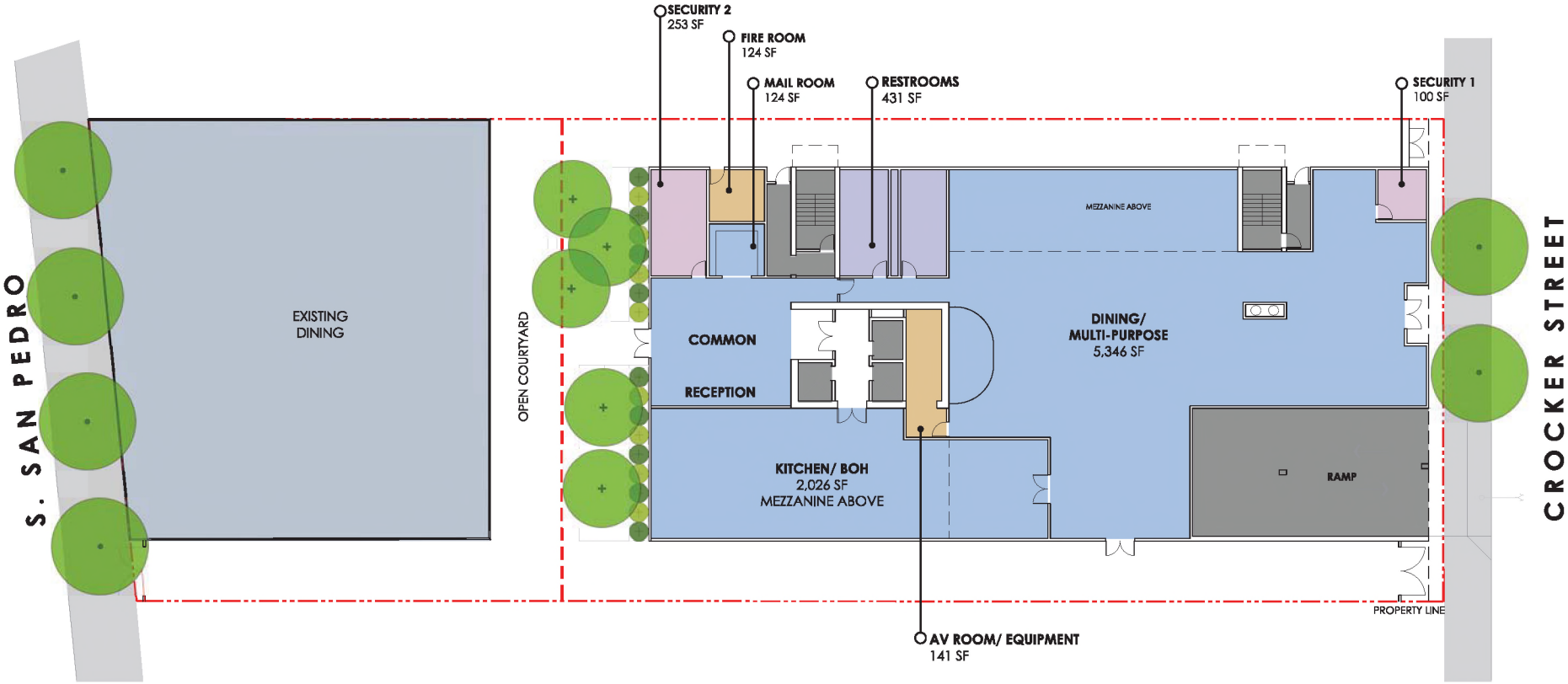
AERIAL

SITE OUTLINE & CONCEPTUAL SITE PLAN





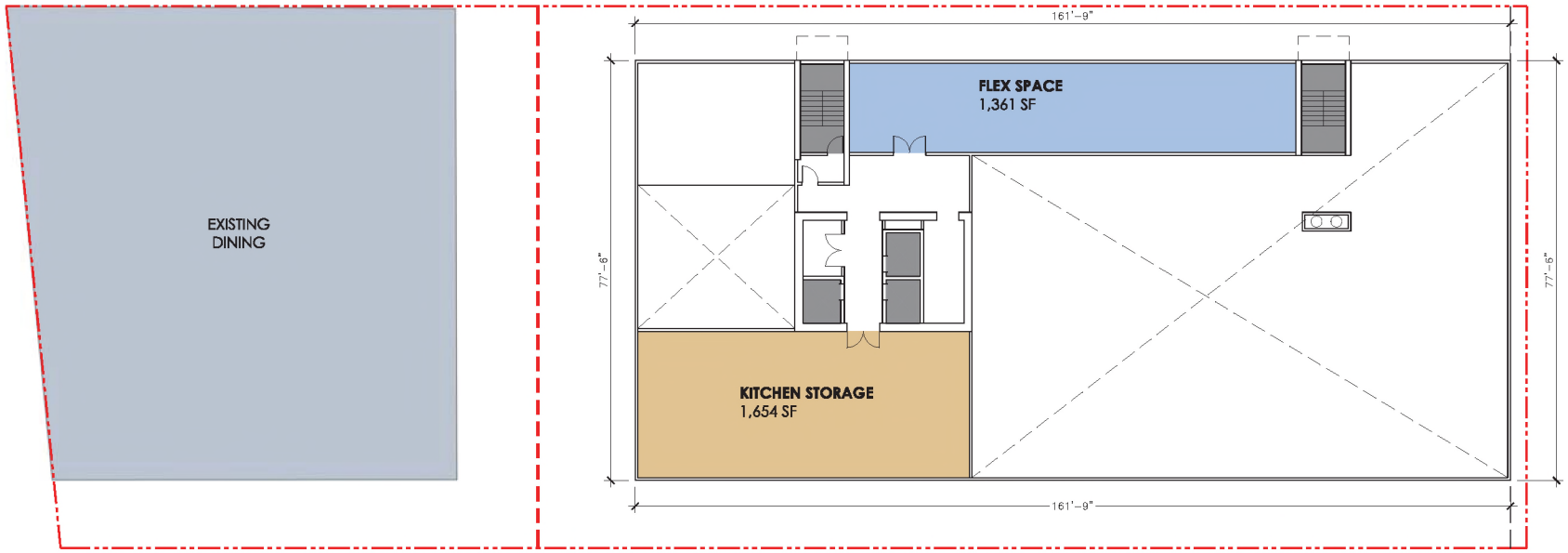
WEINGART CHELSEA JWDA



LEVEL 1
12,449 SF

- RESTROOMS
- COMMON
- STAFF
- UTILITY
- CIRCULATION
- OPEN COURTYARD

WEINGART CHELSEA JWDA

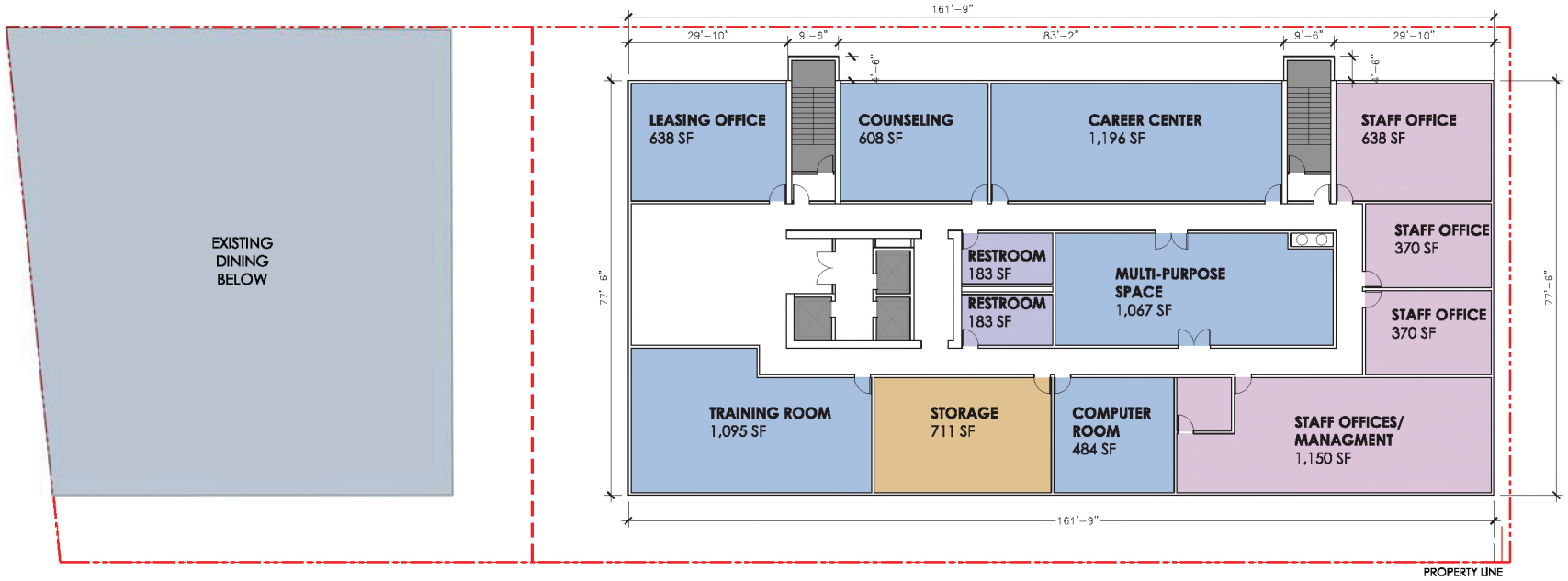


LEVEL 1 - MEZZANINE

4,587 SF

- COMMON
- UTILITY
- CIRCULATION

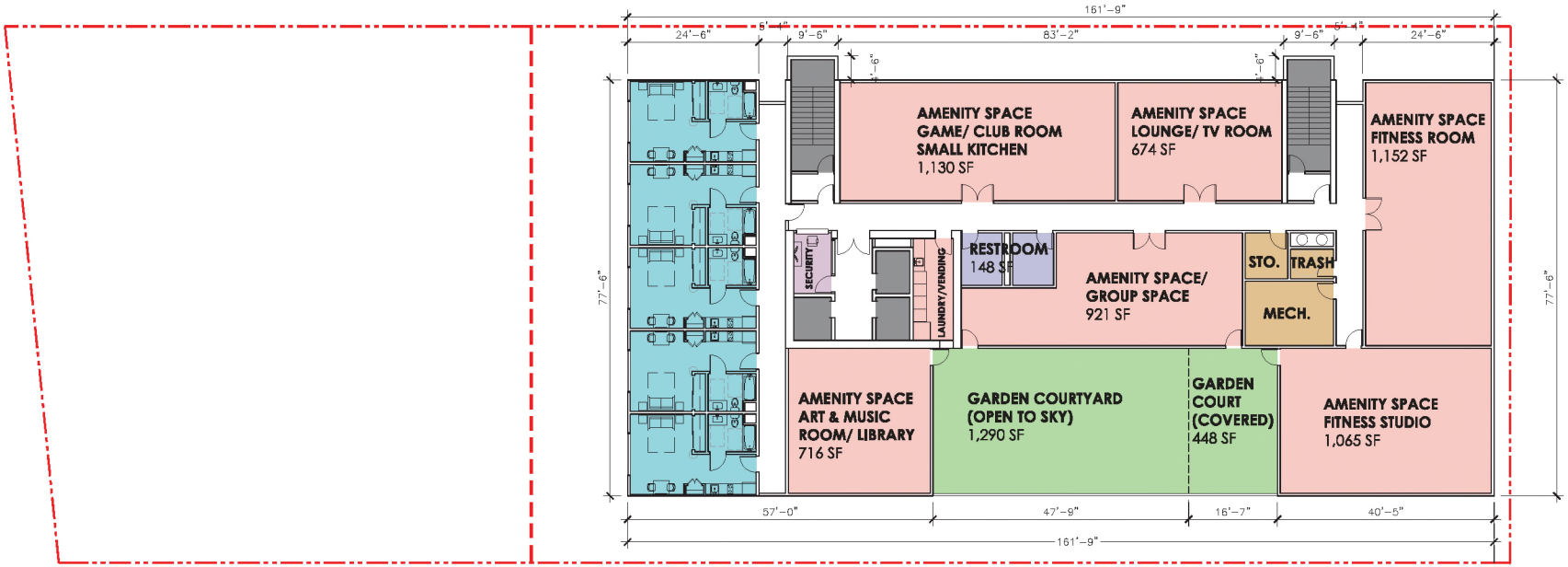
WEINGART CHELSEA INVESTMENT CORPORATION JWDA



LEVEL 2
12,621SF

- RESTROOMS
- COMMON
- STAFF
- UTILITY
- CIRCULATION

WEINGART CHELSEA INVESTMENT CORPORATION JWDA



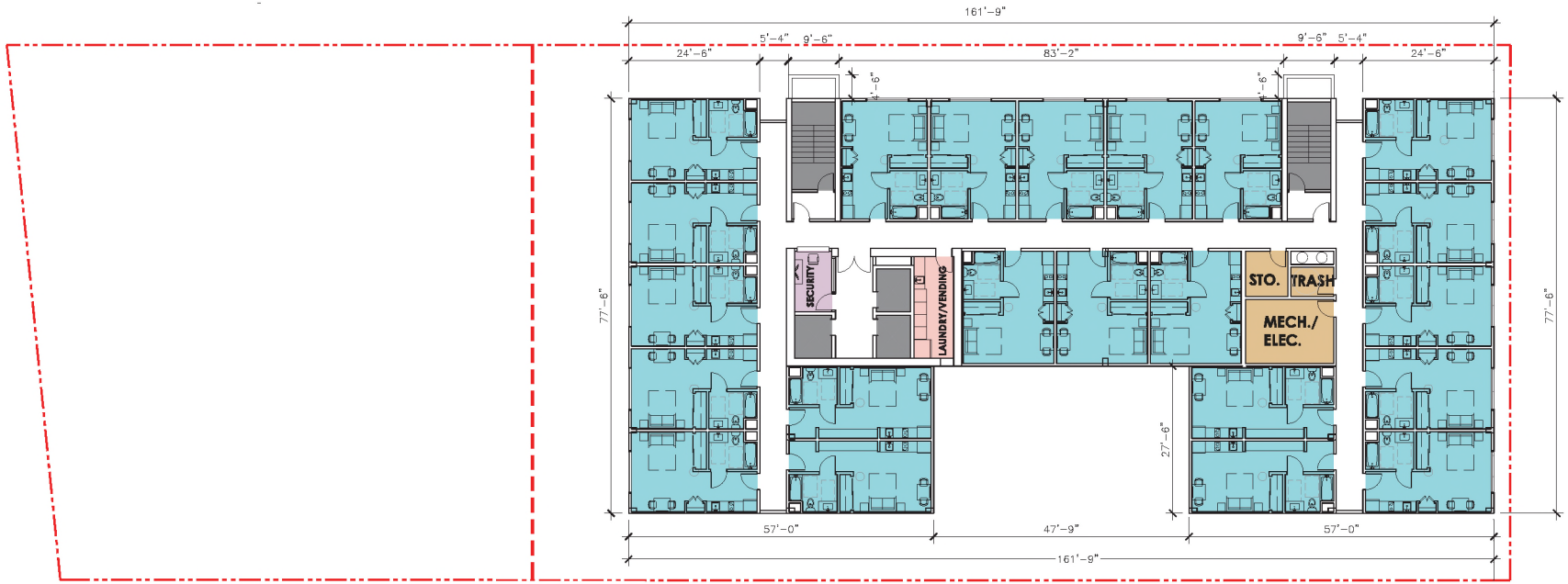
LEVEL 3

11,273 SF

5 UNITS

- AMENITY SPACE
- UTILITY
- CIRCULATION
- RESIDENTIAL UNIT (EFFICIENCY UNIT)
- RESTROOM
- OPEN DECK AREA

WEINGART CHELSEA INVESTMENT CORPORATION JWDA



TYPICAL RESIDENTIAL FLOOR W/O OPEN SPACE

(LEVEL 4- EFFICIENCY UNITS ONLY)

11,188 SF

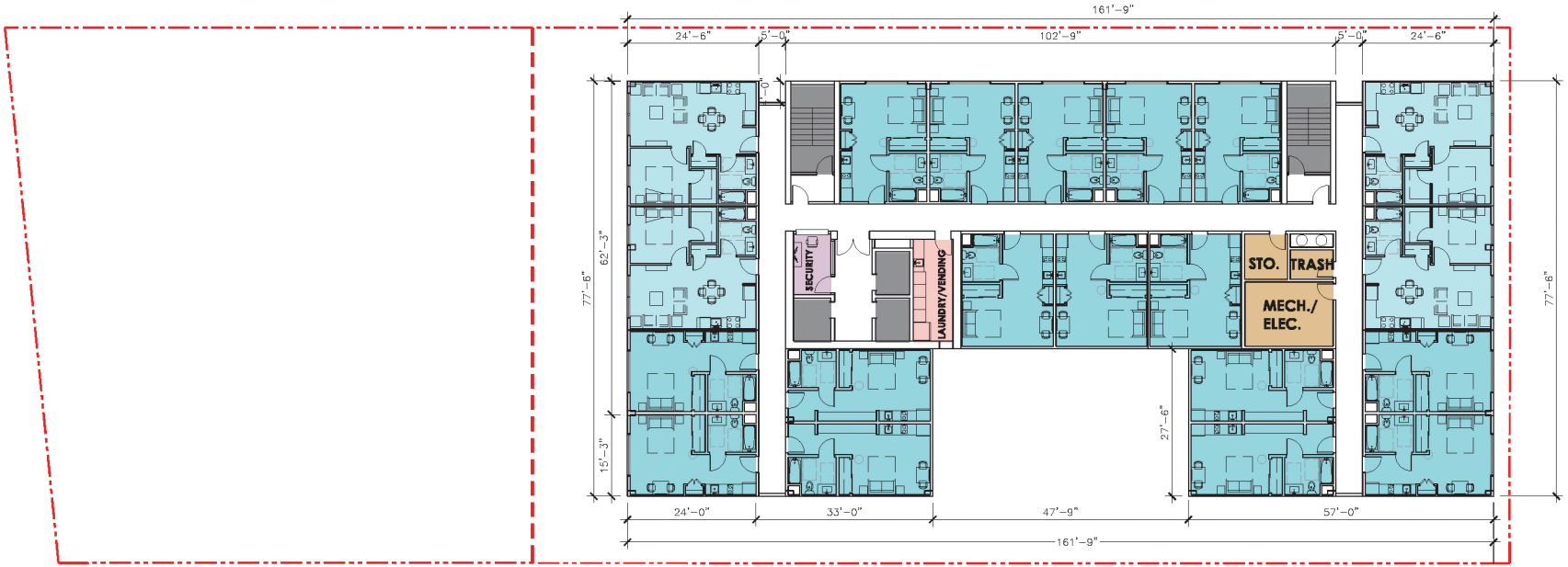
22 UNITS

- UTILITY
- CIRCULATION
- RESIDENTIAL UNIT (EFFICIENCY UNIT)
- AMENITY
- STAFF

WEINGART

CHELSEA INVESTMENT CORPORATION

JWDA

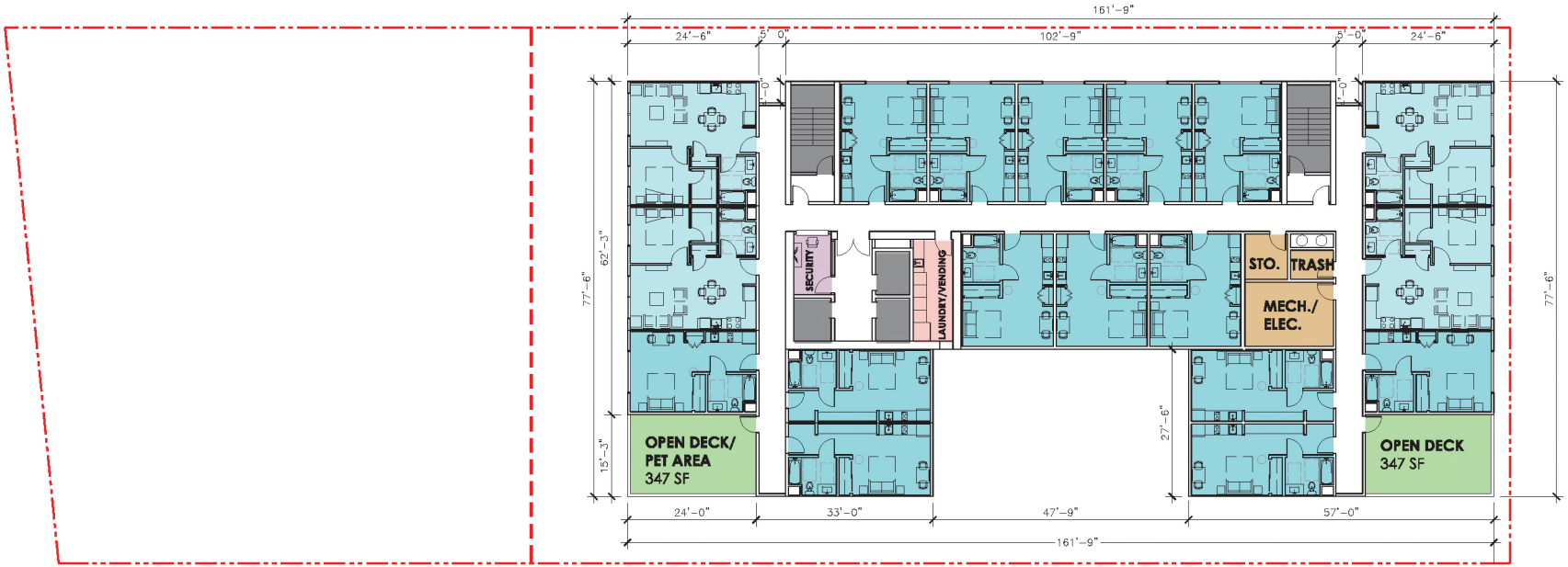


TYPICAL RESIDENTIAL FLOOR W/O OPEN SPACE

(LEVEL 5, 8-11, 14-17)
EFFICIENCY UNITS & 1 BEDROOMS
11,188 SF/ FLR
21-20 UNITS/ FLR

- UTILITY
- CIRCULATION
- RESIDENTIAL UNIT (EFFICIENCY UNIT)
- RESIDENTIAL UNIT (1 BEDROOM)
- AMENITY
- STAFF

WEINGART CHELSEA INVESTMENT CORPORATION JWDA

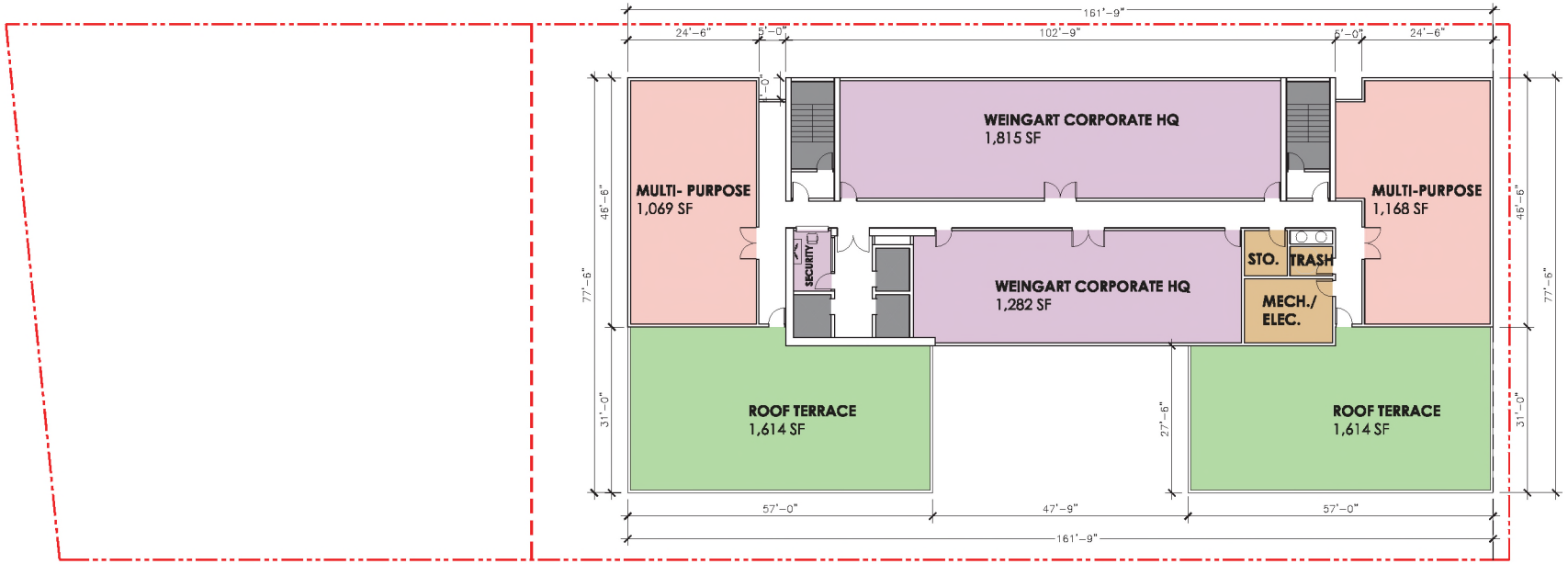


TYPICAL RESIDENTIAL FLOOR W/ OPEN SPACE

(LEVEL 6-7, 12-13)
EFFICIENCY UNITS & 1 BEDROOMS
11,188 SF/ FLR
18-16 UNITS/ FLR

- UTILITY
- CIRCULATION
- RESIDENTIAL UNIT (EFFICIENCY UNIT)
- RESIDENTIAL UNIT (1 BEDROOM)
- AMENITY
- STAFF
- OPEN DECK

WEINGART
CHELSEA INVESTMENT CORPORATION
JWDA



LEVEL 18

11,188 SF

- UTILITY
- CIRCULATION
- AMENITY
- STAFF
- OPEN DECK

WEINGART

CHELSEA INVESTMENT CORPORATION

JWDA

PROJECT INFORMATION

PROJECT DATA:

TOWER -18 STORIES

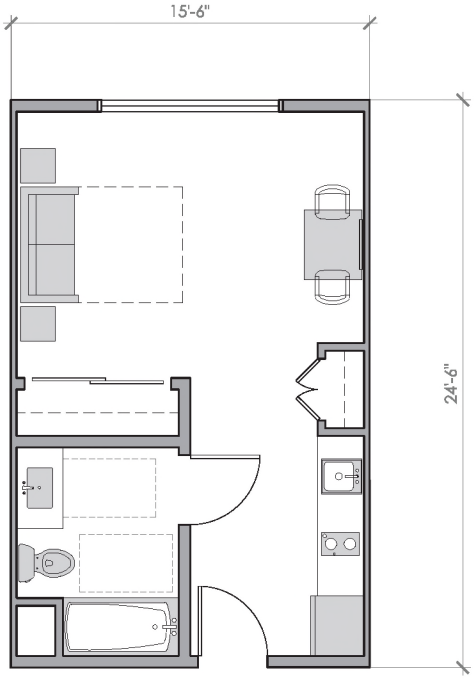
LEVEL	UNIT COUNT (EFF UNIT/ 1 BEDRM)	S.F.	
LEVEL 1	-	12,499	
MEZZANINE	-	4,587	
LEVEL 2	-	12,621	
LEVEL 3	5	11,273	
LEVEL 4	22	11,188	
LEVEL 5	19/2	11,188	
LEVEL 6-7	14/4	11,188 X 2	22,376
LEVEL 8-11	16/4	11,188 X 4	44,752
LEVEL 12	14/4	11,188	
LEVEL 13	12/4	10,443	
LEVEL 14-17	16/4	11,188 X 4	44,752
LEVEL 18	-	11,188	
TOTAL	228/ 50 278 UNITS	207,935 SF	

B1	22 STALLS	26, 594 SF	

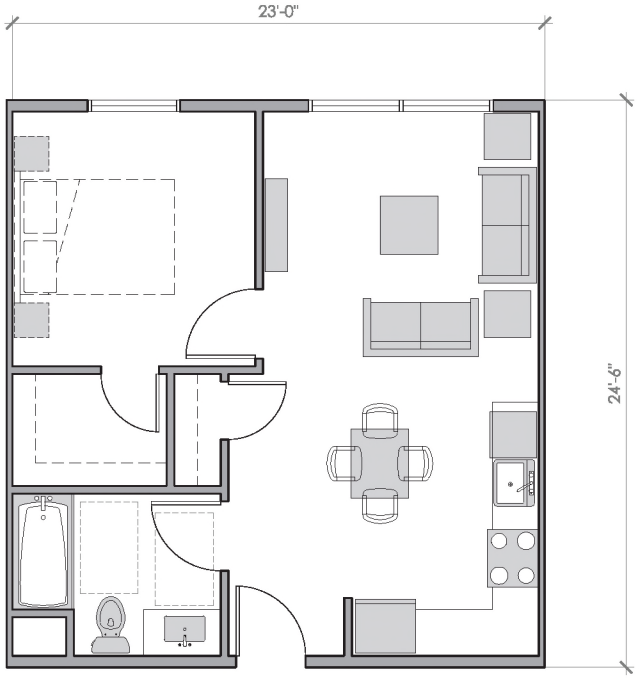
WEINGART CHELSEA JWDA

DESIGN

TYPICAL RESIDENTIAL LIVING UNIT
FLOOR PLANS



EFFICIENCY UNIT
350 NSF UNIT



1 BEDROOM UNIT
535 NSF UNIT

DESCRIPTION

-LOCKABLE DOOR
-SINGLE BED
- PRIVATE BATHROOM
-CLOSET
-SINK
-COOKTOP
-FRIDGE
-DESK SPACE

SUSTAINABLE FEATURES

-LOW FLOW PLUMBING FIXTURES
-ENERGY STAR APPLIANCES
-OPERABLE WINDOWS FOR NATURAL VENTILATION AND SUNLIGHT
-LED LIGHTING; DAYLIGHT CONTROLS AND DIMMING CAPABILITIES
-USE OF RECYCLED MATERIAL; PRE & POST CONSUMER
-NO/ LOW VOC TOXIC FINISHES
-TRASH AND RECYCLING BASKETS
-WATER AND ENERGY METERING TO TRACK USAGE

WEINGART CHELSEA INVESTMENT CORPORATION JWDA

Attachment E
AFFORDABILITY RESTRICTIONS

557 S. Crocker Avenue

ATTACHMENT E
WEINGART TOWER
SUMMARY OF AFFORDABILITY RESTRICTIONS

Based on 2017 Rents	Studio Units	1-Bedroom Units
30% AMI TCAC / Moderate HCD / 30% AMI HHH-CH		
Number of Units	28	0
30% AMI TCAC Rent	$473	N/A
30% AMI HHH-CH Rent	$473	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$473**	**N/A**
30% AMI TCAC / Moderate HCD / 30% AMI HHH-PSH		
Number of Units	27	0
30% AMI TCAC Rent	$473	N/A
30% AMI HHH-PSH Rent	$473	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$473**	**N/A**
30% AMI TCAC / Moderate HCD / VLI DB		
Number of Units	42	0
30% AMI TCAC Rent	$473	N/A
Very-Low Income Density Bonus Rent	$567	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$473**	**N/A**
30% AMI TCAC / Moderate HCD		
Number of Units	53	0
30% AMI TCAC Rent	$473	N/A
Moderate HCD Rent	$1,426	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$473**	**N/A**
35% TCAC / Moderate HCD		
Number of Units	39	0
35% TCAC Rent	$552	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$552**	**N/A**
40% AMI TCAC / Moderate HCD		
Number of Units	30	0
40% AMI TCAC Rent	$631	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$631**	**N/A**
40% AMI TCAC / 50% AMI CDLAC / Moderate HCD		
Number of Units	9	0
40% AMI TCAC Rent	$631	N/A
50% AMI CDLAC Rent	$788	N/A
Moderate HCD Rent	$1,247	N/A
PBS8 Vouchers	Yes	N/A
Applicable Rent	**$631**	**N/A**
50% AMI TCAC / 50% AMI CDLAC / Moderate HCD		
Number of Units	0	47
50% AMI TCAC Rent	N/A	$845
50% AMI CDLAC Rent	N/A	$845
Moderate HCD Rent	N/A	$1,426
PBS8 Vouchers	N/A	Yes
Applicable Rent	**N/A**	**$845**

Prepared by: Keyser Marston Associates, Inc.
Filename: 557 Crocker Street; Affordability Chart; jlr; 9/20/2017

Attachment J: Disposition and Development Agreement Template

DISPOSITION AND DEVELOPMENT AGREEMENT

[PROJECT NAME]

by and among

CITY OF LOS ANGELES

("City"),

and

[DEVELOPER]

a California Non-profit public benefit

("Developer")

DRAFT

TABLE OF CONTENTS

Page

ARTICLE 1. SUBJECT OF AGREEMENT. 1
1.1 Purpose of Agreement. 1
1.2 Definitions. 3
1.3 Exhibits. 13
ARTICLE 2. PARTIES TO THE AGREEMENT. 14
2.1 City of Los Angeles. 14
2.2 Developer. 15
2.3 No Joint Venture. 15
ARTICLE 3. DISPOSITION OF SITE. 16
3.1 Conditions Precedent to Close of Escrow. 16
3.2 Financing for the Project. 19
3.3 Security Deposit and Liquidated Damages. 21
3.4 Ground Lease. 21
3.5 City Rent. 22
3.6 Condition of the Site. 22
3.7 Discovery of Hazardous Materials. 25
3.8 Escrow. 27
3.9 Close of Escrow. 30
3.10 Recordation of Documents. 31
ARTICLE 4. METHOD OF FINANCING 31
4.1 Total Development Costs. 31
4.2 Construction Period Financing. 31
4.3 Permanent Sources of Financing. 32
ARTICLE 5. SCOPE OF DEVELOPMENT/DESIGN REQUIREMENTS. 33
5.1 Design in Conformance with Scope of Development, Residential Citywide Design Guidelines and Approved Project Documents. 33
5.2 City Review. 33
ARTICLE 6. CONSTRUCTION OF THE IMPROVEMENTS. 34
6.1 Commencement of Construction. 34
6.2 Completion of Construction. 34
6.3 Construction Pursuant to Scope and Plans. 34
6.4 Certificate of Completion. 35
6.5 Compliance with Applicable Law and City Policies. 36
6.6 Relocation. 37
6.7 Construction Signs. 37
6.8 Publicity. 37
6.9 Progress Reports. 38
6.10 Entry onto the Site by the City. 38
6.11 Mechanics' Liens. 38
6.12 Non-Discrimination During Construction; Equal Opportunity. 39

DRAFT

6.13 Affirmative Outreach in Contracting Procedures and Employment, Including Utilization of Project Area, Minority, Women and Other Businesses and Persons. 40
6.14 Cost of Development. 43
6.15 Prevailing Wages. 44
ARTICLE 7. USE OF THE SITE AND DEVELOPER OBLIGATIONS DURING AND AFTER CONSTRUCTION 46
7.1 Uses. 46
7.2 Affordability. 46
7.3 Allowable Rent. 46
7.4 Maintenance of the Site. 46
7.5 Management Requirements. 47
7.6 Obligation to Refrain from Discrimination. 47
7.7 Form of Nondiscrimination and Nonsegregation Clauses. 48
7.8 Barriers to the Disabled. 49
7.9 Effect and Duration of Covenants. 51
7.10 Regulatory Agreement. 51
7.11 Monitoring. 51
7.12 Indemnity. 51
7.13 Insurance Coverage. 52
7.14 Insurance Advances. 55
7.15 Hazardous Materials. 56
7.16 Taxes and Assessments. 58
7.17 City's Living Wage Ordinance and Service Contractor Worker Retention Ordinance. 58
ARTICLE 8. ASSIGNMENT AND TRANSFERS 65
8.1 Definitions. 65
8.2 Restrictions on Transfer. 65
8.3 Prohibited Transfers. 67
8.4 Effectuation of Transfers. 67
ARTICLE 9. SECURITY FINANCING AND RIGHTS OF LENDERS 68
9.1 No Encumbrances Except for Development Purposes. 68
9.2 Lender Not Obligated to Construct. 69
9.3 Notice of Default and Right to Cure. 69
9.4 Failure of Permitted Lender to Complete Project. 70
9.5 Right of the City to Cure. 70
9.6 Permitted Lenders to be Notified. 71
9.7 Modifications. 71
ARTICLE 10. DEFAULT AND REMEDIES 71
10.1 Defaults – General. 71
10.2 Institution of Legal Actions. 73
10.3 Applicable Law. 73
10.4 Acceptance of Service of Process. 73
10.5 Rights and Remedies Are Cumulative. 73

10.6 Damages. 74
10.7 Specific Performance. 74
10.8 Termination by Either Party. 74
10.9 Termination by the City. 74
10.10 Survival. 76
10.11 Inaction Not a Waiver of Default. 76
10.12 No Attorneys' Fees. 76
ARTICLE 11. GENERAL PROVISIONS 76
11.1 Developer Representations and Warranties. 76
11.2 Notices. 77
11.3 Enforced Delay: Extension of Time of Performance. 78
11.4 Conflict of Interest. 79
11.5 Non-liability of City Officials and Employees. 79
11.6 Inspection of Books and Records. 79
11.7 Approvals. 79
11.8 Real Estate Commissions. 80
11.9 Construction and Interpretation of Agreement. 80
11.10 Time of Essence. 81
11.11 Relationship of the Parties. 81
11.12 Compliance with Law. 81
11.13 Binding Effect. 82
11.14 Rights of Third Parties. 82
11.15 Authority to Sign. 83
11.16 Use of Project Images. 83
11.17 Plans and Data. 83
11.18 Applicable Law. 84
11.19 Severability. 88
11.20 Binding Upon Successors; Covenants to Run With Land. 88
11.21 Effectiveness of Agreement. 88
11.22 Amendments. 89
11.23 Police Power. 89
11.24 Brokers. 89
11.25 Submittals and Approvals. 89
11.26 Incorporation by Reference. 90
11.27 Counterparts. 90
11.28 Entire Understanding of the Parties. 90
11.29 Approval Procedure. 90

DRAFT

DISPOSITION AND DEVELOPMENT AGREEMENT

This Disposition and Development Agreement ("Agreement"), dated, for identification purposes only, as of _____, 20__, is entered into by and among _____, a [ORGANIZATION TYPE-i.e. California non-profit public benefit corporation] ("Developer"), and the CITY OF LOS ANGELES, acting by and through its Housing and Community Investment Department ("City" or "HCID"). HCID and Developer are sometimes individually referred to in this Agreement as "Party" and collectively referred to as "Parties."

ARTICLE 1. SUBJECT OF AGREEMENT.

1.1 Purpose of Agreement.

a. The purpose of this Agreement is to effectuate the disposition and development of certain real property commonly known as [ADDRESS]-_____Los Angeles, and stabilize the neighborhood by providing, subject to all the terms and conditions of this Agreement, for the following: (i) the disposition of leasehold interest(s) in that certain real property currently owned in fee title by the City and located on the Site (defined below), to the Developer on the terms described in this Agreement and in the Ground Lease and related documents described below; and (ii) the redevelopment and operation of affordable housing on the Site as more particularly provided in this Agreement (the "Project"). The disposition, development, financing and use of the Site pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City of Los Angeles and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws and requirements.

b. The Developer will lease the Site for Ninety Nine (99) year term and will pay rent to the City for a below Fair Market Value ("FMV") ground lease, as follows: (a) for the First Sixty Five (65) years of the Ground Lease ("Initial Term"), the Developer will pay the City a base annual ground lease payment of Ten Thousand Dollars ($10,000) ("Base Rent"), to be increased at annual interest rate of One Percent (1%) for the duration of the Initial Term, and (b) a residual receipt rent equal to a pro rata share of Fifty Percent (50%) of the Residual Receipts ("Residual Receipt Rent") to be shared with the other soft lenders. Upon conclusion of the Initial Term, the Ground Lease will automatically be extended for three (3) eleven-year terms, up to a maximum total lease term of Ninety Nine (99) years, and the Developer will pay the City a revised rent amount equal to the FMV of the "As-Is" leasehold interest in the Site based on an appraisal conducted within six months of the lease renewal date prepared by a City approved real estate appraiser ("Extension Base Rent"); (b) City Ground Lease (including the Base Rent payments) and Regulatory Agreement will not be subordinated to the construction and permanent debt

lenders of the Project; the Residual Receipt Rent payments will be subordinate to construction and permanent debt lenders of the Project and (c) if the affordability restrictions are no longer in place, then the project will pay the full FMV lease payment.

c. It is the intention of the City and Developer that the Project shall develop new housing that will be operated and maintained as rental housing that will be affordable to and occupied by persons and families of Moderate, Low and Very-Low Income, as more particularly described in this Agreement, below.

d. [ENTER PROJECT INFORMATION: SAMPLE follows] _____When completed, the Project will consist of a total of Sixty Four (64) residential units, comprised of 58 one-bedroom units and 6 two-bedroom units, of which Sixty Two (62) units (58 one-bedroom and 4 two-bedroom units) will be designated as affordable units for rent to the residents with personal or household income not to exceed Moderate Income pursuant to California Health and Safety Code Section 50093, and another two (2) 2-bedroom units will be unrestricted for use by the two property managers on-site, as further described in the Regulatory Agreement, **Exhibit I**. The Project will include 63 parking spaces (53 residential spaces and 11 commercial spaces). The target population of the Project is the head of households aged fifty-five (55) years or older. The Project will include laundry on-site, community room with a kitchen, offices for property management and resident services staff. The Project site size will be about 40,934 square feet of land area, gross building area of approximately 43,300 square feet of residential area, and 30,000 gross square feet of below grade garage area.

e. This Agreement is entered into for the purpose of redeveloping the Site and providing affordable housing and not for speculation in landholding. The City's conveyance of a leasehold interest in the Site to the Developer for the development of the Site pursuant to this Agreement is in the vital and best interests of the Project Area and the health, safety, morals and welfare of the residents therein, and is in accord with the public purposes and provisions of applicable state and local laws.

f. The City intends by this Agreement to cause the redevelopment of the Site to occur and to preserve and improve the community's supply of affordable housing for Moderate, Low and Very Low Income Households. The City would not have agreed to convey any interest to the Developer but for Developer's agreement to develop, use and maintain the Site in conformity with this Agreement and other related documents described below.

g. Each Party hereby acknowledges that it will obtain valuable benefits from this Agreement. The Parties further acknowledge that in entering into this Agreement, each Party is relying on the performance of the other Party.

(i) The City acknowledges that the development and use of the Project on the Site by Developer pursuant to the terms and conditions of this Agreement

will further the purposes set forth in the California Redevelopment Law if applicable, and policies adopted by the City and the City Council by preserving and improving the community's supply of housing that is affordable to persons and families of low and moderate income helping to remedy the physical and economic conditions of blight (the "Project Area"), generating construction jobs in the development of the Project and permanent jobs in its operation, and encouraging further private investment that will benefit the entire Project Area.

(ii) Developer acknowledges that performance by the City of its obligations pursuant to the terms of this Agreement will provide to Developer and its principals significant and valuable financial benefits and that the City's performance of these obligations is in consideration of Developer's commitment to comply with the requirements of this Agreement and the ground lease for development, construction, operation and use of the Project on the Site. These benefits will include, but not be limited to: Developer's leasehold interest in the Site; Developer fees associated with the development of the Project; and property management fees associated with the long-term lease and management of the Project.

h. Except as otherwise explicitly set forth in this Agreement, in the Ground Lease, and/or in any documents evidencing the City financial assistance, if any, for this Project, the design, development, construction, and operation of the Project shall be at the sole cost and expense of the Developer.

1.2 Definitions.

Capitalized terms not otherwise defined in this Agreement shall have the following meanings:

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

"Affordable Rent" shall have the appropriate meaning set forth in California Health and Safety Code Section 50053(b), which, as of the date hereof, means monthly rent, including a reasonable utility allowance, that does not exceed the following respective amounts (which are more particularly set forth in the Income and Rent Limits exhibit attached to the Regulatory Agreement (**Exhibit I** of Part I of Exhibits):

(a) for an Extremely Low Income Household, one-twelfth of the product of thirty percent (30%) times thirty percent (30%) of the Area Median Income adjusted for family size appropriate for the unit, (as that term is defined in California Health and Safety Code Section 50052.5), as determined by the California Department of Housing and Community Development ("HCD");

(b) for a Very Low Income Household, one-twelfth of the product of thirty percent (30%) times fifty percent (50%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by HCD;

(c) for a Low Income Household, one-twelfth of the product of thirty percent (30%) times sixty percent (60%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by HCD, which Developer may adjust upon each annual income verification and recertification for any Low Income Household with an annual income that exceeds sixty percent (60%) but does not exceed eighty percent (80%) of Area Median Income, to an amount that does not exceed thirty percent (30%) of the gross income of the Household; and

(d) for a Moderate Income Household, one-twelfth of the product of thirty percent (30%) times one hundred ten percent (110%) of the Area Median Income adjusted for family size appropriate for the unit as determined by HCD, which Developer may adjust upon each annual income verification and recertification for any Moderate Income Household with an annual income that exceeds one hundred ten percent (110%) but does not exceed one hundred twenty percent (120%) of Area Median Income, to an amount that does not exceed thirty percent (30%) of the gross income of the Household.

"Affordable Unit" shall mean any of the dwelling units in the Improvements required by this Agreement and/or the Regulatory Agreement to be rented exclusively to and occupied by an Extremely Low, Very Low, Low or Moderate Income Household.

"Agreement" shall mean this Disposition and Development Agreement, as the same may be amended from time to time.

"Area Median Income" shall have the meaning set forth therefor in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Assignment of Agreements, Plans, Specifications and Entitlements" shall mean an instrument substantially in the form attached to this Agreement as **Exhibit G** of Part I of Exhibits.

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"Developer" shall mean [DEVELOPER]_____, a California non-profit public benefit corporation, or any permitted Transferee or successor in interest approved by the City in accordance with Article 7 of this Agreement.

"Building Permit" shall mean all building and grading permits required to be obtained from the City for the construction of the Improvements.

"Business Day" means a week day, and shall specifically exclude those days described in California Civil Code Section 7.1, as amended from time to time.

"Certificate of Completion" shall mean that certificate issued by the City to the Developer pursuant to Section 6.4 of this Agreement.

"City" shall mean the City of Los Angeles, California, a municipal corporation, operating through its governing body, the City Council, and it's various departments.

"City Development Documents" means, collectively, this Agreement, the Ground Lease, the Memorandum of Ground Lease, the Regulatory Agreement, the Notice of Affordability Restrictions, the City Leasehold Deed of Trust, if any, the Intercreditor Agreement (if any), the Assignment of Agreements, Plans, Specifications and Entitlements, and all other documents required to be executed by the Developer and/or the City in connection with the transactions contemplated by this Agreement, with all amendments and modifications thereto.

"City Leasehold Deed of Trust" shall mean the City Leasehold Deed of Trust securing any monetary obligations under this Agreement and the City Ground Lease and related documents, due to the City from the Developer.

"City Rent" shall mean a rent payable to the City by Developer: (a) for the Initial Term of the first Sixty Five (65) years of the Ground Lease, the Developer will pay the City a base annual ground lease payment ("Base Rent") of Ten Thousand Dollars ($10,000), to be increased at annual interest rate of One Percent (1%) for the duration of the Initial Term, and (b) a Residual Receipt Rent ("Residual Receipt Rent") equal to a pro rata share of Fifty Percent (50%) of the Residual Receipts to be shared with the other Soft Lenders. Upon conclusion of the Initial Term, the ground lease will be automatically extended for three (3), eleven-year terms up to a maximum total lease term of ninety Nine (99) years, and the Developer will pay the City a revised rent amount equal to 10% the FMV of the "As-Is" leasehold interest in the Site based on an appraisal conducted within six months of the lease renewal date prepared by a City approved real estate appraiser ("Extension Base Rent"); (b) City Ground Lease will not be subordinated to the construction and permanent debt lenders of the Project and (d) if the affordability restrictions are no longer in place, then the project will pay the full FMV lease payment.

"Community Outreach Plan" shall mean the plan described in Section 6.13.c. of this Agreement.

"Completion" shall mean completion of construction of the Improvements as required by all the requirements of this Agreement.

"Construction Lender" shall mean the maker of the Construction Loan.

"Construction Loan" shall mean a loan secured by a Construction Loan Deed of Trust and made by a third party to Developer to finance certain development costs of the Project during the construction phase of the Project.

"Construction Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Construction Loan.

"Construction/Permanent Loan" shall mean a loan that is both a Construction Loan and Permanent Loan.

"Construction/Permanent Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Construction/Permanent Loan.

"Development Costs" shall mean any properly documented costs incurred by Developer in connection with the ground lease of the Site and the entitlement, design, financing and construction of the Project, as set forth in the Project Budget and Financing Plan.

"Effective Date" shall mean the date, after this Agreement is initially executed by Developer and approved by the City, that this Agreement is executed by the HCID General Manager or designee, and/or City Clerk, which date shall be the latest date set forth on the signature page(s) of this Agreement.

"Eligible Household" shall mean, as applicable to this Agreement, a household that qualifies as an Extremely Low Income Household, a Very Low Income Household, a Low Income Household or a Moderate Income Household.

"Encumbrance" shall mean and include any mortgage, deed of trust, lease, lien, easement, restrictive covenant or regulatory agreement or other security interest recorded against title to the Site.

"Environmental Laws" shall mean all federal, state and local laws, ordinances and regulations relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, release, disposal or transportation of Hazardous Substances.

"Event of Default" shall have the meaning set forth in Section 10.1 of this Agreement.

"Exceptions" shall mean all exceptions, reservations, liens, encumbrances, qualifications, covenants, conditions, restrictions, leases, easements, rights of way, or other like matters affecting the Site, and all matters or states of facts reflected on or arising out of any tentative or final parcel map for the Site, or concerning or related to zoning, subdivision, permitted use or physical condition of the Site, or arising from the redevelopment, development or related activities of Developer.

"Extremely Low Income Households" shall have the meaning set forth therefor in California Health and Safety Code Section 50106, as it may be amended from time to time.

"Financing Plan" shall mean the plan described in Section 3.2.b. of this Agreement.

"General Contractor" shall mean the licensed contractor or firm selected by Developer with overall responsibility for construction of the Project.

"Governmental Restrictions" shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, writs, injunctions, orders, decrees, rulings, conditions of approval, or authorization, now in force or which may hereafter be in force, of any governmental entity, agency or political subdivision.

"Gramercy Place Apartments" shall mean that certain real property, owned by the City of Los Angeles, located at 2375 West Washington Boulevard, Los Angeles, California depicted on the Site Map attached to this Agreement as **Exhibit A** of Part I of Exhibits and more particularly described by the Legal Description attached to this Agreement as **Exhibit B** of Part I of Exhibits.

"Ground Lease" shall mean that certain 99-year ground lease with respect to the Site to be entered into between the City, as ground lessor, and Developer, as ground lessee, subject to and as contemplated in this Agreement, as it may be amended to the extent permitted by applicable City and State laws (as determined prior to entry into the Ground Lease).

"Hazardous Materials" shall mean: (i) any chemical, compound, material, mixture or substance that is now or may later be defined or listed in, or otherwise classified pursuant to, any Hazardous Materials Law as a "hazardous substance", "hazardous waste", "extremely hazardous waste", acutely hazardous waste", radioactive waste", infectious waste", biohazardous waste", "toxic substance", "pollutant", "toxic pollutant", "contaminant", as well as any formulation not mentioned herein intended to define, list or

classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, "EP" toxicity, or "TCLP toxicity"; (ii) petroleum, natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas) and ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources; (iii) "hazardous substance" as defined in Section 25281 of the California Health and Safety Code; (iv) "waste" as defined in Section 13050(d) of the California Water Code; (v) asbestos in any form; (vi) urea formaldehyde foam insulation; (vii) transforms or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls (PCBs) in excess of fifty (50) parts per million; (viii) radon; and (ix) any other chemical, material, or substance that, because of its quantity, concentration, or physical or chemical characteristics, exposure to which is now or hereafter limited or regulated for health and safety reasons by any governmental authority, or which poses or is later determined to pose a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment. The term "Hazardous Materials" shall not include: construction materials, gardening materials, household products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of residential property, or commonly used or sold by hardware, home improvement stores, or medical clinics and which are used and stored in accordance with all applicable Hazardous Materials Laws.

"Hazardous Materials Laws" means all present and future federal, state and local laws, ordinances, regulations, permits, guidance documents, policies, decrees, orders and any other requirements, whether statutory, regulatory or contractual, of governmental authorities relating to health, safety, the environment or the use, handling, disposal or transportation of any Hazardous Materials (including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation Recovery Act, the Clean Water Act, the Clean Air Act, and the applicable provisions of the California Health and Safety Code and the California Water Code, as each such statute may from time to time be amended, and the rules, regulations and guidance documents promulgated pursuant to any such statute).

"HCD" shall mean the California Department of Housing and Community Development.

"Housing Design Guidelines" shall mean the City's Residential Citywide Design Guidelines, substantially in the form included in Part II of Exhibits, receipt of which is hereby acknowledged.

"HUD Requirements" shall mean the requirements, to the extent applicable, listed in the form included as **Exhibit K** of Part I of Exhibits, receipt of which is hereby acknowledged.

"Improvements" shall mean and include all demolition, site preparation and grading, as well as all buildings, structures, fixtures, excavation, parking, landscaping, and other work, construction, rehabilitation, alterations and improvements of whatsoever character to be constructed or performed by Developer on, around, under or over the Site pursuant to this Agreement.

"Intercreditor Agreement" shall mean an agreement by and among HCID, Developer, and/or other parties, as applicable, in form and substance that is acceptable to the City or its designee and that addresses, among other things, the disbursement of loan proceeds by the Lender(s) and gives the City the right to review and comment on disbursements by the other Lender(s), as it may be and to extent provided therein.

"Investor Member/Limited Partner Capital Contribution" shall mean funds provided to Developer by the Tax Credit Equity Investor in consideration of the Low Income Tax Credit and Historic Rehabilitation Tax Credit.

"HCID" shall mean the City of Los Angeles, acting by and through its Housing and Community Investment Department of the City.

"Losses and Liabilities" shall mean and include all claims, writs, demands, causes of action, liabilities, losses, damages, judgments, injuries, expenses (including, without limitation, attorneys' fees and costs incurred by the indemnified party with respect to legal counsel of reasonably acceptable to it) charges, penalties or costs of whatsoever character, nature and kind, whether to property or to person, and whether by direct or derivative action, known or unknown, suspected or unsuspected, latent or patent, existing or contingent.

"Low or Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Low Income Households" shall have the same meaning as the term "Lower income households" set forth in California Health and Safety Code Section 50079.5, as it may be amended from time to time.

"Low Income Housing Tax Credit" shall mean the tax credit authorized by the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code.

"Management Plan" shall mean a plan as described in Section 7.5.a. of this Agreement.

"Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Notice of Affordability Restrictions" shall mean the Notice of Affordability Restrictions on Transfer of Property to be recorded against the Site, substantially in the form attached to this Agreement as **Exhibit J** of Part I of Exhibits.

"Ownership and/or Control" shall mean, without limitation, a majority of voting rights and beneficial ownership with respect to all classes of stock in a corporation or controlling interests in partnerships or limited liability companies, and/or beneficial interests under a trust, as may be applicable to the type of entity in question. In the case of a trust, such term shall also include the rights of the trustee as well as the beneficiary.

"Parties" shall mean the City, HCID and the Developer, collectively, and "Party" shall mean either the City, HCID or the Developer.

"Permanent Lender" shall mean the maker of the Permanent Loan.

"Permanent Loan" shall mean the loan secured by a Permanent Loan Deed of Trust and made by a third party to Developer to finance certain development costs of the Project after construction completion and stabilization of occupancy of the Project.

"Permanent Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Permanent Loan.

"Permitted Lender" shall mean the holder of any Security Financing Interest authorized by this Agreement and identified in the Project Budget or Financing Plan.

"Permitted Loan" shall mean any loan secured by a Security Financing Interest authorized by this Agreement and identified in the Project Budget.

"Permitted Transfer" means any of the following, provided Developer or a general partner or managing member, as the case may be, of Developer retains day-to-day control over management and operations of the Site and the Improvements:

a. A conveyance of a security interest in the Site in connection with any Permitted Loan and any subsequent transfer of leasehold title by foreclosure, deed or other conveyance in lieu of foreclosure in connection therewith;

b. A conveyance of leasehold interest in the Site or other Transfer by Developer to a limited partnership or limited liability company in which Developer is managing general partner or managing member, as the case

may be, and the Tax Credit Equity Investor is a limited partner or member, as the case may be, or to any other Affiliate, or a conveyance back from such entity to Developer;

c. The inclusion of equity participation by Developer by addition of members to Developer's limited liability company, limited partners to Developer's limited partnership, or similar mechanisms;

d. The sale of non-managing membership or limited partnership interests to any Affiliate of the Tax Credit Investor;

e. The lease for occupancy of all or any part of the Improvements on the Site;

f. The granting of easements or permits to facilitate the development of the Site in accordance with this Agreement;

g. In addition, the withdrawal, removal and/or replacement of any managing member of Developer's limited liability company or general partner of Developer's partnership, as the case may be, pursuant to the terms of the Developer's LLC Agreement or partnership agreement, as the case may be, shall not constitute a default under this Agreement or any of the City Development Documents, provided that any required substitute member or general partner, as the case may be, is reasonably acceptable to the City and is selected with reasonable promptness;

h. Any other transfer approved in writing by the City or its designee, at its sole discretion;

"Person" means an individual, corporation, partnership, Limited Liability Company, joint venture, association, firm, Joint Stock Company, trust, unincorporated association or other entity.

"Project" shall mean Developer's lease of the Site and the development of the Improvements on the Site as required by this Agreement and the Scope of Development.

"Project Architect" shall mean the licensed architect or firm of architects selected by Developer with overall responsibility for the design of the Project.

"Project Budget" means the preliminary estimate of sources and uses of funds necessary to develop the Project attached to this Agreement as **Exhibit E** of Part I of Exhibits.

"Project Documents" shall mean and include such preliminary and Final Construction Drawings and specifications, grading plans, landscape plans, site development plans, plot plans, off-site improvement plans, architectural renderings and elevations, material specifications, parking plans and other plans and documents as are required to be submitted to HCID pursuant to Article 5 of this Agreement or any applicable Governmental Restrictions.

"Redevelopment Plan" shall mean the "Redevelopment Plan for the Redevelopment Project Area in which the project is located" adopted by Ordinance of the City Council of the City of Los Angeles, as amended from time-to-time.

"Regulatory Agreement" shall mean the Regulatory Agreement to be entered into by the City and Developer and recorded against the Site, in the form attached to this Agreement as **Exhibit I** of Part I of Exhibits.

"Residual Receipts" shall mean Revenues reduced in the following order : (1) Operating Expenses calculated on a cash basis; (2) debt services on senior project debt secured by the senior position deed of trust; (3) deposits to the Operating Reserve Fund; (4) deposits to the Replacement Reserve Fund; (5) deposits to the Transition Reserve Funds; (6) deposits to the Supportive Services Reserve Fund; (7) repayment of general partner loans; (8) deferred developer fees; and (9) related or third party transactions, including but not limited to partnership management fee, investor service fee, asset management fee, annual partnership review fee, administrative fee, incentive supervisor fee, and / or facility administration fee. The combined total amount of related or third party transactions shall not exceed fifteen thousand dollars ($15,000) annually or Portfolio Management Guidelines, whichever is greater. Deferred developer fees shall be drawn from the project cash flow over the first fifteen (15) years of project operation.

"Residual Receipts Lease" shall mean any lease to be secured by a deed of trust on the Site that finances or refinances any portion of the Total Development Costs and is to be repaid by a share of Developer's net cash flow in proportion to all other Residual Receipts loans financing the Project.

"Schedule of Performance" shall mean the Schedule of Performance including project's Milestones, attached to this Agreement as **Exhibit C** of Part I of Exhibits, which is incorporated herein by this reference. The Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing between the Developer and the City or its designee.

"Scope of Development" shall mean the Scope of Development attached to this Agreement as **Exhibit D** of Part I of Exhibits, which is incorporated herein by this reference.

"Security Financing Interests" shall have the meaning set forth in Section 9.1.b. of this Agreement.

"Site" shall mean that certain real property consisting of City sites: _____ depicted on the Site Map attached to this Agreement as **Exhibit A** of Part I of Exhibits and more particularly described by the Legal Description attached to this Agreement as **Exhibit B** of Part I of Exhibits.

"Statutory Request for Notice of Default" shall mean an instrument substantially in the form attached to this Agreement as **Exhibit H** of Part I of Exhibits

"Tax Credit Equity Investor" shall mean any Person who will be an investor member in Developer's limited liability company or investor limited partner in Developer's partnership, as the case may be, and who will purchase the Low Income Housing Tax Credit and Historic Preservation Tax Credit and own not less than a 99% interest in Developer.

"Third Party Lender" shall mean the maker of any Loan or beneficiary of any Loan deed of trust, except for the City.

"Third Party Loan" shall mean the Construction Loan, Permanent Loan, Construction/Permanent Loan (if any), and/or any other loan, credit enhancement or construction period guaranty facility that is secured by a deed of trust or other instrument.

"Title Company" shall mean _____ or such other title insurance company as may be approved by the City.

"Total Development Costs" shall mean the total cost to Developer of acquiring the Site and designing, entitling, financing and constructing the Project thereon, as set forth in the Project Budget and Financing Plan.

"Transfer" shall mean and include any voluntary or involuntary transfer, sale, assignment, lease, sublease, license, franchise, concession, operating agreement, gift, hypothecation, mortgage, pledge or encumbrance, or the like, of all or any portion of the Site, any rights or obligations of the Developer under this Agreement, or any interest in the Developer, to any person or entity ("Transferee").

"Very Low Income Households" shall have the meaning set forth therefor in California Health and Safety Code Section 50105, as it may be amended from time to time.

1.3 Exhibits.

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The following is a list of the exhibits applicable to this Agreement. The exhibits constituting Part I are attached to this Agreement. The exhibits constituting Part II are Standard City Contracting Requirements which are set forth in a separate document, the receipt of which is hereby acknowledged by Developer. All of the exhibits are hereby incorporated by this reference as though fully set forth herein.

a. Part I of Exhibits:

A. Site Map
B. Legal Description
C. Schedule of Performance and Milestones
D. Scope of Development
E. Project Budget
F. [Intentionally omitted]
G. Form of Assignment of Agreements, Plans, Specifications and Entitlements
H. Form of Statutory Request for Notice
I. Form of Regulatory Agreement
J. Form of Notice of Affordability Restrictions
K. HUD Requirements

b. Part II of Exhibits (Standard City Contracting Requirements):

1. City of Los Angeles Requirements and Checklist, with Attachments
2. ADA Covenants
3. Mayoral Directive
4. City Insurance Requirements

ARTICLE 2. PARTIES TO THE AGREEMENT.

2.1 City of Los Angeles.

The City of Los Angeles is a municipal corporation, acting by and through its Housing and Community Investment Department. The address of HCID for the purposes of receiving notice pursuant to this Agreement is:

Housing and Community Investment Department
1200 W. 7th Street, Suite 900
Los Angeles, CA 90017
Attention: General Manager

With a copy to:

Los Angeles Housing Department

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Asset Management Division
1200 W. 7th Street, Suite 900
Los Angeles, CA 90017
Attention: Asset Manager

The term "HCID" includes any assignee or successor to HCID's rights, powers and responsibilities under this agreement.

2.2 Developer.

Developer is _____, a California non-profit public benefit corporation. The address of Developer for purposes of receiving notice pursuant to this Agreement is:

[DEVELOPER/ADDRESS]

Attention: Name, Title

With a copy to:

_____
_____
_____
Attention: _____

The term "Developer" as used herein includes any authorized and approved Transferee of Developer as permitted in accordance with Article 8 of this Agreement. All of the terms, covenants, and conditions of this Agreement shall be binding on such Transferees, successors and assigns of Developer.

2.3 No Joint Venture.

The City and Developer are not and shall not be deemed to be partners, co-venturers, joint ventures or in any other way related to one another, nor shall either party have any fiduciary, confidential or agency relationship with the other. Nothing contained in this Lease will be deemed or construed by the Parties or by any third person or court to create the relationship of principal and agent or of partnership or of joint venture or of any association between the City and Lessee, and neither the method of computation of Rent nor any other provisions contained in this Lease nor any acts of the parties will be deemed to create any relationship between the City and Lessee, other than the relationship of lessor and lessee.

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ARTICLE 3. DISPOSITION OF SITE.

3.1 Conditions Precedent to Close of Escrow.

Subject to the terms and conditions of this Agreement, the City shall execute and deliver the Ground Lease to the Site to Developer for redevelopment and the provision of affordable housing. The City shall not be obligated to convey title to the Site to Developer, and the Close of Escrow shall not occur, if an Event of Default has occurred and has not been cured within the applicable cure period, if any. The Close of Escrow is further conditioned upon the timely satisfaction of each of the following conditions (the "Conditions Precedent"), not later than the time provided in the Ground Lease Schedule of Performance for the Closing Date (as such date may be extended in accordance with the terms of this Agreement). It shall be Developer's obligation to cause all of the Conditions Precedent to be satisfied in a timely fashion, as provided in this Agreement, and to provide written documentation sufficient for the HCID General Manager or designee to determine compliance, not later than ten (10) Business Days prior to the scheduled Closing Date (unless a different time is provided in this Agreement). The City shall have the right to approve or disapprove any submittal. Any approval or disapproval shall be in writing. Any disapproval shall contain an explanation of the reason(s) for disapproval. Developer shall have eight (8) Business Days after any disapproval to submit additional or corrected documentation. Failure by the City to approve or disapprove any submittal in writing within ten (10) Business Days of receipt shall be deemed a disapproval. The City shall have the right to terminate this Agreement in the event of a failure of any Condition Precedent within the respective time specified for the satisfaction of such condition in this Agreement, but in any event not later than the time provided in the Schedule of Performance for the scheduled Closing Date. Unless expressly provided otherwise, each of the following conditions is for the exclusive benefit of the City.

(i) Developer's Certificate. Developer shall certify to the City in writing that (i) all information provided by Developer to the City in connection with this Agreement remains true and correct in all material respects; and (ii) Developer is in full compliance with the terms of this Agreement and there exists no Event of Default pursuant to this Agreement, nor has any act, omission or condition occurred that, with the giving of notice, would constitute an Event of Default pursuant to this Agreement;

(ii) Opinion of Developer's Counsel. Developer shall deliver to the City a written opinion in a form acceptable to the City, to be signed by counsel to Developer on the Closing Date, with respect to: (i) the legality, validity and binding effect of this Agreement and its enforceability against Developer in accordance with its terms; (ii) the absence of any litigation or other proceedings, either pending or threatened, which could have a material adverse effect on the ability of Developer to perform pursuant to this Agreement; and (iii) such other standard and customary matters for legal opinions to be given by Developer's counsel in real

estate secured financing transactions as reasonably requested by HCID. The opinion of Developer's counsel shall disclose whether any consent, approval or other authorization, regulation, declaration or filing with any court or other governmental agency or commission or other public entity is required for the due execution and delivery of this Agreement and City Development Documents pursuant to this Agreement;

(iii) Developer's Formation Documents. Developer shall deliver to HCID documentation relating to the status of Developer's corporate, partnership, limited liability or other similar entity, and those of any general partners or managing members of Developer, including, without limitation and as applicable, the following: limited partnership agreements and any amendments thereto; articles of incorporation; limited liability company articles of incorporation (LLC-1); statement of information and operating agreement (including any amendments thereto); copies of all resolutions or other necessary actions taken by such entity to authorize the execution of this Agreement and related documents; and a certificate of status issued by the California Secretary of State;

(iv) Title. The Title Company shall confirm in writing that all conditions precedent to the Close of Escrow for Developer to take leasehold title to the Site, other than the payment of the City Rent, shall have been satisfied;

(v) Appraisal or Other Determination of Value. The City shall have determined, in their sole discretion, that the City Rent payable by Developer for the Site is acceptable;

(vi) Site Conditions. The City and Developer shall determine that no adverse Site conditions exist that may interfere with the development of the Site as provided in this Agreement, or, if such Site conditions exist, that they are being addressed to the satisfaction of the City. This condition is for the benefit of the City and Developer;

(vii) Title Insurance Policy. The City shall have received written confirmation from the Title Company that the Title Company is committed to issue to the City, upon the Close of Escrow, without cost to the City, a Title Insurance Policy (without deletions), together with such endorsements as the City may request. This condition is for the benefit of the City and Developer;

(viii) Evidence of Insurance. Developer shall have submitted to the City evidence of the Insurance Policies required by Section 7.10 of this Agreement. The City shall be named as loss payee or additional insured on all policies, as applicable. Developer shall ensure that all worker compensation insurance policies carried by the General Contractor and subcontractors working on the Project include a waiver of subrogation in favor of the City.

(ix) Project Budget. As a condition precedent to the Close of Escrow, the acceptance of the ground lease, Developer shall deliver to the City a certification in writing that the Project Budget remains in effect as of such date, or Developer shall have delivered to the City a proposed revision to the Project Budget, demonstrating to the reasonable satisfaction of the HCID General Manager or designee the availability of sufficient funds to pay all Total Development Costs.

(x) Financing Plan. Developer shall have submitted and the City shall have approved a Financing Plan for the Project, meeting the requirements of Section 3.2.b. of this Agreement.

(xi) Closing Cost Statement. The City and Developer shall have received an estimated closing cost statement of costs from the Escrow Agent. This condition shall be for the benefit of the City and Developer;

(xii) Recording Instructions. Developer and the City shall have executed and delivered to the Escrow Agent mutually agreed-upon and irrevocable supplemental escrow and recording instructions authorizing the Escrow Agent to record and/or deliver the closing documents listed below, which escrow instructions shall also state that the Memorandum of Ground Lease and related documents shall be recorded only upon satisfaction of the Conditions Precedent, and the Escrow Agent shall have approved such supplemental escrow and recording instructions as may have been prepared on behalf of the City and Developer; and

(xiii) Documents. Not later than two (2) Business Days prior to the Close of Escrow, the City, Developer and/or other parties, as appropriate, shall have executed the following documents and delivered them to the Escrow Agent, for recording and distribution, as appropriate, upon the Close of Escrow:

(i) Ground Lease (to be signed by the City and consented to by Developer before or concurrently with the Close of Escrow). This condition shall be for the benefit of the City and Developer;

(ii) City Memorandum of Ground Lease (to be signed by Developer and the City and recorded concurrently with the Close of Escrow);

(iii) Regulatory Agreement (to be signed by Developer and the City and recorded concurrently with the Close of Escrow);

(iv) Notice of Affordability Restrictions on Transfer of Property (to be signed by the City and Developer and recorded concurrently with the Close of Escrow);

(v) Assignment of Agreements, Plans, Specifications and Entitlements (to be signed by Developer, Project architect and contractor, as applicable, and retained by the City);

(vi) Intercreditor Agreement(s), if any (to be signed by the City, Developer and any other lender(s) party to such agreement); and

(vii) Statutory Request for Notice under Section 2924b of the Civil Code (to be signed by the City and recorded upon the Close of Escrow).

3.2 Financing for the Project.

a. Project Budget. The Parties estimate that the Total Development Costs will be as set forth in the Project Budget. The initial Project Budget is attached to this Agreement as **Exhibit E** to Part I of Exhibits. The Parties acknowledge that the Project Budget shall serve as a guide for preparation of a more detailed Financing Plan. From time to time after the execution of this Agreement and through completion of construction, the Project Budget shall be subject to one or more amendments (each such amendment referred to as a "Revision" in this Agreement). Any Revision shall be subject to the approval of the HCID General Manager or designee. The HCID General Manager or designee is authorized to approve, and shall not unreasonably withhold approval of, any requested Revision for which the Third Party Lender's approval is not required under the terms of the Third Party Loan documents, or which has been approved by the Third Party Lender, if, within five (5) Business Days after receipt of the request, the City receives such explanation and/or back-up information as was received and relied upon by the Third Party Lender in connection with its approval of the Revision, and if the following conditions are satisfied:

(i) the Revision is limited to a reallocation of budgeted funds among Project Budget line items without any increase in the total Project Budget and the funds in the line item(s) to be reduced remain sufficient for completion of the Project and the requested increase in one or more line item(s) is to be used to pay approved costs, or the Revision involves an increase in the Total Development Costs, not to exceed fifteen percent (15%) of the Total Development Costs, and additional funds in an amount equal to the increase in the total Project Budget will be provided by Developer or a lender, and the requested increase in the Project Budget is to be used to pay approved costs.

(ii) the Revision does not increase the amount of any City loan;

(iii) the Revision does not result in a material change to the design of the Project, other than as approved by the City in writing;

(iv) the Revision does not materially adversely affect the economic feasibility of the Project; and

(v) the Revision does not materially adversely affect the City Rent or any leasehold security.

Upon approval of any Revision, the Project Budget shall be replaced by the approved revised Project Budget and this Agreement shall be deemed amended to reflect such revised Project Budget.

Financing Plan. Not later than twenty (20) Business Days prior to the scheduled Closing Date, Developer shall submit to HCID a proposed Financing Plan, consisting of the following: (1) a ten-year cash flow projection for operation of the Project; (2) a current Project Budget, updated on the basis of approved permits and entitlements and any design requirements of any Governmental Agency; (3) a "sources and uses" table, identifying the proposed use of each source of funding for the Project during the construction period; (4) if applicable, evidence reasonably satisfactory to the HCID General Manager or designee that Developer has sufficient additional funds available and committed to cover the difference, if any, between the Total Development Costs and all funds committed to financing the Total Development Costs (as provided in Section 3.2.c., below). HCID shall approve or disapprove in writing the proposed Financing Plan within ten (10) Business Days of receipt. Failure of HCID to approve or disapprove the Financing Plan within ten (10) Business Days of receipt shall be deemed a disapproval.

c. Evidence of Financing. The Developer must demonstrate evidence of financing within 24 months of the date of execution of this Agreement. HCID acknowledges that the Financing Plan is predicated on funding applications to the State, County and other funders for funds that may or may not be awarded through a competitive selection process. Therefore, HCID agrees that the Developer may apply for competitively awarded funding awards more than once. However, if the Developer fails to apply for or be awarded a source of funding identified in the Financing Plan after two rounds of funding applications, and cannot provide evidence of sufficient financing, HCID may terminate this development agreement.

The sum of the sources of construction financing described in the Project Budget shall be sufficient at all times to pay all Total Development Costs as set forth in the most recently approved Project Budget. If at any time prior to the issuance of the Certificate of Completion, the sum of the sources of funds described in the Project Budget is insufficient to pay all Total Development Costs, Developer shall promptly deposit into

the construction fund held by the Construction Lender additional Developer's funds at least equal to the shortfall. Not later than twenty (20) Business Days prior to the scheduled Closing Date, Developer shall submit, for approval by the HCID General Manager or designee, evidence of such financing (as part of the Financing Plan), including substantially complete drafts of Construction Loan documents (as required by Section 4.4(1)(a) of this Agreement). The HCID General Manager or designee shall not unreasonably withhold his or her approval.

3.3 Security Deposit and Liquidated Damages.

Prior to the execution of this Agreement by the City and the Developer, the Developer shall have submitted to the City a non-refundable site control fee in the sum of [AMOUNT] Thousand Dollars ($xx,000) (the "Deposit") to ensure that the Developer will proceed diligently and in good faith to develop the Site as required by this Agreement.

IF THIS AGREEMENT IS TERMINATED PRIOR TO CLOSE OF ESCROW BY THE CITY IN ACCORDANCE WITH SECTION 10.9, AND AFTER THE GIVING OF ANY REQUIRED NOTICE AND THE EXPIRATION OF ANY REQUIRED CURE PERIOD AS SET FORTH IN THIS AGREEMENT, DUE TO A BREACH OF DEVELOPER'S OBLIGATION UNDER THIS AGREEMENT, THEN THE ENTIRE BALANCE OF THE DEPOSIT SHALL BE RETAINED BY THE CITY AS LIQUIDATED DAMAGES. UPON THE PAYMENT OF LIQUIDATED DAMAGES, THIS AGREEMENT WILL TERMINATE AND THE PARTIES SHALL HAVE NO FURTHER OBLIGATIONS, RIGHTS OR LIABILITIES TO EACH OTHER UNDER THE TERMS OF THE AGREEMENT.

THE PARTIES FURTHER AGREE THAT THE AMOUNT OF LIQUIDATED DAMAGES ESTABLISHED BY THIS PROVISION IS A REASONABLE ESTIMATE, UNDER THE CIRCUMSTANCES EXISTING ON THE DATE OF EXECUTION OF THIS AGREEMENT, OF WHAT THE CITY'S DAMAGES WOULD BE IN THE EVENT OF A DEFAULT BY DEVELOPER.

NOTWITHSTANDING ANY OF THE FOREGOING, THE LIQUIDATED DAMAGES PROVISIONS ABOVE ARE IN ADDITION TO, AND DO NOT AFFECT, LIMIT, OR IN ANY WAY REDUCE, CITY'S RIGHT TO REMEDIES AFTER THE CLOSE OF ESCROW.

INITIALED BY DEVELOPER: _____

INITIALED BY HCID: _____

3.4 Ground Lease.

Prior to the date set forth in the Schedule of Performance, the parties shall have agreed upon the form of the Ground Lease.

Provided the conditions precedent in Section 3.1 of this Agreement have been satisfied, upon the terms, covenants and conditions set forth in this Agreement, the City agrees to lease and convey the leasehold interest in the Site to Developer, and Developer agrees to lease and accept the leasehold interest in the Site from the City and to pay City Rent, in accordance with this Agreement and the Ground Lease. Until the issuance of the Certificate of Completion, the City's conveyance of leasehold shall be subject to a power of termination (as described in Section 10.9 of this Agreement), to ensure the completion of the redevelopment of the Site for the purpose of providing affordable housing as provided in this Agreement.

As a condition to the Close of Escrow, the parties shall have executed and delivered into escrow for delivery upon Close of Escrow, such agreed form of Ground Lease and a memorandum thereof for recordation upon Close of Escrow.

3.5 City Rent.

The applicable City Rent shall be paid by Developer to the City on the Closing Date through the Escrow Agent, together with such additional amounts as is necessary to cover Developer's share of costs and expenses hereunder.

3.6 Condition of the Site.

a. Due Diligence. The City makes no representations regarding the condition of the Site. The Parties hereby acknowledge that prior to the execution of this Agreement, Developer used the opportunity provided by the City to conduct any studies and investigations that Developer deemed necessary to assure itself of the physical condition of the Site and the suitability of the Site for the development contemplated by this Agreement. Developer shall have the right, without cost or expense to the City, to engage its own environmental consultant and any other consultants to conduct such additional studies and investigations of the Site as it deems necessary, including any Phase I and/or Phase II environmental investigations, soils, geotechnical or other testing of the Site, subject to the execution of a "Right of Entry" agreement in HCID's customary form. The City shall disclose to Developer any actual knowledge of Hazardous Materials or other physical defects on the Site which occur at any time prior to the Close of Escrow.

b. "As Is" Conveyance.

(i) DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE CITY IS CONVEYING THE SITE TO DEVELOPER AND DEVELOPER IS ACCEPTING FROM THE CITY THE SITE ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT DEVELOPER IS NOT RELYING ON ANY

REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT) OR IMPLIED, FROM THE CITY AS TO ANY MATTERS CONCERNING THE SITE, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE SITE (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER, (C) THE EXISTENCE, QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF UTILITIES SERVING THE SITE, (D) THE DEVELOPMENT POTENTIAL OF THE SITE, AND THE SITE'S USE, HABITABILITY, MERCHANTABILITY, OR FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE SITE FOR ANY PARTICULAR PURPOSE, (E) THE ZONING OR OTHER LEGAL STATUS OF THE SITE OR ANY OTHER PRIVATE OR GOVERNMENTAL RESTRICTIONS ON THE USE OF THE SITE, (F) THE COMPLIANCE OF THE SITE OR ITS OPERATION WITH ANY APPLICABLE CODES, LAWS, REGULATIONS, STATUTES, ORDINANCES, COVENANTS, CONDITIONS AND RESTRICTIONS OF ANY GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY OR OF ANY OTHER PERSON OR ENTITY, AND (G) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE SITE OR EMANATING FROM THE ADJOINING OR NEIGHBORING PROPERTY. DEVELOPER AFFIRMS THAT DEVELOPER HAS NOT RELIED ON THE SKILL OR JUDGMENT OF THE CITY OR ANY OF THEIR RESPECTIVE AGENTS, EMPLOYEES, CONSULTANTS OR CONTRACTORS TO SELECT OR FURNISH THE SITE FOR ANY PARTICULAR PURPOSE, AND THAT THE CITY MAKES NO WARRANTY THAT THE SITE IS FIT FOR ANY PARTICULAR PURPOSE. DEVELOPER ACKNOWLEDGES THAT DEVELOPER SHALL USE ITS INDEPENDENT JUDGMENT AND MAKE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION WHICH IT SHALL MAKE RELATIVE TO THE SITE AND SHALL RELY UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE SITE (INCLUDING, WITHOUT LIMITATION, WHETHER THE SITE IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). DEVELOPER UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE SITE'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.

(ii) Developer's Release of the City. Developer, on behalf of itself and anyone claiming by, through or under Developer hereby waives its right to recover from and fully and irrevocably releases the City, and its respective council members,

board members, employees, officers, directors, representatives, attorneys and agents (the "Released Parties") from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire against any of the Released Parties, excluding breaches by the City of representations, warranties and covenants of the City, for any claims, fines, penalties, fees, costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the following: (i) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the Site, or its suitability for any purpose whatsoever; and (ii) any information furnished by the Released Parties under or in connection with this Agreement, provided that such release does not apply in the event where the liability resulted from gross negligence, fraud, or will full misconduct of the Released Parties.

(iii) Scope of Release. The release set forth in Section 3.6(b)(ii) includes claims (other than claims for the presence of Hazardous Materials on, under or about the Site prior to the Close of Escrow) of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, Developer agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees and represents that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have under Section 1542 of the California Civil Code, which reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."
>
> Developer's Initials:_____

The provisions of this section shall survive the termination of this Agreement.

3.7 Discovery of Hazardous Materials.

a. In the event that Developer discovers the presence of Hazardous Materials on, under or about the Site prior to the commencement of the construction of the Improvements which Hazardous Materials were not the result of Developer's activities on the Site, Developer shall promptly notify the City of such discovery but in any event within seventy two (72) hours of such discovery. If Developer and the City, based on environmental reports by qualified professional consultants, reasonably estimate that the cost of remediating the Site in accordance with all Governmental Restrictions is One Hundred Thousand Dollars ($100,000.00) or less, then Developer shall pay for and cause the remediation of the Site with reasonable diligence and in accordance with Governmental Restrictions. Developer and the City shall work cooperatively to expeditiously determine the estimated costs of remediation.

b. If the cost of remediation exceeds One Hundred Thousand Dollars ($100,000.00), the City and Developer shall negotiate in good faith to identify the means and a method to pay the estimated costs of remediation. In the event the City and Developer are unable to identify funds to pay the costs of remediation after sixty (60) days of good faith negotiation (or such longer time as the Parties mutually determine), either Party may terminate this Agreement by providing a written notice of termination to the other Party. In such an event, Developer shall convey the Site to the City within five (5) days following the date of the notice of termination.

c. In the event that Developer discovers the presence of Hazardous Materials on, under or about the Site following the commencement or completion of the construction of Improvements and the presence of such Hazardous Materials are not caused by the City, Developer shall be responsible for the payment of all costs of remediation in accordance with Governmental Restrictions. Developer hereby waives its right to recover from and fully and irrevocably releases the City, and its respective council members, board members, employees, officers, directors, representatives, attorneys, and agents from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire from the discovery of Hazardous Materials on, under or about the Site following the completion of the construction of the Improvements as evidenced by the issuance by the City of a temporary Certificate of Occupancy or Certificate of Occupancy, whichever is earlier.

c. The release set forth in this Section 3.7 includes claims (other than claims for the presence of Hazardous Materials on, under or about the Site prior to the Close of Escrow) of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, Developer agrees, represents and warrants that Developer

realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees and represents that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under the Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have under Section 1542 of the California Civil Code, which reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Developer's Initials:_____

e. Developer Precautions After Closing of Escrow.

Upon the Close of Escrow, Developer shall use commercially reasonable efforts to prevent the release into the environment of any Hazardous Materials which are located in, on or under the Site. Such precautions shall include compliance with all governmental requirements with respect to Hazardous Materials.

f. City and Developer agree as follows with respect to the existence or use of Hazardous Material (as defined in this Agreement and Ground Lease) on the Site:

(i) Prohibition. Developer shall not cause or permit any Hazardous Material, other than normal and customary cleaning and janitorial supplies, to be brought upon, kept or used in or about the Site by Developer, its agents, employees, contractors, customers or invitees, without the prior written consent of City. If Developer breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Site caused or permitted by Developer results in contamination of the Site, or if contamination of the Site by Hazardous Material otherwise occurs for which Developer is legally liable to City of damage resulting therefrom, then, Developer shall indemnify, hold City harmless, and defend City (with counsel reasonably acceptable to City) from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in

value of the Site, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Site, damages arising from any adverse impact on marketing of the Site, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination. This indemnification of City by Developer includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under Site. Without limiting the foregoing, if the presence of any Hazardous Material on the Site caused or permitted by Developer results in any contamination of the Site, Developer shall promptly take all actions at Developer's sole expense as are necessary to return the Site to the condition existing prior to the introduction of any Hazardous Material to the Site; provided that City's approval of such actions shall first be obtained, which approval shall not unreasonably be withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Site.

(ii) Assignment. It is understood that under no circumstances shall City consent to any proposed assignment or sublease if (1) the assignee or sub-lessee's anticipated use of the Site involves the generation, storage, use, treatment or disposal of Hazardous Material, other than normal and customary cleaning and janitorial supplies; (2) the proposed assignee or sub-lessee has been required by any prior landlord, lender or governmental authority to take remedial action in connection with Hazardous Material contaminating a property if the contamination resulted from such assignee or sub-lessee's actions or use of the property in question; or (3) the proposed assignee or sub-lessee is subject to an enforcement order issued by any governmental authority in connection with the use, disposal or storage of a Hazardous Material.

(iii) Hazardous Materials Notices. California Health and Safety Code section 25349.7(a) requires any owner of nonresidential real property who knows, or has reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath that real property, prior to the lease or rental of that real property or when the presence of such release is actually known, to give written notice of that condition to the lessee or renter. California Health and Safety Code section 25359.7(b) requires any Developer of real property who knows, or has reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath that real property to give written notice of such condition to the owners. Developer and City shall comply with the requirements of section 25359.7 and any successor statute thereto and with all other statutes, laws, ordinances, rules, regulations and orders of governmental authorities with respect to hazardous substances.

3.8 Escrow.

a. Opening of Escrow.

Developer and the City shall open Escrow with the Escrow Agent not later than ninety (90) Business Days prior to the scheduled Closing Date. The delivery to Escrow Agent of a duplicate original of this Agreement shall constitute the "Opening of Escrow" and the date of the Opening of Escrow shall constitute the "Opening Date." The Escrow Agent shall accomplish the recordation of the Memorandum of Ground Lease and the documents to be recorded pursuant to this Agreement as more particularly set forth herein. This Agreement constitutes the joint basic escrow instructions of the City and Developer with respect to the lease and conveyance of the Site by the City to Developer. The City and Developer shall provide such additional escrow instructions as are customary, consistent with this Agreement and necessary for the accomplishment of its purpose. Escrow Agent is hereby empowered to act under this Agreement, and Escrow Agent, upon indicating within five (5) Business Days after the Opening of Escrow its acceptance of the provisions of this Section 3.8 in writing delivered to the City and Developer, shall carry out its duties as Escrow Agent hereunder. In the case of any inconsistency between the Additional Escrow Instructions and this Agreement, the terms of this Agreement shall govern.

b. Closing Costs to be paid by Developer.

Together with Developer's deposit of the City Rent and any other deposits provided by this Agreement, Developer shall pay to the Title Company all fees, charges and costs of the Escrow promptly after the Title Company has notified Developer of the amount of such fees, charges and costs, prior to the Closing Date. Such fees, charges and costs shall include, but are not limited to, as follows:

(i) The escrow fee; and

(ii) Recording fees, if any, for the Memorandum of Ground Lease, the Regulatory Agreement, the Notice of Restrictions and/or any other instrument to be recorded against title to the Site by or for the benefit of Developer; and

(iii) Title policy of title insurance naming the City as the insured with liability not less than the fair market value of the Site, issued by an insurer satisfactory to the City, excepting only such defects, liens, encumbrances, and exceptions as are approved by the City, and containing such endorsements as the City may reasonably require.

c. Closing Costs to be paid by Other Parties.

Any other costs, expenses or fees of the Escrow not otherwise provided for in this Agreement shall be paid by the party who customarily pays for such costs in Los Angeles County.

d. Duty of Escrow Agent.

The Escrow Agent is authorized to:

(i) Pay and charge Developer, the City or other parties, as applicable, for its respective fees, charges and costs payable under this Section 3.8. Before such payments or charges are made, Escrow Agent shall notify the City and Developer of the fees, charges and costs necessary to close the Escrow;

(ii) Deliver the Ground Lease, Memorandum of Ground Lease, the Regulatory Agreement and other documents, including any applicable promissory notes and deeds of trust, to the parties entitled thereto when the conditions of this Escrow have been fulfilled by the City and Developer;

(iii) Record any instruments delivered through this Escrow, if necessary or proper, to lease the Site, or the applicable portion thereof, to Developer in accordance with the terms and provisions of this Agreement.

If this Escrow is not in condition to close on or before the "Closing Date" (as defined in Section 3.9 of this Agreement), either Party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, demand from Escrow Agent and the Title Company, if appropriate, the return of its money, papers or documents deposited with Escrow Agent and the Title Company. No demand for return shall be recognized until ten (10) calendar days after Escrow Agent shall have mailed copies of such demand to the other Party at the address of its or their principal place of business and such other Party shall have failed to have taken the action required by that Party to effectuate the Close of Escrow within such ten (10) calendar day period. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other Party within the ten (10) calendar day period described above, in which event Escrow Agent and the Title Company are authorized to hold all money, papers and documents with respect to the Site, or the affected portion thereof, until instructed by mutual agreement of the Parties or by a court of competent jurisdiction. If no such demands are made, the Escrow shall be closed as soon as possible.

Neither Escrow Agent nor the Title Company shall be obligated to return any such money, papers or documents, except upon the written instructions of the City and Developer or until the Party entitled thereto has been determined by a final decision of a court of competent jurisdiction.

Any amendment to these Escrow instructions shall be in writing and signed by both the City and Developer. At the time of any amendment, Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from Escrow Agent to the City or Developer shall be directed to the addresses and in the manner established in Section 12.2 of this Agreement for notices, demands and communications between the City and Developer.

e. Title Review. Within the time provided in the applicable Schedule of Performance, Developer shall cause the Escrow Holder to deliver to the Developer and the City the Title Report(s) with respect to the title of the Site, together with legible copies of the documents underlying the exceptions (the "Exceptions") set forth in the Title Report(s). Within the time specified in the applicable Schedule of Performance, Developer shall have approved or disapproved the Exceptions. If Developer disapproves the Exceptions, then Developer may terminate this Agreement (Section 10.8, no fault termination provision) or Developer may provide written disapproval of such Exceptions to the City, and the City shall have until the date selected for each Close of Escrow to cure or remove each disapproved Exception. In the event the City is unable to cure to Developer's reasonable satisfaction, or remove, the disapproved Exceptions prior to Close of Escrow, Developer shall have the right to terminate this Agreement pursuant to Section 10.8 (no fault termination provision). Developer's failure to disapprove title to the Site within ninety (90) days prior to the Close of Escrow shall be deemed approval of such condition of title. In the event any new Exceptions appear on a Title Report after delivery of the initial Title Report and prior to the Close of Escrow, and (a) Developer disapproves of such Exception and (b) the City is unable to remove or cure such Exception to Developer's reasonable satisfaction prior to the Close of Escrow, then Developer shall have the right to terminate this Agreement pursuant to Section 10.8 (no fault termination provisions.) Upon Developer's approval of the state of title to the Site, Developer shall have no right to terminate this Agreement on account of the condition to title to the Site, except as provided herein.

3.9 Close of Escrow.

a. Subject to any extensions of time mutually agreed upon in writing between the City and Developer, the conveyance of leasehold interest to Developer pursuant to the Ground Lease shall be completed upon the occurrence of all of the following (the "Closing Date") (i) not sooner than the satisfaction of all Conditions Precedent to the Close of Escrow set forth in Section 3.1 of this Agreement; and (ii) not later than the date specified for the scheduled Closing Date in the Schedule of Performance.

b. The HCID General Manager or his/her designee, is authorized to approve one or more reasonable extensions to the Closing Date, from time to time (each such extension not to exceed twenty (20) Business Days), so long as: (i) such extension

is in writing, executed by the HCID General Manager or designee; (ii) the HCID General Manager or designee determines in writing, on the basis of reasonable documentation provided by Developer, that Developer is diligently attempting to satisfy or cause the satisfaction of any outstanding Condition Precedent; and (iii) the extension does not exceed six (6) months from the Closing Date set forth in the Schedule of Performance. Notwithstanding anything to the contrary, Close of Escrow shall not occur without a reasonable expectation that construction of the Improvements will commence within one hundred eighty (180) Business Days after the Close of Escrow.

3.10 Recordation of Documents.

Unless instructed otherwise in writing by the City and Developer, Escrow Agent shall record or cause to be recorded in the Office of the County Recorder of Los Angeles County, California, in the following order, the following instruments: (a) the Memorandum of Ground Lease; (b) the Regulatory Agreement; (c) the Notice of Affordability Restrictions; (d) Security Financing Interests, if any, to be recorded in connection with the ground lease; and (e) Security Financing Interests to be recorded in connection with any Third Party Loan and any other Residual Receipts Loan.

ARTICLE 4. METHOD OF FINANCING

4.1 Total Development Costs.

The parties estimate that the Total Development Costs will be as set forth in the Project Budget, to be financed as set forth in Developer's Financing Plan for the Project.

4.2 Construction Period Financing.

The Parties anticipate that construction period financing (after Close of Escrow) will be provided from a combination of loans and equity, including but not limited to the following:

a. Construction Loan. One or more construction or construction/permanent loans (each, a "Construction Loan" and collectively, the "Construction Loans") derived from the issuance of Tax-Exempt Mortgage Revenue Bonds and disbursed by a bank or other lender approved in advance by HCID General Manager or designee ("Construction Lender") in the approximate original principal amount set forth in the "Construction" sources column in the Project Budget. It is anticipated that disbursements of the Construction Loan shall be subject to a process for the City review of Construction Lender disbursements, to be negotiated and provided in an Intercreditor Agreement, if any, to which the City and the Construction Lender will be parties. It is anticipated that the Construction Loan will be disbursed to pay Development Costs and

reduced to the amount set forth in the "Permanent" sources column in the Project Budget, after the conversion of the Construction Loan in accordance with its terms.

b. Developer Equity. Equity from the Developer (the "Developer Equity"), consisting of the following:

(i) Funds in an amount set forth in the Project Budget , to be provided by the Tax Credit Equity Investor, derived from Low Income Housing Tax Credits, Historic Tax Credits and other applicable tax credits ("Investor Member/Partner Capital Contribution"), which shall be disbursed in one or more installments as provided in Developer's Amended and Restated Partnership Agreement; and

(ii) A deferred portion of the Developer Fee, in the amount set forth in the Project Budget (the "Deferred Developer Fee"), constituting that portion of the Developer Fee to be paid to Developer from Revenue, before calculating Residual Receipts.

(iii) Developer Equity Contribution made directly to the project by the Developer that is not part of the deferred developer fee or a tax credit investor equity contribution. The Developer Equity Contribution can only be repaid through the Developer's share of residual receipts; the Developer Equity Contribution will not be secured by a promissory note; and the Developer Equity Contribution can only be repaid upon sale/transfer of the Project after the Acquisition Loan is repaid in full.

Developer shall be responsible for providing or securing any additional funds which may be needed to pay for cost overruns and contingencies not otherwise funded by the sources of Construction Financing described above.

Developer Equity described in this paragraph b. shall consist of funds provided by Developer, or borrowed funds, as long as repayment is not secured by any deed of trust on the Site.

4.3 Permanent Sources of Financing.

The Parties anticipate that permanent financing will be provided from a combination of loans and equity, including but not limited to the following:

a. One or more permanent loans or construction loans that convert to permanent loans (each a "Permanent Loan" and collectively the "Permanent Loans") in the original principal amount as set forth in the Project Budget, secured by one or more Third Party Lender deeds of trust (the beneficiaries of which shall include the Permanent

Lender, any credit enhancer or permanent financing guaranty facility, referred to herein collectively as the "Third Party Permanent Lenders", and, together with the Third Party Construction Lenders, described above, referred to as the "Third Party Lenders").

b. Developer Equity, as described in subsection 4.2(b), above.

c. Developer Deferred Developer Fee.

d. Other funding sources such as Measure HHH, Multifamily Housing Program (MPH), Mental Health Services Act (MHSA), Affordable Housing Sustainable Communities (AHSC), Infill Infrastructure Grant (IIG), and Project Based Vouchers (PVB).

ARTICLE 5. SCOPE OF DEVELOPMENT/DESIGN REQUIREMENTS.

5.1 Design in Conformance with Scope of Development, Residential Citywide Design Guidelines and Approved Project Documents.

a. In designing and constructing the Project, the Developer shall cause all Project Documents to be consistent with the Scope of Development and City's Multifamily Housing Design Guidelines, and requirements of the HHH Loan Agreement for the Project, if any, unless otherwise approved by the City. The Scope of Development shall establish the baseline design standards from which the Developer shall prepare all subsequent Project Documents.

b. As required by the Scope of Development, the Developer shall follow the Environmentally Responsive Design guidelines and Sustainable Building Methods section established in HCID Architectural Design Guidelines of (March 19, 2007) and consistent with TCAC Regulation's Minimum Constructions Standards requirements adopted on May 17, 2017, as well as the latest California Energy Commission requirements which are reflected in the Building Codes (in particular Volume 3, Green Building Code) and with which all projects must comply according to their project type.

5.2 City Review.

The City shall not be responsible for any aspects of Developer's conduct in connection with the Project, including, but not limited to, the quality and suitability of the Project Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the City with reference to the Project is solely for the purpose of determining whether the Developer is properly discharging its obligations to the City, and shall not be relied upon by the Developer or by any third parties as a warranty or representation by the City as to the quality of the design or construction of the Project.

ARTICLE 6. CONSTRUCTION OF THE IMPROVEMENTS.

Except for Section 6.6 (Relocation), if applicable, the provisions of this Article 6 are intended to apply only after the Close of Escrow, if at all.

6.1 Commencement of Construction.

The Developer shall commence construction of the Improvements within the time set forth in the Schedule of Performance.

6.2 Completion of Construction.

The Developer shall prosecute to completion, with diligence that is reasonable under all the circumstances, the construction of the Improvements, and shall complete or cause to be completed the construction of the Improvements within the time set forth in the Schedule of Performance. As between the City and the Developer, the Developer shall be solely responsible for the construction of the Improvements.

6.3 Construction Pursuant to Scope and Plans.

a. The Developer shall construct the Improvements in accordance with the Scope of Development, the approved Final Construction Drawings, and the terms and conditions of all City approvals and any other governmental approvals.

b. Any proposed material variation from the previously approved Final Construction Drawings shall be submitted to the HCID General Manager or designee for written approval. HCID shall approve or disapprove a proposed material variation within fifteen (15) Business Days after receipt by HCID. If HCID rejects the proposed material change, then HCID shall provide the Developer with the specific reasons therefor, and the approved Final Construction Drawings shall continue to control. For purposes of this Section 6.3, a material variation from the previously approved Final Construction Drawings shall consist of any of the following: (1) any change in building materials or equipment, specifications, or the architectural, functional or structural design of the Improvements that is of lesser quality, durability or appearance or which does a poorer job of meeting the City's urban planning and design objectives as set forth in the Scope of Development; (2) any change (increase or decrease) that cumulatively exceeds ten percent (10%) of the budgeted cost of any one line item at any time; or (3) any set of changes (increase or decrease) that cumulatively exceeds ten percent (10%) of the hard cost budget.

c. Developer shall comply with all orders to comply with building codes and other governmental health and safety regulations. Any change from Approved Final Construction Drawings which is required for compliance with building codes or other government health and safety regulations shall not be deemed a material change for

purposes of Section 5.5 and this Section 6.3. However, the Developer shall submit to HCID any proposed change that is required for such compliance as soon as possible, but in any event prior to the commencement of any such work, and such change shall become a part of the approved Final Construction Drawings, binding on the Developer. Any increase in Total Development Costs resulting from any such change shall be the obligation of Developer. The City shall have the right in its sole discretion, but not the obligation, to impose conditions on Developer's performance of any such changes that are reasonable in light of all the circumstances.

d. Throughout the construction of the Improvements, the City shall have the right in its discretion, but not the obligation, to inspect the Site as provided in Section 6.10 of this Agreement, and, to the extent permitted by any Inter-creditor Agreement, to review and provide comments to other lenders regarding the disbursement of construction sources of financing.

6.4 Certificate of Completion.

a. Within ten (10) Business Days after written request by Developer following Completion of construction in accordance with the Scope of Development and Final Construction Drawings (as the same may have been revised with the written approval of the HCID General Manager or designee pursuant to Section 6.3 of this Agreement), and (if applicable) upon Developer's obtaining a certificate of occupancy or temporary certificate of occupancy from the City, the City shall deliver to Developer a Certificate of Completion.

a. The City shall not unreasonably withhold a Certificate of Completion but shall not be obligated to issue such Certificate until construction of the Improvements has been completed in accordance with all the terms of this Agreement. Such Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory Completion of the Improvements meeting the requirements of Article 5 and Sections 6.1 through 6.3, inclusive, of this Agreement. In the event any requirements of this Agreement relating to the construction of the Improvements, including, but not limited to any requirements of this Article 6, have not been fully satisfied by Developer as of the date of Developer's request for a Certificate of Completion, the HCID General Manager or designee may deny Developer's request for a Certificate of Completion or issue the Certificate of Completion subject to such conditions subsequent as the HCID General Manager or designee may deem necessary to ensure full satisfaction with all the requirements of this Agreement.

c. The Certificate of Completion shall be in such form as to permit it to be recorded in the Office of the Recorder of Los Angeles County. If the City fails to deliver the Certificate of Completion within ten (10) Business Days after written request from Developer, HCID shall provide Developer with a written statement of its reasons (the "Statement of Reasons") within that ten (10)-Business Day period. The statement shall

also set forth the actions Developer must take to be entitled to obtain the Certificate of Completion. If the reasons are confined to the immediate unavailability of specific items or materials for landscaping, or to so-called "punch list" items identified by HCID, HCID shall issue the Certificate of Completion upon the delivery of a bond or letter of credit by Developer with the City in an amount representing the City's estimate of the cost to complete the work, or other security deemed sufficient by HCID's General Manager or designee to ensure completion of the work. Notwithstanding any other provision of this Agreement, the failure by the City to issue a Certificate of Completion within any period of time after request by Developer shall not be deemed to constitute the City's concurrence that construction of the Improvements has been completed as required by this Agreement.

d. Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any Senior Lender, or any insurer of a mortgage securing money loaned to finance the Improvements, or any other person or entity. Such Certificate of Completion is not notice of completion as referred to in Section 3093 of the California Civil Code. Such Certificate of Completion shall not be deemed to constitute completion or satisfaction of any obligations of the Developer under the City Development Documents, except those set forth in Article 5 and Sections 6.1 through 6.3 of this Agreement.

e. As a condition of issuance of the Certificate of Completion, Developer's CASP shall certify that the Project has been constructed in compliance with all applicable disabled access requirements as of the date of the Project's completion (when the last certificate of occupancy is issued by the City).

6.5 Compliance with Applicable Law and City Policies.

The Developer shall cause all work related to construction of the Improvements to be performed in compliance with: (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter, (including, without limitation, the prevailing wage provisions of Sections 1770 et seq. of the California Labor Code); (b) all applicable directives, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction; (c) all applicable disabled access requirements; and (d) all applicable City policies that are effective as of the Effective Date of this Agreement, provided the Parties may make later-adopted City policies applicable to the Project by their mutual approval of an amendment to this Agreement specifically incorporating such policies. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Developer shall be responsible for the procurement and maintenance of such documents required of Developer and of all entities engaged in Project work at the Site.

6.6 Relocation.

a. If and to the extent disposition of the leasehold interest in the Site or any aspect of development or operation of the Project results in the permanent or temporary displacement of any occupants of the Site, the following shall apply: (1) Developer shall comply with all applicable local, state and federal statutes and regulations with respect to relocation planning, advisory assistance and payment of monetary benefits (collectively referred to as the "Relocation Laws"); and (2) Developer shall be solely responsible for payment of any relocation benefits (if any) to any displaced persons and any other obligations (if any) associated with complying with the Relocation Laws, including, but not limited to, moving assistance, rent vouchers and the cost of a relocation consultant selected by the City. If the Developer is determined by a court of competent jurisdiction or any government agency to be in violation of any Relocation Laws as described in this section, the City may, in its sole discretion, declare Developer to be a "non-responsible Contractor" pursuant to the City's Policy on Contractor Responsibility (Exhibit 1 of Part II of Exhibits), and ineligible to apply for any future City contracts or financial assistance. Developer also hereby agrees to indemnify, defend and hold the City harmless from any and against any and all claims and liabilities arising directly or indirectly as a result of or in connection with the breach of Developer's obligations set forth in this Section 6.6. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent and lease related debts pursuant to this Agreement, Ground Lease, and City Development Documents, reconveyance of the City Leasehold Deed of Trust, if any, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

b. If applicable, Developer shall submit the Relocation Plan to the City for review and approval, and Developer hereby acknowledges that City has approved a Relocation Plan for the Site (the "Relocation Plan"). Developer agrees to perform all of the obligations to be performed by Developer and comply with the terms and conditions of the Relocation Plan.

6.7 Construction Signs.

Prior to the commencement of construction, the Developer shall prepare and post on the Site construction signs in accordance with the City's sign standards. The construction signs shall identify the Project as one that is being assisted by the City and shall recognize, at a minimum, the Mayor of the City of Los Angeles, the City Council Member for the Council District in which the Project is located, and the HCID General Manager. The construction signs shall be erected on the Site such that they are reasonably visible to the public throughout the construction period.

6.8 Publicity.

Any publicity generated by Developer for the Project shall make reference to the contribution of HCID in making the Project possible. The words "Housing and Community Investment Department of the City of Los Angeles (HCID)" shall be prominently displayed in any and all pieces of publicity, including but not limited to flyers, press releases, posters, signs, brochures, public service announcements, interviews and newspaper articles. Developer further agrees to cooperate with authorized staff and officials of HCID in any HCID-generated publicity or promotional activities undertaken for the Project.

6.9 Progress Reports.

Until a Certificate of Completion has been issued by the City, the Developer shall: (a) provide HCID with periodic progress reports on the Project's construction status; and (b) attend status conferences relating to construction and/or compliance with City policies and City ordinances and the conditions of this Agreement. Such conferences shall occur as reasonably requested by the City, but not more often than monthly.

6.10 Entry onto the Site by the City.

Until a Certificate of Completion has been issued by the City, the Developer shall permit the City Representatives to enter the Site at all reasonable times and upon reasonable notice to: (a) inspect the construction work and determine if it conforms with the Scope of Development, the approved Final Construction Drawings and the Project Budget; or (b) inspect the Site for compliance with this Agreement. Except in the event of inspections regarding safety or compliance with City policies and City ordinances, reasonable notice shall mean at least 48 hours written notice. The City shall be under no obligation to (aa) supervise construction, (bb) inspect the Site or (cc) inform the Developer of information obtained by the City during any inspection. The Developer shall not rely upon the City for any supervision or inspection. The rights granted to the City pursuant to this section are in addition to any rights of entry and inspection the City may have in exercising its municipal regulatory authority.

6.11 Mechanics' Liens.

Developer shall promptly pay when due all amounts payable for labor and materials furnished in the performance of the Project so as to prevent any lien or other claim under any provision of law from arising against the City or the Site (including reports, documents, and other tangible or intangible matter produced by Developer related to the Project), against Developer's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

The Developer shall indemnify the City and hold the City harmless against and defend the City in any proceeding related to any mechanic's lien, stop notice or other claim brought by a subcontractor, laborer or material supplier who alleges having supplied labor or materials in the course of the construction of the Project by the Developer. This

indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of City Rent, termination of Regulatory Agreement, withdrawal of Notice of Affordability Restrictions and the termination of this Agreement.

6.12 Non-Discrimination During Construction; Equal Opportunity.

The Developer, for itself, its successors and assigns, and transferees agrees that in the construction of the Project provided for in this Agreement:

a. The Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, disability, actual and perceived, medical condition, age, marital status, transgender status, sex, sexual orientation, Acquired Immune Deficiency Syndrome (AIDS), actual or perceived, or retaliation for having filed a discrimination complaint or any additional basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, as such provisions may be amended from time to time (collectively, the "Nondiscrimination Factors"). The Developer shall take affirmative steps to ensure that applicants are employed by the Developer, and that its employees are treated without regard to the Nondiscrimination Factors during employment including, but not limited to, activities of: upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to its employees and applicants for employment, the applicable nondiscrimination clause set forth herein.

b. The Developer shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Developer shall not discriminate in its employment practices, including compensation, against any employee, or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, familial status, acquired immune deficiency syndrome (AIDS), acquired or perceived citizenship, political affiliation or belief. The Developer shall comply with Executive Order 11246, entitled “Equal Employment Opportunity”, as amended by Executive Order 11375, 11478, 12086, and 12107 and as supplemented in the Department of Labor regulations (41 CFR Part 60).

c. Unless otherwise exempt, this Agreement is subject to the non-discrimination provisions in Section 10.8 through 10.8.2 of the Los Angeles Administrative Code as amended from time to time. The Developer shall and shall cause all contractors and subcontractors to comply with the applicable non-discrimination and

affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, Developer, its contractors and/or subcontractors shall not discriminate in its employment practices, including compensation, against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship and political affiliation or belief. The Developer shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by City. Any contract or subcontract entered into by Developer to the extent allowed hereunder, shall include a like provision for work to be performed under this Agreement.

Failure of the Developer to comply with this requirement or to obtain the compliance of its contractors or subcontractors with such obligations shall subject the Developer to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Developer's contract with the City.

d. The Developer shall ensure that its solicitations or advertisements for employment are in compliance with the aforementioned Nondiscrimination Factors; and

e. The Developer shall insert the foregoing provisions in all contracts for the construction of the Project entered into by the Developer after the Effective Date of this Agreement and ensure that its General Contractor shall insert the foregoing provisions in the General Contractor's subcontracts; provided, however, that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

f. For purposes of this Section 6.12, the term "Developer" shall mean and include the Developer and the Developer's General Contractor and subcontractors of any tier engaged by Developer in the construction of the Project.

6.13 Affirmative Outreach in Contracting Procedures and Employment, Including Utilization of Project Area, Minority, Women and Other Businesses and Persons.

a. Use of Disadvantaged and Local Businesses. The parties hereby acknowledge that California Health and Safety Code Section 33422.1 provides: "To the greatest extent feasible, contracts for work to be performed in connection with any redevelopment project shall be awarded to business concerns which are located in, or owned in the substantial part by persons residing in, the project area." Therefore, in

consideration of the assistance provided to the Project by the City, Developer hereby agrees:

(i) To the greatest extent feasible, Developer shall seek out and award and require the award of contracts and subcontracts for development of the Site to contracting firms which are located or owned in substantial part by persons residing in the Redevelopment Project Area, and to promote outreach to minority-owned, women-owned and other businesses. This requirement applies to both the construction and operation of the Improvements.

(ii) This paragraph shall require significant efforts of the Developer and its contractors but shall not require the hiring of any person unless such person has the experience and ability, and, where necessary, the appropriate trade union affiliation, to qualify such person for the job.

b. Employment of Project Area Residents. The Parties hereby acknowledge that California Health and Safety Code Section 33422.3 provides: "To insure training and employment opportunities for lower-income project area residents, the agency may specify in the call for bids for any contract over one hundred thousand dollars ($100,000) for work to be performed in connection with any redevelopment project that project area residents, if available, shall be employed for a specified percentage of each craft or type of workmen needed to execute the contract or work." Therefore, in consideration of the assistance provided to the Project by the City, Developer agrees as follows:

(i) Developer shall in all general contracts for the construction of the Improvements (and its contractors shall in all subcontracts thereunder), require that to the greatest extent feasible, the labor force in all categories be comprised of residents of the Redevelopment Project Area; and

(ii) Developer and its contractors shall be subject to and shall comply with the terms of the Standard City Contracting Requirements, with all amendments thereto. Developer hereby agrees to the terms of these requirements and shall ensure that its General Contractor agrees to these terms.

c. Community Outreach Plan. Developer acknowledges that it is the policy of the City to promote the economic advancement of minorities and women as well as other economically disadvantaged persons through employment and the award of contracts and subcontracts in redevelopment project areas, and to provide Minority-owned Business Enterprises ("MBE"), Women-owned Business Enterprises ("WBE") and all other business enterprises ("OBE") with an equal opportunity to compete for and

participate in the performance of City-assisted contracts. To carry out such policy, Developer agrees to comply with this Section 6.13.c. as follows:

(i) Submission of Plan: By the date set forth in the Schedule of Performance, the Developer and Developer's development team (including at a minimum, the General Contractor and Project Architect) shall meet with the City's Office of Audits and Compliance to hold a preconstruction meeting, to establish Project procedures, determine progress towards preliminary construction requirements, review City and other governmental policies and requirements and delineate the roles and responsibilities of Project participants. During the preconstruction meeting, the Developer shall be provided with the policies and procedures of the City regarding prevailing wage requirements and MBE, WBE and OBE outreach efforts, including the development of a community outreach plan (containing the items described in paragraph c.(2), below). At the preconstruction meeting, HCID shall provide to the Developer samples of community outreach plans which have been approved by the City. Prior to commencing construction, the Developer shall submit to the HCID General Manager or his/her designee, for approval or disapproval, a community outreach plan for the Project (the "Community Outreach Plan"), as part of the Community Benefits Plan for the Project. The Community Outreach Plan shall set forth the methods the Developer shall use to comply with this Section 6.13. Upon receipt of the Community Outreach Plan, the City shall, within twenty (20) Business Days, approve or disapprove the Community Outreach Plan, or provide to the Developer a statement of actions required to be taken in order for the Community Outreach Plan to be approved. If the City fails to respond within such twenty (20) Business Day period, the Community Outreach Plan shall be deemed disapproved by the City. The Developer shall not commence construction unless the Community Outreach Plan has been approved by the City.

(i) Contents of the Community Outreach Plan: The Community Outreach Plan shall include, at a minimum:

(1) Estimated total dollar amount (by trade) of all contracts and subcontracts to be let by the Developer or its General Contractor for the Improvements;

(2) List of all proposed contractors to be awarded a contract by the Developer or the General Contractor;

(3) Estimated dollar value of all proposed contracts;

(4) Evidence of Minority and Women Business Enterprise ("M/WBE") Certification of all firms listed as an MBE or WBE in the Community Outreach Plan. Firms purporting to be M/WBE do not require M/WBE Certification if their contract amount is less than Twenty Five Thousand Dollars ($25,000). Any firm for which the contract amount exceeds Twenty Five Thousand Dollars ($25,000) and which is not certified by the City of Los Angeles may not be considered an MBE or WBE for purposes of this Agreement;

(5) Developer agrees and shall cause any contractors and subcontractors for the Project to agree and obligate itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. Developer certifies and shall cause any contractors and subcontractors to certify that it has complied with Mayoral Directive 2001-26 regarding contracts greater than $100,000 (One Hundred Thousand Dollars), if applicable. Developer shall not change any of these designated contractors or subcontractors, nor shall Developer reduce their level of effort, without prior written approval of the City.

(6) Description of the actions to be taken to meet the project area resident and business utilization objectives; and

(7) Such other information and documentation with respect to the foregoing objectives as the City may reasonably deem necessary.

d. General Information. During the construction of the Improvements, the Developer shall provide to the City such information and documentation as reasonably requested by the City to carry out this Section 6.13. The Developer shall monitor and enforce the affirmative outreach and equal opportunity requirements set forth in this Agreement. In the event the Developer fails to monitor or enforce these requirements, the City may declare the Developer in default of this Agreement (subject to the notice and cure rights provided in this Agreement) and thereafter pursue any of the remedies available under this Agreement.

6.14 Cost of Development.

Developer shall bear all costs and expenses incurred in connection with the construction and maintenance of all Improvements, including, without limitation, all costs incurred in connection with the investigation, leasehold interest conveyance and preparation of the Site for development, all off-site improvements, building and Developer fees, and all costs of investigation, leasehold interest conveyance and/or preparation of any Project Documents or other submissions made by Developer pursuant to this Agreement. Developer shall pay when due, and shall cause its General Contractor to pay

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when due, all valid invoices for materials, equipment, labor and services incurred in connection with the development of the Project.

6.15 Prevailing Wages.

a. The Developer shall pay or cause to be paid to all workers employed in connection with the development of the Improvements, not less than the prevailing rates of wages, as provided in the statutes applicable to City public work contracts, including without limitation Sections 33423-33426 of the California Health and Safety Code and Sections 1770-1781 of the California Labor Code. Copies of the currently applicable per diem prevailing wages are available from the HCID at 1200 West 7th Street, 8th Floor, Los Angeles California 90017. During the construction of the improvements, Developer shall or shall cause the contractor to post at the Property the applicable prevailing rates of per diem wages. The Developer shall and shall cause the contractors and subcontractors to submit data and documents related to prevailing wage by using the LCP Tracker or comparable HCID-approved program. The fee for the LCP Tracker, or comparable HCID-approved program, will be in the amount equal to Three Hundredth Percent (0.03%) of the total construction cost to be paid in full within 30 days from the execution of this Agreement.

b. If the construction work covered under this Agreement is financed in whole or in part with assistance provided under a program of the U.S. Department of Housing and Urban Development or some other source of federal funding, the Developer shall comply with or cause its General Contractor and all subcontractors to comply with the requirements of the Davis-Bacon Act (40 U.S.C. 276 et. seq.). The Davis-Bacon Act requires the payment of wages to all laborers and mechanics at a rate not less than the minimum wage specified by the Secretary of Labor in periodic wage rate determinations as described in the Federal Labor Standards Provisions (HUD-4010). In the event both State Prevailing wages and Davis-Bacon Act wages shall be required, all works shall be paid at the higher of the two wage rates.

c. Prior to the commencement of construction, and as soon as practicable in accordance with the Schedule of Performance, the Developer shall contact the City to schedule a preconstruction orientation meeting with the Developer and with the General Contractor to explain such matters as the specific rates of wages to be paid to workers in connection with the development of the Improvements, preconstruction conference requirements, record keeping and reporting requirements necessary for the evaluation of the Developer's compliance with this Section 6.15.

d. Developer shall monitor and enforce the prevailing wage requirements imposed on its contractors and subcontractors, including withholding payments to those contractors or subcontractors who violate these requirements. In the event that Developer fails to monitor or enforce these requirements against any contractor or subcontractor, Developer shall be liable for the full amount of any underpayment of

wages, plus costs and attorneys' fees, as if Developer was the actual employer, and the City or the State Department of Industrial Relations may withhold monies owed to the Developer, may impose penalties on Developer in the amounts specified herein, may take action directly against the contractor or subcontractor as permitted by law, and/or may declare the Developer in default of this Agreement (subject to the notice and cure rights provided in this Agreement) and thereafter pursue any of the remedies available under this Agreement.

e. Any contractor or subcontractor who is at the time of bidding debarred by the Labor Commissioner pursuant to Section 1777.1 of the California Labor Code is ineligible to bid on the construction of the Improvements or to receive any contract or subcontract for work covered under this Agreement. The Developer agrees to include, or cause to be included, this paragraph (e) in all bid specifications for work covered under this Agreement.

f. Any contractor or subcontractor who, at the time of the date of this Agreement, is listed in the Lists of Parties Excluded From Federal Procurement or Nonprocurement Programs issued by the U.S. General Services Administration pursuant to Section 3(a) of the Davis-Bacon Act is ineligible to receive a contract for work covered under this Agreement, if the covered work is Federally funded in whole or in part.

g. Any contractor or subcontractor that is at the time of bidding debarred or declared non-responsible under the City's Contractor Responsibility Ordinance is ineligible to bid on the construction of the Improvements or to receive any contract or subcontract for work covered under this Agreement. Developer agrees to include, or cause to be included, this paragraph (g) in all bid specifications for work covered under this Agreement.

h. Developer agrees to include, or cause to be included, the above provisions in all bid specifications for work covered under this Agreement.

i. Developer shall indemnify, hold harmless and defend (with counsel reasonably acceptable to the City) the City against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Developer, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq. and implementing regulation or comply with the other applicable provisions of Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations in connection with construction of the improvements or any other work undertaken or in connection with the Site. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent and any debts to the City pursuant to this Agreement, Ground Lease, and City Development Documents, reconveyance of the City Leasehold Deed of Trust, if any, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

j. For purposes of this Section 6.15, the terms "contractor" and "subcontractor" shall have the meaning set forth in the City Prevailing Wage Policy.

ARTICLE 7. USE OF THE SITE AND DEVELOPER OBLIGATIONS DURING AND AFTER CONSTRUCTION

7.1 Uses.

Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, that Developer, such successors and such assignees shall use the Site only for the uses specified in the Redevelopment Plan, this Agreement (including the Scope of Development), and the Regulatory Agreement. No change in the use of the Site shall be permitted without the prior written approval of the City.

7.2 Affordability.

The Developer hereby agrees that, for the term of the Regulatory Agreement, the Affordable Units within the Improvements shall be used only for residential uses consistent with the Regulatory Agreement. All of the housing units in the Project (other than the resident manager's unit) shall be made available and rented exclusively to Eligible Households in the income categories and at rents that do not exceed the respective affordability levels set forth in the Regulatory Agreement. In the event the Project contains both Affordable Units and dwelling units that are unrestricted as to rents and incomes, the Affordable Units shall to the maximum extent feasible be comparable to unrestricted units with the same number of rooms, in terms of size, location and amenities.

7.3 Allowable Rent.

For the term of the Regulatory Agreement, Developer shall not charge rent for an Affordable Unit that exceeds the applicable Affordable Rent for the income level of a Household that is eligible to rent that Affordable Unit (i.e., rent for a Moderate Income Unit shall not exceed a Moderate Income Rent, etc.), as set forth more specifically in the Regulatory Agreement.

7.4 Maintenance of the Site.

At all times after the Close of Escrow and prior to the completion of construction, Developer shall secure and maintain the Site or cause the Site to be secured and maintained in a safe, neat and orderly condition to the extent practicable and in accordance with industry health and safety standards for construction sites. Upon and at

all times after completion of construction, the Project shall be well maintained as to both external and internal appearance of all buildings, landscaping, common areas, and parking areas, conforming to the best practices of operators of comparable City-assisted affordable housing, and the requirements set forth in the Regulatory Agreement, if any, for the term of that agreement.

7.5 Management Requirements.

a. Operations and Maintenance. For the term of the Regulatory Agreement, Developer shall operate and maintain the Project in accordance with all applicable federal, state and local laws and rules, in conformance with the best practices of operators of comparable City-assisted affordable housing and the management requirements set forth in the Regulatory Agreement, and provide for the operation of the Project in a manner satisfactory to the City pursuant to the Management Plan (defined in the Regulatory Agreement). Not later than the time specified in the Schedule of Performance, the Developer shall submit to the HCID General Manager or designee for written approval, a Management Plan for the Project. The Developer shall submit the Management Plan and all necessary supporting information in such time to permit the HCID General Manager or designee to approve, disapprove or comment on the Management Plan twenty (20) Business Days prior to the completion of construction. The Management Plan, including such amendments as may be approved by the HCID General Manager or designee, shall remain in effect for the term of the Ground Lease or the term of the Regulatory Agreement, whichever is longer.

b. Just Cause Evictions. Developer shall include the following provision in all Developer leases and rental agreements for the Project:

> "Owner may not terminate the tenancy or refuse to renew this lease or rental agreement except for good cause. The term "good cause" shall mean a serious or repeated violation of the material terms and conditions of the lease, or a violation of applicable federal, state or local law. To terminate the tenancy or refuse to renew the lease, Owner must provide written notice to the Developer of the grounds with sufficient specificity to enable to the Developer to prepare a defense. The notice must be served at least three Business Days before the termination of tenancy, and must comply with all requirements of California law and other applicable programs. Developer has the right to enforce this requirement in state court, including presenting a defense to any eviction action brought by Owner."

7.6 Obligation to Refrain from Discrimination.

a. Developer covenants and agrees for itself, its successors and its assigns in interest to the Site or any part thereof, that there shall be no discrimination against or segregation of any person or persons on any basis listed in subdivision (a) or

(d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All deeds, leases, or contracts for the sale, lease, sublease, or other transfer of the Site shall contain or be subject to the nondiscrimination or non-segregation clauses hereafter prescribed.

b. Notwithstanding subdivision (a), with respect to familial status, subdivision (a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in subdivision (a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to subdivision (a).

7.7 Form of Nondiscrimination and Nonsegregation Clauses.

Developer shall refrain from restricting the rental, sale or lease of the Site as provided in Section 7.6, above. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of the Site entered into after the date on which this Agreement is executed by the City shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

a. (1) In deeds the following language shall appear--"The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Site herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of Developers, lessees, sub Developers, sub-lessees, or vendees in the Site herein conveyed. The foregoing covenants shall run with the land."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

c. In contracts entered into by the City relating to the sale, transfer, or leasing of land or any interest therein acquired by the City within any survey area or redevelopment project the foregoing provisions in substantially the forms set forth shall be included and the contracts shall further provide that the foregoing provisions shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties, or other transferees under the instrument.

7.8 Barriers to the Disabled.

a. Compliance with all Accessibility Requirements. Developer shall comply with all applicable requirements of state, local and federal rules, laws and regulations relating to accessibility and reasonable accommodations for persons with disabilities, including, without limitation, the following to the extent any are applicable to the Project: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 and implementing regulations at 24 CFR Part 8); the Americans with Disabilities Act (42 U.S.C. Sections 12131 *et seq.* and 12181 *et seq.*, and implementing regulations at 28 CFR Parts 35 and 36); the Fair Housing Act (42 U.S.C. Section 3601 *et seq.*, and implementing regulations at 24 CFR Part 100); the Fair Employment and Housing Act (California Government Code Section 12926); and Title 24 of the California Building Code. Without limiting the generality of the foregoing,

(i) residential and nonresidential projects that involve new construction or rehabilitation of existing buildings and that are financed in whole or in part with federal funds (e.g. CDBG, HOME) shall comply with all applicable requirements of Section 504 of the Rehabilitation Act of 1973 and all other applicable requirements;

(ii) projects that receive City or other nonfederal sources of funding shall comply with all applicable requirements of the Americans with Disabilities Act, the Fair Housing Act, the Fair Employment and Housing Act, Title 24 of the California Building Code, and all other applicable requirements;

(iii) commercial structures, and common areas and public use areas in residential projects, shall comply with all applicable requirements of the Americans with Disabilities Act, Title 24 of the California Building Code and all other applicable requirements.

Developer shall ensure that construction plans submitted for review by the City comply with all applicable requirements of law and that Project construction is carried out in conformity with approved plans.

b. ADA Certification. Developer hereby certifies as follows:

(i) Developer is in compliance with and shall continue to comply with the Americans with Disabilities Act, 42 U.S.C. 12101 et seq. and its implementing regulations.

(ii) Developer shall provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.

(iii) Developer shall not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.

(iv) Developer shall require that the language of this Section 7.8 be included in the award documents for all sub-awards at all tiers (including subcontracts, and contracts under grants, loans and cooperative agreements) and that all subcontractors shall certify and disclose accordingly.

(v) The certification set forth in this Section is a material representation of fact upon which reliance was placed when the Parties entered into this transaction.

7.9 Effect and Duration of Covenants.

The covenants established in this Agreement shall run with the land, without regard to technical classification and designation, and shall be for the benefit and in favor of and enforceable against the original Developer and successors in interest by the City. The covenants described in this Article 7 shall commence upon execution of this Agreement, shall be set forth in the Regulatory Agreement and shall remain in effect for the respective periods specified therein.

7.10 Regulatory Agreement.

Prior to the Close of Escrow and execution of the Ground Lease, Developer and City shall execute the Regulatory Agreement and the Notice of Affordability Restrictions, which shall be recorded against the Site upon the Close of Escrow. The Regulatory Agreement shall have a term of not less than 55 years from the Certificate of Occupancy (COO).

7.11 Monitoring.

a. The parties acknowledge that this Agreement is subject to the provisions of Section 33418(a) of the California Health and Safety Code, which provides in pertinent part:

> "An Agency shall monitor, on an ongoing basis, any housing affordable to persons and families of low or moderate income developed or otherwise made available pursuant to any provisions of this part. As part of this monitoring, an Agency shall require owners or managers of the housing to submit an annual report to the Agency. The annual reports shall include for each rental unit the rental rate and the income and family size of the occupants... The income information required by this section shall be supplied by the Developer in a certified statement of a form provided by the Agency."

b. Developer, on behalf of itself, its successors and assigns, covenants and agrees to submit an annual report to HCID containing, for each Affordable Unit, the rental rate and the income and family size of the occupants. HCID shall provide the format to be used.

7.12 Indemnity.

a. Developer shall indemnify, defend (with counsel approved by the City) and hold harmless the City, and their respective elected and appointed officers, officials, employees, agents, consultants, and contractors (collectively, the "Indemnitees") from and against any and all liabilities, losses, costs, expenses (including without limitation attorneys' fees and costs of litigation), claims, demands, actions, suits, causes of action, writs, judicial or administrative proceedings, penalties, deficiencies, fines, orders, judgments and damages (all of the foregoing collectively "Claims") which in any manner, directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to: (i) approval of this Agreement and/or the Improvements; (ii) performance of this Agreement on the part of the Developer or any contractor or subcontractor of Developer; and/or (iii) the rehabilitation, operation, maintenance or management of the Improvements, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that the City does not and shall not waive any rights against Developer which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by the City, or Developer's deposit with the City of any of the insurance policies described in this Agreement.

b. Developer shall pay immediately upon the Indemnitees' demand any amounts owing under this indemnity. The duty of Developer to indemnify includes the duty to defend the Indemnitees or, at the Indemnitees' choosing, to pay the Indemnitees' costs of its defense in any court action, administrative action, or other proceeding brought by any third party arising from the Improvements or the Site. The Indemnitees may make all reasonable decisions with respect to their representation in any legal proceeding, including, but not limited to, the selection of attorney(s). Developer's obligations set forth in this Section shall survive the issuance of the Certificate of Completion by the City, repayment of the City Rent and any debts to the City pursuant to this Agreement, Ground Lease, and City Development Documents, reconveyance of the City Leasehold Deed of Trust, if any, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement. Developer's indemnification obligations set forth in this Section 7.12 shall not apply to Claims arising solely from the gross negligence or willful misconduct of the Indemnitees.

7.13 Insurance Coverage.

Developer shall furnish or cause to be furnished to the City duplicate originals or certified copies of the insurance policies, complete with additional insured and loss payee endorsements, as applicable pursuant to this Agreement. Developer shall maintain and keep in full force and effect the following policies of insurance, issued by companies approved and regulated by the State Department of Insurance, commencing upon the execution of this Agreement or Developer taking leasehold title to the Site, whichever occurs later, including:

a. Developer and Developer's contractors and sub-contractors hired to perform work on the Site shall maintain Commercial General Liability insurance, to protect against Claims due to bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomsoever on or about the Site and the Improvements, or in connection with the operation thereof, resulting directly or indirectly from any acts or activities of the City or Developer or any person acting for the City or Developer, or under their respective control or direction, and also to protect against Claims due to damage to any property of any person occurring on or about the Site and the Improvements, or in connection with the operation thereof, caused directly or indirectly by or from acts or activities of the City or Developer, its contractor(s) or subcontractor(s) or its Developers or any person acting for the City or Developer, or under their respective control or direction. Such property damage and bodily injury insurance shall also provide for and protect the City against incurring any legal cost in defending claims for alleged loss. Such bodily injury and property damage insurance shall name the Indemnitees as additional insureds. Such bodily injury and property damage insurance shall be in minimum limits of One-Million Dollars ($1,000,000.00) per occurrence with a Five Million Dollars ($5,000,000.00) aggregate; provided, however, the limitation on the amount of insurance shall not limit the responsibility of the Developer to indemnify the Indemnitees or to pay damages for injury to persons or property resulting from Developer's activities or the activities of any other person or persons for which Developer is otherwise responsible.

b. During construction and until a Certificate of Occupancy for the completed development has been issued by the City, Developer shall carry Builder's Risk coverage for the Improvements. After completion of construction, Developer shall maintain property insurance in an amount not less than the full insurable value of the Improvements with extended coverage including fire, windstorm, flood, vandalism, malicious mischief, earthquake (if commercially available at reasonable rates or as otherwise required), boiler and machinery if applicable, and other such perils customarily covered by an "All Risk" policy. Such policy shall include a loss payable endorsement naming the **"City of Los Angeles"** as loss payees. The term "full insurable value" as used above shall mean the actual replacement cost (excluding the cost of excavation, foundation and footings below the lowest floor and without deduction for depreciation) of the Improvements immediately before such casualty or other loss, including the cost of rehabilitation of the Improvements, architectural and engineering fees, and inspection and supervision. To ascertain the amount of coverage required, not less often than once every three (3) years, Developer shall cause the full insurable value of the Improvements to be determined, such determination to be either by appraisal of the insurer, or by an appraiser mutually acceptable to the City and the Developer. The manner of determination of value shall be agreed to in writing by Developer and the HCID General Manager or designee.

c. After the completion of construction, Developer shall maintain or cause to be maintained loss of rental income insurance with respect to the Improvements,

against the perils of fire, lightning, vandalism, malicious mischief, riot and civil commotion, and such other perils ordinarily included in extended coverage policies.

d. Developer and its contractors and subcontractors shall maintain or cause to be maintained Workers' Compensation Insurance including Employer's Liability in limits of not less than One Million Dollars ($1,000,000.00), issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the workers' compensation laws now in force in California, or any laws hereafter enacted as an amendment or supplement thereto or in lieu thereof. Such workers' compensation insurance shall cover all persons employed by Developer and its contractors and subcontractors in connection with the Site and the Improvements and shall cover claims for death, bodily injury, illness, or disease made by, for or on behalf of any person incurring or suffering injury, death, illness or disease in connection with the Site or the Improvements or the operation thereof by Developer.

e. Professional liability insurance shall be required of architects and engineers hired to perform work on the Improvements in limits of not less than One Million Dollars ($1,000,000.000). Developer shall ensure that insurance for architects and engineers is received by the City prior to the commencement of any work on the Site.

f. Commercial automobile insurance coverage in minimum limits of not less than One Million Dollars ($1,000,000.00) shall be required by Developer and/or Developer's contractors and sub-contractors hired to perform work on the Site for owned, hired, leased, and non-owned autos and shall be received by the City prior to the commencement of any work being performed on Site.

g. All required insurance policies shall not be subject to cancellation, reduction in coverage, or non-renewal except after notice in writing shall have been sent by registered mail addressed to both HCID not less than twenty (20) Business Days prior to the effective date thereof (ten (10) Business Days for nonpayment of premiums). **All policies where applicable must name the "City of Los Angeles" as additional insured.** The insurance policies or endorsements shall also contain a waiver of subrogation for the benefit of the City of Los Angeles.

h. All insurance provided under this Agreement shall be for the benefit of Developer and the City. Developer agrees to timely pay or cause to be paid all premiums for such insurance and, at its sole cost and expense, to comply and secure compliance with all insurance requirements necessary for the maintenance of such insurance.

i. Developer shall submit proof of insurance and applicable endorsements as required by this Section to the City prior to the Close of Escrow. At least twenty (20) Business Days prior to expiration of any such policy, copies of renewal policies shall be submitted to the City.

j. All insurance herein provided for in this Agreement shall be effected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of California reasonably approved by the City.

k. Subject to the provisions of any Construction and/or Permanent Lender's loan documents, all insurance proceeds with respect to loss or damage to the Improvements during the term of the Ground Lease shall be payable, under the provisions of the relevant insurance policy, jointly to Developer and the City, and said proceeds shall constitute a trust fund to be used for the restoration, repair or rebuilding of the Improvements in accordance with plans and specifications approved in writing by the City. To the extent that such proceeds exceed the cost of such restoration, repair or rebuilding, such proceeds shall be applied to repay the City Rent. During any period when a Permanent Loan is outstanding, such proceeds shall be divided between the Permanent Lender and City in proportion to the balance of their respective loans. In the event of any fire or other casualty to the Improvements or eminent domain proceedings resulting in condemnation of the Improvements or any part thereof, the Developer shall have the right to rebuild the Improvements, and to use all available insurance or condemnation proceeds to pay costs in connection with rebuilding the Improvements, provided that (1) such proceeds are sufficient to pay City Rent and rebuild the Improvements in a manner that provides adequate security to the City for repayment of the City Rent or if such proceeds are insufficient then the Developer shall have funded any deficiency, (2) the City shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (3) no material default then exists under this Agreement, Ground Lease or City Development Documents. If the casualty or condemnation affects only part of the Improvements and total rebuilding is infeasible, then proceeds may be used for partial rebuilding.

l. The City reserve the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving the Developer ninety calendar days written, advance notice of such change. If such change(s) should result in substantial additional cost to the Developer, the City agrees to negotiate additional compensation proportional to the increased benefit to the City of Los Angeles.

m. The City shall have the right in its sole discretion to accept insurance policies with lower limits than the minimum limits set forth in this Section 7.13.

7.14 Insurance Advances.

In the event Developer fails to maintain or cause to be maintained the full insurance coverage required by this Agreement, the City, after at least five (5) Business Days prior notice to Developer, may, but shall be under no obligation to, take out the required policies

of insurance and pay the premiums on such policies. Any amount so advanced by the City, together with interest thereon from the date of such advance at the highest rate of interest then allowed by applicable law, shall become an additional obligation of Developer to the City under this Agreement and shall be secured by a City Leasehold Deed of Trust.

7.15 Hazardous Materials.

a. The Developer hereby covenants and agrees that:

(i) The Developer shall not knowingly permit the Site or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence of Hazardous Materials in, on or under the Site in violation of any applicable law;

(ii) The Developer shall keep and maintain the Project and each portion thereof in compliance with, and shall not cause or permit the Project or any portion thereof to be in violation of any Hazardous Materials Laws;

(iii) Upon receiving actual knowledge of the same, the Developer shall within ten (10) days advise the City in writing of: (A) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted or threatened against the Developer or the Project pursuant to any applicable Hazardous Materials Laws; (B) any and all claims made or threatened by any third party against the Developer or the Project relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (A) and this clause (B) are hereinafter referred to as "Hazardous Materials Claims"); (C) the presence of any Hazardous Materials in, on or under the Site in such quantities which require reporting to a government agency; or (D) the Developer's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Project classified as "border zone property" under the provisions of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Project under any Hazardous Materials Laws. If the City reasonably determine that the Developer is not adequately responding to a written directive or order from a regulatory body or court regarding a Hazardous Material Claim, the City shall have the right, upon ten (10) Business Days written notice to the Developer, to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any such Hazardous Materials Claims and, if such claim could result in any liability or damage to

the City, to have its reasonable attorney's fees in connection therewith paid by the Developer.

(iv) As long as the Ground Lease is in effect, the Developer shall not take, without the City's prior written consent, which shall not be unreasonably withheld or delayed, any remedial action in response to the presence of any Hazardous Materials on, under, or about the Site (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

b. Hazardous Materials Indemnity. Without limiting the generality of the indemnification set forth in this Section 7.15, the Developer hereby agrees to indemnify, protect, hold harmless and defend (by counsel acceptable to the City) the City, its Council Members, officers, employees and agents from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, reasonable attorney's fees and expenses), arising directly or indirectly, in whole or in part, out of: (1) the failure of the Developer, its agents, employees, or contractors to comply with any Hazardous Materials Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the Project; (2) the presence in, on or under the Site of any Hazardous Materials not otherwise present before the Close of Escrow or any releases or discharges of any Hazardous Materials into, on, under or from the Project occurring after the Close of Escrow; or (3) any activity carried on or undertaken on or off the Project, subsequent to the conveyance of the Site to the Developer, by the Developer or any employees, agents, contractors or subcontractors of the Developer at any time occupying or present on the Project, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials at any time located or present on or under the Project (collectively "Indemnification Claims"). The foregoing indemnity shall further apply to any residual contamination on or under the Project, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials by the Developer, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent, termination of the Regulatory Agreement, withdrawal of the Notice of Affordability Restrictions and the termination of this Agreement.

c. No Limitation. The Developer hereby acknowledges and agrees that the Developer's duties, obligations and liabilities under this Agreement, including, without limitation, under paragraph b. of this Section 7.15, above, are in no way limited or

otherwise affected by any information the City may have concerning the Site or the Project and/or the presence on or under the Site or within the Project of any Hazardous Materials, whether the City obtained such information from the Developer or from its own investigations.

7.16 Taxes and Assessments.

Developer shall pay prior to delinquency any and all real estate taxes and assessments (including any possessory interest tax) assessed and levied on the Site or any portion thereof and Developer hereby agrees to indemnify, defend and hold the City and all of the City's Representatives free and harmless against any and all Losses and Liabilities arising from the failure to pay when due such taxes and assessments. The City shall have the right, but not the obligation, to advance on behalf of Developer any amounts due as the result of real estate taxes and assessments (including any possessory interest tax) assessed and levied on the Site or any portion thereof. Developer shall immediately reimburse the City for any amount so advanced by the City, together with interest thereon from the date of such advance at the highest rate of interest then allowed by applicable law, and any such amount that is not paid when due shall become an additional obligation of Developer to the City secured by a City Leasehold Deed of Trust. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent, termination of the Regulatory Agreement, withdrawal of the Notice of Affordability Restrictions and the termination of this Agreement.

7.17 City's Living Wage Ordinance and Service Contractor Worker Retention Ordinance.

A. Unless otherwise exempt, this Agreement is subject to the applicable provisions of the Living Wage Ordinance (LWO) Section 10.37 et. seq. of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time. Among other things, the Ordinances require the following:

1. Developer assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits as defined in the LWO.

2. Developer further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. Developer shall require each of its contractors and subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. Developer shall deliver the executed pledges

from each such contractor and subcontractor to the City within ninety (90) days of the execution of the contract and subcontract. Developer's delivery of executed pledges from each such contractor and subcontractor shall fully discharge the obligation of the Developer with respect to such pledges and fully discharge the obligation of the Developer to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.

3. The Developer and any contractor and subcontractor for the project, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. Developer and any contractor and subcontractor for the project shall post the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation provided by the City.

4. Any contract and subcontract entered into by the Developer and any contractor and subcontractor for the project relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this Section and shall incorporate the provisions of the LWO and the SCWRO.

5. Developer and any contractor and subcontractor for the project shall comply with all rules, regulations and policies promulgated by the City's designated administrative agency which may be amended from time to time.

B. Under the provisions of Section 10.36.3 and Section 10.37.6 of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this Agreement and otherwise pursue legal remedies that may be available if the City determines that the subject Developer and any contractor and subcontractor has violated provisions of either the LWO or the SCWRO or both.

C. Where under the LWO Section 10.37.6, the City's designated administrative agency has determined (a) that the Developer and any contractor and subcontractor for the project is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the City in such circumstances may impound monies otherwise

due the Developer in accordance with the following procedures. Impoundment shall mean that from monies due the Developer, the City may deduct the amount determined to be due and owing by the Developer and any contractor and subcontractor for the project to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6 and disposed of under procedures described therein through final and binding arbitration. Whether the Developer and any contractor and subcontractor for the project is to continue work following an impoundment shall remain in the sole discretion of the City. The Developer and any contractors and subcontractors for the project may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

D. This Agreement is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, with all amendments and revisions thereto. Developer shall and shall cause any contractor and subcontractor for the Project to inform employees making less than Twelve Dollars ($12.00) per hour of their possible right to the federal Earned Income Credit (EIC). Developer shall and shall cause any contractor and subcontractor for the Project to make available to employees the forms informing the employees about the EIC and the forms required to secure advance EIC payments from Developer, any contractor or subcontractor for the Project.

7.18 City's Equal Benefits Ordinance.

Unless otherwise exempt, this Agreement is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

A. During the performance of the project, the Developer certifies and represents that the Developer and any contractor and subcontractor will comply with the EBO.

B. The failure of the Developer to comply or to ensure that any contractor or subcontractor comply with the EBO will be deemed to be a material breach of the Agreement by the City.

C. If the Developer and any contractor and subcontractor fails to comply with the EBO, the City may cancel, terminate or suspend the Agreement, in whole or in part, and all monies due or to become due under the Agreement may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

D. Failure to comply with the EBO may be used as evidence against the Developer in actions taken pursuant to the provisions of Los Angeles

Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

E. If the City's designated Administrative Agency determines that a Developer has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the Agreement. Violation of this provision may be used as evidence against the Developer in actions taken pursuant to the provisions of the Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

F. The Developer shall post and shall ensure posting the following statement in conspicuous places at its place of business and the project available to employees and applicants for employment:

"During the performance of this project with the City of Los Angeles, the Developer and any contractor or subcontractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of contract Compliance at (213) 847-1922".

7.19. Contractor Responsibility Ordinance.

Unless otherwise exempt, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, as amended from time to time, which requires Developer to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Developer's fitness and ability to continue performing under the Agreement.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Agreement, Developer pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. The Developer further agrees to: (1) notify the City within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Developer is not in compliance with all applicable federal, state and local laws in performance of this Agreement and project; (2) notify the City within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Developer and any contractor and subcontractor for the project has violated the provisions of Section 10.40.3 (a) of the Contractor Responsibility Ordinance; (3) ensure that its subcontractor(s), as defined in the Contract Responsibility Ordinance, submit a Pledge of Compliance to the City; and (4) ensure that its contractor and subcontractor, as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and

the requirement to notify the City within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the contractor or subcontractor has violated Section 10.40.3(a) of the Contract Responsibility Ordinance in performance of the contract or subcontract.

7.20 Slavery Disclosure Ordinance.

Unless otherwise exempt, this Agreement is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. Developer certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Agreement.

7.21 First Source Hiring Ordinance.

Unless otherwise exempt, this contract is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the Los Angeles Administrative Code as amended from time to time.

A. Developer shall, prior to the execution of the contract, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that Developer estimates it will need to fill in order to perform the services under the contract.

B. Developer further pledges that it will, during the term of the contract: (1) at least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview; (2) interview qualified individuals referred by EWDD; and (3) prior to filing any employment opportunity, the Developer shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the Developer interviewed and the reasons why referred individuals were not hired.

C. Any contract or subcontract entered into by the Developer relating to this contract, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.

D. Developer shall comply with all rules, regulations and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the Developer intentionally violated or used hiring

practices for the purpose of avoiding the FSHO, that determination will be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 *et seq.*, and must be documented in each of the Developer's subsequent Contractor Responsibility Questionnaires submitted under the Los Angeles Administrative Code Section 10.40 *et seq.* This measure does not limit the City's authority to act under the FSHO.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this contract and otherwise pursue legal remedies that may be available if the DAA determines that the Developer has violated provisions of the FSHO.

7.22 Child Support Assignment Orders.

This Agreement is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, Developer will fully comply with all applicable State and Federal employment reporting requirements for Developer's, contractor's and subcontractor's employees. Developer shall also certify that (1) Developer and any contractor and subcontractor will fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the principal owner(s) of the Developer(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) Developer and any contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230 *et seq.* of the California Family Code; and (4) Developer and any contractor or subcontractor will maintain such compliance throughout the term of this Agreement.

Pursuant to Section 10.10b of the Los Angeles Administrative Code, the failure of Developer to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of the Developer(s) to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the Developer under the terms of this Agreement, subjecting this Agreement to termination if such default shall continue for more than ninety (90) days after notice of such default to Developer by City.

Any contract and subcontract entered into by the Developer, to the extent allowed hereunder, shall be subject to the provisions of this paragraph and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the Developer to obtain compliance of its contractor and subcontractor shall constitute a default by the Developer under the terms of this Agreement, subjecting this Agreement to termination

where such default shall continue for more than ninety (90) days after notice of such default to Developer by the City.

Developer certifies that, to the best of its knowledge it is fully complying with the earnings assignment orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

7.23 Enforcement of Employment Requirements.

In the event of underpayment of wages by Developer or by any contractor or subcontractor employed on the Project, Lender, in addition to other rights and remedies afforded by this Agreement or applicable law, may: (1) demand that Developer and/or any underpaying employer comply with these requirements; (2) demand that the underpaying employer pay the difference between the prevailing wage rates and the amount actually paid to workers; (3) withhold from Developer any Loan proceeds as may be necessary to compensate workers the full wages required under this Agreement (whether or not the Loan payee is directly responsible for the underpayment); (4) impose liquidated damages in the form of a forfeiture of up to fifty dollars ($50) per calendar day for each worker paid less than the prevailing wage, the amount of such forfeiture to be determined solely by Lender according to the standards contained in California Labor Code Section 1775; and/or (5) pursue any lawful administrative or court remedy to enforce these requirements against the Developer and underpaying employer. Developer shall comply with any demand to pay any amounts due under this section within ten (10) calendar days of said demand. In addition, a worker who has been paid less than the prevailing wage rate shall have a right to commence an action or proceeding against the employer to collect the underpayment.

In the event of any violation or deficiency with respect to the equal opportunity and/or the MBE/WBE provisions herein, including failure to provide adequate documentation as specified herein, by Developer or by any contractor or subcontractor employed on the Project, Lender, in addition to other rights and remedies afforded by this Agreement or applicable law, may: (1) demand that any noncomplying party comply with these requirements; (2) withhold disbursement of Loan proceeds from Developer or any contractor or subcontractor until such violations are corrected; (3) impose liquidated damages on the noncomplying party in the form of a forfeiture of up to one thousand dollars ($1,000) or one percent (1%) of the contract, whichever is less, the amount of such forfeiture to be determined solely by Lender; and/or (4) pursue any lawful administrative or court remedy to enforce these requirements. Any noncomplying party shall comply with any demand to correct any noncompliance within ten (10) business days of said demand.

Developer shall monitor and enforce the equal employment opportunity, minority- and women-owned business enterprises, and prevailing wage requirements imposed on its contractors and subcontractors, including withholding payments to those contractors

or subcontractors who violate these requirements. In the event that Developer fails to monitor or enforce these requirements against any contractor or subcontractor, Developer shall be liable for the full amount of any underpayment of wages, plus costs and attorneys' fees, as if Developer was the actual employer, and Lender may withhold payments to Developer, may impose liquidated damages on Developer in the amounts specified herein, may take action directly against the contractor or subcontractor as permitted by law, and/or may declare an Event of Default and pursue any of the other remedies available under this Agreement.

7.24 Fair Chance Initiative for Hiring Ordinance.

Unless otherwise exempt under Federal or State law, City Contractors and subcontractors with 10 or more employees are prohibited under Los Angeles Administrative Code Section 10.48 from seeking a job applicant's criminal history information until a job offer is made and from withdrawing a job offer unless the employer performs an assessment of the applicant's criminal history and the duties of the position. Contractors and subcontractors are required to include information regarding the ordinance in all job solicitations and advertisements and to post notices informing job applicants of their rights. Additional information and forms may be found at Department of Public Works, Bureau of Contract Administration at http://bca.lacity.org/.

7.25 Labor Compliance Meeting.

The Developer shall meet with HCIDLA's Labor Compliance staff for a pre-construction briefing on all City construction requirements prior to the issuance of a notice to proceed.

ARTICLE 8. ASSIGNMENT AND TRANSFERS

8.1 Definitions.

As used in this Article 8, the terms "Transfer" and "Permitted Transfer" shall have the respective meanings set forth in Section 1.2 of this Agreement.

8.2 Restrictions on Transfer.

a. Developer represents and agrees that its undertakings pursuant to this Agreement are for the purpose of redeveloping the Site and providing affordable rental housing for Low Income Households, and not for speculation in land holding. Developer further recognizes that the qualifications and identity of Developer are of particular concern to the City, in light of the following: (1) the importance of the redevelopment of the Site to the general welfare of the community; (2) the public assistance that has been made available by law and by the government for the purpose of making such redevelopment possible; and (3) the fact that a change in ownership or

control of Developer or any other act or transaction involving or resulting in a significant change in ownership or control of Developer, is for practical purposes a transfer or disposition of the property then owned by Developer. Developer further recognizes that it is because of such qualifications and identity that City is entering into this Agreement with Developer. Therefore, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein.

b. Developer shall not assign all or any part of this Agreement or the Site, or any interest herein, without the prior written approval of the City. Subject to review of documentation effectuating any such proposed assignment or transfer, the City shall provide written confirmation to Developer that a proposed assignment is a Permitted Transfer, if such be the case, as provided in Section 8.4.a., below.

c. For the reasons cited above, Developer represents and agrees for itself and any successor in interest that, without the prior written approval of the City, there shall be no significant change in the ownership of Developer or in the relative proportions thereof, or with respect to the identity of the parties in control of Developer or the degree thereof, by any method or means, except by Permitted Transfers.

d. Any assignment or transfer of this Agreement or the Site or any interest herein or therein or significant change in ownership of Developer, other than a Permitted Transfer, shall require the prior written approval of the City. To the extent the City's approval of an assignment or transfer is required by this Agreement, in granting or withholding its approval, the City shall base their decision upon: (i) the relevant experience, financial capability and reputation of the proposed assignee or transferee; and (ii) the effect, if any, of such proposed transfer on the public purposes of this Agreement. In addition, the City shall have the right, in its sole discretion, to disapprove any assignment or transfer of this Agreement or any interest herein or significant change in ownership of Developer or transfer of the Site that results in payment of consideration to any Person, prior to the issuance of the Certificate of Completion, that is not conditioned upon the issuance of the Certificate of Completion. In the event HCID denies a request for a Transfer or assignment of this Agreement, except a Permitted Transfer, HCID, as applicable, shall set forth its reasons for denying such request in writing.

e. Developer shall promptly notify the City of any and all changes whatsoever in the identity of the parties in control of Developer or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Except for Permitted Transfers, any significant change (voluntary or involuntary) in ownership or control of Developer (other than changes occasioned by the death or incapacity of any individual or approved in advance in writing by the City) shall constitute a default under this Agreement. In the event of the death or incapacity of any individual who controls Developer or the managing member or general partner of Developer, any resulting change in the management of the Project or the control of the day-to-day operations of the Site and the Improvements shall be subject to the approval

of the HCID General Manager, which approval shall not be unreasonably withheld, conditioned or delayed.

8.3 Prohibited Transfers.

The limitations on Transfers set forth in this Article 8 shall apply from the Effective Date of this Agreement until the latest of (a) issuance of a Certificate of Completion by the City to the Developer; (b) the date the City Rent and City debts, if any, related to this Agreement, Ground Lease and City Development Documents, is repaid in full; and (c) the date the Regulatory Agreement expires. Except for Permitted Transfers and as expressly permitted in this Agreement, the Developer represents and agrees that the Developer has not made or created, and shall not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law, without the prior approval of the City. Any Transfer made in contravention of this Section 8.3 shall be void and shall be deemed to be a default under this Agreement, whether or not the Developer knew of or participated in such Transfer.

8.4 Effectuation of Transfers.

a. In the event of a Permitted Transfer, Developer shall submit to the City such documentation as the HCID General Manager or designee may determine is sufficient to document that such Transfer is a Permitted Transfer.

b. In the event of a Transfer other than a Permitted Transfer, the proposed transferee for which the City's approval is required shall have the relevant experience, financial capability and reputation necessary to fulfill the obligations undertaken in this Agreement by the Developer and otherwise acceptable to the City. HCID shall grant or deny approval of a proposed Transfer within thirty (30) calendar days of receipt by the HCID of the Developer's request for approval of a Transfer, by Notice as required by Section 11.2 of this Agreement, accompanied by the deposit required by paragraph e. of this Section 8.4, below, which request shall include evidence of the proposed transferee's business expertise and financial capacity.

c. Any Transfer otherwise authorized or approved pursuant to this Agreement (including Permitted Transfers and other Transfers for which the City's approval is required) shall not be permitted unless, at the time of the Transfer, the person or entity to which such Transfer is made, by an agreement reasonably satisfactory to the City and in form recordable in the Office of the Los Angeles County Recorder, expressly agrees to perform and observe, from and after the date of the Transfer, the obligations, terms and conditions of this Agreement; provided, however, that no such transferee shall be liable for the failure of its predecessor to perform any such obligation.

d. Any assignment of rights and/or delegation of obligations under this Agreement in connection with a Transfer (whether or not the City's approval is required)

shall be in writing executed by Developer and the assignee or transferee, which written agreement shall name the City as expressed third party beneficiaries with respect to such agreement (the "Assumption Agreement") with a copy thereof delivered to the City within ten (10) Business Days after the effective date thereof. Upon assignment or transfer of this Agreement pursuant to an Assumption Agreement, the assignor shall be relieved of liability with respect to any such obligations relating to the Project assumed by the assignee. Notwithstanding the foregoing, unless such assignee specifically assumes pursuant to the Assumption Agreement the obligations under this Agreement to indemnify the City with respect to the Project, the assignor shall retain such obligations and remain jointly and severally liable for such indemnity obligations with such assignee. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent, termination of the Regulatory Agreement, withdrawal of the Notice of Affordability Restrictions and the termination of this Agreement.

e. Developer shall reimburse the City for all actual staff time and consultant (legal and financial) costs associated with the City's review and consideration of any request for approval of a Transfer. The City shall not be obligated to act on any request for approval of a Transfer unless Developer shall deposit with the City the sum of Ten Thousand Dollars ($10,000), which amount shall be subject to adjustment equal to the cumulative annual increase, if any, in the Consumer Price Index since 2011, together with its request for approval of a Transfer. If the costs of the City's review is less than the amount deposited, the excess deposit shall be returned to Developer. If the costs of the City's review exceed the deposit amount, the City shall send the Developer a bill for the costs and Developer shall promptly pay the City the additional costs.

ARTICLE 9. SECURITY FINANCING AND RIGHTS OF LENDERS

9.1 No Encumbrances Except for Development Purposes.

a. Until the Conditions Precedent to the Close of Escrow set forth in Section 3.1 of this Agreement have been satisfied and the Close of Escrow occurs, Developer shall not place mortgages, deeds of trust, or any other encumbrances as security for loans on the Site.

b. From and after the Close of Escrow, mortgages, deeds of trust, and other real property security instruments are permitted to be placed upon the Developer's interest in the Site to the extent consistent with Developer's Financing Plan and Project Budget as approved by the City. Such permitted security instruments and related interests shall be referred to as "Security Financing Interests." The Developer shall promptly notify the City in writing of any Security Financing Interest that Developer intends to record against the Site. The documents evidencing the Security Financing Interests shall provide that in the event of a Developer default, the holder of the Security Financing Interest shall send notice of the default to the HCID concurrently with its notice to the Developer.

c. The Developer may record Security Financing Interests on the Site only for the purpose of securing Construction Loans and Permanent Loans identified in the Project Budget or Financing Plan approved by the City, and any refinancing of any such approved financing, subject to the City's consent.

d. No permitted Security Financing Interest will encumber any interest in the Site other than the leasehold interest of Developer in the leased premises under the City Ground Lease and Developer's fee ownership of the Improvements located on such leased Site.

9.2 Lender Not Obligated to Construct.

The holder of any Security Financing Interest authorized by this Agreement ("Permitted Lender") is not obligated to construct or complete any improvements or to guarantee such construction or completion, nor shall any covenant or any other provision of this Agreement be construed so to obligate such Permitted Lender. However, nothing in this Agreement shall be deemed to permit or authorize any such Permitted Lender to devote the Site or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

9.3 Notice of Default and Right to Cure.

a. Whenever the City delivers to Developer any notice of breach (or demand for performance) with respect to the commencement, completion, or cessation of the construction of the Project, HCID shall at the same time deliver such notice to each Permitted Lender and the Tax Credit Investor. Each Permitted Lender and the Tax Credit Investor shall (insofar as the rights of the City is concerned) have the right, but not the obligation, at its option, within twenty (20) Business Days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default or breach which is subject to the lien of the Security Financing Interest held by such holder and to add the cost thereof to the security interest debt and the lien on its security interest. Any such increase in a Security Financing Interest, limited to the amount needed to cure or remedy such default, shall not require additional approval by the City. Nothing contained in this Agreement shall be deemed to permit or authorize any Permitted Lender to undertake or continue construction or completion of the Project (beyond the extent necessary to conserve or protect such improvements or construction already made) without first having expressly assumed in writing the Developer's obligations to the City under this Agreement. The Permitted Lender in that event must agree to complete, in the manner provided in this Agreement, the development of the Project. Any such holder properly completing the development of the Project pursuant to this section shall assume all rights and obligations of Developer under this Agreement and shall be entitled, upon written request made to the City, to a Certificate of Completion from the City.

b. If a non-monetary event of default occurs under the terms of this Agreement, prior to exercising any remedies hereunder, HCID shall give Developer, any Permitted Lender and the Tax Credit Equity Investor, as identified in Developer's LLC Agreement or partnership agreement, as the case may be, simultaneous notice of such default. If the default is reasonably capable of being cured within twenty (20) Business Days after such notice is received or deemed received, Developer shall have such period to effect a cure prior to exercise of remedies by the City under this Agreement. If the default is such that it is not reasonably capable of being cured within twenty (20) Business Days, and Developer (i) initiates corrective action within said period, and (ii) diligently and in good faith works to effect a cure as soon as possible, then Developer shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the City. If Developer fails to take corrective action or to cure the default within a reasonable time, the City shall give Developer, any Permitted Lender and the Tax Credit Equity Investor written notice thereof, whereupon the Tax Credit Equity Investor may exercise any authority it may have under the Developer's LLC Agreement or partnership agreement, as the case may be, and the Permitted Lender may exercise any authority it may have under its financing agreements with Developer, to take corrective action, which may include, among other things, removing and replacing the managing member or general partner with a substitute managing member or general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall the City be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) calendar days after the notice of default is received or deemed received.

9.4 Failure of Permitted Lender to Complete Project.

In any case where six (6) months after default by the Developer, a Permitted Lender has not exercised its right to commence to complete the construction of the Project, or, having commenced to complete the construction of the Project has failed to complete the Project in a timely manner, the City shall be afforded those rights against such Permitted Lender it would otherwise have against the Developer under this Agreement.

9.5 Right of the City to Cure.

In the event of a default or breach by the Developer under the terms of any Security Financing Interest prior to the completion of construction of the Project, and if the Permitted Lender has not exercised its right to commence to complete the construction of the Project, or, having commenced to complete the construction of the Project has failed to complete the Project in a timely manner, the City may, upon prior written notice to the Developer, cure the default or breach, prior to the completion of any foreclosure. In such event, the City shall be entitled to reimbursement from the Developer

of all costs and expenses incurred by the City in curing the default. The City shall also be entitled to a lien upon the Project and/or Site to the extent of such costs and disbursements. The City agree that such lien shall be subordinate to any Senior Loan, and the City shall execute from time to time any and all documentation reasonably requested by the Developer to effect such subordination.

9.6 Permitted Lenders to be Notified.

The Developer shall obtain and submit to the City acknowledgement of this Article 9 by each holder of a Security Financing Interest prior to recordation of such Security Financing Interest.

9.7 Modifications.

If a Permitted Lender or Tax Credit Equity Investor should, as a condition of providing funding for the Project, request any modification of this Agreement in order to protect its interests in the Project or this Agreement, the HCID General Manager shall consider such request in good faith consistent with the purpose and intent of this Agreement and the rights and obligations of the Parties under this Agreement. The HCID's General Manager shall have the authority to approve revisions to the terms of this Agreement requested in writing by a Permitted Lender or Tax Credit Equity Investor that are not material revisions if he/she reasonably determines that such revisions: (a) are limited to minor, technical or procedural matters; (b) do not increase the amount of the City Rent and debts to the City related to this Agreement, Ground Lease and city Development Documents; (c) do not result in a reduction of equity and loan funds sufficient to complete the Project; (d) do not materially adversely affect the economic feasibility of the Project; (e) do not materially adversely affect City fee title to the Site; (f) do not materially adversely affect the security of the City Leasehold Deed of Trust, if any; (g) do not materially modify the Conditions Precedent to the Close of Escrow; and (h) do not materially reduce any benefit to the City or the public pursuant to this Agreement. The City shall have the right to approve or disapprove such non-material changes in his/her sole discretion, or may refer such decision to HCID. Material revisions of this Agreement shall require the prior approval of the City.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 Defaults – General.

a. Subject to the extensions of time set forth in Section 11.3 of this Agreement, failure or delay by either Party to perform or to comply with any term or provision of this Agreement shall constitute an Event of Default under this Agreement. The Party who fails or delays must commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence.

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

c. If a monetary Event of Default occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party in default written notice of such default. The Party in default shall have a period of ten (10) Business Days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the injured Party.

d. If a non-monetary Event of Default occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party in default notice of such default. If the default is reasonably capable of being cured within twenty (20) Business Days after such notice is received or deemed received, the Party in default shall have such period to effect a cure prior to exercise of remedies by the injured Party. If the default is such that it is not reasonably capable of being cured within twenty (20) Business Days, and the Party in default (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the Party in default shall have such additional time as is reasonably necessary, but not more than one hundred eighty (180) calendar days, to cure the default prior to exercise of any remedies by the injured Party.

e. If Developer fails to take corrective action or cure the default within a reasonable time, HCID shall give each Permitted Lender and, as provided in paragraph f., below, the Tax Credit Equity Investor, notice thereof. The Tax Credit Equity Investor may take such action, including removing and replacing the managing member or managing general partner of Developer with a substitute managing member or managing general partner, who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. The City agrees to accept cures tendered by any Permitted Lender or Tax Credit Equity Investor within the cure periods provided in this Agreement, Ground Lease and City Development Documents. Additionally, in the event any Permitted Lender or Tax Credit Equity Investor is precluded from curing a non-monetary default due to a bankruptcy, injunction, or similar proceeding by or against Developer or the managing member or managing general partner of Developer, the City agrees to forbear from completing a foreclosure under this Agreement (judicial or non-judicial) during the period during which the Senior Lender or Tax Credit Equity Investor is so precluded from acting, not to exceed ninety (90) calendar days, provided such Tax Credit Equity Investor and Senior Lender are otherwise in compliance with the foregoing

provisions. In no event shall the City be precluded from exercising remedies if its rights become or are about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) calendar days after the first notice of default is given.

f. After Developer gives written notice to the City of the admission to Developer's limited liability company or limited partnership of the Tax Credit Equity Investor, HCID shall send to the Tax Credit Equity Investor a copy of all notices of default and all other notices that HCID sends to Developer, at the address for the Tax Credit Equity Investor as provided by written notice to the City by Developer.

10.2 Institution of Legal Actions.

In addition to any other rights or remedies (and except as otherwise provided in this Agreement), either Party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court of that county, or in the United States District Court for the Central District of California.

10.3 Applicable Law.

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

10.4 Acceptance of Service of Process.

a. In the event that any legal action is commenced by Developer against the City, service of process on the City shall be made by personal service upon the City Clerk, or in such other manner as may be provided by law.

b. In the event that any legal action is commenced by the City against Developer, service of process on Developer shall be made by personal service upon Developer (or upon the managing member or managing general partner or any officer of Developer) and shall be valid whether made within or without the State of California, or in such manner as may be provided by law.

10.5 Rights and Remedies Are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude

the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

10.6 Damages.

Subject to the notice and cure provisions of Section 10.1 of this Agreement, if either Party defaults with regard to any of the provisions of this Agreement, the non-defaulting Party shall serve written notice of such default upon the defaulting Party. If the default is not cured within the time provided in Section 10.1 of this Agreement, the defaulting Party shall be liable to the non-defaulting Party for any damages caused by such default, and the non-defaulting Party may thereafter (but not before) commence an action for damages against the defaulting Party with respect to such default. In no event shall the City be liable to Developer for any attorney's fees.

10.7 Specific Performance.

Subject to the notice and cure provisions of Section 10.1 of this Agreement, if either Party defaults with regard to any of the provisions of this Agreement, the non-defaulting Party shall serve written notice of such default upon the defaulting Party. If the default is not cured within the time provided in Section 10.1 of this Agreement, the non-defaulting Party, at its option, may thereafter (but not before) commence an action for specific performance of the terms of this Agreement pertaining to such default.

10.8 Termination by Either Party.

Prior to the Close of Escrow, either Party shall have the right to terminate this Agreement, by providing written notice to the other Party, in the event of a failure of any Condition Precedent to the Close of Escrow as set forth in Section 3.1 of this Agreement, provided that such condition is for the benefit of and such failure is outside the control of the Party seeking to terminate this Agreement. Upon such termination, neither the City nor Developer shall have any further rights against or liability to the other under this Agreement, except for indemnification rights that survive termination of this Agreement.

10.9 Termination by the City.

a. Subject to the notice and cure provisions of Section 10.1 of this Agreement, the City shall have the right, prior to the Close of Escrow, to terminate this Agreement by providing written notice to Developer, in the event of a default by Developer or failure of any Condition Precedent to the Close of Escrow, including but not limited to the following:

(1) Developer fails to submit to the City evidence of financing or fails to satisfy any other Condition Precedent to the Close of Escrow, within the time established thereforth in this Agreement or the Schedule of Performance; or

(2) Developer (or any successor in interest) assigns or attempts to assign any of Developer's rights in and to the Site or any portion thereof or interest therein, or this Agreement or any portion hereof, except as permitted by this Agreement; or

(3) there is substantial change in the ownership of Developer, or with respect to the identity of the parties in control of Developer, or the degree thereof contrary to the provisions of Section 8.2 of this Agreement; or

(4) Developer fails to submit any of the plans, drawings and related documents required by this Agreement by the respective dates provided in this Agreement therefor; or

(5) there is any other material default by Developer under the terms of this Agreement which is not cured within the time provided herein.

b. After the Close of Escrow but before the issuance of the Certificate of Completion, the City shall have the additional right to terminate this Agreement in the event any of the following defaults shall occur:

(1) Developer fails to commence construction of the Improvements as required by this Agreement and such breach is not cured within the time provided in Section 10.1 of this Agreement, provided that Developer shall not have obtained an extension or postponement to which Developer may be entitled pursuant to Section 11.3 hereof; or

(2) Developer abandons or substantially suspends construction of the improvements and such breach is not cured within the time provided in Section 10.1 of this Agreement, provided Developer has not obtained an extension or postponement to which Developer may be entitled to pursuant to Section 11.3 hereof; or

(3) Developer assigns or attempts to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of the Site, or any part thereof, in violation of this Agreement, and such breach is not cured within the time provided in Section 10.1 of this Agreement; or

(4) Developer otherwise materially breaches this Agreement, and such breach is not cured within the time provided in Section 10.1 of this Agreement.

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10.10 Survival.

Upon termination of this Agreement pursuant to this Article 10, all indemnification provisions set forth in this Agreement and any other provisions of this Agreement which by their terms are to survive termination hereof shall survive such termination. This Section 10.10 is for reference purposes only, and does not alter the scope or nature of the surviving provisions.

10.11 Inaction Not a Waiver of Default.

Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

10.12 No Attorneys' Fees.

Should legal action be brought by either Party for breach of this Agreement or to enforce any provision, neither Party in such action shall be entitled to attorneys' fees, court costs and other litigation expenses, including, without limitation, expenses incurred for preparation and discovery, and on appeal.

10.13 Rights and Remedies Cumulative.

Except as otherwise provided, the rights and remedies of the Parties are cumulative, and the exercise or failure to exercise any right or remedy shall not preclude the exercise, at the same time or different times, of any right or remedy for the same default or any other default.

ARTICLE 11. GENERAL PROVISIONS

11.1 Developer Representations and Warranties.

The Developer represents and warrants to the City, as follows:

a. Organization. The Developer is _____, a California _____, whose co-general partner is _____, a California _____, whose member is _____, a California _____, each of which is duly organized, validly existing and in good standing under the laws of the State of California, with full power and authority to conduct its business as presently conducted and to execute, deliver and perform its obligations under this Agreement.

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b. Authorization. The Developer has taken all necessary action to authorize its execution, delivery and, subject to any conditions set forth in this Agreement, performance of the Agreement. Upon the date of this Agreement, this Agreement shall constitute a legal, valid and binding obligation of the Developer, enforceable against it in accordance with its terms.

c. No Conflict. The execution, delivery and performance of this Agreement by the Developer does not and shall not materially conflict with, or constitute a material violation or material breach of, or constitute a default under (i) the charter or incorporation documents of the Developer, (ii) any applicable law, rule or regulation binding upon or applicable to the Developer, or (iii) any material agreements to which the Developer is a party.

d. No Litigation. Unless otherwise disclosed in writing to the City prior to the date of this Agreement, there is no existing or, to the Developer's actual knowledge, pending or threatened litigation, suit, action or proceeding before any court or administrative agency affecting the Developer or, to the best knowledge of the Developer, the Site that would, if adversely determined, materially and adversely affect the Developer or the Site or the Developer's ability to perform its obligations under this Agreement or to develop and operate the Project.

e. Licenses, Permits, Consents and Approvals. Developer and/or any person or entity owning or operating the Site has duly obtained and maintained, or shall duly obtain and maintain, and shall continue to obtain and maintain, all licenses, permits, consents and approvals required by all applicable governmental authorities to own and operate the business on the Site.

11.2 Notices.

Formal notices, demands, and communications between the City and the Developer shall be sufficiently given if, and shall not be deemed given unless given in writing and dispatched by certified mail, return receipt requested, or by electronic facsimile transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), with a receipt showing date of delivery, to the principal offices of the HCID and the Developer as follows:

HCID: Housing and Community Investment Department
1200 W. 7th Street, Suite 900
Los Angeles, CA 90017
Attn: General Manager

With copies to: Housing and Community Investment Department
Asset Management Division
1200 W. 7th Street, Suite 900
Los Angeles,CA 90017
Attn: Asset Manager

Developer:

_____

_____

Attn: _____

With copies to: _____

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section 11.2. Delivery shall be deemed to have occurred at the time indicated on the receipt for delivery or refusal of delivery.

11.3 Enforced Delay: Extension of Time of Performance.

a. In addition to specific provisions of this Agreement, the time for performing non-monetary obligations pursuant to this Agreement shall be extended and non-monetary performance by either Party shall not be deemed to be in default where delays are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; acts of god; severe or unusual shortages of materials or labor; uncommon inclement weather of an extreme or exceptional nature, unavoidable casualty; or court order; or any other similar causes (other than lack of funds of the Developer or the Developer's inability to finance the construction of the Project) beyond the control or without the fault of the Party claiming an extension of time to perform.

b. An extension of time for any such cause (a "Force Majeure Delay") shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within twenty (20) Business Days of knowledge of the commencement of the cause. Notwithstanding the foregoing, none of the foregoing events shall constitute a

Force Majeure Delay unless and until the Party claiming such delay and interference delivers to the other Party written notice describing the following: the event; its cause; when and how such Party obtained knowledge; the date the event commenced; a reasonable causal connection between the event and the need to extend the time of such Party's performance; and the estimated delay resulting from the event. Any Party claiming a Force Majeure Delay shall deliver such written notice within twenty (20) Business Days after it obtains actual knowledge of the event. Times of performance under this Agreement may also be extended in writing by the City and Developer.

11.4 Conflict of Interest.

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

b. Developer warrants that it has not paid or given, and shall not pay or give, any third person any money or other consideration for obtaining this Agreement.

11.5 Non-liability of City Officials and Employees.

No member, official, agent, legal counsel or employee of the City shall be personally liable to Developer, or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

11.6 Inspection of Books and Records.

a. Prior to Completion, the City shall have the right at all reasonable times to inspect the books and records of Developer pertaining to the development of the Site as pertinent to the purposes of this Agreement. Developer shall also have the right at all reasonable times to inspect the books and records of HCID pertaining to the Site as pertinent to the purposes of this Agreement.

b. In addition, at all times prior to the expiration of the Regulatory Agreement, and/or repayment in full of the City Rent and debts to the City , whichever occurs later, the City shall have the right at all times to inspect the books and records of Developer pertaining to the operation of the Site.

11.7 Approvals.

a. Except as otherwise expressly provided in this Agreement, approvals required of the City or Developer in this Agreement, including the attachments hereto,

shall not be unreasonably withheld, delayed or conditioned. All approvals shall be in writing. Failure by either Party to approve or disapprove a matter within the time provided for approval or disapproval of the matter shall not be deemed either approval or disapproval of the matter unless this Agreement specifically provides otherwise. Notwithstanding the foregoing, nothing contained in this Agreement shall restrict or limit the exercise of discretion by the Mayor, City Council or any member of the City Council in approving or disapproving this Agreement or any proposed material revisions or amendments to this Agreement, which approval may be granted or denied in the sole and absolute discretion of the City.

b. Whenever this Agreement calls for City approval, consent, or waiver, the written approval, consent, or waiver of, the HCID General Manager shall constitute the approval, consent, or waiver of the City, without further authorization required from the City Council and Mayor. The City hereby authorizes the HCID's General Manager to deliver such approvals or consents as are required by this Agreement, or to waive requirements under this Agreement, on behalf of the City. However, subject to Section 9.7 of this Agreement, any material modification and any amendment to this Agreement shall require approval by the City Council and Mayor.

11.8 Real Estate Commissions.

Neither Developer nor the City shall be liable for any real estate commissions or brokerage fees which may arise from this Agreement. Developer and the City each represents that it has engaged no broker, agent or finder in connection with this Agreement.

11.9 Construction and Interpretation of Agreement.

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

b. If any term or provision of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any Party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each other term and

provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties hereto that in lieu of each clause or provision of this Agreement that is illegal, invalid, or unenforceable, there be added as a part of this Agreement an enforceable clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible.

c. Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of its provision.

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

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

11.10 Time of Essence.

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

11.11 Relationship of the Parties.

Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, or any other similar relationship between the parties hereto or cause the City to be responsible in any way for the debts or obligations of Developer or any other Person.

11.12 Compliance with Law.

Developer agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Site and the Improvements, as well as operations conducted thereon. The judgment of any court of competent jurisdiction, or the admission of Developer or any lessee or permittee in any action or proceeding against them, or any of them, whether the City be a party thereto or not, that Developer, lessee or permittee has violated any such ordinance or statute in the development and use of the Site shall

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be conclusive of that fact as between the City and Developer and shall therefore allow the City to exercise any and all remedies set forth in the City's Contractor/Developer Responsibility Policy.

11.13 Binding Effect.

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

11.14 Rights of Third Parties.

a. Except as otherwise expressly provided in this Agreement and the Regulatory Agreement, this Agreement shall not be deemed to confer any rights upon, nor obligate either of the Parties to this Agreement to any person or entity not a Party to this Agreement, and the Parties explicitly disclaim any intent to create a third party beneficiary relationship with any person or entity as a result of this Agreement.

b. The City shall be a third-party beneficiary retaining enforcement rights with respect to this Agreement.

c. The covenants and restrictions relating to the Affordable Housing Units set forth in Article 7 of this Agreement and in the Regulatory Agreement shall run with the land and shall be enforceable against any owner of the Site who violates a covenant or restriction and each successor in interest who continues the violation by any of the following:

1. The City;

2. A resident of any of the Affordable Units;

3. A residents' association with members who reside in the Affordable Units;

4. A former resident of an Affordable Unit;

5. An applicant seeking to enforce the covenants or restrictions for a particular Affordable Unit, if the applicant conforms to all of the following:

(A) Is of Low or Moderate Income;

(B) Is able and willing to occupy that particular Affordable Unit; and

(C) Was denied occupancy of that particular Affordable Unit due to an alleged breach of a covenant or restriction set forth in the Regulatory Agreement; and

6. A person on an affordable housing waiting list who is of Low or Moderate Income and who is able and willing to occupy an Affordable Unit.

11.15 Authority to Sign.

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

11.16 Use of Project Images.

a. Developer hereby consents to and approves the use by the City of images of the Project, its models, plans and other graphical representations of the Project and its various elements ("Project Images") in connection with marketing, public relations, and special events, websites, presentations, and other uses required by the City in connection with the Project. Such right to use the Project Images shall not be assignable by the City to any other party (including, without limitation, any private party) without the prior written consent of Developer. Developer shall obtain any rights and/or consents from any third parties necessary to provide these Project Image use rights to the City.

b. Any publicity generated by Developer for the Project during the term of the Ground Lease shall make reference to the contribution of the City of Los Angeles in making the Project possible. The words "City of Los Angeles" shall be prominently displayed in any and all pieces of publicity, including but not limited to flyers, press releases, posters, signs, brochures, public service announcements, interviews and newspaper articles. Developer further agrees to cooperate with authorized staff and officials of the City in any City-generated publicity or promotional activities undertaken with respect to the Project.

11.17 Plans and Data.

If Developer does not proceed with the lease or development of the Site, or if this Agreement is terminated for any reason, other than the breach of this Agreement by the City, Developer shall deliver to the City, without cost or expense to the City, any and all plans, drawings, studies, designs, reports, surveys, and data pertaining to the site and its development (collectively, "Site Designs") which are in the possession of Developer, together with a Bill of Sale therefor, which Site Designs shall thereupon be the

sole property of the City, free of all claims or interests of Developer or any other person; and which the City may use, grant, license or otherwise dispose of to any person for development of the Site or any other purpose. To secure the obligations set forth in this Section and as a condition precedent to the execution of the Ground Lease, Developer shall execute and cause its architect and contractor, as the case may be, and shall deliver to the City an Assignment of Agreements, Plans, Specifications and Entitlements substantially in the form of the instrument attached to this Agreement as **Exhibit G** to Part I of Exhibits.

11.18 Applicable Law.

A. This Agreement shall be interpreted under and pursuant to the laws of the State of California. The Developer shall carry out the administration of this Agreement and the construction and operation of the Project, in conformity with all applicable laws, to the extent they may apply, including, but not limited to the following applicable federal and state laws, as may be amended from time to time:

1. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended, 42 U.S.C. §3601, *et seq* and implementing regulations at 24 C.F.R. Part 100, *et seq*, including, without limit, the design and construction requirements set forth in 42 U.S.C. §3604(f)(3) and the corresponding rules of HUD.

2. Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 C.F.R. Part 107.

3. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4)(Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 C.F.R. Part 1; and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Developer, to take reasonable steps to insure meaningful access to its programs and activities by persons with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.

4. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, 42 U.S.C. 2000e.

5. Title IX of the Education Amendments of 1972, as amended (20 USC

§1681-§1683, and §1685-§1686).

6. Drug Abuse Office and Treatment Act of 1972, P.L. 92-255, as amended, relating to nondiscrimination on the basis of drug abuse.

7. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616 as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.

8. Public Health Service Act of 1912, 42 USC 290 dd-3 and 290 ee-3, as amended, relating to confidentiality of alcohol and drug abuse patient records.

9. Genetic Information Nondiscrimination Act of 2008 (GiNA) P.L. 110-233

10. The Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and implementing regulations at 24 CFR Part 146.

11. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 and implementing regulations at 24 C.F.R. Part 8, including the design and construction requirements of the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40 or any other applicable or successor design and construction requirements.

12. Architectural Barriers Act of 1968, 42 U.S.C. 4151-4157.

13. Americans With Disabilities Act 42, U.S.C. 12101 *et seq.*, its implementing regulations at 28 CFR Part 35, and the Americans with Disabilities Amendments (ADAAA) Pub. L. 110-325 and all subsequent amendments, including the 2010 Standards for Accessible Design as defined in 28 C.F.R. § 35.104 and as applied to public entities (excluding any elevator exceptions).

14. Alternative Accessibility Standard for new construction per HUD's Notice at 79 Fed. Reg. 29,671 (May 23, 2014).

15. Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4821-4826 and implementing regulations at 24 CFR Part 35.

16. Executive Order 12372 and implementing regulations at 24 CFR Part

52.

17. Flood Disaster Act of 1973, 42 U.S.C. 4001, *et seq.*

18. Wild and Scenic Rivers Act of 1968, 16 U.S.C. 1271, *et seq.*

19. Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq.

20. Drug Free Workplace Act of 1988, 41 U.S.C. 701 et seq and HUD's implementing regulations at 2 C.F.R. part 2429; 28 C.F.R. Part 83; California Drug-Free Workplace Act of 1990, California Government Code Section 8350-8357.

21. Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, 42 U.S.C. 4601, *et seq.* and 24 CFR Part 42.

22. Office of Management and Budget ("OMB") Circulars: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-110 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), and as codified in 2 CFR part 200 and 2 CFR part 2400.

23. Hatch Act, 5 U.S.C. 1501-1508 and 7324-7328

24. Copeland Act, 40 U.S.C. 276c and 18 U.S.C. 874

25. Contract Work Hours and Safety Standards Act, 40 U.S.C. 327-333.

26. Federal Fair Labor Standards Act, 29 U.S.C. 201

27. Pursuant to California Government Code Section 16645, *et seq*, none of the funds shall be used to promote or deter Union/Labor organizing activities.

28. California Child Abuse and Neglect Reporting Act, California Penal Code Section 11164 *et seq.* and specifically Sections 11165.7, 11165.9, and 11166.

29. Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470, EO 11593, and the Archaeological and

Historic Preservation Act of 1974, 16 U.S.C. 469A-1 *et seq*.

30. Project requirements in 92 C.F.R. Part 92, Subpart F, as applicable in accordance with the type of project assisted under HOME Funds.

31. The Housing and Community Development Act of 1974, 42 U.S.C. 5301, *et seq.*

32. Uniform Administrative requirements in 24 C.F.R. Part 84 and as described in OMB Circular A-122.

33. Community Housing Development Organization requirements in 24 C.F.R. Sections 92.300, 92.301 and 92.303.

34. Eligible Community Development Block Grant Program activities under 24 C.F.R. Sections 570.200-570.207.

35. Measure JJJ of the November 8, 2016 Los Angeles City Special Municipal Election, Section 5 Affordable Housing and Good Jobs (to be codified in Sections 11.5.11 of the Los Angeles Municipal Code and Section 5.522 of the Los Angeles Administrative Code).

B. Developer must comply with Public Law 103-227, Part C—Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), if applicable. This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or indirectly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds and portions of facilities used for inpatient drug and alcohol treatment. Developer further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

C. Developer acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.),* including treble damages, costs of legal actions to recover payments, and civil penalties of up to $10,000 per false claims.

D. The Developer shall carry out the construction and operation of the Project in conformity with all applicable laws and the requirements of the City, including all applicable federal, state and local labor standards. The Developer shall be responsible for complying with all applicable City, County and State building codes, and planning and zoning requirements, and shall take all necessary steps so that the development of the Property and the construction, use, operation, and maintenance of the Project thereon in accordance with the provisions of this Loan Agreement shall be in conformity with applicable zoning and General Plan requirements, and that all applicable environmental mitigation measures and other requirements shall have been complied with.

11.19 Severability.

If any term, provision, covenant or condition of this Agreement is held in a final disposition by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

11.20 Binding Upon Successors; Covenants to Run With Land.

a. This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the Parties; provided, however, that there shall be no Transfer except as permitted in Article 8. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any successor, heir, administrator, executor, successor, or assign of such Party who has acquired an interest in compliance with the terms of this Agreement or under law.

b. The terms of this Agreement shall run with the land, and shall bind all successors in title to the Site until the termination of this Agreement, except that the provisions of this Agreement that are specified to survive termination of this Agreement shall run with the land in perpetuity and remain in full force and effect following such termination. Every contract, deed, or other instrument hereafter executed covering or conveying the Site or any portion thereof shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the City expressly releases the Site or the applicable portion of the Site from the requirements of this Agreement.

11.21 Effectiveness of Agreement.

This Agreement is dated for convenience only and shall only become effective on the Effective Date.

11.22 Amendments.

This Agreement may be amended only by means of a writing signed by all Parties.

11.23 Police Power.

Nothing contained herein shall be deemed to limit, restrict, amend or modify, nor to constitute a waiver or release of, any ordinances, notices, orders, rules, regulations or requirements (now or hereafter enacted or adopted and/or as amended from time to time) of the City, its departments, commissions, agencies and boards and the officers thereof, including, without limitation, any redevelopment plan or general plan or any zoning ordinances, or any of City's duties, obligations, rights or remedies thereunder or pursuant thereto or the general police powers, rights, privileges and discretion of City in the furtherance of the public health, welfare and safety of the inhabitants thereof, including, without limitation, the right under law to make and implement independent judgments, decisions and/or acts with respect to planning, development and/or redevelopment matters (including, without limitation, approval or disapproval of plans and/or issuance or withholding of building permits) whether or not consistent with the provisions of this Agreement, any Exhibits attached hereto or any other documents contemplated hereby ("City Rules and Powers"). In the event of any conflict, inconsistency or contradiction between any terms, conditions or provisions of this Agreement, Exhibits or such other documents, on the one hand, and any such City Rules and Powers, on the other hand, the latter shall prevail and govern in each case. This Section shall be interpreted for the benefit of City.

11.24 Brokers.

The City and Developer each represents that it has not engaged any broker, agent or finder in connection with this transaction. Developer agrees to defend, indemnify and hold the City and all of the City's Representatives harmless from and against any Losses and Liabilities with respect to such commissions based upon the alleged acts of Developer. The City agree to defend, indemnify and hold Developer harmless from and against Losses and Liabilities with respect to such commissions based upon the alleged acts of the City. The indemnity obligations set forth in this Section shall survive the issuance of a Certificate of Completion by the City, repayment of the City Rent, termination of the Regulatory Agreement, withdrawal of the Notice of Affordability Restrictions and the termination of this Agreement.

11.25 Submittals and Approvals.

Various submittals are required by the Developer pursuant to this Agreement. To the extent expressly provided by this Agreement, the City shall approve or disapprove certain submittals from Developer within specified timeframes.

11.26 Incorporation by Reference.

Each of the attachments and exhibits attached hereto as part of Part I of Exhibits, and/or delivered to Developer as part of Part II of Exhibits is incorporated herein by this reference as though fully set forth herein.

11.27 Counterparts.

This Agreement may be executed by each Party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

11.28 Entire Understanding of the Parties.

This Agreement constitutes the entire understanding and agreement of the Parties with respect to the matters contained herein and supersedes any prior memoranda of understanding, negotiation agreement or commitment letter.

11.29 Approval Procedure.

Execution and delivery of this Agreement by Developer shall constitute Developer's offer to enter into this Agreement with the City. Following receipt of the executed Agreement, this Agreement shall not be effective unless approved by the City Council and Mayor, and executed by the HCID General Manager or designee. This Agreement must be authorized, executed and delivered by HCID within seventy-five (75) calendar days after date of signature by Developer or Developer may withdraw its offer to enter into the Agreement upon written notice to the City. The effective date of this Agreement shall be the date when this Agreement has been executed by the City.

[Signatures appear on the following page]

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

"HCID"

LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

By: _____
SEAN L. SPEAR
Assistant General Manager

Dated: _____

APPROVED AS TO FORM:
MICHAEL N. FEUER,
CITY ATTORNEY

By: _____
Deputy City Attorney

Dated: _____

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"DEVELOPER"

a California

By: _____

Its: _____

Dated: _____

By: _____

Its: _____

Dated: _____

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ACKNOWLEDGEMENT OF RECEIPT OF
PART II OF EXHIBITS

The exhibits constituting Part II are Standard City Requirements which are set forth in a separate document, the receipt of which is hereby acknowledged by Developer.

Part II of Exhibits (Standard City Requirements):

1. City of Los Angeles Requirements and Checklist, with Attachments.
2. ADA Covenants.

By: _____

Its: _____

Date: _____

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DISPOSITION AND DEVELOPMENT AGREEMENT

PART I OF EXHIBITS

[BEHIND THIS PAGE]

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EXHIBIT A

SITE MAP

[BEHIND THIS PAGE]

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EXHIBIT B

LEGAL DESCRIPTION

[BEHIND THIS PAGE]

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EXHIBIT C

SCHEDULE OF PERFORMANCE

[BEHIND THIS PAGE]

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EXHIBIT D

SCOPE OF DEVELOPMENT

[BEHIND THIS PAGE]

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EXHIBIT E

PROJECT BUDGET

[BEHIND THIS PAGE]

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EXHIBIT F

[intentionally omitted]

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EXHIBIT G

FORM OF ASSIGNMENT OF AGREEMENTS, PLANS, SPECIFICATIONS AND ENTITLEMENTS

[BEHIND THIS PAGE]

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EXHIBIT H

FORM OF STATUTORY REQUEST FOR NOTICE

[BEHIND THIS PAGE]

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EXHIBIT I

FORM OF REGULATORY AGREEMENT

[BEHIND THIS PAGE]

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EXHIBIT J

FORM OF NOTICE OF AFFORDABILITY RESTRICTIONS

[BEHIND THIS PAGE]

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EXHIBIT K

HUD REQUIREMENTS

(TO BE ATTACHED ONLY IF CITY ASSISTANCE DERIVES FROM A PROGRAM OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT)

[BEHIND THIS PAGE]

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PART II OF EXHIBITS – CITY CONTRACTING REQUIREMENTS

1. CITY CONSTRUCTION LOCAL HIRE PROGRAM

(TO BE ATTACHED ONLY IF A CONSTRUCTION LOCAL HIRE PROGRAM APPLIES. LOCAL HIRE PROGRAM APPLIES ONLY IF (A) CITY ASSISTANCE IS BETWEEN $500,000 AND $1,000,000; OR (B) CITY ASSISTANCE IS $1,000,000 OR MORE AND CONSTRUCTION CAREERS AND PROJECT STABILIZATION POLICY DOES NOT APPLY)

2. CITY IN-PLACE REHABILITATION PROCEDURES

(TO BE ATTACHED ONLY IF AGREEMENT INVOLVES REHABILITATION OF EXISTING HOUSING WITH DEVELOPERS IN PLACE)

3. CITY HEALTHY NEIGHBORHOODS POLICY

(TO BE ATTACHED ONLY IF CITY COUNCIL APPROVES AMENDED HEALTHY NEIGHBORHOODS POLICY AND THEN ONLY IF CITY ASSISTANCE EXCEEDS $1 MILLION AND THE PROJECT CONTAINS 50 OR MORE RESIDENTIAL UNITS OR 50,000 SQUARE FEET OF NON-RESIDENTIAL FLOOR AREA, OR IF THE PARTIES OTHERWISE AGREE TO LEED CERTIFICATION)

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PART II OF EXHIBITS

EXHIBIT 2

ADA COVENANTS

[BEHIND THIS PAGE]

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ADA COVENANTS

I. The following terms shall have the following definition:

"Accessibility Requirements" refers to the accessibility requirements that must be followed in the design, construction or alteration of the Project or an individual housing unit of the Project (including common use elements), based on all the applicable laws and regulations, including: (1) Title II of the Americans with Disabilities Act("ADA"), 42 U.S.C. §12101, et seq. and the implementing standards ("2010 ADA Standards") at 28 C.F.R. pt. 35 and the 2004 ADA Accessibility Guidelines ("ADAAG"), (2) Section 504 of the Rehabilitation Act of 1973 ("Section 504"), 29 U.S.C. §794, the implementing regulations at 24 C.F.R. Part 8, as well as the requirements of UFAS, (3) the Fair Housing Act ("FHA"), 42 U.S.C. §§3601-3620; 24 C.F.R. Parts 100, 103, and 104, and its implementing regulations, and the California Building Codes.

"Accessible" means when used with respect to a Housing Unit or a Housing Development, full compliance with the Accessibility Requirements.

"Accessible Housing Development" means a Housing Development that is Accessible, including Accessible public and common use areas.

"Accessible Housing Units" means collectively Housing Units that are on an Accessible Route, are Accessible, and are located in an Accessible Housing Development. The term Accessible Units refers collectively to Housing Units with Mobility Features and Housing Units with Hearing/Vision Features.

"Housing Development" means the whole of one or more residential structures in the Project, including common walkways and parking lots that were or are designed, constructed, altered, rehabilitated, operated, administered or financed in whole or in part by the City.

"Housing Unit" means a single unit of residence in the Housing Development that provides spaces for living, bathing, and sleeping.

"Housing Unit with Hearing/Vision Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"Housing Unit with Mobility Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"UFAS" means the Uniform Federal Accessibility Standards for the design, construction or alteration of buildings and facilities to ensure that they are readily accessible to and usable by individuals with disabilities, 24 C.F.R §40, Appendix A.

[Continued on the next page]

II. Additional ADA requirements of the Issuer:

A. Accessible Housing Units. The Housing Development shall be constructed in accordance with HUD's Alternative Accessibility Standard set forth in HUD's notice at 79 Fed. Reg. 29,671 (May 23, 2014) to ensure accessibility for persons with disabilities. The following types of Accessible Housing Units shall be prioritized for persons with disabilities who have a disability-related need for the accessibility features of the unit.

(a) At least ten percent (10%) of the total Housing Units in each Housing Development shall be constructed or rehabilitated and maintained by the Owner as Housing Units with Mobility Features.

(b) At least an additional four percent (4%) of the total Housing Units in each Housing Development shall be constructed or rehabilitated and maintained by the Owner as Housing Units with Hearing/Vision Features.

(c) In determining the number of units any fractions of units shall be rounded up to the next whole number.

(d) The Accessible Housing Units shall, to the maximum extent feasible, be geographically distributed and dispersed in terms of location within the Housing Development, and shall be provided in a range of unit sizes and types.

(e) Within fifteen (15) working days of the temporary Certificate of Occupancy being issued, Owner shall provide the City with a list of all Accessible Housing Units, specifying the unit number, bedroom size and type of impairment, i.e. mobility or hearing/vision.

(f) Following reasonable notice to Owner, Owner shall allow the City to conduct periodic onsite inspections of the Housing Developments in order to verify compliance with the Accessibility Standards.

(g) The City and/or its agents will monitor the Developer's compliance with this Agreement and the requirements of the source of funds utilized to finance the Project. Violations of this Agreement and/or funding requirements may result in penalties, fees and expenses being levied against the City. The Owner will be responsible for any costs, penalties, fees and expenses levied against the City and will be responsible to pay any expenses incurred by the City to enforce this Agreement.

HCIDLA will monitor the initial production and ongoing occupancy of the Accessible Housing Units and the Accessible Housing Development by applying the updated ADAAG to ensure full compliance with the Accessibility Requirements. In order to determine compliance with the Accessibility Requirements, Developer shall submit the

name and HCIDLA shall review and approve a Certified Access Specialist ("CASp") for the Project. The CASp will:

1. Review building plans and specifications for compliance with Accessibility Requirements and issue a Building Plans Compliance Report;
2. Conduct progress/rough inspections and issue a Progress Inspection Report of the housing development that identifies any compliance issues; and
3. Conduct final inspection(s) to ensure that all compliance issues have been resolved. CASp will issue a set of findings that identify all compliance issues and a final Accessibility Report when the Project is in compliance.

HCIDLA shall inspect the construction/rehabilitation to verify that the correct number of Accessible Housing Units have been produced and that the necessary and required design elements have been constructed to make the units and site accessible for individuals with disabilities, in compliance with Section 2 and supported by an independent CASp consultant's report.

During the term of this Agreement, HCIDLA will utilize the Housing Development's City approved Property Management Plan and Fair Housing Policy in Regard to Disability, to monitor ongoing occupancy compliance of the Accessible Housing Units and nondiscrimination in regards to individuals with disabilities. Compliance with the Accessibility Requirements shall include, but not be limited to, target marketing, establishing and monitoring Transfer and Waiting Lists for the Accessible Housing Units, reasonable accommodations and modifications requests, implementation of the service animal policy and policy for re-leasing empty Accessible Housing Units and all elements contained in the Fair Housing Policy in Regard to Disability dated July 28, 2014, as amended over time.

[End of Exhibit 2]

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PART II OF EXHIBITS

EXHIBIT 3

MAYOR'S EXECUTIVE DIRECTIVE No. 26

Issue Date: December 21, 2012

City-wide Compliance with Federal and State Disablity Laws

[Behind This Page]

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PART II OF EXHIBITS – EXHIBIT 4

EXHIBIT 4

The Instructions and Information on Complying with City Insurance Requirements (Form General 133) and the Required Insurance and Minimum Limits Sheet (Form General 146) are attached hereto to this Exhibit 4.

EXHIBIT 4

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

DEVELOPER AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. DEVELOPER will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving DEVELOPER ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to DEVELOPER, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by DEVELOPER.

DEVELOPER'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from DEVELOPER.

6. Workers' Compensation. By signing this Contract, DEVELOPER hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, DEVELOPER must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 4 (Continued)
Required Insurance and Minimum Limits

Name: _____ Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

___ **Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)** **WC** *Statutory*
EL _____

☐ Waiver of Subrogation in favor of City ☐ Longshore & Harbor Workers
☐ Jones Act

___ **General Liability** _____ _____

☐ Products/Completed Operations ☐ Sexual Misconduct _____
☐ Fire Legal Liability _____
☐ _____

___ **Automobile Liability** (for any and all vehicles used for this Contract, other than commuting to/from work) _____

___ **Professional Liability** (Errors and Omissions) _____

___ **Property Insurance** (to cover replacement cost of building – as determined by insurance company) _____

☐ All Risk Coverage ☐ Boiler and Machinery
☐ Flood _____ ☐ Builder's Risk
☐ Earthquake _____ ☐ _____

___ **Pollution Liability** _____

☐ _____

___ **Surety Bonds** – Performance and Payment (Labor and Materials) Bonds 100 % of Contract Price
___ **Crime Insurance** _____

Other: _____

Attachment K: Owners Participation Agreement Template

OWNERS PARTICIPATION AGREEMENT

(PROJECT NAME)

by and among

CITY OF LOS ANGELES,

a municipal corporation, acting on its own behalf, and by and through the Housing and Community Investment Department as successor to the housing assets and housing functions of the Community Redevelopment Agency of the City of Los Angeles under Section 34176(a) of the California Health and Safety Code pursuant to the Agreement regarding CRA/LA Affordable Housing Assets and Functions with the effective date of April 5, 2013 ("City")

and

---

a California corporation
("Developer")

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TABLE OF CONTENTS

Page

ARTICLE 1. SUBJECT OF AGREEMENT. 1
1.1 Purpose of Agreement. 1
1.2 Definitions. 2
1.3 Exhibits. 13
ARTICLE 2. PARTIES TO THE AGREEMENT. 14
2.1 City of Los Angeles. 14
2.2 Developer 14
2.3 No Joint Venture. 15
ARTICLE 3. DISPOSITION OF CITY SITE 15
3.1 Conditions Precedent to Close of Escrow. 15
3.2 Financing for the Project. 19
3.3 Security Deposit and Liquidated Damages. 21
3.4 Purchase and Sale of City Site. 21
3.5 Purchase Price. 22
3.6 Condition of the City Site. 22
3.7 Discovery of Hazardous Materials. 25
3.8 Escrow. 26
3.9 Close of Escrow. 28
3.10 Recordation of Documents. 29
3.11 Title Insurance. 29
ARTICLE 4. METHOD OF FINANCING 29
4.1 Total Development Costs. 29
4.2 Acquisition Loan. 29
4.3 Construction Period Financing. 31
4.4 Permanent Sources of Financing. 32
ARTICLE 5. SCOPE OF DEVELOPMENT/DESIGN REQUIREMENTS 32
5.1 Design in Conformance with Scope of Development, Residential Citywide Design Guidelines and Approved Project Documents. 32
5.2 City Review. 33
ARTICLE 6. CONSTRUCTION OF THE IMPROVEMENTS. 33
6.1 Commencement of Construction. 33
6.2 Completion of Construction. 33
6.3 Construction Pursuant to Scope and Plans. 34
6.4 Certificate of Completion. 34
6.5 Compliance with Applicable Law and City Policies. 36
6.6 Relocation. 36
6.7 Construction Signs. 37
6.8 Publicity. 37
6.9 Progress Reports. 37
6.10 Entry onto the Site by the City. 37
6.11 Mechanics' Liens. 38
6.12 Non-Discrimination During Construction; Equal Opportunity. 38

DRAFT

6.13 Affirmative Outreach in Contracting Procedures and Employment, Including Utilization of Project Area, Minority, Women and Other Businesses and Persons. 40
6.14 Cost of Development. 43
6.15 Prevailing Wages. 43
ARTICLE 7. USE OF THE SITE AND DEVELOPER OBLIGATIONS DURING AND AFTER CONSTRUCTION 45
7.1 Uses. 45
7.2 Affordability. 45
7.3 Allowable Rent. 46
7.4 Maintenance of the Site. 46
7.5 Management Requirements. 46
7.6 Obligation to Refrain from Discrimination. 47
7.7 Form of Nondiscrimination and Nonsegregation Clauses. 47
7.8 Barriers to the Disabled. 49
7.9 Effect and Duration of Covenants. 50
7.10 Regulatory Agreement. 50
7.11 Monitoring. 50
7.12 Indemnity. 51
7.13 Insurance Coverage. 52
7.14 Insurance Advances. 55
7.15 Hazardous Materials. 55
7.16 Taxes and Assessments. 57
7.17 City's Living Wage Ordinance and Service Contractor Worker Retention Ordinance. 58
ARTICLE 8. ASSIGNMENT AND TRANSFERS 65
8.1 Definitions. 65
8.2 Restrictions on Transfer. 65
8.3 Prohibited Transfers. 66
8.4 Effectuation of Transfers. 66
ARTICLE 9. SECURITY FINANCING AND RIGHTS OF LENDERS 68
9.1 No Encumbrances Except for Development Purposes. 68
9.2 Lender Not Obligated to Construct. 68
9.3 Notice of Default and Right to Cure. 68
9.4 Failure of Permitted Lender to Complete Project. 70
9.5 Right of the City to Cure. 70
9.6 Permitted Lenders to be Notified. 70
9.7 Modifications. 70
ARTICLE 10. DEFAULT AND REMEDIES 71
10.1 Defaults – General. 71
10.2 Institution of Legal Actions. 72
10.3 Applicable Law. 72
10.4 Acceptance of Service of Process. 72
10.5 Rights and Remedies Are Cumulative. 73

DRAFT

10.6 Damages. 73
10.7 Specific Performance. 73
10.8 Termination by Either Party. 73
10.9 Termination by the City. 74
10.10 Power of Termination and Right of Reverter. 75
10.11 Survival. 76
10.12 Inaction Not a Waiver of Default. 77
10.13 No Attorneys' Fees. 77
ARTICLE 11. GENERAL PROVISIONS 77
11.1 Developer Representations and Warranties. 77
11.2 Notices. 78
11.3 Enforced Delay: Extension of Time of Performance. 79
11.4 Conflict of Interest. 79
11.5 Non-liability of City Officials and Employees. 80
11.6 Inspection of Books and Records. 80
11.7 Approvals. 80
11.8 Real Estate Commissions. 81
11.9 Construction and Interpretation of Agreement. 81
11.10 Time of Essence. 82
11.11 Relationship of the Parties. 82
11.12 Compliance with Law. 82
11.13 Binding Effect. 82
11.14 Rights of Third Parties. 82
11.15 Authority to Sign. 83
11.16 Use of Project Images. 83
11.17 Plans and Data. 84
11.18 Applicable Law. 84
11.19 Severability. 88
11.20 Binding Upon Successors; Covenants to Run With Land. 89
11.21 Effectiveness of Agreement. 89
11.22 Amendments. 89
11.23 Police Power. 89
11.24 Brokers. 90
11.25 Submittals and Approvals. 90
11.26 Incorporation by Reference. 90
11.27 Counterparts. 90
11.28 Entire Understanding of the Parties. 90
11.29 Approval Procedure. 90

DRAFT

OWNERS PARTICIPATION AGREEMENT

This Owners Participation Agreement ("Agreement"), dated, for identification purposes only, as of _____, 20__, is entered into by and among _____ a _____**corporation** (the "Developer"), and the CITY OF LOS ANGELES, a municipal corporation, acting on its own behalf, and by and through the Housing and Community Investment Department ("HCIDLA") as successor to the housing assets and housing functions of the Community Redevelopment Agency of the City of Los Angeles under Section 34176(a) of the California Health and Safety Code pursuant to the Agreement regarding CRA/LA Affordable Housing Assets and Functions with the effective date of April 5, 2013. HCIDLA and Developer are sometimes individually referred to in this Agreement as "Party" and collectively referred to as "Parties."

ARTICLE 1. SUBJECT OF AGREEMENT.

1.1 Purpose of Agreement.

a. The purpose of this Agreement is to effectuate disposition and development of certain real property commonly known as _____that is currently owned in fee title by the City, defined in this agreement as "City Site" and to effectuate the development of certain real property commonly known as _____ that is currently controlled by the Developer, defined in this agreement as "Developer Site", which together will be defined as the "Site", to stabilize the neighborhood by providing, subject to all the terms and conditions of this Agreement, for the following: (i) the disposition of "City Site" for the purchase price of _____ _____ Dollars $_____, of which the City has sole ownership to be paid to the City in the form of a promissory note secured by deed of trust ("Acquistion Loan"); (ii) and the redevelopment and operation of affordable housing on the Project Site as more particularly provided in this Agreement (the "Project"). The disposition, development, financing and use of the Site pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City of Los Angeles and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws and requirements.

b. It is the intention of the City and Developer that the Project shall develop new housing that will be operated and maintained as rental housing that will be affordable to and occupied by persons and families of Moderate, Low and Very-Low Income, as more particularly described in this Agreement, below.

c. This Agreement is entered into for the purpose of redeveloping the Site and providing affordable housing and not for speculation in landholding. [ENTER PROJECT INFORMATION: SAMPLE follows] _____When completed, the Project

will consist of a total of Sixty Four (64) residential units, comprised of 58 one-bedroom units and 6 two-bedroom units, of which Sixty Two (62) units (58 one-bedroom and 4 two-bedroom units) will be designated as affordable units for rent to the residents with personal or household income not to exceed Moderate Income pursuant to California Health and Safety Code Section 50093, and another two (2) 2-bedroom units will be unrestricted for use by the two property managers on-site, as further described in the Regulatory Agreement, **Exhibit I**. The Project will include 63 parking spaces (53 residential spaces and 11 commercial spaces). The target population of the Project is the head of households aged fifty-five (55) years or older. The Project will include laundry on-site, community room with a kitchen, offices for property management and resident services staff. The Project site size will be about 40,934 square feet of land area, gross building area of approximately 43,300 square feet of residential area, and 30,000 gross square feet of below grade garage area.

d. The City intends by this Agreement to cause the redevelopment of the Site to occur and to preserve and improve the community's supply of affordable housing for Moderate, Low and Very Low Income Households.

e. Each Party hereby acknowledges that it will obtain valuable benefits from this Agreement. The Parties further acknowledge that in entering into this Agreement, each Party is relying on the performance of the other Party.

(i) The City acknowledges that the development and use of the Project on the Site by Developer pursuant to the terms and conditions of this Agreement will further the purposes set forth in the California Community Redevelopment Law if applicable, and policies adopted by the City and the City Council by preserving and improving the community's supply of housing that is affordable to persons and families of low and moderate income helping to remedy the physical and economic conditions of blight (the "Project Area"), generating construction jobs in the development of the Project and permanent jobs in its operation, and encouraging further private investment that will benefit the entire Project Area.

(ii) Developer acknowledges that performance by the City of its obligations pursuant to the terms of this Agreement will provide to Developer and its principals significant and valuable financial benefits and that the City's performance of these obligations is in consideration of Developer's commitment to comply with the requirements of this Agreement in the acquisition, development, construction, operation and use of the Project on the Site. These benefits will include, but not be limited to: ownership of the Site; Developer fees associated with the development of the Project; and, property management fees associated with the long-term ownership and management of the Project.

1.2 Definitions.

Capitalized terms not otherwise defined in this Agreement shall have the following meanings:

"Acquisition Loan" shall mean the loan to be made by the City to Developer to finance the purchase of the City Site described in **Exhibits A and B** of Part I of Exhibits, attached to this Agreement.

"Acquisition Loan Deed of Trust" shall mean the Deed of Trust securing the Acquisition Loan, encumbering the Site, in a form attached to this Agreement as **Exhibit H** of Part I of Exhibits.

"Acquisition Loan Documents" means, collectively, the Grant Deed, the Regulatory Agreement, the Notice of Affordability Restrictions, the Acquisition Note, the Acquisition Loan Deed of Trust, the Intercreditor Agreement (if any), the Assignment of Agreements, Plans, Specifications and Entitlements and all other documents required to be executed by the Developer and/or the City in connection with the transactions contemplated by this Agreement.

"Acquisition Loan Term" shall mean fifty-seven (57) years, commencing with the date of the Acquisition Note.

"Acquisition Note" shall mean the promissory note in favor of the City evidencing the Acquisition Loan, secured by the Acqusition Loan Deed of Trust, in a form attached to this Agreement as **Exhibit G** of Part I of Exhibits.

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

"Affordable Rent" shall have the appropriate meaning set forth in California Health and Safety Code Section 50053(b), which, as of the date hereof, means monthly rent, including a reasonable utility allowance, that does not exceed the following respective amounts (which are more particularly set forth in the Income and Rent Limits exhibit attached to the Regulatory Agreement (**Exhibit K** of Part I of Exhibits):

(a) for an Extremely Low Income Household, one-twelfth of the product of thirty percent (30%) times thirty percent (30%) of the Area Median Income adjusted for family size appropriate for the unit, (as that term is defined in

California Health and Safety Code Section 50052.5), as determined by the California Department of Housing and Community Development ("HCD");

(b) for a Very Low Income Household, one-twelfth of the product of thirty percent (30%) times fifty percent (50%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by HCD;

(c) for a Low Income Household, one-twelfth of the product of thirty percent (30%) times sixty percent (60%) of the Area Median Income adjusted for family size appropriate for the unit, as determined by HCD, which Developer may adjust upon each annual income verification and recertification for any Low Income Household with an annual income that exceeds sixty percent (60%) but does not exceed eighty percent (80%) of Area Median Income, to an amount that does not exceed thirty percent (30%) of the actual income of the Household; and

(d) for a Moderate Income Household, one-twelfth of the product of thirty percent (30%) times one hundred ten percent (110%) of the Area Median Income adjusted for family size appropriate for the unit as determined by HCD, which Developer may adjust upon each annual income verification and recertification for any Moderate Income Household with an annual income that exceeds one hundred ten percent (110%) but does not exceed one hundred twenty percent (120%) of Area Median Income, to an amount that does not exceed thirty percent (30%) of the actual income of the Household.

"Affordable Unit" shall mean any of the dwelling units in the Improvements required by this Agreement and/or the Regulatory Agreement to be rented exclusively to and occupied by an Extremely Low, Very Low, Low or Moderate Income Household.

"Agreement" shall mean this Owners Participation Agreement.

"Area Median Income" shall have the meaning set forth therefor in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Assignment of Agreements, Plans, Specifications and Entitlements" shall mean an instrument substantially in the form attached to this Agreement as **Exhibit L** of Part I of Exhibits.

"Building Permit" shall mean all building and grading permits required to be obtained from the City for the construction of the Improvements.

"Business Day" means a week day, and shall specifically exclude those days described in California Civil Code Section 7.1, as amended from time to time.

"Certificate of Completion" shall mean that certificate issued by the Ctiy to the Developer pursuant to Section 6.4 of this Agreement.

"City" shall mean the City of Los Angeles, California, a municipal corporation, operating through its governing body, the City Council, and its various departments.

"City Site" shall mean one (1) City-owned parcel located at _____, Los Angeles, APN _____, depicted on the City Site Map attached to this Agreement as **Exhibit A** of Part I of Exhibits and more particularly described by the City Site Legal Description attached to this Agreement as **Exhibit B** of Part I of Exhibits.

"Close of Escrow" shall mean the close of escrow for conveyance of the City Site by the City to Developer as provided in Article 3 of this Agreement.

"Closing Date" shall mean the date described in Section 3.9 of this Agreement.

"Community Outreach Plan" shall mean the plan described in Section 6.13.c. of this Agreement.

"Completion" shall mean completion of construction of the Improvements as required by all the requirements of this Agreement.

"Conditions Precedent" shall mean the conditions set forth in Section 3.1 of this Agreement.

"Construction Lender" shall mean the maker of the Construction Loan.

"Construction Loan" shall mean a loan secured by a Construction Loan Deed of Trust and made by a third party to Developer to finance certain development costs of the Project during the construction phase of the Project.

"Construction Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Construction Loan.

"Construction/Permanent Loan" shall mean a loan that is both a Construction Loan and Permanent Loan.

"Construction/Permanent Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Construction/Permanent Loan.

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"Developer" shall mean _____, L.P., a California Limited Partnership, whose Managing General Partner is _____, a California Limited Liability Corporation, whose General Partner is _____, Inc., a California non-profit benefit corporation, or any permitted Transferee or successor in interest approved by the City in accordance with Article 7 of this Agreement.

"Developer Site" shall mean _____ parcels of land, commonly known as _____, APN _____, located in Los Angeles, title to which is held by the Developer in fee title.

"Development Costs" shall mean any properly documented costs incurred by Developer in connection with the acquisition of the City Site and the entitlement, design, financing and construction of the Project, as set forth in the Project Budget and Financing Plan.

"Effective Date" shall mean the date, after this Agreement is executed by Developer and approved by the City, that this Agreement is executed by the HCID General Manager or designee, and/or City Clerk, which date shall be the latest date set forth on the signature page(s) of this Agreement.

"Eligible Household" shall mean, as applicable to this Agreement, a household that qualifies as an Extremely Low Income Household, a Very Low Income Household, a Low Income Household or a Moderate Income Household.

"Encumbrance" shall mean and include any mortgage, deed of trust, lease, lien, easement, restrictive covenant or regulatory agreement or other security interest recorded against title to the Site.

"Environmental Laws" shall mean all federal, state and local laws, ordinances and regulations relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, release, disposal or transportation of Hazardous Substances.

"Escrow Agent" shall mean _____ or such other escrow agent as may be approved by the City.

"Event of Default" shall have the meaning set forth in Section 10.1 of this Agreement.

"Exceptions" shall mean all exceptions, reservations, liens, encumbrances, qualifications, covenants, conditions, restrictions, leases, easements, rights of way, or other like matters affecting the Site, and all matters or states of facts reflected on or arising out of any tentative or final parcel map for the Site, or concerning or related to zoning,

subdivision, permitted use or physical condition of the Site, or arising from the redevelopment, development or related activities of Developer.

"Extremely Low Income Households" shall have the meaning set forth therefor in California Health and Safety Code Section 50106, as it may be amended from time to time.

"Financing Plan" shall mean the plan described in Section 3.2.b. of this Agreement.

"General Contractor" shall mean the licensed contractor or firm selected by Developer with overall responsibility for construction of the Project.

"Governmental Restrictions" shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, writs, injunctions, orders, decrees, rulings, conditions of approval, or authorization, now in force or which may hereafter be in force, of any governmental entity, agency or political subdivision.

"Grant Deed" shall mean the instrument(s) conveying title to the City Site to Developer, in a form attached to this Agreement as **Exhibit F** of Part I of Exhibits.

"Hazardous Materials" shall mean: (i) any chemical, compound, material, mixture or substance that is now or may later be defined or listed in, or otherwise classified pursuant to, any Hazardous Materials Law as a "hazardous substance", "hazardous waste", "extremely hazardous waste", acutely hazardous waste", radioactive waste", infectious waste", biohazardous waste", "toxic substance", "pollutant", "toxic pollutant", "contaminant", as well as any formulation not mentioned herein intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, "EP" toxicity, or "TCLP toxicity"; (ii) petroleum, natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas) and ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources; (iii) "hazardous substance" as defined in Section 25281 of the California Health and Safety Code; (iv) "waste" as defined in Section 13050(d) of the California Water Code; (v) asbestos in any form; (vi) urea formaldehyde foam insulation; (vii) transforms or other equipment which contain dilectric fluid containing levels of polychlorinated biphenyls (PCBs) in excess of fifty (50) parts per million; (viii) radon; and (ix) any other chemical, material, or substance that, because of its quantity, concentration, or physical or chemical characteristics, exposure to which is now or hereafter limited or regulated for health and safety reasons by any governmental authority, or which poses or is later determined to pose a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment. The term "Hazardous Materials" shall not include:

construction materials, gardening materials, household products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of residential property, or commonly used or sold by hardware, home improvement stores, or medical clinics and which are used and stored in accordance with all applicable Hazardous Materials Laws.

"Hazardous Materials Laws" means all present and future federal, state and local laws, ordinances, regulations, permits, guidance documents, policies, decrees, orders and any other requirements, whether statutory, regulatory or contractual, of governmental authorities relating to health, safety, the environment or the use, handling, disposal or transportation of any Hazardous Materials (including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation Recovery Act, the Clean Water Act, the Clean Air Act, and the applicable provisions of the California Health and Safety Code and the California Water Code, as each such statute may from time to time be amended, and the rules, regulations and guidance documents promulgated pursuant to any such statute).

"HCD" shall mean the California Department of Housing and Community Development.

"Housing Design Guidelines" shall mean the City's Architectural Requirements, including the Architectural Design Guidelines, substantially in the form included in Part II of Exhibits, receipt of which is hereby acknowledged.

"HUD Requirements" shall mean the requirements, to the extent applicable, listed in the form included as **Exhibit M** of Part I of Exhibits, receipt of which is hereby acknowledged.

"Improvements" shall mean and include all demolition, site preparation and grading, as well as all buildings, structures, fixtures, excavation, parking, landscaping, and other work, construction, rehabilitation, alterations and improvements of whatsoever character to be constructed or performed by Developer on, around, under or over the Site pursuant to this Agreement.

"Intercreditor Agreement" shall mean an agreement to be entered into by and among HCID, Developer, and/or other parties, as applicable, in form and substance that is acceptable to the City or its designee and that addresses, among other things, the disbursement of loan proceeds by the City and other Lender(s) and gives the City the right to review and comment on disbursements by the other Lender(s).

"Investor Member/Limited Partner Capital Contribution" shall mean funds provided to Developer by the Tax Credit Equity Investor in consideration of the Low Income Tax Credit and, if applicable, Historic Rehabilitation Tax Credit.

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"HCID" shall mean the City of Los Angeles, acting by and through its Housing and Community Investment Department of the City.

"Losses and Liabilities" shall mean and include all claims, writs, demands, causes of action, liabilities, losses, damages, judgments, injuries, expenses (including, without limitation, attorneys' fees and costs incurred by the indemnified party with respect to legal counsel of reasonably acceptable to it) charges, penalties or costs of whatsoever character, nature and kind, whether to property or to person, and whether by direct or derivative action, known or unknown, suspected or unsuspected, latent or patent, existing or contingent.

"Low or Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Low Income Households" shall have the same meaning as the term "Lower income households" set forth in California Health and Safety Code Section 50079.5, as it may be amended from time to time.

"Low Income Housing Tax Credit" shall mean the tax credit authorized by the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code.

"Management Plan" shall mean a plan as described in Section 7.5.a. of this Agreement.

"Moderate Income Households" shall have the same meaning as the term "persons and families of low or moderate income" set forth in California Health and Safety Code Section 50093, as it may be amended from time to time.

"Notice of Affordability Restrictions" shall mean the Notice of Affordability Restrictions on Transfer of Property to be recorded against the Site, substantially in the form attached to this Agreement as **Exhibit L** of Part I of Exhibits.

"Ownership and/or Control" shall mean, without limitation, a majority of voting rights and beneficial ownership with respect to all classes of stock, interests in partnerships or limited liability companies, and/or beneficial interests under a trust, as may be applicable to the type of entity in question. In the case of a trust, such term shall also include the rights of the trustee as well as the beneficiary.

"Parties" shall mean the City, HCID and the Developer, collectively, and "Party" shall mean either the City, HCID or the Developer.

"Permanent Lender" shall mean the maker of the Permanent Loan.

"Permanent Loan" shall mean the loan secured by a Permanent Loan Deed of Trust and made by a third party to Developer to finance certain development costs of the Project after construction completion and stabilization of occupancy of the Project.

"Permanent Loan Deed of Trust" shall mean any deed of trust recorded against the Site securing a Permanent Loan.

"Permitted Lender" shall mean the holder of any Security Financing Interest authorized by this Agreement and identified in the Project Budget or Financing Plan.

"Permitted Loan" shall mean any loan secured by a Security Financing Interest authorized by this Agreement and identified in the Project Budget.

"Permitted Transfer" means any of the following, provided Developer or a general partner or managing member, as the case may be, of Developer retains day-to-day control over management and operations of the Site and the Improvements:

a. A conveyance of a security interest in the Site in connection with any Permitted Loan and any subsequent transfer of title by foreclosure, deed or other conveyance in lieu of foreclosure in connection therewith;

b. A conveyance of the Site or other Transfer by Developer to a limited partnership or limited liability company in which Developer is managing general partner or managing member, as the case may be, and the Tax Credit Equity Investor is a limited partner or member, as the case may be, or to any other Affiliate, or a sale back from such entity to Developer;

c. The inclusion of equity participation by Developer by addition of members to Developer's limited liability company, limited partners to Developer's limited partnership, or similar mechanisms;

d. The sale of non-managing membership or limited partnership interests to any Affiliate of the Tax Credit Investor;

e. The lease for occupancy of all or any part of the Improvements on the Site;

f. The granting of easements or permits to facilitate the development of the Site in accordance with this Agreement;

g. In addition, the withdrawal, removal and/or replacement of any managing member of Developer's limited liability company or general partner of Developer's partnership, as the case may be, pursuant to the terms of the Developer's LLC Agreement or partnership agreement, as the case may be, shall not constitute a default under this Agreement or any of the City Loan

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Documents or Acquisition Loan Documents, nor shall such actions accelerate the maturity of the City Loan or the Acquisition Loan, provided that any required substitute member or general partner, as the case may be, is reasonably acceptable to the City and is selected with reasonable promptness;

h. Any other transfer approved in writing by the City or its designee, at its sole discretion;

"Person" means an individual, corporation, partnership, limited liability company, joint venture, association, firm, joint stock company, trust, unincorporated association or other entity.

"Project" shall mean Developer's acquisition of the City Site and the development of the Improvements on the Site, as required by this Agreement and the Scope of Development.

"Project Architect" shall mean the licensed architect or firm of architects selected by Developer with overall responsibility for the design of the Project.

"Project Budget" means the preliminary estimate of sources and uses of funds necessary to develop the Project attached to this Agreement as **Exhibit E** of Part I of Exhibits.

"Project Documents" shall mean and include such preliminary and Final Construction Drawings and specifications, grading plans, landscape plans, site development plans, plot plans, off-site improvement plans, architectural renderings and elevations, material specifications, parking plans and other plans and documents as are required to be submitted to HCID pursuant to Article 5 of this Agreement or any applicable Governmental Restrictions.

"(Project Name)" shall mean that certain real property, owned by _____ _____, located at _____, Los Angeles, California depicted on the Site Map attached to this Agreement as **Exhibit A** of Part I of Exhibits and more particularly described by the Legal Description attached to this Agreement as **Exhibit B** of Part I of Exhibits.

"Purchase Price" shall mean the compensation to be paid and provided by Developer to the City for the City Site, as further set forth in Section 3.5 of this Agreement.

"Redevelopment Plan" shall mean the "Redevelopment Plan for the Redevelopment Project Area in which the project is located" adopted by Ordinance of the City Council of the City of Los Angeles, as amended from time-to-time.

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"Regulatory Agreement" shall mean the Regulatory Agreement to be entered into by the City and Developer and recorded against the Site, attached to this Agreement as **Exhibit K** of Part I of Exhibits.

"Residual Receipts"shall mean Revenues reduced in the following order : (1) Operating Expenses calculated on a cash basis; (2) debt services on senior project debt secured by the senior position deed of trust; (3) deposits to the Operating Reserve Fund; (4) deposits to the Replacement Reserve Fund; (5) deposits to the Transition Reserve Funds; (6) deposits to the Supportive Services Reserve Fund; (7) repayment of general partner loans; (8) deferred developer fees; and (9) related or third party transactions, including but not limited to partnership management fee, investor service fee, asset management fee, annual partnership review fee, administrative fee, incentive supervisor fee, and / or facility administration fee. The combined total amount of related or third party transactions shall not exceed fifteen thousand dollars ($15,000) annually or Portfolio Management Guidelines, whichever is greater. Deferred developer fees shall be drawn from the project cash flow over the first fifteen (15) years of project operation.

"Residual Receipts Loan" shall mean any loan to be secured by a deed of trust on the Site that finances or refinances any portion of the Total Development Costs and is to be repaid by a share of Developer's net cash flow in proportion to all other Residual Receipts Loans financing the Project.

"Schedule of Performance" shall mean the Schedule of Performance attached to this Agreement as **Exhibit C** of Part I of Exhibits, which is incorporated herein by this reference. The Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing between the Developer and the City or its designee.

"Scope of Development" shall mean the Scope of Development attached to this Agreement as **Exhibit D** of Part I of Exhibits, which is incorporated herein by this reference.

"Security Financing Interests" shall have the meaning set forth in Section 9.1.b. of this Agreement.

"Site" shall mean that certain real property consisting, jointly, of City Site and the Developer Site depicted on the Site Map attached to this Agreement as **Exhibit A** of Part I of Exhibits and more particularly described by the Legal Description attached to this Agreement as **Exhibit B** of Part I of Exhibits.

"Statutory Request for Notice of Default" shall mean an instrument substantially in the form attached to this Agreement as **Exhibit J** of Part I of Exhibits

"Tax Credit Equity Investor" shall mean any Person who will be an investor member in Developer's limited liability company or investor limited partner in Developer's

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partnership, as the case may be, and who will purchase the Low Income Housing Tax Credit and, if applicable, Historic Preservation Tax Credit and own not less than a 99% interest in Developer.

"Third Party Lender" shall mean the maker of any Loan or beneficiary of any Loan deed of trust, except for the City.

"Third Party Loan" shall mean the Construction Loan, Permanent Loan, Construction/Permanent Loan (if any), and/or any other loan, credit enhancement or construction period guaranty facility that is secured by a deed of trust or other instrument, except for the City Acquisition Loan.

"Title Company" shall mean _____ or such other title insurance company as may be approved by the City.

"Total Development Costs" shall mean the total cost to Developer of acquiring the Site and designing, entitling, financing and constructing the Project thereon, as set forth in the Project Budget and Financing Plan.

"Transfer" shall mean and include any voluntary or involuntary transfer, sale, assignment, lease, sublease, license, franchise, concession, operating agreement, gift, hypothecation, mortgage, pledge or encumbrance, or the like, of all or any portion of the Site, any rights or obligations of the Developer under this Agreement, or any interest in the Developer, to any person or entity ("Transferee").

"Very Low Income Households" shall have the meaning set forth therefor in California Health and Safety Code Section 50105, as it may be amended from time to time.

1.3 Exhibits.

The following is a list of the exhibits applicable to this Agreement. The exhibits constituting Part I are attached to this Agreement. The exhibits constituting Part II are Standard City Contracting Requirements which are set forth in a separate document, the receipt of which is hereby acknowledged by Developer. All of the exhibits are hereby incorporated by this reference as though fully set forth herein.

a. Part I of Exhibits:

A. City Site Map
B. City Legal Description
C. Schedule of Performance
D. Scope of Development
E. Project Budget
F. Form of Grant Deed(s)

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G. Form of Acquisition Note
H. Form of City Loan Deed of Trust
I. Form of Assignment of Agreements, Plans, Specifications and Entitlements
J. Form of Statutory Request for Notice
K. Form of Regulatory Agreement
L. Form of Notice of Affordability Restrictions
M. HUD Requirements [if applicable]

a) Part II of Exhibits (Standard City Contracting Requirements):

1. City of Los Angeles Requirements and Checklist, with Attachments
2. ADA Covenants
3. Mayoral Directive
4. City Insurance Requirements

ARTICLE 2. PARTIES TO THE AGREEMENT.

2.1 City of Los Angeles.

The City of Los Angeles, a municipal corporation, acting by and through its Housing and Community Investment Department. The address of HCID for the purposes of receiving notice pursuant to this Agreement is:

Housing and Community Investment Department
1200 W. 7th Street, Suite 900
Los Angeles, CA 90017
Attention: General Manager

With a copy to:

Los Angeles Housing Department
Asset Management Division
1200 W. 7th Street, Suite 900
Los Angeles, CA 90017
Attention: Asset Manager

The term "HCID" includes any assignee or successor to HCID's rights, powers and responsibilities under this agreement.

2.2 Developer

Developer is _____, a California limited partnership. The address of Developer for purposes of receiving notice pursuant to this Agreement is:

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_____
_____
_____
Attention: _____

With a copy to:

_____
_____
_____
Attention: _____

The term "Developer" as used herein includes any authorized and approved Transferee of Developer as permitted in accordance with Article 8 of this Agreement. All of the terms, covenants, and conditions of this Agreement shall be binding on such Transferees, successors and assigns of Developer.

2.3 No Joint Venture.

The City and Developer are not and shall not be deemed to be partners, co-venturers, joint ventures or in any other way related to one another, nor shall either party have any fiduciary, confidential or agency relationship with the other.

ARTICLE 3. DISPOSITION OF CITY SITE.

3.1 Conditions Precedent to Close of Escrow.

Subject to the terms and conditions of this Agreement, the City shall convey fee title to the City Site to Developer for redevelopment and the provision of affordable housing. The City shall not be obligated to convey title to the City Site to Developer, and the Close of Escrow shall not occur, if an Event of Default has occurred and has not been cured within the applicable cure period, if any. The Close of Escrow is further conditioned upon the timely satisfaction of each of the following conditions (the "Conditions Precedent"), not later than the time provided in the Schedule of Performance for the Closing Date (as such date may be extended in accordance with the terms of this Agreement). It shall be Developer's obligation to cause all of the Conditions Precedent to be satisfied in a timely fashion, as provided in this Agreement, and to provide written documentation sufficient for the HCID General Manager or designee to determine compliance, not later than ten (10) Business Days prior to the scheduled Closing Date (unless a different time is provided in this Agreement). The City shall have the right to approve or disapprove any submittal. Any approval or disapproval shall be in writing. Any disapproval shall contain an explanation of the reason(s) for disapproval. Developer shall

have eight (8) Business Days after any disapproval to submit additional or corrected documentation. Failure by the City to approve or disapprove any submittal in writing within ten (10) Business Days of receipt shall be deemed a disapproval. The City shall have the right to terminate this Agreement in the event of a failure of any Condition Precedent within the respective time specified for the satisfaction of such condition in this Agreement, but in any event not later than the time provided in the Schedule of Performance for the scheduled Closing Date. Unless expressly provided otherwise, each of the following conditions is for the exclusive benefit of the City.

(i) Developer's Certificate. Developer shall certify to the City in writing that (i) all information provided by Developer to the City in connection with this Agreement remains true and correct in all material respects; and (ii) Developer is in full compliance with the terms of this Agreement and there exists no Event of Default pursuant to this Agreement, nor has any act, omission or condition occurred that, with the giving of notice, would constitute an Event of Default pursuant to this Agreement;

(ii) Opinion of Developer's Counsel. Developer shall deliver to the City a written opinion in a form acceptable to the City, to be signed by counsel to Developer on the Closing Date, with respect to: (i) the legality, validity and binding effect of this Agreement and its enforceability against Developer in accordance with its terms; (ii) the absence of any litigation or other proceedings, either pending or threatened, which could have a material adverse effect on the ability of Developer to perform pursuant to this Agreement; and (iii) such other standard and customary matters for legal opinions to be given by Developer's counsel in real estate secured financing transactions as reasonably requested by HCID. The opinion of Developer's counsel shall disclose whether any consent, approval or other authorization, regulation, declaration or filing with any court or other governmental agency or commission or other public entity is required for the due execution and delivery of this Agreement and the Acquisition Loan and Acquisition Loan Documents pursuant to this Agreement;

(iii) Developer's Formation Documents. Developer shall deliver to HCID documentation relating to the status of Developer's corporate, partnership, limited liability or other similar entity, and those of any general partners or managing members of Developer, including, without limitation and as applicable, the following: limited partnership agreements and any amendments thereto; articles of incorporation; limited liability company articles of incorporation (LLC-1); statement of information and operating agreement (including any amendments thereto); copies of all resolutions or other necessary actions taken by such entity to authorize the execution of this Agreement and related documents; and a certificate of status issued by the California Secretary of State;

(iv) Title. The Title Company shall confirm in writing that all conditions precedent to the Close of Escrow for Developer to take title to the City Site, other than the payment of the Purchase Price (if any), shall have been satisfied;

(v) Appraisal or Other Determination of Value. The City shall have determined, in their sole discretion, that the Purchase Price payable by Developer for the City Site is acceptable;

(vi) Site Conditions. The City and Developer shall determine that no adverse Site conditions exist that may interfere with the development of the Site as provided in this Agreement, or, if such Site conditions exist, that they are being addressed to the satisfaction of the City. This condition is for the benefit of the City and Developer;

(vii) City's Lender's Title Insurance Policy. The City shall have received written confirmation from the Title Company that the Title Company is committed to issue to the City, upon the Close of Escrow, without cost to the City, an extended ALTA Lender's Title Insurance Policy (without deletions), in the combined amount of the Acquisition Loan, showing the Acquisition Loan Deed of Trust and other encumbrances to be recorded against the Site as of the Close of Escrow in a relative order of priority that is acceptable to HCID General Manager or designee, together with such endorsements as the City may request;

(viii) Developer's Title Insurance Policy. The City shall have received written confirmation from the Title Company that the Title Company is committed to issue to Developer, upon the Close of Escrow, the Developer's Title Insurance Policy, as provided in Section 3.11 of this Agreement. This condition is for the benefit of the City and Developer;

(ix) Evidence of Insurance. Developer shall have submitted to the City evidence of the Insurance Policies required by Section 7.10 of this Agreement. The City shall be named as loss payee or additional insured on all policies, as applicable. Developer shall ensure that all worker compensation insurance policies carried by the General Contractor and subcontractors working on the Project include a waiver of subrogation in favor of the City.

(x) Project Budget. As a condition precedent to the Close of Escrow, the acceptance of the Acquisition Note, Developer shall deliver to the City a certification in writing that the Project Budget remains in effect as of such date, or Developer shall have delivered to the the City a proposed revision to the Project Budget, demonstrating to the reasonable satisfaction of the HCID General Manager or designee the availability of sufficient funds to pay all Total Development Costs.

(xi) Financing Plan. Developer shall have submitted and the City shall have approved a Financing Plan for the Project, meeting the requirements of Section 3.2.b. of this Agreement.

(xii) Closing Cost Statement. The City and Developer shall have received an estimated closing cost statement of costs from the Escrow Agent. This condition shall be for the benefit of the City and Developer;

(xiii) Purchase Price. Not later than two (2) Business Days prior to the Scheduled Close of Escrow, Developer shall have deposited the Purchase Price by delivering the fully executed Acquisition Note and Acquisition Deed of Trust into Escrow;

(xiv) Recording Instructions. Developer and the City shall have executed and delivered to the Escrow Agent mutually agreed-upon and irrevocable supplemental escrow and recording instructions authorizing the Escrow Agent to deliver the Purchase Price (if any) to the City and to record and/or deliver the closing documents listed below, which escrow instructions shall also state that the Grant Deed shall be recorded only upon satisfaction of the Conditions Precedent, and the Escrow Agent shall have approved such supplemental escrow and recording instructions as may have been prepared on behalf of the City and Developer; and

(xv) Documents. Not later than two (2) Business Days prior to the Close of Escrow, the City, Developer and/or other parties, as appropriate, shall have executed the following documents and delivered them to the Escrow Agent, for recording and distribution, as appropriate, upon the Close of Escrow:

(i) Grant Deed(s) (to be signed by the City and consented to by Developer and recorded concurrently with the Close of Escrow). This condition shall be for the benefit of the City and Developer;

(ii) City Acquisition Note (to be signed by Developer and retained by the City);

(iii) City Acquisition Deed of Trust (to be signed by Developer and recorded concurrently with the Close of Escrow);

(iv) City Acquisition Loan documents, as set forth in the City Agreement;

(v) Regulatory Agreement (to be signed by Developer and the City and recorded concurrently with the Close of Escrow);

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(vi) Notice of Affordability Restrictions on Transfer of Property (to be signed by the City and Developer and recorded concurrently with the Close of Escrow);

(vii) Assignment of Agreements, Plans, Specifications and Entitlements (to be signed by Developer, Project architect and contractor, as applicable, and retained by the City);

(viii) Intercreditor Agreement(s), if any (to be signed by the City, Developer and any other lender(s) party to such agreement); and

(ix) Statutory Request for Notice under Section 2924b of the Civil Code (to be signed by the City and recorded upon the Close of Escrow).

3.2 Financing for the Project.

a. Project Budget. The Parties estimate that the Total Development Costs will be as set forth in the Project Budget. The initial Project Budget is attached to this Agreement as **Exhibit E** to Part I of Exhibits. The Parties acknowledge that the Project Budget shall serve as a guide for preparation of a more detailed Financing Plan. From time to time after the execution of this Agreement and through completion of construction, the Project Budget shall be subject to one or more amendments (each such amendment referred to as a "Revision" in this Agreement). Any Revision shall be subject to the approval of the HCID General Manager or designee. The HCID General Manager or designee is authorized to approve, and shall not unreasonably withhold approval of, any requested Revision for which the Third Party Lender's approval is not required under the terms of the Third Party Loan documents, or which has been approved by the Third Party Lender, if, within five (5) Business Days after receipt of the request, the City receives such explanation and/or back-up information as was received and relied upon by the Third Party Lender in connection with its approval of the Revision, and if the following conditions are satisfied:

(i) the Revision is limited to a reallocation of budgeted funds among Project Budget line items without any increase in the total Project Budget and the funds in the line item(s) to be reduced remain sufficient for completion of the Project and the requested increase in one or more line item(s) is to be used to pay approved costs, or the Revision involves an increase in the Total Development Costs, not to exceed fifteen percent (15%) of the Total Development Costs, and additional funds in an amount equal to the increase in the total Project Budget will be provided by Developer or a lender, and the requested increase in the Project Budget is to be used to pay approved costs.

(ii) the Revision does not increase the amount of any City loan;

(iii) the Revision does not result in a material change to the design of the Project;

(iv) the Revision does not materially adversely affect the economic feasibility of the Project; and

(v) the Revision does not materially adversely affect the security of the Acquisition Loan Deed of Trust.

Upon approval of any Revision, the Project Budget shall be replaced by the approved revised Project Budget and this Agreement shall be deemed amended to reflect such revised Project Budget.

b. Financing Plan. Not later than twenty (20) Business Days prior to the scheduled Closing Date, Developer shall submit to HCID a proposed Financing Plan, consisting of the following: (1) a ten-year cash flow projection for operation of the Project; (2) a current Project Budget, updated on the basis of approved permits and entitlements and any design requirements of any Governmental Agency; (3) a "sources and uses" table, identifying the proposed use of each source of funding for the Project during the construction period; (4) if applicable, evidence reasonably satisfactory to the HCID General Manager or designee that Developer has sufficient additional funds available and committed to cover the difference, if any, between the Total Development Costs and all funds committed to financing the Total Development Costs (as provided in Section 3.2.c., below). HCID shall approve or disapprove in writing the proposed Financing Plan within ten (10) Business Days of receipt. Failure of HCID to approve or disapprove the Financing Plan within ten (10) Business Days of receipt shall be deemed a disapproval.

c. Evidence of Financing. The Developer must demonstrate evidence of financing within 24 months of the date of execution of this Agreement. HCID acknowledges that the Financing Plan is predicated on funding applications to the State, County and other funders for funds that may or may not be awarded through a competitive selection process. Therefore, HCID agrees that the Developer may apply for competitively awarded funding awards more than once. However, if the Developer fails to apply for or be awarded a source of funding identified in the Financing Plan after two rounds of funding applications, and cannot provide evidence of sufficient financing, HCID may terminate this development agreement.

The sum of the sources of construction financing described in the Project Budget shall be sufficient at all times to pay all Total Development Costs as set forth in the most recently approved Project Budget. If at any time prior to the issuance of the Certificate of Completion, the sum of the sources of funds described in the Project Budget is insufficient to pay all Total Development Costs, Developer shall promptly deposit into the construction fund held by the Construction Lender additional Developer's funds at least equal to the shortfall. Not later than twenty (20) Business Days prior to the scheduled Closing Date, Developer shall submit, for approval by the HCID General

Manager or designee, evidence of such financing (as part of the Financing Plan), including substantially complete drafts of Construction Loan documents (as required by Section 4.4(1)(a) of this Agreement). The HCID General Manager or designee shall not unreasonably withhold his or her approval.

3.3 Security Deposit and Liquidated Damages.

Concurrently with the full execution of this Agreement by the City and the Developer, the Developer shall have submitted to the City as a non refundable site control deposit, the sum of _____ ($_____) (the "Deposit") to ensure that the Developer will proceed diligently and in good faith to develop the Site as required by this Agreement. At the City's election, the Developer may provide the Deposit in the form of a cashier's check, an irrevocable letter of credit, a pledged certificate of deposit, an interest bearing account that is controlled by the City, or such other form of security acceptable to the City in its sole discretion.

IF THIS AGREEMENT IS TERMINATED PRIOR TO CLOSE OF ESCROW BY THE CITY IN ACCORDANCE WITH SECTION 10.9, AND AFTER THE GIVING OF ANY REQUIRED NOTICE AND THE EXPIRATION OF ANY REQUIRED CURE PERIOD AS SET FORTH IN THIS AGREEMENT, DUE TO A BREACH OF DEVELOPER'S OBLIGATION UNDER THIS AGREEMENT, THEN THE ENTIRE BALANCE OF THE DEPOSIT SHALL BE RETAINED BY THE CITY AS LIQUIDATED DAMAGES. UPON THE PAYMENT OF LIQUIDATED DAMAGES, THIS AGREEMENT WILL TERMINATE AND THE PARTIES SHALL HAVE NO FURTHER OBLIGATIONS, RIGHTS OR LIABILITIES TO EACH OTHER UNDER THE TERMS OF THE AGREEMENT.

THE PARTIES FURTHER AGREE THAT THE AMOUNT OF LIQUIDATED DAMAGES ESTABLISHED BY THIS PROVISION IS A REASONABLE ESTIMATE, UNDER THE CIRCUMSTANCES EXISTING ON THE DATE OF EXECUTION OF THIS AGREEMENT, OF WHAT THE CITY'S DAMAGES WOULD BE IN THE EVENT OF A DEFAULT BY DEVELOPER.

NOTWITHSTANDING ANY OF THE FOREGOING, THE LIQUIDATED DAMAGES PROVISIONS ABOVE ARE IN ADDITION TO, AND DO NOT AFFECT, LIMIT, OR IN ANY WAY REDUCE, CITY'S RIGHT TO REMEDIES AFTER THE CLOSE OF ESCROW.

INITIALED BY DEVELOPER: _____

INITIALED BY HCID: _____

3.4 Purchase and Sale of City Site.

Provided the conditions precedent in Section 3.1 of this Agreement have been satisfied, upon the terms, covenants and conditions set forth in this Agreement, the City agrees to sell and convey the Site to Developer, and Developer agrees to purchase and accept the City Site from the City, in accordance with this Agreement and the Grant Deed(s). Until the issuance of the Certificate of Completion, the City's conveyance of title shall be subject to a power of termination (as described in Section 10.10 of this Agreement), to ensure the completion of the redevelopment of the Site for the purpose of providing affordable housing as provided in this Agreement.

3.5 Purchase Price.

a. In accordance with and subject to all terms, covenants and conditions of this Agreement, the City agree to convey the City Site to Developer and Developer agrees to purchase the City Site for the Purchase Price of _____ _____ Dollars ($_____).

b. The Purchase Price shall be paid by Developer to the City on the Closing Date through the Escrow Agent, by delivery of the Acquistion Note, Acquisition Deed of Trust and the other Acquisition Loan Documents, together with such additional amounts as is necessary to cover Developer's share of costs and expenses hereunder.

3.6 Condition of the City Site.

a. Due Diligence. The City makes no representations regarding the condition of the City Site. The Parties hereby acknowledge that prior to the execution of this Agreement, Developer used the opportunity provided by the City to conduct any studies and investigations that Developer deemed necessary to assure itself of the physical condition of the City Site and the suitability of the City Site for the development contemplated by this Agreement. Developer shall have the right, without cost or expense to the City, to engage its own environmental consultant and any other consultants to conduct such additional studies and investigations of the City Site as it deems necessary, including any Phase I and/or Phase II environmental investigations, soils, geotechnical or other testing of the City Site, subject to the execution of a "Right of Entry" agreement in HCID's customary form, and any indemnification and insurance agreements requested by the City. The City shall disclose to Developer any actual knowledge of Hazardous Materials or other physical defects on the City Site which occur at any time prior to the Close of Escrow.

b. "As Is" Conveyance.

(i) DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE CITY IS SELLING TO DEVELOPER AND DEVELOPER IS BUYING FROM THE CITY THE CITY SITE ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT DEVELOPER IS NOT RELYING ON ANY REPRESENTATIONS OR

WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT) OR IMPLIED, FROM THE CITY AS TO ANY MATTERS CONCERNING THE CITY SITE, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE CITY SITE (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER, (C) THE EXISTENCE, QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF UTILITIES SERVING THE CITY SITE, (D) THE DEVELOPMENT POTENTIAL OF THE CITY SITE, AND THE CITY SITE'S USE, HABITABILITY, MERCHANTABILITY, OR FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE CITY SITE FOR ANY PARTICULAR PURPOSE, (E) THE ZONING OR OTHER LEGAL STATUS OF THE CITY SITE OR ANY OTHER PRIVATE OR GOVERNMENTAL RESTRICTIONS ON THE USE OF THE CITY SITE, (F) THE COMPLIANCE OF THE CITY SITE OR ITS OPERATION WITH ANY APPLICABLE CODES, LAWS, REGULATIONS, STATUTES, ORDINANCES, COVENANTS, CONDITIONS AND RESTRICTIONS OF ANY GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY OR OF ANY OTHER PERSON OR ENTITY, AND (G) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE CITY SITE OR EMANATING FROM THE ADJOINING OR NEIGHBORING PROPERTY. DEVELOPER AFFIRMS THAT DEVELOPER HAS NOT RELIED ON THE SKILL OR JUDGMENT OF THE CITY OR ANY OF THEIR RESPECTIVE AGENTS, EMPLOYEES, CONSULTANTS OR CONTRACTORS TO SELECT OR FURNISH THE CITY SITE FOR ANY PARTICULAR PURPOSE, AND THAT THE CITY MAKES NO WARRANTY THAT THE CITY SITE IS FIT FOR ANY PARTICULAR PURPOSE. DEVELOPER ACKNOWLEDGES THAT DEVELOPER SHALL USE ITS INDEPENDENT JUDGMENT AND MAKE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION WHICH IT SHALL MAKE RELATIVE TO THE CITY SITE AND SHALL RELY UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE CITY SITE (INCLUDING, WITHOUT LIMITATION, WHETHER THE CITY SITE IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). DEVELOPER UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE CITY SITE'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.

(ii) Developer's Release of the City. Developer, on behalf of itself and anyone claiming by, through or under Developer hereby waives its right to recover

from and fully and irrevocably releases the City, and its respective council members, board members, employees, officers, directors, representatives, attorneys and agents (the "Released Parties") from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire against any of the Released Parties, excluding breaches by the City of representations, warranties and covenants of the City, for any claims, fines, penalties, fees, costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the following: (i) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the City Site, or its suitability for any purpose whatsoever; and (ii) any information furnished by the Released Parties under or in connection with this Agreement, provided that such release does not apply in the event where the liability resulted from gross negligence, fraud, or will full misconduct of the Released Parties.

(iii) Scope of Release. The release set forth in Section 3.6(b)(ii) includes claims (other than claims for the presence of Hazardous Materials on, under or about the City Site prior to the Close of Escrow) of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, Developer agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees and represents that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have under Section 1542 of the California Civil Code, which reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."
>
> Developer's Initials:_____

The provisions of this section shall survive the termination of this Agreement.

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3.7 Discovery of Hazardous Materials.

a. In the event that Developer discovers the presence of Hazardous Materials on, under or about the City Site prior to the commencement of the construction of the Improvements which Hazardous Materials were not the result of Developer's activities on the City Site, Developer shall promptly notify the City of such discovery but in any event within seventy two (72) hours of such discovery. If Developer and the City, based on environmental reports by qualified professional consultants, reasonably estimate that the cost of remediating the City Site in accordance with all Governmental Restrictions is One Hundred Thousand Dollars ($100,000.00) or less, then Developer shall pay for and cause the remediation of the City Site with reasonable diligence and in accordance with Governmental Restrictions. Developer and the City shall work cooperatively to expeditiously determine the estimated costs of remediation.

b. If the cost of remediation exceeds One Hundred Thousand Dollars ($100,000.00), the City and Developer shall negotiate in good faith to identify the means and a method to pay the estimated costs of remediation. In the event the City and Developer are unable to identify funds to pay the costs of remediation after sixty (60) days of good faith negotiation (or such longer time as the Parties mutually determine), either Party may terminate this Agreement by providing a written notice of termination to the other Party. In such an event, Developer shall convey the City Site to the City within five (5) days following the date of the notice of termination and Developer shall be entitled to a return of the then remaining balance of its Deposit..

c. In the event that Developer discovers the presence of Hazardous Materials on, under or about the City Site following the commencement or completion of the construction of Improvements and the presence of such Hazardous Materials are not caused by the the City, Developer shall be responsible for the payment of all costs of remediation in accordance with Governmental Restrictions. Developer hereby waives its right to recover from and fully and irrevocably releases the City, and its respective council members, board members, employees, officers, directors, representatives, attorneys, and agents from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire from the discovery of Hazardous Materials on, under or about the City Site following the completion of the construction of the Improvements as evidenced by the issuance by the City of a temporary Certificate of Occupancy or Certificate of Occupancy, whichever is earlier.

d. The release set forth in this Section 3.7 includes claims (other than claims for the presence of Hazardous Materials on, under or about the City Site prior to the Close of Escrow) of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the

extent permitted by law, Developer agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees and represents that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, fines, penalties, fees, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under the Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have under Section 1542 of the California Civil Code, which reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."
>
> Developer's Initials:_____

3.8 Escrow.

a. Opening of Escrow.

Developer and the City shall open Escrow with the Escrow Agent not later than twenty (20) Business Days prior to the scheduled Closing Date. The delivery to Escrow Agent of a duplicate original of this Agreement shall constitute the "Opening of Escrow" and the date of the Opening of Escrow shall constitute the "Opening Date." The Escrow Agent shall accomplish the recordation of the Grant Deed and the documents to be recorded pursuant to this Agreement as more particularly set forth herein. This Agreement constitutes the joint basic escrow instructions of the City and Developer with respect to the sale and conveyance of the City Site by the City to Developer. The City and Developer shall provide such additional escrow instructions as are customary, consistent with this Agreement and necessary for the accomplishment of its purpose. Escrow Agent is hereby empowered to act under this Agreement, and Escrow Agent, upon indicating within five (5) Business Days after the Opening of Escrow its acceptance of the provisions of this Section 3.8 in writing delivered to the City and Developer, shall carry out its duties as Escrow Agent hereunder. In the case of any inconsistency between the Additional Escrow Instructions and this Agreement, the terms of this Agreement shall govern.

b. Closing Costs to be paid by Developer.

Together with Developer's deposit of the Purchase Price (if any), Developer shall pay to the Title Company all fees, charges and costs of the Escrow promptly after the Title Company has notified Developer of the amount of such fees, charges and costs, prior to the Closing Date. Such fees, charges and costs shall include, but are not limited to, as follows:

(i) The escrow fee; and

(ii) Recording fees, if any, for the Grant Deed, the Agreement Containing Covenants, the Notice of Restrictions and/or any other instrument to be recorded against title to the Site by or for the benefit of Developer; and

(iii) American Land Title Association ("ALTA") lender's policy of title insurance naming the City as the insured with liability not less than the principal amount of the Acquisition Loan, issued by an insurer satisfactory to the City, excepting only such defects, liens, encumbrances, and exceptions as are approved by the City, and containing such endorsements as the City may reasonably require.

c. Closing Costs to be paid by Other Parties.

Any other costs, expenses or fees of the Escrow not otherwise provided for in this Agreement shall be paid by the party who customarily pays for such costs in Los Angeles County.

d. Duty of Escrow Agent.
The Escrow Agent is authorized to:

(i) Pay and charge Developer, the City or other parties, as applicable, for its respective fees, charges and costs payable under this Section 3.8. Before such payments or charges are made, Escrow Agent shall notify the City and Developer of the fees, charges and costs necessary to close the Escrow;

(ii) Deliver the Grant Deed, the Regulatory Agreement and other documents, including any applicable promissory notes and deeds of trust, to the parties entitled thereto when the conditions of this Escrow have been fulfilled by the City and Developer;

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(iii) Record any instruments delivered through this Escrow, if necessary or proper, to vest title in the City Site, or the applicable portion thereof, in Developer in accordance with the terms and provisions of this Agreement.

If this Escrow is not in condition to close on or before the "Closing Date" (as defined in Section 3.9 of this Agreement), either Party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, demand from Escrow Agent and the Title Company, if appropriate, the return of its money, papers or documents deposited with Escrow Agent and the Title Company. No demand for return shall be recognized until ten (10) calendar days after Escrow Agent shall have mailed copies of such demand to the other Party at the address of its or their principal place of business and such other Party shall have failed to have taken the action required by that Party to effectuate the Close of Escrow within such ten (10) calendar day period. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other Party within the ten (10) calendar day period described above, in which event Escrow Agent and the Title Company are authorized to hold all money, papers and documents with respect to the City Site, or the affected portion thereof, until instructed by mutual agreement of the Parties or by a court of competent jurisdiction. If no such demands are made, the Escrow shall be closed as soon as possible.

Neither Escrow Agent nor the Title Company shall be obligated to return any such money, papers or documents, except upon the written instructions of the City and Developer or until the Party entitled thereto has been determined by a final decision of a court of competent jurisdiction.

Any amendment to these Escrow instructions shall be in writing and signed by both the City and Developer. At the time of any amendment, Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from Escrow Agent to the City or Developer shall be directed to the addresses and in the manner established in Section 12.2 of this Agreement for notices, demands and communications between the City and Developer.

3.9 Close of Escrow.

a. Subject to any extensions of time mutually agreed upon in writing between the City and Developer, the conveyance of title to Developer pursuant to the Grant Deed shall be completed upon the occurrence of all of the following (the "Closing Date") (i) not sooner than the satisfaction of all Conditions Precedent to the Close of Escrow set forth in Section 3.1 of this Agreement; (ii) concurrently with the closing of the Acquisition Loan, as evidenced by the recordation of the deed of trust securing the Acquisition Loan, and (iii) not later than the date specified for the scheduled Closing Date in the Schedule of Performance.

b. The HCID General Manager or his/her designee, is authorized to approve one or more reasonable extensions to the Closing Date (each such extension not to exceed twenty (20) Business Days), so long as: (i) such extension is in writing, executed by the HCID General Manager or designee; (ii) the HCID General Manager or designee determines in writing, on the basis of reasonable documentation provided by Developer, that Developer is diligently attempting to satisfy or cause the satisfaction of any outstanding Condition Precedent; and (iii) the extension does not exceed six (6) months from the Closing Date set forth in the Schedule of Performance. Notwithstanding anything to the contrary, Close of Escrow shall not occur without the concurrent closing of the Acquisition Loan, and without a reasonable expectation that construction of the Improvements will commence within one hundred eighty (180) Business Days after the Close of Escrow

3.10 Recordation of Documents.

Unless instructed otherwise in writing by the City and Developer, Escrow Agent shall record or cause to be recorded in the Office of the County Recorder of Los Angeles County, California, in the following order, the following instruments: (a) the Grant Deed; (b) the Regulatory Agreement; (c) the Notice of Affordability Restrictions; (d) Security Financing Interests to be recorded in connection with the Acquisition Loan; and (e) Security Financing Interests to be recorded in connection with any Third Party Loan and any other Residual Receipts Loan.

3.11 Title Insurance.

Upon the Close of Escrow, the Title Company shall commit to issue to Developer, an ALTA lender's policy of title insurance (the "Developer's Title Insurance Policy"). Escrow Agent shall provide or cause to be provided a copy of any such title insurance policy to the City.

ARTICLE 4. METHOD OF FINANCING

4.1 Total Development Costs.

The parties estimate that the Total Development Costs will be as set forth in the Project Budget, to be financed as set forth in Developer's Financing Plan for the Project.

4.2 Acquisition Loan.

a. Loan. Subject to the terms and conditions of this Agreement and Acquisition Loan documents, the City agrees to make a loan to Developer in an amount not to exceed the Purchase Price of _____ Dollars ($_____

_____) (the "Acquisition Loan"), conditioned upon: (A) the Developer taking title to the City Site upon the Close of Escrow; and (B) the occurrence of each of the Conditions Precedent set forth in section 3.1 of this Agreement on or prior to the time set forth in the Schedule of Performance, which conditions are for the benefit of the City.

b. Loan Terms. Upon Close of Escrow, the terms of the Acquisition Loan shall be as follows:

(i) The principal amount of the Acquisition Loan shall be _____ _____ Dollars ($_____).

(ii) The Acquisition Loan shall be deemed made in full to Developer in full upon satisfaction of all Conditions Precedent and the Close of Escrow.

(iii) The term shall be fifty-seven (57) years, commencing with the effective date of the Acquisition Note. The outstanding balance of the Acquisition Loan shall be due and payable in full at the end of the Acquisition Loan Term. The term shall be at least fifty-five (55) years, commencing with the date of the Acquisition Note, issuance by the City of Los Angeles of the certificate of occupancy for the Improvements (the "Occupancy Date"), if any, or the recordation of the Certificate of Completion pursuant to Section 6.4 of this Agreement, whichever is the latest to occur.

(iv) The Acquisition Loan shall be secured by the Acquisition Loan Deed of Trust.

(v) The principal amount of the Acquisition Note shall be the original principal amount of Acquisition Loan, with interest to accrue from the date of the Acquisition Loan is made in full. The principal amount shall bear simple interest at the rate of three percent (3%) per annum.

(vi) Developer shall repay the Acquisiton Loan from annual payments equal to the City's Share of Residual Receipts, if any. The City's Share of Residual Receipts shall be calculated as follows: (i) a percentage derived from a fraction in which the principal amount of the Acquisition Loan upon final disbursement is the numerator and the sum of the Acquisition Loan plus all other Residual Receipts Loans approved by the City pursuant to this Agreement is the denominator, multiplied by (ii) fifty percent (50%). For example, assuming the principal amount of the Acquisition Loan is $1,000,000, and the only other Residual Receipts Loan is one in the principal amount of $2,000,000, the City's Share would be $1,000,000 divided by $3,000,000, or 33.33%, multiplied by fifty percent (50%), or 16.67%. Provided, however, that the City's Share of Residual Receipts shall

be subject and subordinate to the priority in payment out of net cash flow of any loan made by the State of California if required by State law or adopted policy.

(vii) The obligation to repay the Acquisition Loan shall be evidenced by the Acquisiton Note substantially in the form attached to this Agreement as **Exhibit G** of Part I of Exhibits. The HCID General Manager or designee is authorized to make such modifications to the form of the Acquisiton Note as may be necessary or appropriate, so long as such modification does not adversely affect the receipt of any material benefit by the City pursuant to this Agreement.

4.3 Construction Period Financing.

The Parties anticipate that construction period financing (after Close of Escrow) will be provided from a combination of loans and equity, including but not limited to the following:

a. Construction Loan. One or more construction or construction/permanent loans (each, a "Construction Loan" and collectively, the "Construction Loans") derived from the issuance of Tax-Exempt Mortgage Revenue Bonds and disbursed by a bank or other lender approved in advance by HCID General Manager or designee ("Construction Lender") in the approximate original principal amount set forth in the "Construction" sources column in the Project Budget. It is anticipated that disbursements of the Construction Loan shall be subject to a process for the City review of Construction Lender disbursements, to be negotiated and provided in an Intercreditor Agreement, if any, to which the City and the Construction Lender will be parties. It is anticipated that the Construction Loan will be disbursed to pay Development Costs and reduced to the amount set forth in the "Permanent" sources column in the Project Budget, after the conversion of the Construction Loan in accordance with its terms.

b. Developer Equity. Equity from the Developer (the "Developer Equity"), consisting of the following:

(i) Funds in an amount set forth in the Project Budget , to be provided by the Tax Credit Equity Investor, derived from Low Income Housing Tax Credits and, if applicable, Historic Tax Credits and other applicable tax credits ("Investor Member/Partner Capital Contribution"), which shall be disbursed in one or more installments as provided in Developer's Amended and Restated Partnership Agreement; and

(ii) A deferred portion of the Developer Fee, in the amount set forth in the Project Budget (the "Deferred Developer Fee"), constituting that

portion of the Developer Fee to be paid to Developer from Revenue, before calculating Residual Receipts.

(iii) Developer Equity Contribution made directly to the project by the Developer that is not part of the deferred developer fee or a tax credit investor equity contribution. The Developer Equity Contribution can only be repaid through the Developer's share of residual receipts; the Developer Equity Contribution will not be secured by a promissory note; and the Developer Equity Contribution can only be repaid upon sale/transfer of the Project after the Acquisition Loan is repaid in full.

Developer shall be responsible for providing or securing any additional funds which may be needed to pay for cost overruns and contingencies not otherwise funded by the sources of Construction Financing described above.

Developer Equity described in this paragraph b. shall consist of funds provided by Developer, or borrowed funds, so long as repayment is not secured by any deed of trust on the Site.

4.4 Permanent Sources of Financing.

The Parties anticipate that permanent financing will be provided from a combination of loans and equity, including but not limited to the following:

a. One or more permanent loans or construction loans that convert to permanent loans (each a "Permanent Loan" and collectively the "Permanent Loans") in the original principal amount as set forth in the Project Budget, secured by one or more Third Party Lender deeds of trust (the beneficiaries of which shall include the Permanent Lender, any credit enhancer or permanent financing guaranty facility, referred to herein collectively as the "Third Party Permanent Lenders", and, together with the Third Party Construction Lenders, described above, referred to as the "Third Party Lenders").

b. Developer Equity, as described in subsection 4.3(b), above.

c. Developer Deferred Developer Fee.

ARTICLE 5. SCOPE OF DEVELOPMENT/DESIGN REQUIREMENTS.

5.1 Design in Conformance with Scope of Development, Residential Citywide Design Guidelines and Approved Project Documents.

a. In designing and constructing the Project, the Developer shall cause all Project Documents to be consistent with the Scope of Development and City's Architectural Requirements, including the Architectural Design Guidelines, unless

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otherwise approved by the City. The Scope of Development shall establish the baseline design standards from which the Developer shall prepare all subsequent Project Documents.

b. As required by the Scope of Development, the Developer shall follow the Environmentally Responsive Design guidelines and Sustainbale Building Methods section established in HCID Architectural Design Guidelines of (March 19, 2007) and consistent with TCAC Regulation's Minimum Construction Standards requirements adopted on May 17, 2017, as well as, the latest California Energy Commission requirements which are reflected in the Building Codes (in particular Volume 3, Green Building Code) and with which all projects must comply according to their project type.

5.2 City Review.

The City shall not be responsible for any aspects of Developer's conduct in connection with the Project, including, but not limited to, the quality and suitability of the Project Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the City with reference to the Project is solely for the purpose of determining whether the Developer is properly discharging its obligations to the City, and shall not be relied upon by the Developer or by any third parties as a warranty or representation by the City as to the quality of the design or construction of the Project.

ARTICLE 6. CONSTRUCTION OF THE IMPROVEMENTS.

Except for Section 6.6 (Relocation), if applicable, the provisions of this Article 6 are intended to apply only after the Close of Escrow, if at all.

6.1 Commencement of Construction.

The Developer shall commence construction of the Improvements within the time set forth in the Schedule of Performance.

6.2 Completion of Construction.

The Developer shall prosecute to completion, with diligence that is reasonable under all the circumstances, the construction of the Improvements, and shall complete or cause to be completed the construction of the Improvements within the time set forth in the Schedule of Performance. As between the City and the Developer, the Developer shall be solely responsible for the construction of the Improvements.

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6.3 Construction Pursuant to Scope and Plans.

a. The Developer shall construct the Improvements in accordance with the Scope of Development, the approved Final Construction Drawings, and the terms and conditions of all City approvals and any other governmental approvals.

b. Any proposed material variation from the previously approved Final Construction Drawings shall be submitted to the HCID General Manager or designee for written approval. HCID shall approve or disapprove a proposed material variation within fifteen (15) Business Days after receipt by HCID. If HCID rejects the proposed material change, then HCID shall provide the Developer with the specific reasons therefor, and the approved Final Construction Drawings shall continue to control. For purposes of this Section 6.3, a material variation from the previously approved Final Construction Drawings shall consist of any of the following: (1) any change in building materials or equipment, specifications, or the architectural, functional or structural design of the Improvements that is of lesser quality, durability or appearance or which does a poorer job of meeting the City's urban planning and design objectives as set forth in the Scope of Development; (2) any change (increase or decrease) that cumulatively exceeds ten percent (10%) of the budgeted cost of any one line item at any time; or (3) any set of changes (increase or decrease) that cumulatively exceeds ten percent (10%) of the hard cost budget.

c. Developer shall comply with all orders to comply with building codes and other governmental health and safety regulations. Any change from Approved Final Construction Drawings which is required for compliance with building codes or other government health and safety regulations shall not be deemed a material change for purposes of this Section 6.3. However, the Developer shall submit to HCID any proposed change that is required for such compliance as soon as possible, but in any event prior to the commencement of any such work, and such change shall become a part of the approved Final Construction Drawings, binding on the Developer. Any increase in Total Development Costs resulting from any such change shall be the obligation of Developer. The City shall have the right in its sole discretion, but not the obligation, to impose conditions on Developer's performance of any such changes that are reasonable in light of all the circumstances.

d. Throughout the construction of the Improvements, the City shall have the right in its discretion, but not the obligation, to inspect the premises as provided in Section 6.10 of this Agreement, and, to the extent permitted by any Inter-creditor Agreement, to review and provide comments to other lenders regarding the disbursement of construction sources of financing.

6.4 Certificate of Completion.

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a. Within ten (10) Business Days after written request by Developer following Completion of construction in accordance with the Scope of Development and Final Construction Drawings (as the same may have been revised with the written approval of the HCID General Manager or designee pursuant to Section 6.3 of this Agreement), and (if applicable) upon Developer's obtaining a certificate of occupancy or temporary certificate of occupancy from the City, the City shall deliver to Developer a Certificate of Completion.

b. The City shall not unreasonably withhold a Certificate of Completion but shall not be obligated to issue such Certificate until construction of the Improvements has been completed in accordance with all the terms of this Agreement. Such Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory Completion of the Improvements meeting the requirements of Article 5 and Sections 6.1 through 6.3, inclusive, of this Agreement. In the event any requirements of this Agreement relating to the construction of the Improvements, including, but not limited to any requirements of this Article 6, have not been fully satisfied by Developer as of the date of Developer's request for a Certificate of Completion, the HCID General Manager or designee may deny Developer's request for a Certificate of Completion or issue the Certificate of Completion subject to such conditions subsequent as the HCID General Manager or desingee may deem necessary to ensure full satisfaction with all the requirements of this Agreement.

c. The Certificate of Completion shall be in such form as to permit it to be recorded in the Office of the Recorder of Los Angeles County. If the City fails to deliver the Certificate of Completion within ten (10) Business Days after written request from Developer, HCID shall provide Developer with a written statement of its reasons (the "Statement of Reasons") within that ten (10)-Business Day period. The statement shall also set forth the actions Developer must take to be entitled to obtain the Certificate of Completion. If the reasons are confined to the immediate unavailability of specific items or materials for landscaping, or to so-called "punch list" items identified by HCID, HCID shall issue the Certificate of Completion upon the delivery of a bond or letter of credit by Developer with the City in an amount representing the City's estimate of the cost to complete the work, or other security deemed sufficient by HCID's General Manager or designee to ensure completion of the work. Notwithstanding any other provision of this Agreement, the failure by the City to issue a Certificate of Completion within any period of time after request by Developer shall not be deemed to constitute the City's concurrence that construction of the Improvements has been completed as required by this Agreement.

d. Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any Senior Lender, or any insurer of a mortgage securing money loaned to finance the Improvements, or any other person or entity. Such Certificate of Completion is not notice of completion as referred to in Section 3093 of the California Civil Code. Such Certificate of Completion

shall not be deemed to constitute completion or satisfaction of any obligations of the Developer under the Acquisition Loan Documents or City Loan Documents, except those set forth in Article 5 and Sections 6.1 through 6.3 of this Agreement.

e. As a condition of issuance of the Certificate of Completion, Developer's construction manager/contractor and Project Architect shall certify that the Project has been constructed in compliance with all applicable disabled access requirements as of the date of the Project's completion (when the last certificate of occupancy is issued by the City).

6.5 Compliance with Applicable Law and City Policies.

The Developer shall cause all work related to construction of the Improvements to be performed in compliance with: (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter, (including, without limitation, the prevailing wage provisions of Sections 1770 et seq. of the California Labor Code); (b) all directives, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction; (c) all applicable disabled access requirements; and (d) all applicable City policies that are effective as of the Effective Date of this Agreement, provided the Parties may make later-adopted City policies applicable to the Project by their mutual approval of an amendment to this Agreement specifically incorporating such policies. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Developer shall be responsible for the procurement and maintenance of such documents required of Developer and of all entities engaged in Project work at the Site.

6.6 Relocation.

a. If and to the extent acquisition or disposition of the Site or any aspect of development or operation of the Project results in the permanent or temporary displacement of any occupants of the Site, the following shall apply: (1) Developer shall comply with all applicable local, state and federal statutes and regulations with respect to relocation planning, advisory assistance and payment of monetary benefits (collectively referred to as the "Relocation Laws"); and (2) Developer shall be solely responsible for payment of any relocation benefits (if any) to any displaced persons and any other obligations (if any) associated with complying with the Relocation Laws, including, but not limited to, moving assistance, rent vouchers and the cost of a relocation consultant selected by the City. If the Developer is determined by a court of competent jurisdiction or any government agency to be in violation of any Relocation Laws as described in this section, the City may, in its sole discretion, declare Developer to be a "non-responsible Contractor" pursuant to the City's Policy on Contractor Responsibility (Exhibit 1 of Part II of Exhibits), and ineligible to apply for any future City contracts or financial assistance.

Developer also hereby agrees to indemnify, defend and hold the City harmless from any and against any and all claims and liabilities arising directly or indirectly as a result of or in connection with the breach of Developer's obligations set forth in this Section 6.6. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

b. If applicable, Developer shall submit the Relocation Plan to the City for review and approval, and Developer hereby acknowledges that City has approved a Relocation Plan for the Site (the "Relocation Plan"). Developer agrees to perform all of the obligations to be performed by Developer and comply with the terms and conditions of the Relocation Plan.

6.7 Construction Signs.

Prior to the commencement of construction, the Developer shall prepare and post on the Site construction signs in accordance with the City's sign standards. The construction signs shall identify the Project as one that is being assisted by the City and shall recognize, at a minimum, the Mayor of the City of Los Angeles, the City Council Member for the Council District in which the Project is located, and the HCID General Manager. The construction signs shall be erected on the Site such that they are reasonably visible to the public throughout the construction period.

6.8 Publicity.

Any publicity generated by Developer for the Project shall make reference to the contribution of HCID in making the Project possible. The words "Housing and Community Investment Department of the City of Los Angeles (HCID)" shall be prominently displayed in any and all pieces of publicity, including but not limited to flyers, press releases, posters, signs, brochures, public service announcements, interviews and newspaper articles. Developer further agrees to cooperate with authorized staff and officials of HCID in any HCID-generated publicity or promotional activities undertaken for the Project.

6.9 Progress Reports.

Until a Certificate of Completion has been issued by the City, the Developer shall: (a) provide HCID with periodic progress reports on the Project's construction status; and (b) attend status conferences relating to construction and/or compliance with City policies and City ordinances and the conditions of this Agreement. Such conferences shall occur as reasonably requested by the City, but not more often than monthly.

6.10 Entry onto the Site by the City.

Until a Certificate of Completion has been issued by the City, the Developer shall permit the City Representatives to enter the Site at all reasonable times and upon reasonable notice to: (a) inspect the construction work and determine if it conforms with the Scope of Development, the approved Final Construction Drawings and the Project Budget; or (b) inspect the Site for compliance with this Agreement. Except in the event of inspections regarding safety or compliance with City policies and City ordinances, reasonable notice shall mean at least 48 hours written notice. The City shall be under no obligation to (aa) supervise construction, (bb) inspect the Site or (cc) inform the Developer of information obtained by the City during any inspection. The Developer shall not rely upon the City for any supervision or inspection. The rights granted to the City pursuant to this section are in addition to any rights of entry and inspection the City may have in exercising its municipal regulatory authority.

6.11 Mechanics' Liens.

The Developer shall indemnify the City and hold the City harmless against and defend the City in any proceeding related to any mechanic's lien, stop notice or other claim brought by a subcontractor, laborer or material supplier who alleges having supplied labor or materials in the course of the construction of the Project by the Developer. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

6.12 Non-Discrimination During Construction; Equal Opportunity.

The Developer, for itself, its successors and assigns, and transferees agrees that in the construction of the Project provided for in this Agreement:

a. The Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, disability, actual and perceived, medical condition, age, marital status, transgender status, sex, sexual orientation, Acquired Immune Deficiency Syndrome (AIDS), actual or perceived, or retaliation for having filed a discrimination complaint or any additional basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, as such provisions may be amended from time to time (collectively, the "Nondiscrimination Factors"). The Developer shall take affirmative steps to ensure that applicants are employed by the Developer, and that its employees are treated without regard to the Nondiscrimination Factors during employment including, but not limited to, activities of: upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The

Developer agrees to post in conspicuous places, available to its employees and applicants for employment, the applicable nondiscrimination clause set forth herein.

b. The Developer shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Developer shall not discriminate in its employment practices, including compensation, against any employee, or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, familial status, acquired immune deficiency syndrome (AIDS), acquired or perceived citizenship, political affiliation or belief. The Developer shall comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, 11478, 12086, and 12107 and as supplemented in the Department of Labor regulations (41 CFR Part 60).

c. Unless otherwise exempt, this Agreement is subject to the non-discrimination provisions in Section 10.8 through 10.8.2 of the Los Angeles Administrative Code as amended from time to time. The Developer shall and shall cause all contractors and subcontractors to comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, Developer, its contractors and/or subcontractors shall not discriminate in its employment practices, including compensation, against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship and political affiliation or belief. The Developer shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by City. Any contract or subcontract entered into by Developer to the extent allowed hereunder, shall include a like provision for work to be performed under this Agreement.

Failure of the Developer to comply with this requirement or to obtain the compliance of its contractors or subcontractors with such obligations shall subject the Developer to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Developer's contract with the City.

d. The Developer shall ensure that its solicitations or advertisements for employment are in compliance with the aforementioned Nondiscrimination Factors; and

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e. The Developer shall insert the foregoing provisions in all contracts for the construction of the Project entered into by the Developer after the Effective Date of this Agreement and ensure that its General Contractor shall insert the foregoing provisions in the General Contractor's subcontracts; provided, however, that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

f. For purposes of this Section 6.12, the term "Developer" shall mean and include the Developer and the Developer's General Contractor and subcontractors of any tier engaged by Developer in the construction of the Project.

6.13 Affirmative Outreach in Contracting Procedures and Employment, Including Utilization of Project Area, Minority, Women and Other Businesses and Persons.

a. Use of Disadvantaged and Local Businesses. The parties hereby acknowledge that California Health and Safety Code Section 33422.1 provides: "To the greatest extent feasible, contracts for work to be performed in connection with any redevelopment project shall be awarded to business concerns which are located in, or owned in the substantial part by persons residing in, the project area." Therefore, in consideration of the assistance provided to the Project by the City, Developer hereby agrees:

(i) To the greatest extent feasible, Developer shall seek out and award and require the award of contracts and subcontracts for development of the Site to contracting firms which are located or owned in substantial part by persons residing in the Redevelopment Project Area, and to promote outreach to minority-owned, women-owned and other businesses. This requirement applies to both the construction and operation of the Improvements.

(ii) This paragraph shall require significant efforts of the Developer and its contractors but shall not require the hiring of any person unless such person has the experience and ability, and, where necessary, the appropriate trade union affiliation, to qualify such person for the job.

b. Employment of Project Area Residents. The Parties hereby acknowledge that California Health and Safety Code Section 33422.3 provides: "To insure training and employment opportunities for lower-income project area residents, the agency may specify in the call for bids for any contract over one hundred thousand dollars ($100,000) for work to be performed in connection with any redevelopment project that project area residents, if available, shall be employed for a specified percentage of each craft or type of workmen needed to execute the contract or work." Therefore, in

consideration of the assistance provided to the Project by the City, Developer agrees as follows:

(i) Developer shall in all general contracts for the construction of the Improvements (and its contractors shall in all subcontracts thereunder), require that to the greatest extent feasible, the labor force in all categories be comprised of residents of the Redevelopment Project Area; and

(ii) Developer and its contractors shall be subject to and shall comply with the terms of the Standard City Contracting Requirements, with all amendments thereto. Developer hereby agrees to the terms of these requirements and shall ensure that its General Contractor agrees to these terms.

c. Community Outreach Plan. Developer acknowledges that it is the policy of the City to promote the economic advancement of minorities and women as well as other economically disadvantaged persons through employment and the award of contracts and subcontracts in redevelopment project areas, and to provide Minority-owned Business Enterprises ("MBE"), Women-owned Business Enterprises ("WBE") and all other business enterprises ("OBE") with an equal opportunity to compete for and participate in the performance of City-assisted contracts. To carry out such policy, Developer agrees to comply with this Section 6.13.c., as follows:

(i) Submission of Plan: By the date set forth in the Schedule of Performance, the Developer and Developer's development team (including at a minimum, the General Contractor and Project Architect) shall meet with the City's Office of Audits and Compliance to hold a preconstruction meeting, to establish Project procedures, determine progress towards preliminary construction requirements, review City and other governmental policies and requirements and delineate the roles and responsibilities of Project participants. During the preconstruction meeting, the Developer shall be provided with the policies and procedures of the City regarding prevailing wage requirements and MBE, WBE and OBE outreach efforts, including the development of a community outreach plan (containing the items described in paragraph c.(2), below). At the preconstruction meeting, HCID shall provide to the Developer samples of community outreach plans which have been approved by the City. Prior to commencing construction, the Developer shall submit to the HCID General Manager or his/her designee, for approval or disapproval, a community outreach plan for the Project (the "Community Outreach Plan"), as part of the Community Benefits Plan for the Project. The Community Outreach Plan shall set forth the methods the Developer shall use to comply with this Section 6.13. Upon receipt of the Community Outreach Plan, the City shall, within twenty (20)

Business Days, approve or disapprove the Community Outreach Plan, or provide to the Developer a statement of actions required to be taken in order for the Community Outreach Plan to be approved. If the City fails to respond within such twenty (20) Business Day period, the Community Outreach Plan shall be deemed disapproved by the City. The Developer shall not commence construction unless the Community Outreach Plan has been approved by the City.

(ii) Contents of the Community Outreach Plan: The Community Outreach Plan shall include, at a minimum:

(1) Estimated total dollar amount (by trade) of all contracts and subcontracts to be let by the Developer or its General Contractor for the Improvements;

(2) List of all proposed contractors to be awarded a contract by the Developer or the General Contractor;

(3) Estimated dollar value of all proposed contracts;

(4) Evidence of Minority and Women Business Enterprise ("M/WBE") Certification of all firms listed as an MBE or WBE in the Community Outreach Plan. Firms purporting to be M/WBE do not require M/WBE Certification if their contract amount is less than Twenty Five Thousand Dollars ($25,000). Any firm for which the contract amount exceeds Twenty Five Thousand Dollars ($25,000) and which is not certified by the City of Los Angeles may not be considered an MBE or WBE for purposes of this Agreement;

(5) Developer agrees and shall cause any contractors and subcontractors for the Project to agree and obligate itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. Developer certifies and shall cause any contractors and subcontractors to certify that it has complied with Mayoral Directive 2001-26 regarding contracts greater than $100,000 (One Hundred Thousand Dollars), if applicable. Developer shall not change any of these designated contractors or subcontractors, nor shall Developer reduce their level of effort, without prior written approval of the City;

(6) Description of the actions to be taken to meet the project area resident and business utilization objectives; and

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(7) Such other information and documentation with respect to the foregoing objectives as the City may reasonably deem necessary.

d. General Information. During the construction of the Improvements, the Developer shall provide to the City such information and documentation as reasonably requested by the City to carry out this Section 6.13. The Developer shall monitor and enforce the affirmative outreach and equal opportunity requirements set forth in this Agreement. In the event the Developer fails to monitor or enforce these requirements, the City may declare the Developer in default of this Agreement (subject to the notice and cure rights provided in this Agreement) and thereafter pursue any of the remedies available under this Agreement.

6.14 Cost of Development.

Developer shall bear all costs and expenses incurred in connection with the construction and maintenance of all Improvements, including, without limitation, all costs incurred in connection with the investigation, acquisition and preparation of the Site for development, all off-site improvements, building and Developer fees, and all costs of investigation, acquisition and/or preparation of any Project Documents or other submissions made by Developer pursuant to this Agreement. Developer shall pay when due, and shall cause its General Contractor to pay when due, all valid invoices for materials, equipment, labor and services incurred in connection with the development of the Project.

6.15 Prevailing Wages.

a. The Developer shall pay or cause to be paid to all workers employed in connection with the development of the Improvements, not less than the prevailing rates of wages, as provided in the statutes applicable to City public work contracts, including without limitation Sections 33423-33426 of the California Health and Safety Code and Sections 1770-1781 of the California Labor Code. Copies of the currently applicable per diem prevailing wages are available from the HCID at 1200 West 7th Street, 8th Floor, Los Angeles California 90017. During the construction of the improvements, Developer shall or shall cause the contractor to post at the Property the applicable prevailing rates of per diem wages. The Developer shall and shall cause the contractors and subcontractors to submit data and documents related to prevailing wage by using ht LCP Tracker or comparable HCID-approved program. The fee for the LCP Tracker, or comparable HCID-approved program, will be in the amount equal to Three Hundredth Percent (0.03%) of the total construction cost to be paid in full within 30 days from the execution of this Agreement.

b. If the construction work covered under this Agreement is financed in whole or in part with assistance provided under a program of the U.S. Department of

Housing and Urban Development or some other source of federal funding, the Developer shall comply with or cause its General Contractor and all subcontractors to comply with the requirements of the Davis-Bacon Act (40 U.S.C. 276 et. seq.). The Davis-Bacon Act requires the payment of wages to all laborers and mechanics at a rate not less than the minimum wage specified by the Secretary of Labor in periodic wage rate determinations as described in the Federal Labor Standards Provisions (HUD-4010). In the event both State Prevailing wages and Davis-Bacon Act wages shall be required, all works shall be paid at the higher of the two wage rates.

c. Prior to the commencement of construction, and as soon as practicable in accordance with the Schedule of Performance, the Developer shall contact the City to schedule a preconstruction orientation meeting with the Developer and with the General Contractor to explain such matters as the specific rates of wages to be paid to workers in connection with the development of the Improvements, preconstruction conference requirements, record keeping and reporting requirements necessary for the evaluation of the Developer's compliance with this Section 6.15.

d. Developer shall monitor and enforce the prevailing wage requirements imposed on its contractors and subcontractors, including withholding payments to those contractors or subcontractors who violate these requirements. In the event that Developer fails to monitor or enforce these requirements against any contractor or subcontractor, Developer shall be liable for the full amount of any underpayment of wages, plus costs and attorneys' fees, as if Developer was the actual employer, and the City or the State Department of Industrial Relations may withhold monies owed to the Developer, may impose penalties on Developer in the amounts specified herein, may take action directly against the contractor or subcontractor as permitted by law, and/or may declare the Developer in default of this Agreement (subject to the notice and cure rights provided in this Agreement) and thereafter pursue any of the remedies available under this Agreement.

e. Any contractor or subcontractor who is at the time of bidding debarred by the Labor Commissioner pursuant to Section 1777.1 of the California Labor Code is ineligible to bid on the construction of the Improvements or to receive any contract or subcontract for work covered under this Agreement. The Developer agrees to include, or cause to be included, this paragraph (e) in all bid specifications for work covered under this Agreement.

f. Any contractor or subcontractor who, at the time of the date of this Agreement, is listed in the Lists of Parties Excluded From Federal Procurement or Nonprocurement Programs issued by the U.S. General Services Administration pursuant to Section 3(a) of the Davis-Bacon Act is ineligible to receive a contract for work covered under this Agreement, if the covered work is Federally funded in whole or in part.

g. Any contractor or subcontractor that is at the time of bidding debarred or declared non-responsible under the City's Contractor Responsibility Ordinance is ineligible to bid on the construction of the Improvements or to receive any contract or subcontract for work covered under this Agreement. Developer agrees to include, or cause to be included, this paragraph (g) in all bid specifications for work covered under this Agreement.

h. Developer agrees to include, or cause to be included, the above provisions in all bid specifications for work covered under this Agreement.

i. Developer shall indemnify, hold harmless and defend (with counsel reasonably acceptable to the City) the City against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Developer, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq. and implementing regulation or comply with the other applicable provisions of Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations in connection with construction of the improvements or any other work undertaken or in connection with the Site. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconeyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

j. For purposes of this Section 6.15, the terms "contractor" and "subcontractor" shall have the meaning set forth in the City Prevailing Wage Policy.

ARTICLE 7. USE OF THE SITE AND DEVELOPER OBLIGATIONS DURING AND AFTER CONSTRUCTION

7.1 Uses.

Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Site or any part thereof, that Developer, such successors and such assignees shall use the Site only for the uses specified in the Redevelopment Plan, this Agreement (including the Scope of Development), and the Regulatory Agreement. No change in the use of the Site shall be permitted without the prior written approval of the City.

7.2 Affordability.

The Developer hereby agrees that, for the term of the Regulatory Agreement, the Affordable Units within the Improvements shall be used only for residential uses consistent with the Regulatory Agreement. All of the housing units in the Project (other than the resident manager's unit) shall be made available and rented exclusively to

Eligible Households in the income categories and at rents that do not exceed the respective affordability levels set forth in the Regulatory Agreement. In the event the Project contains both Affordable Units and dwelling units that are unrestricted as to rents and incomes, the Affordable Units shall to the maximum extent feasible be comparable to unrestricted units with the same number of rooms, in terms of size, location and amenities.

7.3 Allowable Rent.

For the term of the Regulatory Agreement, Developer shall not charge rent for an Affordable Unit that exceeds the applicable Affordable Rent for the income level of a Household that is eligible to rent that Affordable Unit (i.e., rent for a Moderate Income Unit shall not exceed a Moderate Income Rent, etc.), as set forth more specifically in the Regulatory Agreement.

7.4 Maintenance of the Site.

At all times after the Close of Escrow and prior to the completion of construction, Developer shall secure and maintain the Site or cause the Site to be secured and maintained in a safe, neat and orderly condition to the extent practicable and in accordance with industry health and safety standards for construction sites. Upon and at all times after completion of construction, the Project shall be well maintained as to both external and internal appearance of all buildings, landscaping, common areas, and parking areas, conforming to the best practices of operators of comparable City-assisted affordable housing, and the requirements set forth in the Regulatory Agreement, if any, for the term of that agreement.

7.5 Management Requirements.

a. Operations and Maintenance. For the term of the Regulatory Agreement, Developer shall operate and maintain the Project in accordance with all applicable federal, state and local laws and rules, in conformance with the best practices of operators of comparable City-assisted affordable housing and the management requirements set forth in the Regulatory Agreement, and provide for the operation of the Project in a manner satisfactory to the City pursuant to the Management Plan (defined in the Regulatory Agreement). Not later than the time specified in the Schedule of Performance, the Developer shall submit to the HCID General Manager or designee for written approval, a Management Plan for the Project. The Developer shall submit the Management Plan and all necessary supporting information in such time to permit the HCID General Manager or designee to approve, disapprove or comment on the Management Plan twenty (20) Business Days prior to the completion of construction. The Management Plan, including such amendments as may be approved by the HCID General Manager or designee, shall remain in effect for the term of the Acquisition Loan or the term of the Regulatory Agreement, whichever is longer.

b. Just Cause Evictions. Developer shall include the following provision in all tenant leases and rental agreements for the Project:

> "Owner may not terminate the tenancy or refuse to renew this lease or rental agreement except for good cause. The term "good cause" shall mean a serious or repeated violation of the material terms and conditions of the lease, or a violation of applicable federal, state or local law. To terminate the tenancy or refuse to renew the lease, Owner must provide written notice to the tenant of the grounds with sufficient specificity to enable to the tenant to prepare a defense. The notice must be served at least three Business Days before the termination of tenancy, and must comply with all requirements of California law and other applicable programs. Tenant has the right to enforce this requirement in state court, including presenting a defense to any eviction action brought by Owner."

7.6 Obligation to Refrain from Discrimination.

a. Developer covenants and agrees for itself, its successors and its assigns in interest to the Site or any part thereof, that there shall be no discrimination against or segregation of any person or persons on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All deeds, leases, or contracts for the sale, lease, sublease, or other transfer of the Site shall contain or be subject to the nondiscrimination or non-segregation clauses hereafter prescribed.

b. Notwithstanding subdivision (a), with respect to familial status, subdivision (a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in subdivision (a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to subdivision (a).

7.7 Form of Nondiscrimination and Nonsegregation Clauses.

Developer shall refrain from restricting the rental, sale or lease of the Site as provided in Section 7.6, above. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of the Site entered into after the date on which this Agreement is executed by the City shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

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c. In contracts entered into by the City relating to the sale, transfer, or leasing of land or any interest therein acquired by the City within any survey area or redevelopment project the foregoing provisions in substantially the forms set forth shall be included and the contracts shall further provide that the foregoing provisions shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties, or other transferees under the instrument.

7.8 Barriers to the Disabled.

a. Compliance with all Accessibility Requirements. Developer shall comply with all applicable requirements of state, local and federal rules, laws and regulations relating to accessibility and reasonable accommodations for persons with disabilities, including, without limitation, the following to the extent any are applicable to the Project: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 and implementing regulations at 24 CFR Part 8); the Americans with Disabilities Act (42 U.S.C. Sections 12131 *et seq*. and 12181 *et seq*., and implementing regulations at 28 CFR Parts 35 and 36); the Fair Housing Act (42 U.S.C. Section 3601 *et seq*., and implementing regulations at 24 CFR Part 100); the Fair Employment and Housing Act (California Government Code Section 12926); and Title 24 of the California Building Code. Without limiting the generality of the foregoing,

(i) residential and nonresidential projects that involve new construction or rehabilitation of existing buildings and that are financed in whole or in part with federal funds (e.g. CDBG, HOME) shall comply with all applicable requirements of Section 504 of the Rehabilitation Act of 1973 and all other applicable requirements;

(ii) projects that receive City or other nonfederal sources of funding shall comply with all applicable requirements of the Americans with Disabilities Act, the Fair Housing Act, the Fair Employment and Housing Act, Title 24 of the California Building Code, and all other applicable requirements;

(iii) commercial structures, and common areas and public use areas in residential projects, shall comply with all applicable requirements of the Americans with Disabilities Act, Title 24 of the California Building Code and all other applicable requirements.

Developer shall ensure that construction plans submitted for review by the City comply with all applicable requirements of law and that Project construction is carried out in conformity with approved plans.

b. ADA Certification. Developer hereby certifies as follows:

(i) Developer is in compliance with and shall continue to comply with the Americans with Disabilities Act, 42 U.S.C. 12101 et seq. and its implementing regulations.

(ii) Developer shall provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.

(iii) Developer shall not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.

(iv) Developer shall require that the language of this Section 7.8 be included in the award documents for all sub-awards at all tiers (including subcontracts, and contracts under grants, loans and cooperative agreements) and that all subcontractors shall certify and disclose accordingly.

(v) The certification set forth in this Section is a material representation of fact upon which reliance was placed when the Parties entered into this transaction.

7.9 Effect and Duration of Covenants.

The covenants established in this Agreement shall run with the land, without regard to technical classification and designation, and shall be for the benefit and in favor of and enforceable against the original Developer and successors in interest by the City. The covenants described in this Article 7 shall commence upon execution of this Agreement, shall be set forth in the Agreement Containing Covenants and shall remain in effect for the respective periods specified therein.

7.10 Regulatory Agreement.

Prior to the Close of Escrow and disbursement of any portion of the City Loan, Developer and City shall execute the Regulatory Agreement and the Notice of Affordability Restrictions, which shall be recorded against the Site upon the Close of Escrow. The Regulatory Agreement shall have a term of at least 55 years from the Certificate of Occupancy (COO).

7.11 Monitoring.

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a. The parties acknowledge that this Agreement is subject to the provisions of Section 33418(a) of the California Health and Safety Code, which provides in pertinent part:

> "An Agency shall monitor, on an ongoing basis, any housing affordable to persons and families of low or moderate income developed or otherwise made available pursuant to any provisions of this part. As part of this monitoring, an Agency shall require owners or managers of the housing to submit an annual report to the Agency. The annual reports shall include for each rental unit the rental rate and the income and family size of the occupants... The income information required by this section shall be supplied by the tenant in a certified statement of a form provided by the Agency."

b. Developer, on behalf of itself, its successors and assigns, covenants and agrees to submit an annual report to HCID containing, for each Affordable Unit, the rental rate and the income and family size of the occupants. HCID shall provide the format to be used.

7.12 Indemnity.

a. Developer shall indemnify, defend (with counsel approved by the City) and hold harmless the City, and their respective elected and appointed officers, officials, employees, agents, consultants, and contractors (collectively, the "Indemnitees") from and against any and all liabilities, losses, costs, expenses (including without limitation attorneys' fees and costs of litigation), claims, demands, actions, suits, causes of action, writs, judicial or administrative proceedings, penalties, deficiencies, fines, orders, judgments and damages (all of the foregoing collectively "Claims") which in any manner, directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to: (i) approval of this Agreement and/or the Improvements; (ii) performance of this Agreement on the part of the Developer or any contractor or subcontractor of Developer; and/or (iii) the rehabilitation, operation, maintenance or management of the Improvements, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that the City does not and shall not waive any rights against Developer which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by the City, or Developer's deposit with the City of any of the insurance policies described in this Agreement.

b. Developer shall pay immediately upon the Indemnitees' demand any amounts owing under this indemnity. The duty of Developer to indemnify includes the duty to defend the Indemnitees or, at the Indemnitees' choosing, to pay the Indemnitees' costs of its defense in any court action, administrative action, or other proceeding brought by any third party arising from the Improvements or the Site. The Indemnitees may make

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all reasonable decisions with respect to their representation in any legal proceeding, including, but not limited to, the selection of attorney(s). Developer's obligations set forth in this Section shall survive the issuance of the Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions, and termination of this Agreement. Developer's indemnification obligations set forth in this Section 7.12 shall not apply to Claims arising solely from the gross negligence or willful misconduct of the Indemnitees.

7.13 Insurance Coverage.

Developer shall furnish or cause to be furnished to the City duplicate originals or certified copies of the insurance policies, complete with additional insured and loss payee endorsements, as applicable pursuant to this Agreement. Developer shall maintain and keep in full force and effect the following policies of insurance, issued by companies approved and regulated by the State Department of Insurance, commencing upon the execution of this Agreement or Developer taking title to the City Site, whichever occurs later, including:

a. Developer and Developer's contractors and sub-contractors hired to perform work on the Site shall maintain Commercial General Liability insurance, to protect against Claims due to bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomsoever on or about the Site and the Improvements, or in connection with the operation thereof, resulting directly or indirectly from any acts or activities of the City or Developer or any person acting for the City or Developer, or under their respective control or direction, and also to protect against Claims due to damage to any property of any person occurring on or about the Site and the Improvements, or in connection with the operation thereof, caused directly or indirectly by or from acts or activities of the City or Developer, its contractor(s) or subcontractor(s) or its tenants or any person acting for the City or Developer, or under their respective control or direction. Such property damage and bodily injury insurance shall also provide for and protect the City against incurring any legal cost in defending claims for alleged loss. Such bodily injury and property damage insurance shall name the Indemnitees as additional insureds. Such bodily injury and property damage insurance shall be in minimum limits of One-Million Dollars ($1,000,000.00) per occurrence with a Five Million Dollars ($5,000,000.00) aggregate; provided, however, the limitation on the amount of insurance shall not limit the responsibility of the Developer to indemnify the Indemnitees or to pay damages for injury to persons or property resulting from Developer's activities or the activities of any other person or persons for which Developer is otherwise responsible.

b. During construction and until a Certificate of Occupancy for the completed development has been issued by the City, Developer shall carry Builder's Risk coverage for the Improvements. After completion of construction, Developer shall

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maintain property insurance in an amount not less than the full insurable value of the Improvements with extended coverage including fire, windstorm, flood, vandalism, malicious mischief, earthquake (if commercially available at reasonable rates or as otherwise required), boiler and machinery if applicable, and other such perils customarily covered by an "All Risk" policy. Such policy shall include a loss payable endorsement naming the **"City of Los Angeles"** as loss payees. The term "full insurable value" as used above shall mean the actual replacement cost (excluding the cost of excavation, foundation and footings below the lowest floor and without deduction for depreciation) of the Improvements immediately before such casualty or other loss, including the cost of rehabilitation of the Improvements, architectural and engineering fees, and inspection and supervision. To ascertain the amount of coverage required, not less often than once every three (3) years, Developer shall cause the full insurable value of the Improvements to be determined, such determination to be either by appraisal of the insurer, or by an appraiser mutually acceptable to the City and the Developer. The manner of determination of value shall be agreed to in writing by Developer and the HCID General Manager or designee.

c. After the completion of construction, Developer shall maintain or cause to be maintained loss of rental income insurance with respect to the Improvements, against the perils of fire, lightning, vandalism, malicious mischief, riot and civil commotion, and such other perils ordinarily included in extended coverage policies.

d. Developer and its contractors and subcontractors shall maintain or cause to be maintained Workers' Compensation Insurance including Employer's Liability in limits of not less than One Million Dollars ($1,000,000.00), issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the workers' compensation laws now in force in California, or any laws hereafter enacted as an amendment or supplement thereto or in lieu thereof. Such workers' compensation insurance shall cover all persons employed by Developer and its contractors and subcontractors in connection with the Site and the Improvements and shall cover claims for death, bodily injury, illness, or disease made by, for or on behalf of any person incurring or suffering injury, death, illness or disease in connection with the Site or the Improvements or the operation thereof by Developer.

e. Professional liability insurance shall be required of architects and engineers hired to perform work on the Improvements in limits of not less than One Million Dollars ($1,000,000.000). Developer shall ensure that insurance for architects and engineers is received by the City prior to the commencement of any work on the Site.

f. Commercial automobile insurance coverage in minimum limits of not less than One Million Dollars ($1,000,000.00) shall be required by Developer and/or Developer's contractors and sub-contractors hired to perform work on the Site for owned, hired, leased, and non-owned autos and shall be received by the City prior to the commencement of any work being performed on Site.

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g. All required insurance policies shall not be subject to cancellation, reduction in coverage, or non-renewal except after notice in writing shall have been sent by registered mail addressed to both HCID not less than twenty (20) Business Days prior to the effective date thereof (ten (10) Business Days for nonpayment of premiums). **All policies where applicable must name the "City of Los Angeles" as additional insured.** The insurance policies or endorsements shall also contain a waiver of subrogation for the benefit of the City of Los Angeles.

h. All insurance provided under this Agreement shall be for the benefit of Developer and the City. Developer agrees to timely pay or cause to be paid all premiums for such insurance and, at its sole cost and expense, to comply and secure compliance with all insurance requirements necessary for the maintenance of such insurance.

i. Developer shall submit proof of insurance and applicable endorsements as required by this Section to the City prior to the Close of Escrow and disbursement of any portion of the Acquisition Loan. At least twenty (20) Business Days prior to expiration of any such policy, copies of renewal policies shall be submitted to the City.

j. All insurance herein provided for in this Agreement shall be effected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of California reasonably approved by the City.

k. Subject to the provisions of any Construction and/or Permanent Lender's loan documents, all insurance proceeds with respect to loss or damage to the Improvements during the term of the Acquisition Loan shall be payable, under the provisions of the relevant insurance policy, jointly to Developer and the City, and said proceeds shall constitute a trust fund to be used for the restoration, repair or rebuilding of the Improvements in accordance with plans and specifications approved in writing by the City. To the extent that such proceeds exceed the cost of such restoration, repair or rebuilding, such proceeds shall be applied to repay the Acquisition Loan. During any period when a Permanent Loan is outstanding, such proceeds shall be divided between the Permanent Lender and City in proportion to the balance of their respective loans. In the event of any fire or other casualty to the Improvements or eminent domain proceedings resulting in condemnation of the Improvements or any part thereof, the Developer shall have the right to rebuild the Improvements, and to use all available insurance or condemnation proceeds to pay costs in connection with rebuilding the Improvements, provided that (1) such proceeds are sufficient to keep the Acquisition Loan in balance and rebuild the Improvements in a manner that provides adequate security to the City for repayment of the Acquisition Loan or if such proceeds are insufficient then the Developer shall have funded any deficiency, (2) the City shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements

of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (3) no material default then exists under the Acquisition Loan or City Loan documents. If the casualty or condemnation affects only part of the Improvements and total rebuilding is infeasible, then proceeds may be used for partial rebuilding.

l. The City reserve the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving the Developer ninety calendar days written, advance notice of such change. If such change(s) should result in substantial additional cost to the Developer, the City agrees to negotiate additional compensation proportional to the increased benefit to the City of Los Angeles.

m. The City shall have the right in its sole discretion to accept insurance policies with lower limits than the minimum limits set forth in this Section 7.13.

7.14 Insurance Advances.

In the event Developer fails to maintain or cause to be maintained the full insurance coverage required by this Agreement, the City, after at least five (5) Business Days prior notice to Developer, may, but shall be under no obligation to, take out the required policies of insurance and pay the premiums on such policies. Any amount so advanced by the City, together with interest thereon from the date of such advance at the highest rate of interest then allowed by applicable law, shall become an additional obligation of Developer to the City under the Acquisition Loan and shall be secured by the Acquisition Loan Deed of Trust.

7.15 Hazardous Materials.

a. The Developer hereby covenants and agrees that:

(i) The Developer shall not knowingly permit the Site or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence of Hazardous Materials in, on or under the Site in violation of any applicable law;

(ii) The Developer shall keep and maintain the Project and each portion thereof in compliance with, and shall not cause or permit the Project or any portion thereof to be in violation of any Hazardous Materials Laws;

(iii) Upon receiving actual knowledge of the same, the Developer shall within ten (10) days advise the City in writing of: (A) any and all enforcement, cleanup, removal or other governmental or regulatory actions

instituted or threatened against the Developer or the Project pursuant to any applicable Hazardous Materials Laws; (B) any and all claims made or threatened by any third party against the Developer or the Project relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (A) and this clause (B) are hereinafter referred to as "Hazardous Materials Claims"); (C) the presence of any Hazardous Materials in, on or under the Site in such quantities which require reporting to a government agency; or (D) the Developer's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Project classified as "border zone property" under the provisions of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Project under any Hazardous Materials Laws. If the City reasonably determine that the Developer is not adequately responding to a written directive or order from a regulatory body or court regarding a Hazardous Material Claim, the City shall have the right, upon ten (10) Business Days written notice to the Developer, to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any such Hazardous Materials Claims and, if such claim could result in any liability or damage to the City, to have its reasonable attorney's fees in connection therewith paid by the Developer.

(iv) As long as the Acquisition Loan is outstanding, the Developer shall not take, without the City's prior written consent, which shall not be unreasonably withheld or delayed, any remedial action in response to the presence of any Hazardous Materials on, under, or about the Site (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

b. Hazardous Materials Indemnity. Without limiting the generality of the indemnification set forth in this Section 7.15, the Developer hereby agrees to indemnify, protect, hold harmless and defend (by counsel acceptable to the City) the City, its Council Members, officers, employees and agents from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, reasonable attorney's fees and expenses), arising directly or indirectly, in whole or in part, out of: (1) the failure of the Developer, its agents, employees, or contractors to comply with any Hazardous Materials Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the Project; (2) the presence in,

on or under the Site of any Hazardous Materials not otherwise present before the Close of Escrow or any releases or discharges of any Hazardous Materials into, on, under or from the Project occurring after the Close of Escrow; or (3) any activity carried on or undertaken on or off the Project, subsequent to the conveyance of the City Site to the Developer, by the Developer or any employees, agents, contractors or subcontractors of the Developer at any time occupying or present on the Project, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials at any time located or present on or under the Project (collectively "Indemnification Claims"). The foregoing indemnity shall further apply to any residual contamination on or under the Project, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials by the Developer, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

c. No Limitation. The Developer hereby acknowledges and agrees that the Developer's duties, obligations and liabilities under this Agreement, including, without limitation, under paragraph b. of this Section 7.15, above, are in no way limited or otherwise affected by any information the City may have concerning the Site or the Project and/or the presence on or under the Site or within the Project of any Hazardous Materials, whether the City obtained such information from the Developer or from its own investigations.

7.16 Taxes and Assessments.

Developer shall pay prior to delinquency any and all real estate taxes and assessments (including any possessory interest tax) assessed and levied on the Site or any portion thereof and Developer hereby agrees to indemnify, defend and hold the City and all of the City's Representatives free and harmless against any and all Losses and Liabilities arising from the failure to pay when due such taxes and assessments. The City shall have the right, but not the obligation, to advance on behalf of Developer any amounts due as the result of real estate taxes and assessments (including any possessory interest tax) assessed and levied on the Site or any portion thereof. Developer shall immediately reimburse the City for any amount so advanced by the City, together with interest thereon from the date of such advance at the highest rate of interest then allowed by applicable law, and any such amount that is not paid when due shall become an additional obligation of Developer to the City secured by the Acquisition Deed of Trust. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

7.17 City's Living Wage Ordinance and Service Contractor Worker Retention Ordinance.

A. Unless otherwise exempt, this Agreement is subject to the applicable provisions of the Living Wage Ordinance (LWO) Section 10.37 et. seq. of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time. Among other things, the Ordinances require the following:

1. Developer assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits as defined in the LWO.

2. Developer further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. Developer shall require each of its contractors and subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. Developer shall deliver the executed pledges from each such contractor and subcontractor to the City within ninety (90) days of the execution of the contract and subcontract. Developer's delivery of executed pledges from each such contractor and subcontractor shall fully discharge the obligation of the Developer with respect to such pledges and fully discharge the obligation of the Developer to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.

3. The Developer and any contractor and subcontractor for the project, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. Developer and any contractor and subcontractor for the project shall post the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation provided by the City.

4. Any contract and subcontract entered into by the Developer and any

contractor and subcontractor for the project relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this Section and shall incorporate the provisions of the LWO and the SCWRO.

5. Developer and any contractor and subcontractor for the project shall comply with all rules, regulations and policies promulgated by the City's designated administrative agency which may be amended from time to time.

B. Under the provisions of Section 10.36.3 and Section 10.37.6 of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this Agreement and otherwise pursue legal remedies that may be available if the City determines that the subject Developer and any contractor and subcontractor has violated provisions of either the LWO or the SCWRO or both.

C. Where under the LWO Section 10.37.6, the City's designated administrative agency has determined (a) that the Developer and any contractor and subcontractor for the project is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the City in such circumstances may impound monies otherwise due the Developer in accordance with the following procedures. Impoundment shall mean that from monies due the Developer, the City may deduct the amount determined to be due and owing by the Developer and any contractor and subcontractor for the project to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6 and disposed of under procedures described therein through final and binding arbitration. Whether the Developer and any contractor and subcontractor for the project is to continue work following an impoundment shall remain in the sole discretion of the City. The Developer and any contractors and subcontractors for the project may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

D. This Agreement is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, Developer shall and shall cause any contractor and subcontractor for the Project to inform employees making less than Twelve Dollars ($12.00) per hour of their possible right to the federal Earned Income Credit (EIC). Developer shall and shall cause any contractor and subcontractor for the Project to make available to employees the forms informing the employees about the EIC and the forms required to secure advance EIC payments from Developer, any contractor or subcontractor for the Project.

7.18 City's Equal Benefits Ordinance.

Unless otherwise exempt, this Agreement is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

A. During the performance of the project, the Developer certifies and represents that the Developer and any contractor and subcontractor will comply with the EBO.

B. The failure of the Developer to comply or to ensure that any contractor or subcontractor comply with the EBO will be deemed to be a material breach of the Agreement by the City.

C. If the Developer and any contractor and subcontractor fails to comply with the EBO, the City may cancel, terminate or suspend the Agreement, in whole or in part, and all monies due or to become due under the Agreement may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

D. Failure to comply with the EBO may be used as evidence against the Developer in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

E. If the City's designated Administrative Agency determines that a Developer has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the Agreement. Violation of this provision may be used as evidence against the Developer in actions taken pursuant to the provisions of the Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

F. The Developer shall post and shall ensure posting the following statement in conspicuous places at its place of business and the project available to employees and applicants for employment:

"During the performance of this project with the City of Los Angeles, the Developer and any contractor or subcontractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of contract Compliance at (213) 847-1922".

7.19. Contractor Responsibility Ordinance.

Unless otherwise exempt, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, as amended from time to time, which requires Developer to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Developer's fitness and ability to continue performing under the Agreement.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Agreement, Developer pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. The Developer further agrees to: (1) notify the City within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Developer is not in compliance with all applicable federal, state and local laws in performance of this Agreement and project; (2) notify the City within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Developer and any contractor and subcontractor for the project has violated the provisions of Section 10.40.3 (a) of the Contractor Responsibility Ordinance; (3) ensure that its subcontractor(s), as defined in the Contract Responsibility Ordinance, submit a Pledge of Compliance to the City; and (4) ensure that its contractor and subcontractor, as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the City within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the contractor or subcontractor has violated Section 10.40.3(a) of the Contract Responsibility Ordinance in performance of the contract or subcontract.

7.20 Slavery Disclosure Ordinance.

Unless otherwise exempt, this Agreement is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. Developer certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Agreement.

7.21 First Source Hiring Ordinance.

Unless otherwise exempt, this contract is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the Los Angeles Administrative Code as amended from time to time.

A. Developer shall, prior to the execution of the contract, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that Developer estimates it will need to fill in order to perform

the services under the contract.

B. Developer further pledges that it will, during the term of the contract: (1) at least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview; (2) interview qualified individuals referred by EWDD; and (3) prior to filing any employment opportunity, the Developer shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the Developer interviewed and the reasons why referred individuals were not hired.

C. Any contract or subcontract entered into by the Developer relating to this contract, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.

D. Developer shall comply with all rules, regulations and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the Developer intentionally violated or used hiring practices for the purpose of avoiding the FSHO, that determination will be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 *et seq.*, and must be documented in each of the Developer's subsequent Contractor Responsibility Questionnaires submitted under the Los Angeles Administrative Code Section 10.40 *et seq.* This measure does not limit the City's authority to act under the FSHO.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this contract and otherwise pursue legal remedies that may be available if the DAA determines that the Developer has violated provisions of the FSHO.

7.22 Child Support Assignment Orders**.**

This Agreement is subject to the Child Support Assignment Orders Ordinance , Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, Developer will fully comply with all applicable State and Federal employment reporting requirements for Developer's, contractor's and subcontractor's employees. Developer shall also certify that (1) Developer and any contractor and subcontractor will fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the principal owner(s) of the Developer(s) are in compliance with any

Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) Developer and any contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230 *et seq.* of the California Family Code; and (4) Developer and any contractor or subcontractor will maintain such compliance throughout the term of this Agreement.

Pursuant to Section 10.10b of the Los Angeles Administrative Code, the failure of Developer to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of the Developer(s) to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the Developer under the terms of this Agreement, subjecting this Agreement to termination if such default shall continue for more than ninety (90) days after notice of such default to Developer by City.

Any contract and subcontract entered into by the Developer, to the extent allowed hereunder, shall be subject to the provisions of this paragraph and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the Developer to obtain compliance of its contractor and subcontractor shall constitute a default by the Developer under the terms of this Agreement, subjecting this Agreement to termination where such default shall continue for more than ninety (90) days after notice of such default to Developer by the City.

Developer certifies that, to the best of its knowledge it is fully complying with the earnings assignment orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

7.23 Enforcement Of Employment Requirements.

In the event of underpayment of wages by Developer or by any contractor or subcontractor employed on the Project, Lender, in addition to other rights and remedies afforded by this Agreement or applicable law, may: (1) demand that Developer and/or any underpaying employer comply with these requirements; (2) demand that the underpaying employer pay the difference between the prevailing wage rates and the amount actually paid to workers; (3) withhold from Developer any Loan proceeds as may be necessary to compensate workers the full wages required under this Agreement (whether or not the Loan payee is directly responsible for the underpayment); (4) impose liquidated damages in the form of a forfeiture of up to fifty dollars ($50) per calendar day for each worker paid less than the prevailing wage, the amount of such forfeiture to be determined solely by Lender according to the standards contained in California Labor Code Section 1775; and/or (5) pursue any lawful administrative or court remedy to enforce these requirements against the Developer and underpaying employer. Developer shall comply with any demand to pay any amounts due under this section within ten (10) calendar days of said

demand. In addition, a worker who has been paid less than the prevailing wage rate shall have a right to commence an action or proceeding against the employer to collect the underpayment.

In the event of any violation or deficiency with respect to the equal opportunity and/or the MBE/WBE provisions herein, including failure to provide adequate documentation as specified herein, by Developer or by any contractor or subcontractor employed on the Project, Lender, in addition to other rights and remedies afforded by this Agreement or applicable law, may: (1) demand that any noncomplying party comply with these requirements; (2) withhold disbursement of Loan proceeds from Developer or any contractor or subcontractor until such violations are corrected; (3) impose liquidated damages on the noncomplying party in the form of a forfeiture of up to one thousand dollars ($1,000) or one percent (1%) of the contract, whichever is less, the amount of such forfeiture to be determined solely by Lender; and/or (4) pursue any lawful administrative or court remedy to enforce these requirements. Any noncomplying party shall comply with any demand to correct any noncompliance within ten (10) business days of said demand.

Developer shall monitor and enforce the equal employment opportunity, minority- and women-owned business enterprises, and prevailing wage requirements imposed on its contractors and subcontractors, including withholding payments to those contractors or subcontractors who violate these requirements. In the event that Developer fails to monitor or enforce these requirements against any contractor or subcontractor, Developer shall be liable for the full amount of any underpayment of wages, plus costs and attorneys' fees, as if Developer was the actual employer, and Lender may withhold payments to Developer, may impose liquidated damages on Developer in the amounts specified herein, may take action directly against the contractor or subcontractor as permitted by law, and/or may declare an Event of Default and pursue any of the other remedies available under this Agreement.

7.24 Fair Chance Initiative For Hiring Ordinance.

Unless otherwise exempt under Federal or State law, City Contractors and subcontractors with 10 or more employees are prohibited under Los Angeles Administrative Code Section 10.48 from seeking a job applicant's criminal history information until a job offer is made and from withdrawing a job offer unless the employer performs an assessment of the applicant's criminal history and the duties of the position. Contractors and subcontractors are required to include information regarding the ordinance in all job solicitations and advertisements and to post notices informing job applicants of their rights. Additional information and forms may be found at Department of Public Works, Bureau of Contract Administration at http://bca.lacity.org/.

7.25 Labor Compliance Meeting.

The Developer shall meet with HCIDLA's Labor Compliance staff for a pre-construction briefing on all City construction requirements prior to the issuance of a notice to proceed.

ARTICLE 8. ASSIGNMENT AND TRANSFERS

8.1 Definitions.

As used in this Article 8, the terms "Transfer" and "Permitted Transfer" shall have the respective meanings set forth in Section 1.2 of this Agreement.

8.2 Restrictions on Transfer.

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

b. Developer shall not assign all or any part of this Agreement or the Site, or any interest herein, without the prior written approval of the City. Subject to review of documentation effectuating any such proposed assignment or transfer, the City shall provide written confirmation to Developer that a proposed assignment is a Permitted Transfer, if such be the case, as provided in Section 8.4.a., below.

c. For the reasons cited above, Developer represents and agrees for itself and any successor in interest that, without the prior written approval of the City, there shall be no significant change in the ownership of Developer or in the relative proportions thereof, or with respect to the identity of the parties in control of Developer or the degree thereof, by any method or means, except by Permitted Transfers.

d. Any assignment or transfer of this Agreement or the Site or any interest herein or therein or significant change in ownership of Developer, other than a Permitted Transfer, shall require the prior written approval of the City. To the extent the City's approval of an assignment or transfer is required by this Agreement, in granting or

withholding its approval, the City shall base their decision upon: (i) the relevant experience, financial capability and reputation of the proposed assignee or transferee; and (ii) the effect, if any, of such proposed transfer on the public purposes of this Agreement. In addition, the City shall have the right, in its sole discretion, to disapprove any assignment or transfer of this Agreement or any interest herein or significant change in ownership of Developer or transfer of the Site that results in payment of consideration to any Person, prior to the issuance of the Certificate of Completion, that is not conditioned upon the issuance of the Certificate of Completion. In the event HCID denies a request for a Transfer or assignment of this Agreement, except a Permitted Transfer, HCID, as applicable, shall set forth its reasons for denying such request in writing.

e. Developer shall promptly notify the City of any and all changes whatsoever in the identity of the parties in control of Developer or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Except for Permitted Transfers, Any significant change (voluntary or involuntary) in ownership or control of Developer (other than changes occasioned by the death or incapacity of any individual or approved in advance in writing by the City) shall constitute a default under this Agreement. In the event of the death or incapacity of any individual who controls Developer or the managing member or general partner of Developer, any resulting change in the management of the Project or the control of the day-to-day operations of the Site and the Improvements shall be subject to the approval of the HCID General Manager, which approval shall not be unreasonably withheld, conditioned or delayed.

8.3 Prohibited Transfers.

The limitations on Transfers set forth in this Article 8 shall apply from the Effective Date of this Agreement until the latest of (a) issuance of a Certificate of Completion by the City to the Developer; (b) the date the Acquisition Loan is repaid in full; and (c) the date the Regulatory Agreement expires. Except for Permitted Transfers and as expressly permitted in this Agreement, the Developer represents and agrees that the Developer has not made or created, and shall not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law, without the prior approval of the City. Any Transfer made in contravention of this Section 8.3 shall be void and shall be deemed to be a default under this Agreement, whether or not the Developer knew of or participated in such Transfer.

8.4 Effectuation of Transfers.

a. In the event of a Permitted Transfer, Developer shall submit to the City such documentation as the HCID General Manager or designee may determine is sufficient to document that such Transfer is a Permitted Transfer.

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b. In the event of a Transfer other than a Permitted Transfer, the proposed transferee for which the City's approval is required shall have the relevant experience, financial capability and reputation necessary to fulfill the obligations undertaken in this Agreement by the Developer and otherwise acceptable to the City. HCID shall grant or deny approval of a proposed Transfer within thirty (30) calendar days of receipt by the HCID of the Developer's request for approval of a Transfer, by Notice as required by Section 11.2 of this Agreement, accompanied by the deposit required by paragraph e. of this Section 8.4, below, which request shall include evidence of the proposed transferee's business expertise and financial capacity.

c. Any Transfer otherwise authorized or approved pursuant to this Agreement (including Permitted Transfers and other Transfers for which the City's approval is required) shall not be permitted unless, at the time of the Transfer, the person or entity to which such Transfer is made, by an agreement reasonably satisfactory to the City and in form recordable in the Office of the Los Angeles County Recorder, expressly agrees to perform and observe, from and after the date of the Transfer, the obligations, terms and conditions of this Agreement; provided, however, that no such transferee shall be liable for the failure of its predecessor to perform any such obligation.

d. Any assignment of rights and/or delegation of obligations under this Agreement in connection with a Transfer (whether or not the City's approval is required) shall be in writing executed by Developer and the assignee or transferee, which written agreement shall name the City as expressed third party beneficiaries with respect to such agreement (the "Assumption Agreement") with a copy thereof delivered to the City within ten (10) Business Days after the effective date thereof. Upon assignment or transfer of this Agreement pursuant to an Assumption Agreement, the assignor shall be relieved of liability with respect to any such obligations relating to the Project assumed by the assignee. Notwithstanding the foregoing, unless such assignee specifically assumes pursuant to the Assumption Agreement the obligations under this Agreement to indemnify the City with respect to the Project, the assignor shall retain such obligations and remain jointly and severally liable for such indemnity obligations with such assignee. This indemnity obligation shall survive the issuance of a Certificate of Completion by the City, repayment of the Acquisition Loan, reconveyance of the Acquisition Loan Deed of Trust, Regulatory Agreement, and Notice of Affordability Restrictions and the termination of this Agreement.

e. Developer shall reimburse the City for all actual staff time and consultant (legal and financial) costs associated with the City's review and consideration of any request for approval of a Transfer. The City shall not be obligated to act on any request for approval of a Transfer unless Developer shall deposit with the City the sum of Ten Thousand Dollars ($10,000), which amount shall be subject to adjustment equal to the cumulative annual increase, if any, in the Consumer Price Index since 2011, together with its request for approval of a Transfer. If the costs of the City's review is less than the amount deposited, the excess deposit shall be returned to Developer. If the costs of the

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City's review exceed the deposit amount, the City shall send the Developer a bill for the costs and Developer shall promptly pay the City the additional costs.

ARTICLE 9. SECURITY FINANCING AND RIGHTS OF LENDERS

9.1 No Encumbrances Except for Development Purposes.

a. Until the Conditions Precedent to the Close of Escrow set forth in Section 3.1 of this Agreement have been satisfied and the Close of Escrow occurs, Developer shall not place mortgages, deeds of trust, or any other encumbrances as security for loans on the Site.

b. From and after the Close of Escrow, mortgages, deeds of trust, and other real property security instruments are permitted to be placed upon the Developer's interest in the Site to the extent consistent with Developer's Financing Plan and Project Budget as approved by the City. Such permitted security instruments and related interests shall be referred to as "Security Financing Interests." The Developer shall promptly notify the City in writing of any Security Financing Interest that Developer intends to record against the Site. The documents evidencing the Security Financing Interests shall provide that in the event of a Developer default, the holder of the Security Financing Interest shall send notice of the default to the HCID concurrently with its notice to the Developer.

c. The Developer may record Security Financing Interests on the Site only for the purpose of securing Construction Loans and Permanent Loans identified in the Project Budget or Financing Plan approved by the City, and any refinancing of any such approved financing, subject to the City's consent.

9.2 Lender Not Obligated to Construct.

The holder of any Security Financing Interest authorized by this Agreement ("Permitted Lender") is not obligated to construct or complete any improvements or to guarantee such construction or completion, nor shall any covenant or any other provision of this Agreement be construed so to obligate such Permitted Lender. However, nothing in this Agreement shall be deemed to permit or authorize any such Permitted Lender to devote the Site or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

9.3 Notice of Default and Right to Cure.

a. Whenever the City delivers to Developer any notice of breach (or demand for performance) with respect to the commencement, completion, or cessation

of the construction of the Project, HCID shall at the same time deliver such notice to each Permitted Lender and the Tax Credit Investor. Each Permitted Lender and the Tax Credit Investor shall (insofar as the rights of the City is concerned) have the right, but not the obligation, at its option, within twenty (20) Business Days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default or breach which is subject to the lien of the Security Financing Interest held by such holder and to add the cost thereof to the security interest debt and the lien on its security interest. Any such increase in a Security Financing Interest, limited to the amount needed to cure or remedy such default, shall not require additional approval by the City. Nothing contained in this Agreement shall be deemed to permit or authorize any Permitted Lender to undertake or continue construction or completion of the Project (beyond the extent necessary to conserve or protect such improvements or construction already made) without first having expressly assumed in writing the Developer's obligations to the City under this Agreement. The Permitted Lender in that event must agree to complete, in the manner provided in this Agreement, the development of the Project. Any such holder properly completing the development of the Project pursuant to this section shall assume all rights and obligations of Developer under this Agreement and shall be entitled, upon written request made to the City, to a Certificate of Completion from the City.

b. If a non-monetary event of default occurs under the terms of this Agreement, prior to exercising any remedies hereunder, HCID shall give Developer, any Permitted Lender and the Tax Credit Equity Investor, as identified in Developer's LLC Agreement or partnership agreement, as the case may be, simultaneous notice of such default. If the default is reasonably capable of being cured within twenty (20) Business Days after such notice is received or deemed received, Developer shall have such period to effect a cure prior to exercise of remedies by the City under this Agreement. If the default is such that it is not reasonably capable of being cured within twenty (20) Business Days, and Developer (i) initiates corrective action within said period, and (ii) diligently and in good faith works to effect a cure as soon as possible, then Developer shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the City. If Developer fails to take corrective action or to cure the default within a reasonable time, the City shall give Developer, any Permitted Lender and the Tax Credit Equity Investor written notice thereof, whereupon the Tax Credit Equity Investor may exercise any authority it may have under the Developer's LLC Agreement or partnership agreement, as the case may be, and the Permitted Lender may exercise any authority it may have under its financing agreements with Developer, to take corrective action, which may include, among other things, removing and replacing the managing member or general partner with a substitute managing member or general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall the City be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) calendar days after the notice of default is received or deemed received.

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9.4 Failure of Permitted Lender to Complete Project.

In any case where six (6) months after default by the Developer, a Permitted Lender has not exercised its right to commence to complete the construction of the Project, or, having commenced to complete the construction of the Project has failed to complete the Project in a timely manner, the City shall be afforded those rights against such Permitted Lender it would otherwise have against the Developer under this Agreement.

9.5 Right of the City to Cure.

In the event of a default or breach by the Developer under the terms of any Security Financing Interest prior to the completion of construction of the Project, and if the Permitted Lender has not exercised its right to commence to complete the construction of the Project, or, having commenced to complete the construction of the Project has failed to complete the Project in a timely manner, the City may, upon prior written notice to the Developer, cure the default or breach, prior to the completion of any foreclosure. In such event, the City shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the City in curing the default. The City shall also be entitled to a lien upon the Project and/or Site to the extent of such costs and disbursements. The City agree that such lien shall be subordinate to any Senior Loan, and the City shall execute from time to time any and all documentation reasonably requested by the Developer to effect such subordination.

9.6 Permitted Lenders to be Notified.

The Developer shall obtain and submit to the City acknowledgement of this Article 9 by each holder of a Security Financing Interest prior to recordation of such Security Financing Interest.

9.7 Modifications.

If a Permitted Lender or Tax Credit Equity Investor should, as a condition of providing funding for the Project, request any modification of this Agreement in order to protect its interests in the Project or this Agreement, the HCID General Manager shall consider such request in good faith consistent with the purpose and intent of this Agreement and the rights and obligations of the Parties under this Agreement. The HCID's General Manager shall have the authority to approve revisions to the terms of this Agreement requested in writing by a Permitted Lender or Tax Credit Equity Investor that are not material revisions if he/she reasonably determines that such revisions: (a) are limited to minor, technical or procedural matters; (b) do not increase the amount of the Acquisition Loan; (c) do not result in a reduction of equity and loan funds sufficient to complete the Project; (d) do not materially adversely affect the economic feasibility of the Project; (e) do not materially adversely affect the security of the Acquisition Loan Deed of

Trust; (f) do not materially modify the Conditions Precedent to the Close of Escrow; and (g) do not materially reduce any benefit to the City or the public pursuant to this Agreement. The City shall have the right to approve or disapprove such non-material changes in his/her sole discretion, or may refer such decision to HCID. Material revisions of this Agreement shall require the prior approval of the City.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 Defaults – General.

a. Subject to the extensions of time set forth in Section 11.3 of this Agreement, failure or delay by either Party to perform or to comply with any term or provision of this Agreement shall constitute an Event of Default under this Agreement. The Party who fails or delays must commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence.

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

c. If a monetary Event of Default occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party in default written notice of such default. The Party in default shall have a period of ten (10) Business Days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the injured Party.

d. If a non-monetary Event of Default occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party in default notice of such default. If the default is reasonably capable of being cured within twenty (20) Business Days after such notice is received or deemed received, the Party in default shall have such period to effect a cure prior to exercise of remedies by the injured Party. If the default is such that it is not reasonably capable of being cured within twenty (20) Business Days, and the Party in default (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the Party in default shall have such additional time as is reasonably necessary, but not more than one hundred eighty (180) calendar days, to cure the default prior to exercise of any remedies by the injured Party.

e. If Developer fails to take corrective action or cure the default within a reasonable time, HCID shall give each Permitted Lender and, as provided in paragraph f., below, the Tax Credit Equity Investor, notice thereof. The Tax Credit Equity Investor may take such action, including removing and replacing the managing member or managing general partner of Developer with a substitute managing member or managing general partner, who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. The City agrees to accept cures tendered by any Permitted Lender or Tax Credit Equity Investor within the cure periods provided in the Acquisition Note. Additionally, in the event any Permitted Lender or Tax Credit Equity Investor is precluded from curing a non-monetary default due to a bankruptcy, injunction, or similar proceeding by or against Developer or the managing member or managing general partner of Developer, the City agrees to forbear from completing a foreclosure under this Agreement (judicial or non-judicial) during the period during which the Senior Lender or Tax Credit Equity Investor is so precluded from acting, not to exceed ninety (90) calendar days, provided such Tax Credit Equity Investor and Senior Lender are otherwise in compliance with the foregoing provisions. In no event shall the City be precluded from exercising remedies if its rights become or are about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) calendar days after the first notice of default is given.

f. After Developer gives written notice to the City of the admission to Developer's limited liability company or limited partnership of the Tax Credit Equity Investor, HCID shall send to the Tax Credit Equity Investor a copy of all notices of default and all other notices that HCID sends to Developer, at the address for the Tax Credit Equity Investor as provided by written notice to the City by Developer.

10.2 Institution of Legal Actions.

In addition to any other rights or remedies (and except as otherwise provided in this Agreement), either Party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court of that county, or in the United States District Court for the Central District of California.

10.3 Applicable Law.

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

10.4 Acceptance of Service of Process.

a. In the event that any legal action is commenced by Developer against the City, service of process on the City shall be made by personal service upon the City Clerk, or in such other manner as may be provided by law.

b. In the event that any legal action is commenced by the City against Developer, service of process on Developer shall be made by personal service upon Developer (or upon the managing member or managing general partner or any officer of Developer) and shall be valid whether made within or without the State of California, or in such manner as may be provided by law.

10.5 Rights and Remedies Are Cumulative.

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

10.6 Damages.

Subject to the notice and cure provisions of Section 10.1 of this Agreement, if either Party defaults with regard to any of the provisions of this Agreement, the non-defaulting Party shall serve written notice of such default upon the defaulting Party. If the default is not cured within the time provided in Section 10.1 of this Agreement, the defaulting Party shall be liable to the non-defaulting Party for any damages caused by such default, and the non-defaulting Party may thereafter (but not before) commence an action for damages against the defaulting Party with respect to such default. In no event shall the City be liable to Developer for any attorney's fees.

10.7 Specific Performance.

Subject to the notice and cure provisions of Section 10.1 of this Agreement, if either Party defaults with regard to any of the provisions of this Agreement, the non-defaulting Party shall serve written notice of such default upon the defaulting Party. If the default is not cured within the time provided in Section 10.1 of this Agreement, the non-defaulting Party, at its option, may thereafter (but not before) commence an action for specific performance of the terms of this Agreement pertaining to such default.

10.8 Termination by Either Party.

Prior to the Close of Escrow, either Party shall have the right to terminate this Agreement, by providing written notice to the other Party, in the event of a failure of any Condition Precedent to the Close of Escrow as set forth in Section 3.1 of this Agreement, provided that such condition is for the benefit of and such failure is outside

the control of the Party seeking to terminate this Agreement. Upon such termination, neither the City nor Developer shall have any further rights against or liability to the other under this Agreement, except for indemnification rights that survivie termination of this Agreement.

10.9 Termination by the City.

a. Subject to the notice and cure provisions of Section 10.1 of this Agreement, the City shall have the right, prior to the Close of Escrow, to terminate this Agreement by providing written notice to Developer, in the event of a default by Developer or failure of any Condition Precedent to the Close of Escrow, including but not limited to the following:

(1) Developer fails to submit to the City evidence of financing or fails to satisfy any other Condition Precedent to the Close of Escrow, within the time established thereforth in this Agreement or the Schedule of Performance; or

(2) Developer (or any successor in interest) assigns or attempts to assign any of Developer's rights in and to the Site or any portion thereof or interest therein, or this Agreement or any portion hereof, except as permitted by this Agreement; or

(3) there is substantial change in the ownership of Developer, or with respect to the identity of the parties in control of Developer, or the degree thereof contrary to the provisions of Section 8.2 of this Agreement; or

(4) Developer fails to submit any of the plans, drawings and related documents required by this Agreement by the respective dates provided in this Agreement therefor; or

(5) there is any other material default by Developer under the terms of this Agreement which is not cured within the time provided herein.

b. After the Close of Escrow but before the issuance of the Certificate of Completion, the City shall have the additional right to terminate this Agreement in the event any of the following defaults shall occur:

(1) Developer fails to commence construction of the Improvements as required by this Agreement and such breach is not cured within the time provided in Section 10.1 of this Agreement, provided that Developer shall not have obtained an extension or postponement to which Developer may be entitled pursuant to Section 11.3 hereof; or

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(2) Developer abandons or substantially suspends construction of the improvements and such breach is not cured within the time provided in Section 10.1 of this Agreement, provided Developer has not obtained an extension or postponement to which Developer may be entitled to pursuant to Section 11.3 hereof; or

(3) Developer assigns or attempts to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of the Site, or any part thereof, in violation of this Agreement, and such breach is not cured within the time provided in Section 10.1 of this Agreement; or

(4) Developer otherwise materially breaches this Agreement, and such breach is not cured within the time provided in Section 10.1 of this Agreement.

10.10 Power of Termination and Right of Reverter.

a. The Parties agree that the Completion of the Improvements by Developer for the provision of affordable housing, as provided in this Agreement, is a condition subsequent to which the fee simple estate in the City Site granted to Developer by the City is subject. Therefore, if this Agreement is terminated by the City pursuant to Section 10.9.b. of this Agreement following the Close of Escrow but prior to the Completion of construction as evidenced by issuance of the Certificate of Completion, the City shall have the additional right, in its sole and absolute discretion, in addition to any other rights and remedies granted in this Agreement, to exercise a power of termination as described in California Civil Code Section 885.010, to terminate and revest in the City the estate in the City Site previously conveyed to Developer pursuant to this Agreement and to re-enter and take possession of the City Site with any Improvements thereon. The City's rights pursuant to this Section shall terminate and be of no further force and effect upon the issuance of the Certificate of Completion for the Project.

b. The City's power of termination shall be limited by and shall not defeat, render invalid or limit: (1) any Security Financing Interest with respect to the City Site; or (2) any rights or interests provided in this Agreement for the protection of Permitted Lenders and/or Tax Credit Investor with respect to the City Site.

c. Upon revesting in the City title to the City Site as provided in this Section, the City shall, pursuant to its rights and responsibilities under the California Community Redevelopment Law ("CRL") and the Redevelopment Plan, use its best efforts to reconvey the City Site as soon as possible, in a commercially reasonable manner and consistent with the objectives of the CRL and the Redevelopment Plan, to a qualified and responsible developer (as determined by the City) who will assume the obligation of making or completing such improvements on the City Site as are acceptable to the City in accordance with the uses specified for the Site in the Redevelopment Plan and in a manner that is satisfactory to the City. Upon such resale of the City Site, any proceeds of such sale shall be applied as follows:

(1) First, to reimburse the City on its own behalf for all reasonable costs and expenses incurred by the City, including but not limited to pro-rata salaries of City staff and legal fees incurred in connection with the recapture, management and resale of the City Site (but less any income derived by the City from any part of the City Site in connection with such management); all taxes, installments of assessments payable prior to resale, and water and sewer charges with respect to the City Site; any payments made or required to be made to discharge any encumbrances or liens existing on the City Site at the time of revesting of title in the City or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Developer, its successors or transferees; expenditures made or obligations incurred with respect to any improvements made or completed by the City on the City Site or any part thereof; and any amounts otherwise owing to the City by Developer and its successors or transferees.

(2) Second, to reimburse any Third Party Lender for disbursements of a Construction Loan to pay Development Costs, not to exceed the fair market value of the Improvements constructed or placed on the City Site by Developer.

(3) Third, to reimburse the City for any disbursements of the Acquisition Loan.

(4) Fourth, to reimburse any other maker of a Residual Receipts Loan for any disbursements to pay Development Costs.

(5) Fifth, to reimburse Developer for any Developer equity disbursed to pay Development Costs, less any gains or income withdrawn or made by Developer from the City Site or the Improvements thereon. Notwithstanding the foregoing, the sum of the amounts calculated pursuant to subsections (2), (3), (4) and (5) shall not exceed the fair market value of the Improvements on the City Site as of the date of the default or failure which gave rise to the City's exercise of their power of termination.

(6) Any balance remaining after such reimbursements shall be retained by the City as its property.

d. The rights established in this Section 10.10 are to be interpreted in light of the fact that the City will convey the City Site to Developer for redevelopment and not for speculation.

10.11 Survival.

Upon termination of this Agreement pursuant to this Article 10, all indemnification provisions set forth in this Agreement and any other provisions of this Agreement which by their terms are to survive termination hereof shall survive such

termination. This Section 10.11 is for reference purposes only, and does not alter the scope or nature of the surviving provisions.

10.12 Inaction Not a Waiver of Default.

Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

10.13 No Attorneys' Fees.

Should legal action be brought by either Party for breach of this Agreement or to enforce any provision, neither Party in such action shall be entitled to attorneys' fees, court costs and other litigation expenses, including, without limitation, expenses incurred for preparation and discovery, and on appeal.

ARTICLE 11. GENERAL PROVISIONS

11.1 Developer Representations and Warranties.

The Developer represents and warrants to the City, as follows:

a. Organization. The Developer is _____, a Califonia Limited Partnership, whose Managing General Partner is _____, a California Limited Liability Corporation, whose General Partner is _____, a California non-profit public benefit corporation, each of which is duly organized, validly existing and in good standing under the laws of the State of California, with full power and authority to conduct its business as presently conducted and to execute, deliver and perform its obligations under this Agreement.

b. Authorization. The Developer has taken all necessary action to authorize its execution, delivery and, subject to any conditions set forth in this Agreement, performance of the Agreement. Upon the date of this Agreement, this Agreement shall constitute a legal, valid and binding obligation of the Developer, enforceable against it in accordance with its terms.

c. No Conflict. The execution, delivery and performance of this Agreement by the Developer does not and shall not materially conflict with, or constitute a material violation or material breach of, or constitute a default under (i) the charter or incorporation documents of the Developer, (ii) any applicable law, rule or regulation binding upon or applicable to the Developer, or (iii) any material agreements to which the Developer is a party.

d. No Litigation. Unless otherwise disclosed in writing to the City prior to the date of this Agreement, there is no existing or, to the Developer's actual knowledge, pending or threatened litigation, suit, action or proceeding before any court or administrative agency affecting the Developer or, to the best knowledge of the Developer, the Developer Site that would, if adversely determined, materially and adversely affect the Developer or the Developer Site or the Developer's ability to perform its obligations under this Agreement or to develop and operate the Project.

e. Licenses, Permits, Consents and Approvals. Developer and/or any person or entity owning or operating the Developer Site has duly obtained and maintained, or shall duly obtain and maintain, and shall continue to obtain and maintain, all licenses, permits, consents and approvals required by all applicable governmental authorities to own and operate the business on the Developer Site.

11.2 Notices.

Formal notices, demands, and communications between the City and the Developer shall be sufficiently given if, and shall not be deemed given unless given in writing and dispatched by certified mail, return receipt requested, or by electronic facsimile transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), with a receipt showing date of delivery, to the principal offices of the HCID and the Developer as follows:

HCID:	Housing and Community Investment Department 1200 W. 7th Street, Suite 900 Los Angeles, CA 90017 Attn: General Manager
With copies to:	Housing and Community Investment Department Asset Management Division 1200 W. 7th Street, Suite 900 Los Angeles,CA 90017 Attn: Asset Manager
Developer:	_____ With a copy to: _____

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section 11.2. Delivery shall be deemed to have occurred at the time indicated on the receipt for delivery or refusal of delivery.

11.3 Enforced Delay: Extension of Time of Performance.

a. In addition to specific provisions of this Agreement, the time for performing non-monetary obligations pursuant to this Agreement shall be extended and non-monetary performance by either Party shall not be deemed to be in default where delays are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; acts of god; severe or unusual shortages of materials or labor; uncommon inclement weather of an extreme or exceptional nature, unavoidable casualty; or court order; or any other similar causes (other than lack of funds of the Developer or the Developer's inability to finance the construction of the Project) beyond the control or without the fault of the Party claiming an extension of time to perform.

b. An extension of time for any such cause (a "Force Majeure Delay") shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within twenty (20) Business Days of knowledge of the commencement of the cause. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure Delay unless and until the Party claiming such delay and interference delivers to the other Party written notice describing the following: the event; its cause; when and how such Party obtained knowledge; the date the event commenced; a reasonable causal connection between the event and the need to extend the time of such Party's performance; and the estimated delay resulting from the event. Any Party claiming a Force Majeure Delay shall deliver such written notice within twenty (20) Business Days after it obtains actual knowledge of the event. Times of performance under this Agreement may also be extended in writing by the City and Developer.

11.4 Conflict of Interest.

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

b. Developer warrants that it has not paid or given, and shall not pay or give, any third person any money or other consideration for obtaining this Agreement.

11.5 Non-liability of City Officials and Employees.

No member, official, agent, legal counsel or employee of the City shall be personally liable to Developer, or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

11.6 Inspection of Books and Records.

a. Prior to Completion, the City shall have the right at all reasonable times to inspect the books and records of Developer pertaining to the development of the Site as pertinent to the purposes of this Agreement. Developer shall also have the right at all reasonable times to inspect the books and records of HCID pertaining to the Site as pertinent to the purposes of this Agreement.

b. In addition, at all times prior to the expiration of the Regulatory Agreement, and/or repayment in full of the Acquisition Loan, whichever occurs later, the City shall have the right at all times to inspect the books and records of Developer pertaining to the operation of the Site.

11.7 Approvals.

a. Except as otherwise expressly provided in this Agreement, approvals required of the City or Developer in this Agreement, including the attachments hereto, shall not be unreasonably withheld, delayed or conditioned. All approvals shall be in writing. Failure by either Party to approve or disapprove a matter within the time provided for approval or disapproval of the matter shall not be deemed either approval or disapproval of the matter unless this Agreement specifically provides otherwise. Notwithstanding the foregoing, nothing contained in this Agreement shall restrict or limit the exercise of discretion by the Mayor, City Council or any member of the City Council in approving or disapproving this Agreement or any proposed material revisions or amendments to this Agreement, which approval may be granted or denied in the sole and absolute discretion of the City.

b. Whenever this Agreement calls for City approval, consent, or waiver, the written approval, consent, or waiver of, the HCID General Manager shall constitute the approval, consent, or waiver of the City, without further authorization required from the City Council and Mayor. The City hereby authorizes the HCID's General Manager to deliver such approvals or consents as are required by this Agreement, or to waive requirements under this Agreement, on behalf of the City. However, subject to Section 9.7 of this Agreement, any material modification and any amendment to this Agreement shall require approval by the City Council and Mayor.

11.8 Real Estate Commissions.

Neither Developer nor the City shall be liable for any real estate commissions or brokerage fees which may arise from this Agreement. Developer and the City each represents that it has engaged no broker, agent or finder in connection with this Agreement.

11.9 Construction and Interpretation of Agreement.

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

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

c. Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of its provision.

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

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

11.10 Time of Essence.

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

11.11 Relationship of the Parties.

Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, or any other similar relationship between the parties hereto or cause the City to be responsible in any way for the debts or obligations of Developer or any other Person.

11.12 Compliance with Law.

Developer agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Site and the Improvements, as well as operations conducted thereon. The judgment of any court of competent jurisdiction, or the admission of Developer or any lessee or permittee in any action or proceeding against them, or any of them, whether the City be a party thereto or not, that Developer, lessee or permittee has violated any such ordinance or statute in the development and use of the Site shall be conclusive of that fact as between the City and Developer and shall therefore allow the City to exercise any and all remedies set forth in the City's Contractor/Developer Responsibility Policy.

11.13 Binding Effect.

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

11.14 Rights of Third Parties.

a. Except as otherwise expressly provided in this Agreement and the Regulatory Agreement, this Agreement shall not be deemed to confer any rights upon, nor obligate either of the Parties to this Agreement to any person or entity not a Party to this Agreement, and the Parties explicitly disclaim any intent to create a third party beneficiary relationship with any person or entity as a result of this Agreement.

b. The City shall be a third-party beneficiary retaining enforcement rights with respect to this Agreement.

c. The covenants and restrictions relating to the Affordable Housing Units set forth in Article 7 of this Agreement and in the Regulatory Agreement shall run with the land and shall be enforceable against any owner of the Site who violates a covenant or restriction and each successor in interest who continues the violation by any of the following:

1. The City;

2. A resident of any of the Affordable Units;

3. A residents' association with members who reside in the Affordable Units;

4. A former resident of a Affordable Unit;

5. An applicant seeking to enforce the covenants or restrictions for a particular Affordable Unit, if the applicant conforms to all of the following:

(A) Is of Low or Moderate Income;

(B) Is able and willing to occupy that particular Affordable Unit; and

(C) Was denied occupancy of that particular Affordable Unit due to an alleged breach of a covenant or restriction set forth in the Regulatory Agreement; and

6. A person on an affordable housing waiting list who is of Low or Moderate Income and who is able and willing to occupy a Affordable Unit.

11.15 Authority to Sign.

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

11.16 Use of Project Images.

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a. Developer hereby consents to and approves the use by the City of images of the Project, its models, plans and other graphical representations of the Project and its various elements ("Project Images") in connection with marketing, public relations, and special events, websites, presentations, and other uses required by the City in connection with the Project. Such right to use the Project Images shall not be assignable by the City to any other party (including, without limitation, any private party) without the prior written consent of Developer. Developer shall obtain any rights and/or consents from any third parties necessary to provide these Project Image use rights to the City.

b. Any publicity generated by Developer for the Project during the term of the Acquisition Loan shall make reference to the contribution of the City of Los Angeles in making the Project possible. The words "City of Los Angeles" shall be prominently displayed in any and all pieces of publicity, including but not limited to flyers, press releases, posters, signs, brochures, public service announcements, interviews and newspaper articles. Developer further agrees to cooperate with authorized staff and officials of the City in any City-generated publicity or promotional activities undertaken with respect to the Project.

11.17 Plans and Data.

If Developer does not proceed with the purchase or development of the Site, or if this Agreement is terminated for any reason, other than the breach of this Agreement by the City, Developer shall deliver to the City, without cost or expense to the City, any and all plans, drawings, studies, designs, reports, surveys, and data pertaining to the site and its development (collectively, "Site Designs") which are in the possession of Developer, together with a Bill of Sale therefor, which Site Designs shall thereupon be the sole property of the City, free of all claims or interests of Developer or any other person; and which the City may use, grant, license or otherwise dispose of to any person for development of the Site or any other purpose. To secure the obligations set forth in this Section and as a condition precedent to the first disbursement of the City Loan funds, Developer shall execute and cause its architect and contractor, as the case may be, and shall deliver to the City an Assignment of Agreements, Plans, Specifications and Entitlements substantially in the form of the instrument attached to this Agreement as **Exhibit I** to Part I of Exhibits.

11.18 Applicable Law.

A. This Agreement shall be interpreted under and pursuant to the laws of the State of California. The Developer shall carry out the administration of this Agreement and the construction and operation of the Project, in conformity with all applicable laws, to the extent they may apply, including, but not limited to the following applicable federal and state laws, as may be amended from time to time:

1. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended, 42 U.S.C. §3601, *et seq* and implementing regulations at 24 C.F.R. Part 100, *et seq*, including, without limit, the design and construction requirements set forth in 42 U.S.C. §3604(f)(3) and the corresponding rules of HUD.

2. Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 C.F.R. Part 107.

3. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4)(Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 C.F.R. Part 1; and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Developer, to take reasonable steps to insure meaningful access to its programs and activities by persons with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.

4. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, 42 U.S.C. 2000e.

5. Title IX of the Education Amendments of 1972, as amended (20 USC §1681-§1683, and §1685-§1686).

6. Drug Abuse Office and Treatment Act of 1972, P.L. 92-255, as amended, relating to nondiscrimination on the basis of drug abuse.

7. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616 as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.

8. Public Health Service Act of 1912, 42 USC 290 dd-3 and 290 ee-3, as amended, relating to confidentiality of alcohol and drug abuse patient records.

9. Genetic Information Nondiscrimination Act of 2008 (GiNA) P.L. 110-233

10. The Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and

implementing regulations at 24 CFR Part 146.

11. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 and implementing regulations at 24 C.F.R. Part 8, including the design and construction requirements of the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40 or any other applicable or successor design and construction requirements.

12. Architectural Barriers Act of 1968, 42 U.S.C. 4151-4157.

13. Americans With Disabilities Act 42, U.S.C. 12101 *et seq.*, its implementing regulations at 28 CFR Part 35, and the Americans with Disabilities Amendments (ADAAA) Pub. L. 110-325 and all subsequent amendments, including the 2010 Standards for Accessible Design as defined in 28 C.F.R. § 35.104 and as applied to public entities (excluding any elevator exceptions).

14. Alternative Accessibility Standard for new construction per HUD's Notice at 79 Fed. Reg. 29,671 (May 23, 2014).

15. Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4821-4826 and implementing regulations at 24 CFR Part 35.

16. Executive Order 12372 and implementing regulations at 24 CFR Part 52.

17. Flood Disaster Act of 1973, 42 U.S.C. 4001, *et seq.*

18. Wild and Scenic Rivers Act of 1968, 16 U.S.C. 1271, *et seq.*

19. Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq.

20. Drug Free Workplace Act of 1988, 41 U.S.C. 701 et seq and HUD's implementing regulations at 2 C.F.R. part 2429; 28 C.F.R. Part 83; California Drug-Free Workplace Act of 1990, California Government Code Section 8350-8357.

21. Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, 42 U.S.C. 4601, *et seq.* and 24 CFR Part 42.

22. Office of Management and Budget ("OMB") Circulars: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments);

OMB Circular A-110 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), and as codified in 2 CFR part 200 and 2 CFR part 2400.

23. Hatch Act, 5 U.S.C. 1501-1508 and 7324-7328

24. Copeland Act, 40 U.S.C. 276c and 18 U.S.C. 874

25. Contract Work Hours and Safety Standards Act, 40 U.S.C. 327-333.

26. Federal Fair Labor Standards Act, 29 U.S.C. 201

27. Pursuant to California Government Code Section 16645, *et seq*, none of the funds shall be used to promote or deter Union/Labor organizing activities.

28. California Child Abuse and Neglect Reporting Act, California Penal Code Section 11164 *et seq.* and specifically Sections 11165.7, 11165.9, and 11166.

29. Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470, EO 11593, and the Archaeological and Historic Preservation Act of 1974, 16 U.S.C. 469A-1 *et seq*.

30. Project requirements in 92 C.F.R. Part 92, Subpart F, as applicable in accordance with the type of project assisted under HOME Funds.

31. The Housing and Community Development Act of 1974, 42 U.S.C. 5301, *et seq.*

32. Uniform Administrative requirements in 24 C.F.R. Part 84 and as described in OMB Circular A-122.

33. Community Housing Development Organization requirements in 24 C.F.R. Sections 92.300, 92.301 and 92.303.

34. Eligible Community Development Block Grant Program activities under 24 C.F.R. Sections 570.200-570.207.

35. Measure JJJ of the November 8, 2016 Los Angeles City Special Municipal Election, Section 5 Affordable Housing and Good Jobs (to

be codified in Sections 11.5.11 of the Los Angeles Municipal Code and Section 5.522 of the Los Angeles Administrative Code).

B. Developer must comply with Public Law 103-227, Part C—Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), if applicable. This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or indirectly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds and portions of facilities used for inpatient drug and alcohol treatment. Developer further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

C. Developer acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.),* including treble damages, costs of legal actions to recover payments, and civil penalties of up to $10,000 per false claims.

D. The Developer shall carry out the construction and operation of the Project in conformity with all applicable laws and the requirements of the City, including all applicable federal, state and local labor standards. The Developer shall be responsible for complying with all applicable City, County and State building codes, and planning and zoning requirements, and shall take all necessary steps so that the development of the Property and the construction, use, operation, and maintenance of the Project thereon in accordance with the provisions of this Loan Agreement shall be in conformity with applicable zoning and General Plan requirements, and that all applicable environmental mitigation measures and other requirements shall have been complied with.

11.19 Severability.

If any term, provision, covenant or condition of this Agreement is held in a final disposition by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

11.20 Binding Upon Successors; Covenants to Run With Land.

a. This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the Parties; provided, however, that there shall be no Transfer except as permitted in Article 8. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any successor, heir, administrator, executor, successor, or assign of such Party who has acquired an interest in compliance with the terms of this Agreement or under law.

b. The terms of this Agreement shall run with the land, and shall bind all successors in title to the Site until the termination of this Agreement, except that the provisions of this Agreement that are specified to survive termination of this Agreement shall run with the land in perpetuity and remain in full force and effect following such termination. Every contract, deed, or other instrument hereafter executed covering or conveying the Site or any portion thereof shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the City expressly releases the Site or the applicable portion of the Site from the requirements of this Agreement.

11.21 Effectiveness of Agreement.

This Agreement is dated for convenience only and shall only become effective on the Effective Date.

11.22 Amendments.

This Agreement may be amended only by means of a writing signed by all Parties.

11.23 Police Power.

Nothing contained herein shall be deemed to limit, restrict, amend or modify, nor to constitute a waiver or release of, any ordinances, notices, orders, rules, regulations or requirements (now or hereafter enacted or adopted and/or as amended from time to time) of the City, its departments, commissions, agencies and boards and the officers thereof, including, without limitation, any redevelopment plan or general plan or any zoning ordinances, or any of City's duties, obligations, rights or remedies thereunder or pursuant thereto or the general police powers, rights, privileges and discretion of City in the furtherance of the public health, welfare and safety of the inhabitants thereof, including, without limitation, the right under law to make and implement independent judgments, decisions and/or acts with respect to planning, development and/or redevelopment matters (including, without limitation, approval or disapproval of plans

and/or issuance or withholding of building permits) whether or not consistent with the provisions of this Agreement, any Exhibits attached hereto or any other documents contemplated hereby ("City Rules and Powers"). In the event of any conflict, inconsistency or contradiction between any terms, conditions or provisions of this Agreement, Exhibits or such other documents, on the one hand, and any such City Rules and Powers, on the other hand, the latter shall prevail and govern in each case. This Section shall be interpreted for the benefit of City.

11.24 Brokers.

The City and Developer each represents that it has not engaged any broker, agent or finder in connection with this transaction. Developer agrees to defend, indemnify and hold the City and all of the City's Representatives harmless from and against any Losses and Liabilities with respect to such commissions based upon the alleged acts of Developer. The City agree to defend, indemnify and hold Developer harmless from and against Losses and Liabilities with respect to such commissions based upon the alleged acts of the City. The indemnity obligations set forth in this Section shall survive the issuance of a Certificate of Completion by the City and the termination of this Agreement.

11.25 Submittals and Approvals.

Various submittals are required by the Developer pursuant to this Agreement. To the extent expressly provided by this Agreement, the City shall approve or disapprove certain submittals from Developer within specified timeframes.

11.26 Incorporation by Reference.

Each of the attachments and exhibits attached hereto as part of Part I of Exhibits, and/or delivered to Developer as part of Part II of Exhibits is incorporated herein by this reference as though fully set forth herein.

11.27 Counterparts.

This Agreement may be executed by each Party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

11.28 Entire Understanding of the Parties.

This Agreement constitutes the entire understanding and agreement of the Parties with respect to the matters contained herein and supersedes any prior memoranda of understanding, negotiation agreement or commitment letter.

11.29 Approval Procedure.

Execution and delivery of this Agreement by Developer shall constitute Developer's offer to enter into this Agreement with the City. Following receipt of the executed Agreement, this Agreement shall not be effective unless approved by the the City Council and Mayor, and executed by the HCID General Manager or designee. This Agreement must be authorized, executed and delivered by HCID within seventy-five (75) calendar days after date of signature by Developer or Developer may withdraw its offer to enter into the Agreement upon written notice to the City. The effective date of this Agreement shall be the date when this Agreement has been executed by the City.

[Signatures appear on the following page]

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

HCID"

LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

By: _____
SEAN L. SPEAR
Assistant General Manager

Dated: _____

APPROVED AS TO FORM:
MICHAEL N. FEUER,
CITY ATTORNEY

By: _____
Deputy City Attorney

Dated: _____

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"DEVELOPER"

_____
a California limited partnership

By: _____
a California limited liability company,
its general partner

By: _____,
a California nonprofit public benefit corporation,
its _____ member

By: _____
Name:
Its:
Dated: _____

By:
a California nonprofit public benefit corporation,
its _____ member

By: _____
Name:
Its:
Dated: _____

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ACKNOWLEDGEMENT OF RECEIPT OF
PART II OF EXHIBITS

The exhibits constituting Part II are Standard City Requirements which are set forth in a separate document, the receipt of which is hereby acknowledged by Developer.

Part II of Exhibits (Standard City Requirements):

1. City of Los Angeles Requirements and Checklist, with Attachments.
2. ADA Covenants.

By: _____ Date: _____

Its: _____

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OWNERS PARTICIPATION AGREEMENT

PART I OF EXHIBITS

[BEHIND THIS PAGE]

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EXHIBIT A

CITY SITE MAP

[BEHIND THIS PAGE]

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EXHIBIT B

CITY SITE LEGAL DESCRIPTION

[BEHIND THIS PAGE]

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EXHIBIT C

SCHEDULE OF PERFORMANCE

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EXHIBIT D

SCOPE OF DEVELOPMENT

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EXHIBIT E

PROJECT BUDGET

[BEHIND THIS PAGE]

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EXHIBIT F

FORM OF GRANT DEED

[BEHIND THIS PAGE]

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EXHIBIT G

FORM OF ACQUISITION NOTE

[BEHIND THIS PAGE]

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EXHIBIT H

FORM OF CITY LOAN DEED OF TRUST

[BEHIND THIS PAGE]

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EXHIBIT I

FORM OF ASSIGNMENT OF AGREEMENTS, PLANS, SPECIFICATIONS AND ENTITLEMENTS

[BEHIND THIS PAGE]

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EXHIBIT J

FORM OF STATUTORY REQUEST FOR NOTICE

[BEHIND THIS PAGE]

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EXHIBIT K

FORM OF CITY DEED OF TRUST

[BEHIND THIS PAGE]

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EXHIBIT L

FORM OF NOTICE OF AFFORDABILITY RESTRICTIONS

[BEHIND THIS PAGE]

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EXHIBIT M

HUD REQUIREMENTS

(TO BE ATTACHED ONLY IF CRA/LA OR CITY ASSISTANCE DERIVES FROM A PROGRAM OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT)

[BEHIND THIS PAGE]

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PART II OF EXHIBITS – CITY CONTRACTING REQUIREMENTS

1. CITY CONSTRUCTION LOCAL HIRE PROGRAM

(TO BE ATTACHED ONLY IF A CONSTRUCTION LOCAL HIRE PROGRAM APPLIES. LOCAL HIRE PROGRAM APPLIES ONLY IF (A) CITY ASSISTANCE IS BETWEEN $500,000 AND $1,000,000; OR (B) CITY ASSISTANCE IS $1,000,000 OR MORE AND CONSTRUCTION CAREERS AND PROJECT STABILIZATION POLICY DOES NOT APPLY)

2. CITY IN-PLACE REHABILITATION PROCEDURES

(TO BE ATTACHED ONLY IF AGREEMENT INVOLVES REHABILITATION OF EXISTING HOUSING WITH TENANTS IN PLACE)

3. CITY HEALTHY NEIGHBORHOODS POLICY

(TO BE ATTACHED ONLY IF CITY COUNCIL APPROVES AMENDED HEALTHY NEIGHBORHOODS POLICY AND THEN ONLY IF CITY ASSISTANCE EXCEEDS $1 MILLION AND THE PROJECT CONTAINS 50 OR MORE RESIDENTIAL UNITS OR 50,000 SQUARE FEET OF NON-RESIDENTIAL FLOOR AREA, OR IF THE PARTIES OTHERWISE AGREE TO LEED CERTIFICATION)

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PART II OF EXHIBITS

EXHIBIT 2

ADA COVENANTS

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ADA COVENANTS

I. The following terms shall have the following definition:

"Accessibility Requirements" refers to the accessibility requirements that must be followed in the design, construction or alteration of the Project or an individual housing unit of the Project (including common use elements), based on all the applicable laws and regulations, including: (1) Title II of the Americans with Disabilities Act("ADA"), 42 U.S.C. §12101, et seq. and the implementing standards ("2010 ADA Standards") at 28 C.F.R. pt. 35 and the 2004 ADA Accessibility Guidelines ("ADAAG"), (2) Section 504 of the Rehabilitation Act of 1973 ("Section 504"), 29 U.S.C. §794, the implementing regulations at 24 C.F.R. Part 8, as well as the requirements of UFAS, (3) the Fair Housing Act ("FHA"), 42 U.S.C. §§3601-3620; 24 C.F.R. Parts 100, 103, and 104, and its implementing regulations, and the California Building Codes.

"Accessible" means when used with respect to a Housing Unit or a Housing Development, full compliance with the Accessibility Requirements.

"Accessible Housing Development" means a Housing Development that is Accessible, including Accessible public and common use areas.

"Accessible Housing Units" means collectively Housing Units that are on an Accessible Route, are Accessible, and are located in an Accessible Housing Development. The term Accessible Units refers collectively to Housing Units with Mobility Features and Housing Units with Hearing/Vision Features.

"Housing Development" means the whole of one or more residential structures and appurtenant structures in the Project, including common walkways and parking lots that were or are designed, constructed, altered, rehabilitated, operated, administered or financed in whole or in part by the City.

"Housing Unit" means a single unit of residence in the Housing Development that provides spaces for living, bathing, and sleeping.

"Housing Unit with Hearing/Vision Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"Housing Unit with Mobility Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"UFAS" means the Uniform Federal Accessibility Standards for the design, construction or alteration of buildings and facilities to ensure that they are readily accessible to and usable by individuals with disabilities, 24 C.F.R §40, Appendix A.

[Continued on the next page]

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II. Additional ADA requirements of the Issuer:

A. Accessible Housing Units. The Housing Development shall be constructed in accordance with HUD's Alternative Accessibility Standard set forth in HUD's notice at 79 Fed. Reg. 29,671 (May 23, 2014) to ensure accessibility for persons with disabilities. The following types of Accessible Housing Units shall be prioritized for persons with disabilities who have a disability-related need for the accessibility features of the unit.

(a) At least 10 percent (10%) of the total Housing Units in each Housing Development shall be constructed or rehabilitated and maintained by the Owner as Housing Units with Mobility Features.

(b) At least an additional four percent (4%) of the total Housing Units in each Housing Development shall be constructed or rehabilitated and maintained by the Owner as Housing Units with Hearing/Vision Features.

(c) In determining the number of units any fractions of units shall be rounded up to the next whole number.

(d) The Accessible Housing Units shall, to the maximum extent feasible, be geographically distributed and
dispersed in terms of location within the Housing Development, and shall be provided in a range of unit sizes and types.

(e) Within fifteen (15) working days of the temporary Certificate of Occupancy being issued, Owner shall provide the City with a list of all Accessible Housing Units, specifying the unit number, bedroom size and type of impairment, i.e. mobility or hearing/vision.

(f) Following reasonable notice to Owner, Owner shall allow the City to conduct periodic onsite inspections of the Housing Developments in order to verify compliance with the Accessibility Standards.

(g) The City and/or its agents will monitor the Developer's compliance with this Agreement and the requirements of the source of funds utilized to finance the Project. Violations of this Agreement and/or funding requirements may result in penalties, fees and expenses being levied against the City. The Owner will be responsible for any costs, penalties, fees and expenses levied against the City and will be responsible to pay any expenses incurred by the City to enforce this Agreement.

HCIDLA will monitor the initial production and ongoing occupancy of the Accessible Housing Units and the Accessible Housing Development by applying the updated ADAAG to ensure full compliance with the Accessibility Requirements. In order to determine compliance with the Accessibility Requirements, Developer shall submit the

name and HCIDLA shall review and approve a Certified Access Specialist ("CASp") for the Project. The CASp will:

1. Review building plans and specifications for compliance with Accessibility Requirements and issue a Building Plans Compliance Report;
2. Conduct progress/rough inspections and issue a Progress Inspection Report of the housing development that identifies any compliance issues; and
3. Conduct final inspection(s) to ensure that all compliance issues have been resolved. CASp will issue a set of findings that identify all compliance issues and a final Accessibility Report when the Project is in compliance.

HCIDLA shall inspect the construction/rehabilitation to verify that the correct number of Accessible Housing Units have been produced and that the necessary and required design elements have been constructed to make the units and site accessible for individuals with disabilities, in compliance with Section 2 and supported by an independent CASp consultant's report.

During the term of this Agreement, HCIDLA will utilize the Housing Development's City approved Property Management Plan and Fair Housing Policy in Regard to Disability, to monitor ongoing occupancy compliance of the Accessible Housing Units and nondiscrimination in regards to individuals with disabilities. Compliance with the Accessibility Requirements shall include, but not be limited to, target marketing, establishing and monitoring Transfer and Waiting Lists for the Accessible Housing Units, reasonable accommodations and modifications requests, implementation of the service animal policy and policy for re-leasing empty Accessible Housing Units and all elements contained in the Fair Housing Policy in Regard to Disability dated July 28, 2014, as amended over time.

[End of Exhibit 2]

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PART II OF EXHIBITS

EXHIBIT 3

MAYOR'S EXECUTIVE DIRECTIVE No. 26

Issue Date: December 21, 2012

City-wide Compliance with Federal and State Disablity Laws

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PART II OF EXHIBITS – EXHIBIT 4

EXHIBIT 4

The Instructions and Information on Complying with City Insurance Requirements (Form General 133) and the Required Insurance and Minimum Limits Sheet (Form General 146) are attached hereto to this Exhibit 4.

EXHIBIT 4

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

DEVELOPER AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. DEVELOPER will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving DEVELOPER ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to DEVELOPER, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by DEVELOPER.

DEVELOPER'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from DEVELOPER.

6. Workers' Compensation. By signing this Contract, DEVELOPER hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, DEVELOPER must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 4 (Continued)
Required Insurance and Minimum Limits

Name: _____ Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

___ **Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)** **WC** *Statutory*
EL _____

☐ Waiver of Subrogation in favor of City ☐ Longshore & Harbor Workers
☐ Jones Act

___ **General Liability** _____ _____

☐ Products/Completed Operations ☐ Sexual Misconduct _____
☐ Fire Legal Liability _____
☐ _____

___ **Automobile Liability** (for any and all vehicles used for this Contract, other than commuting to/from work) _____

___ **Professional Liability** (Errors and Omissions) _____

___ **Property Insurance** (to cover replacement cost of building – as determined by insurance company) _____

☐ All Risk Coverage ☐ Boiler and Machinery
☐ Flood _____ ☐ Builder's Risk
☐ Earthquake _____ ☐ _____

___ **Pollution Liability** _____

☐ _____

___ **Surety Bonds** – Performance and Payment (Labor and Materials) Bonds 100 % of Contract Price
___ **Crime Insurance** _____

Other: _____