

STANDARD AGREEMENT

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (if applicable)

STD 213 (Rev. 04/2020)

22-ACC-17427

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME

Crossroads Village Fresno, LP, County of Fresno, Crossroads Village Fresno LLC, HOM XXXI LLC, HOUSING ON MERIT, UP HOLDINGS, LLC, an Illinois limited liability company, d/b/a UP HOLDINGS CALIFORNIA, LLC

2. The term of this Agreement is:

START DATE

Upon HCD Approval

THROUGH END DATE

3. The maximum amount of this Agreement is:

\$38,338,375.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work	8
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C*	State of California General Terms and Conditions	GTC - 04/2017
Exhibit D	State of California General Terms and Conditions	14
Exhibit E	Special Conditions	4
TOTAL NUMBER OF PAGES ATTACHED		56

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

See Attached

CONTRACTOR BUSINESS ADDRESS See Attached	CITY See Attached	STATE See Attached	ZIP See Attached
PRINTED NAME OF PERSON SIGNING See Attached	TITLE See Attached		
CONTRACTOR AUTHORIZED SIGNATURE See Attached	DATE SIGNED See Attached		

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME Department of Housing and Community Development			
CONTRACTING AGENCY ADDRESS 2020 W. El Camino Ave., Suite 130	CITY Sacramento	STATE CA	ZIP 95833
PRINTED NAME OF PERSON SIGNING	TITLE Contracts Office Manager, Contract Services Section		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		

California Department of General Services Approval (or exemption, if applicable)

Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 06/12/1981)

CONTRACTOR

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Crossroads Village Fresno, LP

a California limited partnership

By: HOM XXXI LLC
a Delaware Limited Liability company

Its: Managing General Partner

By: HOUSING ON MERIT
a California nonprofit public benefit corporation

Its: Sole Member

By: _____ Date: _____
Jennifer Litwak
Executive Director

Address:

1901 Avenue of the Starts, Suite 395
Los Angeles, CA 90067

By: Crossroads Village Fresno LLC

a California limited liability company, Its: Administrative General Partner

By: UP HOLDINGS, LLC, an Illinois limited liability company, d/b/a UP HOLDINGS CALIFORNIA, LLC

Its: Managing Member

By: _____ Date: _____
Cullen J. Davis
Manager

Address:

7370 N Lincoln Avenue, Suite A
Lincolnwood, IL 60712

CONTRACTOR

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County of Fresno

a California Government County

By: _____

Date: _____

Sal Quintero

Chairman of the Board of Supervisors

Address:

2281 Tulare Street

Fresno, CA 93721

County of Fresno

Attest

By: _____

Date: _____

Bernice E. Seidel

Deputy, Clerk of the Board of Supervisors County of Fresno, State of California

Address:

2281 Tulare Street

Fresno, CA 93721

Prep Date: 01/20/2023

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority

California Assembly Bill No. 140 (Chapter 111, Statutes of 2021) (“**AB 140**”) created the statutory basis for the California Housing Accelerator by adding Chapter 6.6 (commencing with Section 50672) to Part 2 of Division 31 of the Health and Safety Code. Health and Safety Code section 50672.3 authorizes the Department of Housing and Community Development (“**Department**” or “**HCD**”) to adopt guidelines to administer this new chapter.

The Department issued a California Housing Accelerator Tier 2 Project Solicitation and Guidelines on February 28, 2022, which was subsequently amended on May 5, 2022 and August 31, 2022 (collectively, “**Project Solicitation**”). This Project Solicitation serves as the Department’s guidelines for administration of the California Housing Accelerator.

California Housing Accelerator funds are derived from the federal Coronavirus State Fiscal Recovery Fund (“**CSFRF**”), which was established by the American Rescue Plan Act of 2021 (“**ARPA**”) (Pub.L. No. 117-2). Through the 2021-22 California state budget, the funds have been allocated to the California Housing Accelerator. Additional State funds have been allocated to the California Housing Accelerator through the 2022-2023 California state budget.

This STD 213, Standard Agreement (“**Agreement**”) is entered under the authority and in furtherance of the California Housing Accelerator. This Agreement is the result of an application by the Sponsor(s) for California Housing Accelerator funding (the “**Application**”). As such, this Agreement shall be executed by all Sponsors. Where the Sponsor comprises more than one entity, all Co-Sponsor entities shall execute and be bound by the Agreement.

This Agreement hereby incorporates by reference the Application in its entirety, as well as the project report prepared by the Department in reliance on the representations and descriptions included in that Application (the “**Accelerator Project Report**”). This Agreement is governed by the following legal authorities and materials, as amended and in effect from time to time (collectively, the “**California Housing Accelerator Requirements**”), and each of them is incorporated hereto as if set forth in full herein:

- A. Chapter 6.6 (commencing with Section 50672) of Part 2 of Division 31 of the Health and Safety Code:

- B. Health and Safety Code section 50406;
- C. The Project Solicitation;
- D. ARPA and related federal guidance;
- E. The award letter issued by the Department to the Sponsor(s); and
- F. All other applicable law.

2. **Purpose**

The California Housing Accelerator is intended to expedite the construction and production of Qualified Rental Housing Developments, as defined below, that are unable to proceed due to the short supply of tax credit and bond allocations.

The Department will provide California Housing Accelerator assistance in the form of a forgivable permanent financing loan (the “**Loan**”).

Sponsor(s) applied to the Department for the Loan, which will be expended on Eligible Uses, as defined in Paragraph 3 and as outlined in Paragraph 4 below. By entering into this Agreement and thereby accepting the award of the Loan, the Sponsor(s) agrees to comply with the California Housing Accelerator Requirements and the terms and conditions of this Agreement.

3. **Definitions**

Any capitalized terms that are not defined below have the definitions set forth in the California Housing Accelerator Requirements. In the event of any conflict, the definitions in this Agreement and the Project Solicitation are controlling.

- A. “**Application Fee**” means the refundable fee of \$40,000.00, which the Department charged per California Housing Accelerator application. This fee will be fully refunded if the Sponsor meets the Commencement of Construction Deadline, or if the Project obtains a tax credit allocation and the California Housing Accelerator funds are disencumbered prior to the Commencement of Construction Deadline.
- B. “**Assisted Unit**” means a Department-funded residential dwelling unit that is subject to rent, income, occupancy, and other restrictions in accordance with California Housing Accelerator Requirements.

- C. **“Borrower”** means the entity that incurs the obligation for the Loan that is subject to California Housing Accelerator Requirements.
- D. **“California Housing Accelerator Requirements”** means the legal authority and California Housing Accelerator materials listed at Paragraph 1 (A – F), above.
- E. **“CDLAC”** means the California Debt Limit Allocation Committee.
- F. **“Commencement of Construction Deadline”** means the date, no later than 180 days from the date of the award, by which construction shall have commenced on the Project, or that extended date, up to 90 days beyond the 180-day period, which was approved by the Department in its sole and absolute discretion and on the basis of conditions beyond the control of the Sponsor. This date is identified with specificity at Exhibit E of this Agreement. For purposes of this definition, “commencement of construction” means the first land-disturbing activity associated with a Project, including land preparation such as clearing, grading, and filling, or the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.
- G. **“Eligible Uses”** means the expenses that are categorized as reasonable project costs by the federal low-income housing tax credit program (e.g., reasonable reserves), as well as the construction loans that funded such expenses, and any other expenses allowed by the Department in its sole and absolute discretion.
- H. **“Existing HCD Loan Commitment”** means the Department’s direct loan commitment of funds to the Qualified Rental Housing Development that predated the Application for California Housing Accelerator funds, as well as the Department loan program making that commitment.
- I. **“Homeless Household”** or **“Household Experiencing Homelessness”** means a household that meets one of the (1) – (4) criteria set forth at California Code of Regulations, title 4, section 10315, subdivision (b), unless the Existing HCD Loan Commitment is based on a different definition of this or a similar term, in which case the definition associated with the Existing HCD Loan Commitment shall apply.
- J. **“Local Public Entity”** is defined at Health and Safety Code section 50079, and means any county, city, city and county, the duly constituted governing body of an Indian reservation or rancheria, tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5,

redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24, and also includes any state agency, public district, or other political subdivision of the state, and any instrumentality thereof, that is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income. In addition, and in accord with this Health and Safety Code definition, the term “**Local Public Entity**” also includes two or more local public entities acting jointly.

- K. “**Performance Milestones**” means the indicators and metrics of progress and performance that are identified as such at Exhibit E of this Agreement. Sponsor’s failure to satisfy any one of the Performance Milestones will constitute a breach of this Agreement and will entitle the Department to exercise any and all available remedies, including the recapture of disbursed Loan funds and the cancellation of this Agreement.
- L. “**Permanent Loan Conversion**” means the Project has leased up to a minimum of 90 percent occupancy for at least 30 days in accordance with the applicable Department funding requirements; the units have been leased to the appropriate or designated populations identified at Exhibit E, and they have met the terms and conditions of all Department funding awarded to the Project; and all construction period financing has been paid off or converted to permanent financing.
- M. “**Permanent Loan Conversion Deadline**” means the date of November 30, 2026. This date is the disbursement and expenditure deadline for all California Housing Accelerator funds.
- N. “**Project**” or “**Rental Housing Development**” means the following: (i) a “qualified low-income housing project,” as defined in Section 42(g) of the Internal Revenue Code (26 U.S.C. § 42(g)); or (ii) a Qualifying Infill Project, as defined under the Infill Incentive Grant Program of 2007 or the Infill Infrastructure Grant Program of 2019, that meets the requirements of those programs. A “**Project**” or “**Rental Housing Development**” must also be a “**Qualified Rental Housing Development**.”
- O. “**Qualified Rental Housing Development**” is defined in accordance with Health and Safety Code section 50672.1, subdivision (e), and means a rental housing development that received an award letter from any qualifying multifamily housing direct loan program administered by the Department, and that therefore has an Existing HCD Loan Commitment.
- P. “**Scope of Work**” or “**Work**” means the work to be performed by the Sponsor to accomplish the California Housing Accelerator purpose, as specified at Exhibit E.

- Q. **“Sponsor”** is defined in accordance with Health and Safety Code sections 50675.2 and 50669. When the Sponsor comprises two or more entities, the entities may be referred to, both individually and collectively, as the “Sponsor.” Each such entity may also be referred to individually as a **“Co-Sponsor.”** The Sponsor structure shall include any Local Public Entity that is a Co-Sponsor of the Existing HCD Loan Commitment; such Local Public Entity shall execute the Standard Agreement as a duly authorized Co-Sponsor prior to construction loan closing. The Sponsor entities shall be bound by the California Housing Accelerator Standard Agreement, and by each and every one of the California Housing Accelerator terms, conditions, and restrictions. On the STD 213 portion of this Agreement, the Sponsor is identified as the Contractor.
- R. **“TCAC”** means the California Tax Credit Allocation Committee.
- S. **“UMR”** means the Uniform Multifamily Regulations (Cal. Code Regs., tit. 25, § 8300 et seq.), effective November 15, 2017, and as subsequently amended.

4. **Eligible Uses**

Sponsor shall apply the Loan to Eligible Uses, as defined in Paragraph 3 of this Exhibit A. The Department reserves the right to disallow expenditures that do not constitute Eligible Uses, as determined by the Department in its sole and absolute discretion. The Department reserves the right, consistent with applicable law, to require its prior written approval of all reserve withdrawals, regardless of whether the reserve was required by the Department.

Sponsor’s use of the funds and Scope of Work are specified at Exhibit E of this Agreement.

5. **California Housing Accelerator Deadlines**

- A. The Project must commence construction no later than the Commencement of Construction Deadline, as specified at Exhibit E of this Agreement. The Department may, in its sole and absolute discretion, extend the Commencement of Construction Deadline due to conditions beyond the control of the Sponsor, for a period not to exceed 90 days.

Failure to meet the Commencement of Construction Deadline, or any Department-approved extension, will result in the forfeiture of the Application Fee and the California Housing Accelerator award. Such failure will also cause the Department to assess negative points when scoring any future application by the Sponsor for

Department funding. The foregoing penalties will not apply, however, if the Sponsor secures a CDLAC/TCAC allocation, and the California Housing Accelerator funds are disencumbered by the Commencement of Construction Deadline.

- B. Within seven (7) months of the award, the Sponsor shall submit documentary evidence to the Department that construction commenced by the Commencement of Construction Deadline. Sponsor shall make this showing as specified by Paragraph 7 of Exhibit A of this Agreement.
- C. The Loan proceeds shall be disbursed through permanent financing close of escrow and expended on Eligible Uses no later than the Permanent Loan Conversion Deadline of **November 30, 2026**. This Permanent Loan Conversion Deadline is derived from the federal expenditure deadline of December 31, 2026 for the CSFRF funds.

6. Performance Milestones

Sponsor shall complete each of the Performance Milestones set forth at Exhibit E of this Agreement by the date designated for such completion therein (each a “**Milestone Completion Date**”). The Performance Milestones shall include, but not be limited to, the Commencement of Construction Deadline, any deadlines for the submission of necessary documentary evidence, and any reporting deadlines.

Sponsor may apply to the Department for an extension of any such Milestone Completion Date. Approval of any such extension request, with the exception of the Commencement of Construction Deadline, shall be in the Department’s reasonable discretion. (The Department maintains sole and absolute discretion to approve an extension of the Commencement of Construction Deadline.) In no event will the Department approve an extension request in the absence of Sponsor’s demonstration of good cause for said extension, along with Sponsor’s reasonable assurances that the extension will not result in Sponsor’s failure to meet other Performance Milestones under this Agreement. In no event will the Department approve an extension of the Construction Commencement Deadline beyond the statutorily authorized 90 days.

7. Reporting Requirements

- A. Sponsor shall comply with all reporting requirements set forth at Section II.F.11 of the Project Solicitation and in this Agreement, all in accordance with any Milestone Completion Date(s) set forth at Exhibit E of this Agreement.

- B. After satisfaction of each Performance Milestone, the Sponsor shall promptly report its progress, in writing, to the Department.
- C. Within seven (7) months of the award, the Sponsor shall submit documentary evidence to the Department that construction commenced by the Commencement of Construction Deadline. If the Department extends the Commencement of Construction Deadline, as authorized, the Sponsor's deadline for submitting the foregoing documentary evidence shall be extended in the same increment as the extension of the Commencement of Construction Deadline. Qualifying forms of documentary evidence include the following:
- 1) Recordation of a notice of commencement;
 - 2) Date- and time-stamped photographs;
 - 3) Physical inspection report; or
 - 4) Other documentation subject to the approval of the Department.

Failure to submit qualifying documentary evidence within the specified timeframes may result in forfeiture of the Application Fee, forfeiture of the award, and/or an assessment of negative points relative to any future application for Department funding.

8. Department Contract Coordinator

The Department's Contract Coordinator for this Agreement is the Program Manager for the California Housing Accelerator. Unless otherwise informed, Sponsor shall mail any notice, report, or other communication required under this Agreement by First-Class Mail to the Department Contract Coordinator at the following address:

California Department of Housing and Community Development
California Housing Accelerator Program Manager
Division of State Financial Assistance – PDI Branch
P. O. Box 952054
Sacramento, CA 94252-2054

9. Sponsor Contract Coordinator

Unless otherwise informed, the Department shall mail any notice, report, or other communication required under this Agreement by First-Class Mail, or through a

commercial courier, to the Sponsor Contract Coordinator at the address specified at Exhibit E of this Agreement.

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EXHIBIT B

BUDGET DETAIL AND DISBURSEMENT PROVISIONS

1. Terms of Loan

Sponsor has been awarded a permanent financing forgivable Loan in the amount set forth in this Agreement. The Loan will have an interest rate of 0 percent for 20 years. The 20-year term will commence on the date of recordation of the California Housing Accelerator Loan documents at Permanent Loan Conversion. There will be no residual receipts or periodic payment requirements during the life of the Loan.

The Loan will be forgiven by the Department at the end of the 20-year loan term if all of the following are true at that time, as determined by the Department in its sole and absolute discretion:

- A. Sponsor remains in good standing with the California Secretary of State and the Department;
- B. The Project is not in default under the terms of any of the Department's loan or grant documents for that Project; and
- C. Negative points have not been assessed against the Sponsor during the previous five (5) years in connection with any Department-assisted project.

The Loan shall be subject to repayment if, during the 20-year term, the Project is (i) converted to market-rate housing; or (ii) sold or refinanced with a distribution of net equity. The amount of any funds expended by the Department for the purposes of curing or averting a default will be added to the Loan amount secured by the Project payable to the Department upon demand.

2. Disbursement

At the time of the Project's permanent financing closing, all California Housing Accelerator Loan proceeds must be disbursed through an independent escrow/title company licensed to do business in the State of California. The Department shall prepare and submit escrow instructions to the escrow holder. The Department's escrow instructions will further detail the requirements for, and conditions to, the release of Loan proceeds to the Sponsor.

The Loan proceeds will be released through escrow upon the Sponsor's, or its assignee's, submittal of the STD 204, Payee Data Record, and the HCD 846, Request for Funds, and, in all events, upon the Sponsor's satisfaction of the terms and conditions of this

Agreement, all applicable California Housing Accelerator Requirements, and all applicable requirements of Department funding programs for this Project. The Department reserves the right to retain 10 percent of the approved Loan proceeds pending receipt and acceptance of the cost audit and any outstanding loan closing items.

3. **Duplication of Benefit**

Sponsor may not use California Housing Accelerator funding to cover expenditures that have already been funded through other permanent sources. Expenses that have been or will be reimbursed under any federal or state program are not Eligible Uses of California Housing Accelerator funding.

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EXHIBIT D

CALIFORNIA HOUSING ACCELERATOR PROGRAM TERMS AND CONDITIONS

1. Effective Date, Term of Agreement, Timing, and Deadlines

- A. This Agreement, when fully executed by the Department and the Sponsor, is effective upon the date of the Department representative's signature on the STD 213, Standard Agreement (such date, the "**Effective Date**").
- B. This Agreement will terminate five (5) years after the Effective Date, as stated in Paragraph 2 of the STD 213, Standard Agreement (such date, the "**Expiration Date**").
- C. The Department will make best efforts to do the following as of the construction loan closing date: (a) review all transaction documents that are made available to the Department in advance of closing; and (b) opine as to the legal sufficiency of those documents for purposes of the California Housing Accelerator Loan and the Existing HCD Loan Commitment(s). For purposes of this subparagraph, "transaction documents" includes, but is not limited to, construction and permanent loan documents; environmental reports; preliminary reports from title companies; surveys; appraisals; authorization and organizational documents; property management agreements; applicable leases; and relocation plans or certifications.
- D. The Sponsor shall close the construction financing approved by the Department and commence construction of the Project in accordance with the Performance Milestones approved by the Department. Upon the Department's request, the Sponsor shall promptly provide evidence of recorded deeds of trust for all construction financing, payment of all construction lender fees, issuance of building permits, and the notice to proceed delivered to the contractor. Evidence of a grading permit is not sufficient for purposes of this subparagraph.
- E. The Loan proceeds shall be disbursed at Permanent Loan Conversion through escrow and expended on Eligible Uses no later than **November 30, 2026**. If Sponsor fails to meet this Permanent Loan Conversion Deadline, the Department will terminate this Agreement and exercise all legal and equitable remedies, including the events of default remedies of Paragraph 3 of Exhibit D, unless an alternate arrangement is legally permissible and has been approved by the Department in advance and in writing.

2. Existing HCD Loan Commitment - General Terms and Conditions of Standard Agreement

This Agreement incorporates by reference the Department's General Terms and Conditions set forth in each Existing HCD Loan Commitment's STD 213, Standard Agreement (the "**Existing HCD General Terms and Conditions**"). (The Existing HCD General Terms and Conditions may, but need not, be set forth at Exhibit D of each Existing HCD Loan Commitment's STD 213, Standard Agreement.) Each Existing HCD Loan Commitment is identified at Paragraph 1 of Section A of Exhibit E of this Agreement.

In the event of any conflict between the Existing HCD General Terms and Conditions, this Agreement and the California Housing Accelerator Requirements, the California Housing Accelerator Requirements shall control to the furthest extent allowed by law. In no event shall the Existing HCD General Terms and Conditions be interpreted to frustrate, limit, or impair the Department's objectives, rights, and remedies in connection with the California Housing Accelerator.

3. Termination for Cause

The Department may terminate this Agreement for cause at any time by giving at least fourteen (14) calendar days' advance written notice to the Sponsor. Such termination will not limit any other remedies that may be available to the Department under this Agreement, at law, or in equity. Cause consists of Sponsor's breach of, or failure to satisfy, any of the terms or conditions of this Agreement. Cause includes but is not limited to the following:

- A. Sponsor's failure to meet the Permanent Loan Conversion Deadline of **November 30, 2026**.
- B. Sponsor's failure to timely satisfy each or any of the conditions set forth in these California Housing Accelerator General Terms and Conditions, the Project-Specific Provisions and Special Terms and Conditions set forth at Exhibit E of this Agreement (including any one of the Performance Milestones), or the award letter.
- C. Sponsor's violation of any of the California Housing Accelerator Requirements.
- D. The Department's determination that:
 - 1) Any material fact or representation, made or furnished to the Department by the Sponsor in connection with the Application or the award letter, is

untrue or misleading at the time that such fact or representation was made known to the Department, or subsequently becomes untrue or misleading;
or

- 2) Sponsor has concealed any material fact from the Department related to the Application or the Project.
- E. Filing of a petition by Sponsor, or any affiliate or general partner of Sponsor, for relief under the Bankruptcy Code; the filing of any pleading or answer by Sponsor, or any affiliate or general partner of Sponsor, in any involuntary proceeding under the Bankruptcy Code; a general assignment by Sponsor, or any affiliate or general partner of Sponsor, for the benefit of creditors; or the filing of an application for the appointment of a receiver, trustee, custodian or liquidator of Sponsor or any of its property, or of any affiliate or general partner of Sponsor or any of its property.
- F. Failure of Sponsor, or of any affiliate or general partner of Sponsor, to effect a full dismissal of any involuntary petition under the Bankruptcy Code that is filed against Sponsor, or any affiliate or general partner of Sponsor, or that in any way restrains or limits Sponsor, any affiliate or general partner of Sponsor, or the Department regarding the Loan or the Project, prior to the earlier of the entry of any court order granting relief sought in such involuntary petition, or thirty (30) days after the date of filing of such involuntary petition.
- G. Attachment, levy, execution, or other judicial seizure of any portion of the Project, or any substantial portion of the other assets of Sponsor, or of any affiliate or general partner of Sponsor, that is not released, expunged, bonded, discharged, or dismissed within thirty (30) days after the attachment, levy, execution, or seizure.
- H. Pendency of any proceeding challenging the legal existence or authority of Sponsor, or of any affiliate or general partner of Sponsor, or the pendency of any proceeding challenging the legality of the Project.
- I. The Department's determination that the objectives and the requirements of the California Housing Accelerator cannot be met in accordance with applicable timeframes, as memorialized by this Agreement.
- J. Sponsor's failure to comply with the Department's General Terms and Conditions for any Department funding source for this Project.

In the event of this or any other breach, violation, or default by the Sponsor, the Department may give written notice to the Sponsor to cure the breach, violation, or default. If the breach, violation, or default is not cured to the Department's satisfaction within 30 days or such other reasonable time as determined by the Department in its sole and absolute discretion and based on the totality of the circumstances, then the Department may declare a default under this Agreement and seek any and all remedies that are available under this Agreement, at law, or in equity.

4. Cancellation

- A. It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to the State of California by the United States Government for fiscal years 2021-2022 through 2025-2026 for purposes of the CSFRF and this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- C. The parties mutually agree that if the Congress does not appropriate sufficient funds for the CSFRF, this Agreement will be amended to reflect any subsequent reduction in CSFRF funds.
- D. The Department may cancel this Agreement, in whole or in part, if (i) sufficient funds are not made available by the United States Government; (ii) Congress enacts any restrictions, limitations, or conditions that impact this Agreement or the funding of this Agreement; or (iii) cancellation is otherwise permitted under state contracting law.
- E. To cancel this Agreement pursuant to this paragraph, the Department shall give thirty (30) calendar days' advance written notice to the Sponsor. The Sponsor shall return any unexpended portion of its Loan award to the Department within thirty (30) calendar days from the date on the Department's written notice of cancellation, unless (i) the parties have agreed upon an alternate arrangement in advance and in writing; or (ii) an alternate arrangement is necessary for one or both parties to remain in compliance with ARPA or other applicable law.

5. Sponsor Liability

Sponsor shall remain liable to the Department for performance under this Agreement and compliance with all California Housing Accelerator Requirements regardless of any Department-approved transfer or assignment of interest, or of any designation of a third party for the undertaking of all or any part of the Scope of Work. Likewise, each Co-Sponsor shall remain jointly and severally liable to the Department for performance under this Agreement and compliance with all California Housing Accelerator Requirements regardless of any Department-approved transfer or assignment of interest, or of any designation of a third party for the undertaking of all or any part of the Scope of Work.

6. Disputes

In the event of any conflict between this Agreement and any documents internal to the Sponsor or Borrower (e.g., limited partnership agreement), this Agreement and the California Housing Accelerator Requirements will prevail, are applicable, and will be enforceable by the Department, notwithstanding, without limitation, any prior or preliminary review or approval of any such documents by the Department at the time of construction loan closing or otherwise.

7. Consent

The parties agree that wherever the consent or approval of the Department or the Sponsor is required under this Agreement, such consent or approval must not be unreasonably withheld, conditioned, or delayed, unless the same is specified as being in that party's sole and absolute discretion or other words of similar import.

8. Relocation Plan

Sponsor must comply with all applicable federal, state, and local relocation law. Pursuant to relocation law, a Sponsor must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. To ensure that displaced persons and entities do not suffer a disproportionate impact as a result of Projects which benefit the public, all notices to vacate and relocation services must be provided to them in accordance with applicable law.

Before this Agreement will be executed, Sponsor must have either:

- A. A Department-approved relocation plan; or

- B. A Department-issued Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement, which has been duly executed by the Sponsor and approved by the Department.

Where the Sponsor's activities will or may result in displacement, the Sponsor's development budget must include enough funds to pay all costs of relocation benefits and assistance.

Any modifications to the foregoing process requirements are set forth at Exhibit E of this Agreement.

9. Article XXXIV

Article XXXIV, section 1 of the California Constitution ("**Article XXXIV**") is not applicable to development that consists of the acquisition, rehabilitation, reconstruction, alterations work, new construction, or any combination thereof, of lodging facilities or dwelling units using moneys appropriated and disbursed pursuant to Chapter 6.6 (commencing with Section 50672) of Part 2 of Division 31 of the Health and Safety Code. (Health & Saf. Code, § 37001, subd. (h)(4).) As such, Article XXXIV is not applicable to California Housing Accelerator-funded Projects.

10. Updated Information and Changes to the Project

Sponsor shall provide the Department updated documentation for any change in the information previously provided relating to the California Housing Accelerator Loan, including updated sources and uses and income information. All changes shall be subject to Department approval. However, if the Project is changed in any way as to make it ineligible for California Housing Accelerator funding, then the California Housing Accelerator Loan commitment will be cancelled, and all California Housing Accelerator Loan funds awarded to the Sponsor shall be disencumbered.

11. Prevailing Wages

This Project is subject to California's prevailing wage law (Lab. Code, § 1720 et seq.). The Sponsor is urged to seek professional legal advice about the law's requirements. Prior to closing the Loan, the Department will require a certification of compliance with California's prevailing wage law, as well as all applicable federal prevailing wage law. The certification must verify that prevailing wages have been or will be paid (if such payment is required by law), and that labor records will be maintained and made available to any enforcement agency upon request. The certification must be signed by the general contractor(s) and the Sponsor.

The U.S. Treasury issued its Coronavirus State and Local Fiscal Recovery Funds [CLFRF] – Final Rule as of July 27, 2022. In California, the Davis-Bacon Act requirements (prevailing wage rates) do not generally apply to projects funded solely with award funds from the CSFRF/CLFRF program. Recipients may be otherwise subject to the Davis-Bacon Act, when CSFRF/CLFRF award funds are used on a construction project in conjunction with funds from another federal program that requires enforcement of the Davis-Bacon Act. Additionally, California prevailing-wage-in-construction laws may apply to projects.

12. Insurance

The Sponsor shall obtain, and maintain for the term of the Loan, hazard and liability insurance for the Project in accordance with the Department's requirements, including flood insurance, if applicable. The Department shall be named as a loss payee or an additional insured on all such policies. Such policies must also provide for notice to the Department in the event of any lapse of coverage and in the event of any claim thereunder. Prior to disbursement of the California Housing Accelerator Loan, the Sponsor shall provide evidence satisfactory to the Department of compliance with these insurance requirements.

13. California Housing Accelerator Loan Documents

The Sponsor shall enter into this Agreement with the Department, which shall govern the encumbrance of the California Housing Accelerator Loan funds.

In addition, California Housing Accelerator terms, conditions, and restrictions will be expressly incorporated into the loan documents of the Existing HCD Loan Commitment.

The Department will append and incorporate a California Housing Accelerator exhibit into the Existing HCD Loan Commitment's loan regulatory agreement to be recorded on the property. The exhibit will set forth the Project's California Housing Accelerator-specific requirements, terms, and conditions. The exhibit will impose, for a 55-year period, the same income, occupancy, and rent restrictions that were represented in the Sponsor's most recent unsuccessful application to TCAC/CDLAC, and it will require the same service amenities that were represented in that application. If the Sponsor did not apply to TCAC/CDLAC, then the exhibit will impose, for a 55-year period, the same income, occupancy, and rent restrictions required by the most recent Existing HCD Loan Commitment(s). If the most recent Existing HCD Loan Commitment was structured with unrestricted market rate units, then the California Housing Accelerator will not restrict or regulate those units. In all cases, the Department may expressly approve alternative

California Housing Accelerator restrictions and required service amenities for the purpose of maintaining consistency with the Existing HCD Loan Commitment(s). The regulations, guidelines, and other terms of the Existing HCD Loan Commitment(s) shall govern the integrated regulatory agreement.

California Housing Accelerator requirements, terms, and conditions will also be incorporated into the promissory note and deed of trust of the Existing HCD Loan Commitment, as well as any other of the Existing HCD Loan Commitment's loan documents, as necessary and appropriate. All such documents will be executed and recorded, as appropriate, at permanent financing close of escrow. For Projects secured by leasehold security, leases must meet the requirements of UMR section 8316, and both the Borrower and the fee owner of the property must execute the Department's form template lease rider without modification. The lease rider amends the lease and must be recorded on the fee estate.

14. Cross-Default

A default under any other Department loan(s) or grant(s) to the Project will constitute a default under the California Housing Accelerator assistance. If such default continues beyond any applicable cure period, the Department will avail itself of any and all remedies.

15. Restrictions on Transfer and Change of Ownership

The Sponsor shall not, without the prior written approval of the Department:

- A. sell, transfer, convey, encumber, hypothecate or pledge any of the Project or the Project property, or any portion or interest in either of them;
- B. discharge or replace any general or managing partner if Sponsor is a partnership, or amend, modify or add to its partnership agreement except that the Sponsor may sell or transfer limited partnership interests without the Department's approval;
- C. if Sponsor is a limited liability company: change the manager(s), amend, modify or add to its operating agreement or management structure;
- D. wind up, liquidate or dissolve its affairs or enter into any transaction of merger or consolidation; or
- E. change the organizational structure of the Sponsor.

16. Accessibility

The Project shall comply with all state and federal accessibility requirements, including, without limitation, the specific requirements set forth in the Project Solicitation.

17. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Sponsor agrees to comply with all state and federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Project, the Sponsor, its contractors or subcontractors, and any Loan activity.

18. Sponsor Representations

- A. Sponsor represents and warrants that, as of the date of this Agreement, the Sponsor is a duly organized and validly existing entity under California law and the person signing this Agreement on behalf of Sponsor has the authority to act on behalf of and to bind the Sponsor in accordance with the terms of this Agreement.
- B. Sponsor represents and warrants that, as of the date of the Loan closing, the Borrower may be a duly organized and validly existing limited partnership under California law, and that such limited partnership will have the authority to participate in the California Housing Accelerator subject to all California Housing Accelerator Requirements.
- C. Sponsor further represents and warrants that, as of the date of the Loan closing, the person(s) executing the Loan documents will have full authority to act on behalf of and to bind the Sponsor in accordance with the terms of those documents.

19. Survival of Obligations

The obligations of the Sponsor as set forth in this Agreement shall survive the California Housing Accelerator Loan closing, and the Sponsor shall continue to cooperate with the Department and perform acts and provide documents as provided herein. The obligations of this Agreement continue for the 55-year income, occupancy, and rent restrictions, or until the regulatory agreement is terminated.

20. Severability and Litigation

If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole and absolute discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of

this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable. The Sponsor shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

21. Obligations of Sponsor with Respect to Certain Third-Party Relationships

The Sponsor shall remain fully obligated under the provisions of this Agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Project with respect to which assistance is being provided under this Agreement. The Sponsor shall comply with all lawful requirements of the Department necessary to ensure the completion, occupancy and use of the Project in accordance with this Agreement.

22. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce at any time the provisions of this Agreement or to require at any time performance by the Sponsor of these provisions shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

23. Retention, Inspection, and Audit of Records

Sponsor is responsible for maintaining records which fully disclose the activities funded by the Loan. Sponsor shall retain all records for a minimum period of five (5) years after final payment under this Agreement, unless a longer retention period is stipulated. If any litigation, claim, negotiation, audit, monitoring, inspection or other action commences during this required retention period, all records must be retained until a full and final resolution of the action.

The Department, as well as its appointees, employees, agents, and delegates, shall have the right to review, obtain, and copy all records (electronic or otherwise) pertaining to performance under this Agreement. The U.S. Department of the Treasury and any authorized oversight body or representative, including, without limitation, the Treasury's Office of Inspector General, the Government Accountability Office, and the Pandemic Relief Accountability Committee, shall have the right of access to such records in order to conduct audits or other investigations. Sponsor shall provide any relevant information requested, and shall permit access to its premises, upon reasonable notice and during

normal business hours, for the purpose of interviewing employees and inspecting and copying books, records, accounts, and other relevant material.

At any time during the term of this Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the Project. At the Department's request, the Sponsor shall provide, at its own expense, a financial audit prepared by a certified public accountant. The audit shall be performed by a qualified state, local, independent, or Department auditor. Where an independent auditor is engaged, the audit services agreement shall include a clause which permits the Department to have access to the independent auditor's relevant papers, records, and work product.

If there are audit findings, the Sponsor shall submit a detailed response to the Department for each audit finding. The Department will review the response. If the Department determines, in its sole and absolute discretion, that the response is satisfactory, the Department will conclude the audit process and notify the Sponsor in writing. If the Department determines, in its sole and absolute discretion, that the response is not satisfactory, the Department will contact the Sponsor, in writing, and explain the action required to cure any audit deficiencies. Such action could include the repayment of ineligible costs or other remediation.

If so directed by the Department upon the termination or expiration of this Agreement, the Sponsor shall deliver all records, accounts, documentation, and other materials that are relevant to this Agreement to the Department as depository.

24. Sponsor Acknowledgment of the Pet Friendly Housing Act of 2017

By executing this Agreement, Sponsor acknowledges that the Pet Friendly Housing Act of 2017 (Health & Saf. Code, § 50466) requires each housing development, if it is financed on or after January 1, 2018 pursuant to Division 31 of the Health and Safety Code, to authorize a resident of the housing development to own or otherwise maintain one or more common household pets within the resident's dwelling unit, subject to applicable state laws and local government ordinances related to public health, animal control, and animal anticruelty. This law shall not be construed to limit or otherwise affect other statutes or laws that require reasonable accommodations to be made for an individual with a disability who maintains an animal to provide assistance, service, or support.

25. Compliance with Title VI of the Civil Rights Act of 1964

Sponsor and any of its contractors, subcontractors, successors, transferees, and assignees shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity,

denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement. Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement.

26. Nondiscrimination

Statutes and regulations prohibiting discrimination are applicable to this Agreement and include, without limitation, the following:

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and the U.S. Department of the Treasury's implementing regulations at 31 CFR Part 22;
- B. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.);
- C. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794);
- D. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.);
- E. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. § 12101 et seq.); and
- F. The State of California nondiscrimination statutes, regulations, and standards set forth and identified in the Project Solicitation and at Exhibit C of this Agreement.

The Sponsor shall adopt a written nondiscrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state housing laws, individuals perceived to be a member of any of the

preceding classes, or any individual or person associated with any of the preceding classes, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with California Housing Accelerator funds.

27. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

This Agreement is subject to the administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities, which are set forth at 2 Code of Federal Regulations part 200.

28. Single Audit Requirements

Sponsor is responsible for complying, as necessary, with the Single Audit Act and its implementing regulation at 2 Code of Federal Regulations part 200, subpart F regarding audit requirements.

29. Developer Fee Limits

Total developer fee for a Project shall not exceed the lesser of (a) \$2,200,000; (b) the sum of 15 percent of the Project's unadjusted residential construction-related eligible basis, 5 percent of the Project's unadjusted acquisition eligible basis, and 15 percent of the eligible basis for the Project's nonresidential costs; or (c) the amount approved by the Department as payable from development funding sources under the terms of the Existing HCD Loan Commitment.

30. Restrictions on Continued Eligibility for Award

If the Sponsor has a pending application with CDLAC and/or TCAC relative to the Project, and that application is thereafter recommended to receive bonds and/or tax credits, the California Housing Accelerator funds must be returned to the Department. If, after receiving an award of California Housing Accelerator funds, the Sponsor withdraws the awarded Project's pending application from CDLAC and/or TCAC, the Sponsor will no longer be eligible for that California Housing Accelerator funding.

31. Future Tax Credit Applications and Syndicating Losses

The Sponsor is prohibited from applying for or receiving a tax credit allocation on the Project for a period of 20 years from the California Housing Accelerator Loan closing date for that Project.

Post-award, if the Sponsor syndicates and sells a portion of its ownership interest to a partner or equivalent party seeking tax losses associated with the Project, nine-tenths of the gross proceeds of that sale shall be remitted to the Department as recaptured California Housing Accelerator funds.

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EXHIBIT E

PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS

1. PROJECT-SPECIFIC PROVISIONS

Crossroads Village Current/Accelerator Proposed Unit Mix (most restrictive from all programs)						
143	197		141	141	141	2
Total Units	# of Bdmrs	Income limit (% of AMI)	Supportive Housing	Homeless Units	Total Restricted Units	Total Unrestricted Units
53	0	30%	53	53	53	
42	1	30%	42	42	42	
38	2	30%	38	38	38	
8	3	30%	8	8	8	
2	1	Manager	0	0	0	2

A. Existing HCD Commitment(s). This Project is subject to one or more Existing HCD Commitments, as specified below:

- a. Housing for a Healthy California 21-HHC-00001
- b. No Place Like Home 20-NPLH-16215
- c. Homekey 20-HK-00007

B. Disbursement and Eligible Use(s). Pursuant to an award letter, dated September 6, 2022, the Sponsor is receiving California Housing Accelerator Loan funds in the amount of \$38,338,375. Sponsor will apply these funds towards the following Eligible Use(s):

- a. Rehabilitation

C. Project Narrative. Crossroads Village is a 143-unit acquisition/rehabilitation project with 53 studio, 42 one-bedroom, 38 two-bedroom, and 8 three-bedroom units serving households with incomes at or below 30 percent of Area Median Income (AMI). Each unit will have air conditioning, refrigerator, dishwasher, balcony, patio, and curtains/blinds. On-site amenities include laundry room,

community room, community kitchen, computer room, high speed internet, and pool. Off-site amenities, located within two miles of the project include parks, employment, schools, shopping, transportation, public library, and health care services.

Scope of Work. Acquisition funding was provided through Housing and Community Developments HomeKey program as interim housing. The conversion to permanent housing will create (53) Studio, (42) 1-Bedroom, (38) 2-Bedroom, and (8) 3-Bedroom units for permanent housing use within nine existing building structures (eight building structures are connected in pairs by roofs/catwalks and could be characterized as only 4 structures in this regard, plus one standalone building in the SW corner of the site for a total of 5 buildings). Unit upgrades will include adding functioning kitchens to all units, upgrading finishes, and upgrading the existing mechanical, electrical, and plumbing systems. Balcony and patio enclosures will be added to each unit to provide private outdoor space for each resident. These enclosures are designed with materials that are in keeping with the existing, modern character of the project and are intended to further enhance the architectural design of the existing buildings. The central courtyard with pool will be regraded to provide more outdoor community space for gathering, as well as space for children’s play structures. To the West, the narrow strip of undeveloped property will be converted to pet areas as well as two basketball half-courts. Lastly, parking along the perimeter of the buildings will be converted to parallel parking with the intent to provide a more generous landscape buffer between parking and units. In addition to residential units, the property will include ample office and meeting space for social service delivery. Wrap around supportive services will be offered on site by Fresno County Department of Behavioral Health (DBH) and RH Community Builders. Services on and off-site include, but are not limited to, benefit counseling and advocacy, case management, mental health care, substance abuse services, and housing retention skills building.

D. Sponsor Contract Coordinator.

Authorized Representative Name:	Cullen J. Davis
Authorized Representative Title:	Manager
Entity Name:	Crossroads Village Fresno, LP
Address:	7370 North Lincoln Avenue, Suite A Lincolnwood, IL 60712
Telephone No.:	312-870-4747

E-Mail Address:	cullen@upholdings.net
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Authorized Representative Name:	Sal Quintero
Authorized Representative Title:	Chairman Board of Supervisors
Entity Name:	County of Fresno
Address:	2281 Tulare Street Fresno, CA 93721
Telephone No.:	559-600-3000
E-Mail Address:	salquintero@FresnoCountyCA.gov

- E. Additional Conditions Precedent to Disbursement. None
- F. Budget Detail. None
- G. Performance Milestones.

Performance Milestones	Milestone Completion Date
Commencement of Construction Deadline	June 5, 2023
Submit documentary evidence to the Department that construction commenced by the Commencement of Construction Deadline	July 5, 2023
Permanent Loan Conversion Deadline	November 30, 2026

- H. Authorized Payee. The authorized payee(s) is/are as specified below:

Name of Payee	Amount
Crossroads Village Fresno, LP	\$38,338,375

2. SPECIAL TERMS AND CONDITIONS

The following Special Terms and Conditions are applicable to this Project and shall control notwithstanding anything to the contrary herein:

- A.** The final project report prepared for the Tier 2 Accelerator award (the **“Accelerator Project Report”**) is hereby incorporated by reference and constitutes part of this Agreement as if fully set forth in full herein.
- B.** Where there is a conflict in the factual information reflected in multiple project reports for the subject property, to the extent allowed by law, the Accelerator Project Report shall control for the Project, because it represents the most accurate and up-to-date information. If and when such a conflict arises, and to the extent allowed by law, conflicts shall be resolved in favor of the Accelerator Project Report information for the purposes of documenting capital stack, unit mix, commencement and completion of construction and permanent closing deadlines, expressly excepting, however, any encumbrance and liquidation deadlines required by statute. Any other program-specific requirements or special conditions identified in final project reports from the Project’s Existing HCD Commitments shall continue to be applicable, including, but not limited to, bedroom composition and number of units targeting tenant population(s) to be served.